



# A STUDY ON STUDENT PERCEPTION ABOUT PARTNERSHIP BUSINESS

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Abstract

Partnership is the relation between the persons who have agreed to share the profits of a business carried on by all or any of them acting for all. Section 4 of the Indian Partnership Act, 1932 deals with Partnership. In this paper it is analysed that the division of profits is considered to be an essential element for the existence of healthy partnership.

An empirical study about healthy business relationships is done where the responses of 120 students are collected to know about their opinion. Analysing the data it is found that there are several key factors like being aware about the rights and duties of partners, honesty & mutual trust and communication play a vital role in building healthy business partnership. It is concluded that Partnership is a good form of doing business by making partners and achieving big goals. Nowadays Partnerships are still preferred by professionals, small trading and business enterprises.

Keywords - partnership, partners, business, profits

## I. INTRODUCTION

Partnership is considered as the relation between the persons who have agreed to share the profits of a business carried on by all or any of them acting for all. Partnership is an unincorporated business structure that two or more parties form and own together is called a partnership. In India partnership is governed by the Indian Partnership Act, 1932.

### Rights of Partners

1. Right to take part in the conduct of the business
2. Right to be consulted
3. Right to access to books
4. Right to Indemnity
5. Right to claim remuneration
6. Right to receive Interest on capital
7. Right to be consulted at the time of admission of a partner
8. Right to use partnership property
9. Right to retire
10. Right not to be expelled

## Duties of Partners

- Duty to carry on business for common advantage
- Duty to render true accounts
- Duty to attend diligently
- Proper use of the firm's property
- Duty to indemnify loss
- Duty to disclose full information
- Duty to share loss equally
- Duty not to transfer his rights and interest

## II. OBJECTIVES OF THE STUDY

- a) To determine the factors essential for healthy partnership business
- b) To explore the rights and duties of partners
- c) To establish a brief study on partnership

## III. METHODOLOGY

For the purpose of this study, descriptive research is used to accurately portray student opinion on Partnership and factors that contribute towards building successful business partnership. The study is based on primary data collected by the researcher and secondary data from books, journals, and online sources.

## IV. DATA ANALYSIS AND INTERPRETATION

Q) Do you think partners must be aware of their rights & duties for a successful business partnership?

Response	No.of respondents	Percentage
Yes	76	63.33
No	34	28.33
May be	10	36.67

Table 1.1- showing student perception about rights and duties of partners

Interpretation: From the above table it is evident that 66.33% students feel that awareness about the rights and duties of partners shall build a healthy and successful partnership.

Q) Do you agree that Partnerships are successful if they share all the profits earned in the business equally ?

Response	No.of respondents	Percentage
Yes	57	47.50
No	58	48.33
May be	05	4.17

Table 1.2 - showing student perception about profit sharing

Interpretation: Table 1.2 shows that 47.50% of students feel that sharing profits & losses equally will build a healthy and successful partnership whereas 48.33% feel sharing profits and losses equally will not build a successful partnership.

Q) Does honesty and mutual trust play a vital role in successful partnership?

Response	No.of respondents	Percentage
Yes	93	77.50
No	18	15
May be	09	7.50

Table 1.3 - showing honesty & mutual trust as vital factor

Interpretation: Table 1.3 suggests that 77.50% of students feel honesty and mutual trust are key factors to build successful partnership.

Q) Is communication important for healthy business partnership?

Response	No.of respondents	Percentage
Yes	86	71.67
No	27	16.12
May be	07	5.83

Table 1.4 - showing communication as vital factor

Interpretation: Table 1.4 suggests that 71.67% of students feel communication is very important for successful partnership.

## V. CONCLUSION

Partnership is a form of business organisation, where two or more persons join together for jointly carrying on some business. Students perceive that not just profit sharing but several factors like being aware about the rights and duties of partners, honesty & mutual trust and communication also play a vital role in building long term successful business partnership. Partnership is a good form of doing business by building healthy partnerships and achieving big goals. Nowadays Partnerships are still preferred by professionals, small trading and business enterprises.

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