

victoria university of Bangladesh
Mid-Term Assessment
Fall semester - 2022
Legal Environment of Business-LEB 323

Submitted By

Name : MOST. Anny mala
Program Name : B.B.A
ID NO : 1119470011
Course Code : LEB 323
Course title : Legal Environment of Business
Batch : 47

Submitted to

Joyeeta Datta Drueti

Lecturer

B.B.A Department

Answer to the question no-1

Define the term Business:- Business refers to an enterprising entity or organization that carries out professional activities, they can be commercial, industrial, or others. For Profit business entities do the business to earn a profit, while non-profit ones do it for a charitable mission. viewed in broad way, the term business typically refers to the development and processing of economic values in society. in addition, business is a term applied to economic and commercial to the institutions. For the above discussion it is apparent that business refers to any economic activity directed toward to demands of customers through regular production and exchange of goods and services with the object of earning profit.

Explain different features of Business

these are given below:- Although business organizations differ in many ways, following are the common features of business:-

(i) Deals in goods or services: People in business are engaged in production and distribution of goods or services. The goods may be consumer goods like bread, butter, milk, tea etc. The services may be in the

banking, insurance, warehousing etc.

(ii) Sale or exchange of goods/services :-

If the person produces or buys a product for self-consumption or for gifting it to another he is not engaged in business. Thus, in business the goods or services produced or purchased must be exchanged for money. Without sale or exchange of goods the activities cannot be treated as business.

(iii) Regular exchange of goods/services :-

The production or buying and selling activities must be carried out on a regular basis. Normally, an isolated transaction is not treated as business.

(iv) Requires investment :- Every business activity requires some amount of investment in terms of land, labour and capital.

(v) Aims at earning profit :- Business activities are performed with the primary objective of earning income by way of profit. Earning of profit is also required for the growth and expansion of business.

(vi) Involves risk and uncertainty of income

We know that every business aims at earning profit. But in spite of his best effort, the reward he gets is always uncertain. Sometimes he because the future is unpredictable.

Answer to the question no - 2

The different roles of business in socio economic development of a developing country like Bangladesh there are given below:- Business is the process of private gain. it leads to innovation and improvement to enrich the life of people. Based on this fact, the importance of business can be discussed as under:-

- (i) Supplier of goods and services :- Business firms supply goods and services to the society.
- (ii) Utilization of resources :- it utilizes the resources of the society for production of goods and services.
- (iii) Capital formation :- Business firms are responsible for capital formation in the economy.
- (iv) Employment generation :- Providing the employment opportunity to a large number of members of the society, business firms increase total national income of a country.
- (v) Standard of living :- supplying better quality of goods and services, business helps in improving standard of living of the people of a country.

(vi) Public revenue :- Business firms provide tax revenue to the government of the country and enable it to undertake development project and programs for the welfare of the citizens.

(vii) Social justice :- Employees of the business firms spend major part of their active lives in the organization. In return, ensuring safe, healthy and humane to work environment for the employees, some organizations are ensuring social justice.

(viii) Encouraging Creativity and Growth :- in its own interest, some business organizations encourage creativity of employees which lead their career growth and advancement.

I think we should study law because the study of business law as a part of business study is mainly useful since they regulate business contract, working conditions, capital market, etc. Studying law offers the opportunity to develop a range of skills explore many aspects of human life. it gives you chance to sharpen your mind strengthen our understanding and deepen our experience across the full range of humanities and social sciences.

Law should therefore appeal to those who want to develop both abstract to thinking and Practical Problem-solving. it's easy to see how to become a lawyer just because you've done a law degree, many choose other paths. A law degree can give us the skills to be a successful lawyer but also a successful producer, politician, manager, journalist, diplomat or police officer, a law degree equips for almost any profession that requires intellectual strength combined with a practical approach to the world. A law degree may come at the price of fewer lie-ins and mid-morning coffees but most law students combine an active social life and extra-curricular activities with the demands of the course. Most importantly, we think they come out much the better for it. Here are just first and second type business law's name, (i) Commercial law (ii) industrial law. they are also involving the business study. it's very important for every business person. So I think we should study law.

Answer to the question no-5

The different arguments against social responsibility and explain there are given below:-

(i) Profit maximization :- Perhaps the most powerful argument against business to assumption of social responsibilities is the classical economic doctrine of profit maximization. The primary task of business is to maximize profit by focusing strictly on economic activities.

(ii) Corporate social responsibility is inappropriate
In the final analysis, society must pay for the social involvement of business through higher prices.

(iii) Business costs of social involvement :- Another argument is the excessive to business costs of social involvement. Business has very substantial economic resource, but it must use them wisely.

(iv) Lack of social skills :- An additional argument against business assumption of social responsibilities is that many businessmen may lack the perceptions and skills to work effectively with social issues.

(v) Dilution of Business primary purpose :- Another argument is that involvement

in social goals might dilute business's emphasis on economic productivity, divide the interests of its leaders, and weaken business in the marketplace, with the result that it would accomplish poorly both its economic and its social roles.

This means that society would get less productivity and that the economic role of business in society would become confused.

(vi) weakened international Balance of the

Payments :- social involvement can create a weakened international balance of payments situation. The cost of social programs the reasoning goes, would have to be added to the price of the product.

(vii) Business has enough Power :- Another argument is that business already has enough social power, therefore, society should not take any steps which give it more power. Business already has all the power society can wisely allow it to have.

(viii) Lack of Accountability :- there is a lack of accountability of business to society. unless accountability can be established, business should not get involved.