

Class 11th | Business Studies



Forms of Business Organisations

LECTURE - 05

DIFFERENCE BETWEEN PARTNERSHIP AND SOLE PROPRIETORSHIP

BASIS	PARTNERSHIP	SOLE PROPRIETORSHIP
Governing Body	Governed by Indian Partnership act, 1932.	No separate act to govern.
Registration	<u>Optional</u> ^{Not mandatory} but desirable for partnership to get registered.	No need for registration.
No. of members	Minimum-2, Maximum-50.	Owned and managed by <u>one</u> person only.
Agreement	Express or implied agreement	No agreement is required.
Capital contribution	Capital is contributed by the <u>partners</u>	Owner contributes entire capital.

DIFFERENCE BETWEEN PARTNERSHIP AND SOLE PROPRIETORSHIP

BASIS	PARTNERSHIP	SOLE PROPRIETORSHIP
Sharing of P/L	Shared by the partners in an ^{predetermined} <u>agreed ratio</u> .	Owner earns all the <u>profits</u> & <u>losses</u> .
Risk Bearing	Risks borne by the partners <u>jointly</u> and <u>individually</u> .	Owner bears all the <u>risks</u> himself.
Secrecy	Difficult as business secrets are known to all partners.	<u>Complete secrecy</u> as it is a <u>one man</u> <u>show</u> .

DIFFERENCE BETWEEN PARTNERSHIP AND HINDU UNDIVIDED FAMILY BUSINESS

BASIS	<u>PARTNERSHIP</u>	<u>Hindu Family Undivided Business</u>
Governing Body	Governed by Indian Partnership <u>act,1932</u>	Governed by <u>Hindu Succession Act, 1956.</u>
Male/Female	A female can be an <u>active partner</u>	A female <u>cannot be an active member</u>
No. of members	<u>Minimum-2, Maximum-50.</u>	<u>Minimum-2, Maximum - No limit</u>
Agreement	Express or implied agreement	<u>No agreement is required.</u>
Liability	<u>Unlimited</u>	Except karta, all have <u>limited liability</u>

Karta - Unlimited
Co-partners - limited

DIFFERENCE BETWEEN PARTNERSHIP AND HINDU UNDIVIDED FAMILY BUSINESS

BASIS	PARTNERSHIP	Hindu Family Undivided Business
Profit sharing ratio	Remains <u>fixed</u> unless it is changed with the mutual consent of all the partners.	Keeps changing due to birth & death in the family .
Male/Female	A <u>female</u> can be an <u>active</u> partner.	A female cannot be an <u>active</u> member
Position of Minor	A minor can't become a <u>partner</u> though he may share the <u>benefits</u> .	Minor becomes a coparcener by his birth <u>in the family</u> .
Legal Existence	Partnership is dissolved with the <u>death</u> or <u>insolvency</u> of any of <u>partners</u> .	Continues to exist even after death of <u>the karta</u> .

COOPERATIVE SOCIETY

2nd type

- The term 'cooperative' means working together and with others for a common purpose. Cooperative Society is a voluntary association of persons, who join together with the motive of welfare of the members.

Common goal

financial

- It aims to protect and promote economic and social interests. It is an association of persons, not of capital.
- The cooperative society is compulsorily required to be registered under the Cooperative Societies Act, 1912.
- A minimum of 10 adult persons are required to form a cooperative society. Capital is raised from its members through issue of shares. The society acquires a distinct legal identity after its registration.





POOKIE MAAM KE SATH



***sab
changa
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**B.ST IS NO TOUGH
WITH OUR POOKIE
MAAM**



MADE BY GUNGUN AGRAHARI

