

PARTNERSHIP



What Is a
Partnership?

PARTNERSHIP

What is a Partnership?

A partnership is whenever at least two individuals hold hands with a shared objective to achieve benefits. Each accomplice contributes either time, cash or licenses to enable the association firm to harvest benefits.

- A partner who only invests money is called a ***Sleeping Partner*** and a partner who invests money and mainly manages the business is called the ***working partner***. Some other important points associated with partnership are given below.
- Whenever at least two individuals hold hands to make a start-up or some business it's known as an '*association*' business.
- Regularly, they contribute some capital and procure some benefits. Furthermore, this benefit is circulated among accomplices either in some prefixed proportion or the proportion of their venture.
- When the periods of investment are equal, the profits or losses are in the ratio of the corresponding investments.

These points are better understood by knowing the types of partnerships.

PARTNERSHIP

Types of Partnerships:

There are mainly two types of partnership i.e. simple and compound partnerships. The details of both of them are given below.

➤ Simple Partnership

In such partnerships, the resources are invested for the same time period by all the investors i.e. the capital (or other resources) stays in the business for the same duration. In this kind of partnership, the profit is distributed in proportion to their contributed resources.

Rule 1: Simple Partnership Formula

If P and Q contributed Rs. a and b respectively for one year in a business, their profit (or loss) at that time will be-

$\Rightarrow P's \text{ benefit (or misfortune) : Q's profit(or misfortune) = a : b$

PARTNERSHIP

➤ Compound Partnership

In a compound partnership, the money is invested for different periods of time by different investors. In this, the benefit-sharing proportion is ascertained by duplicating the capital contributed with the unit of time (generally months).

Rule 2: Compound Partnership Formula

$$\Rightarrow P1 : P2 = C1 \times T1 : C2 \times T2$$

Here,

P1 = Partner 1's Profit.

C1 = Partner 1's Capital.

T1 = Time period for which Partner 1 contributed his capital.

P2 = Partner 2's Profit.

C2 = Partner 2's Capital.

T2 = Time period for which Partner 2 contributed his capital.

PARTNERSHIP

Q 1. A starts a business with 1000. B joins him after 6 months with 4000. C puts a sum of 5000 for 4 months only. At the end of the year the business gave a profit of 2800. How should the profit be divided among them?

- (1) 600, 1200, 1000
- (2) 800, 600, 1400
- (3) 1000, 1200, 600
- (4) 1200, 600, 1000
- (5) None of these

PARTNERSHIP

Q 1. A starts a business with 1000. B joins him after 6 months with 4000. C puts a sum of 5000 for 4 months only. At the end of the year the business gave a profit of 2800. How should the profit be divided among them?

- (1) 600, 1200, 1000**
- (2) 800, 600, 1400**
- (3) 1000, 1200 600**
- (4) 1200, 600, 1000**
- (5) None of these**

PARTNERSHIP

Q 2. A and B enter into a partnership for a year. A contributes 3000 and B 4000. After 4 months they admit C, who contributes 4500. If B withdraws his contribution after 6 months, how would they share a profit of 1000 at the end of the year?

- (1) 250, 200, 550
- (2) 150, 200, 650
- (3) 375, 250, 375
- (4) Data inadequate
- (5) None of these

PARTNERSHIP

Q 2. A and B enter into a partnership for a year. A contributes 3000 and B 4000. After 4 months they admit C, who contributes 4500. If B withdraws his contribution after 6 months, how would they share a profit of 1000 at the end of the year?

- (1) 250, 200, 550
- (2) 150, 200, 650
- (3) **375, 250, 375**
- (4) Data inadequate
- (5) None of these

PARTNERSHIP

Q 3. A, B and C enter into a partnership. A advances one-third of the capital for one-third of the time. B contributes one-sixth of the capital for one-third of the time C contributes the remaining capital for the whole time. How should they divide a profit of 1200.

- (1) 300, 200, 700
- (2) 200, 100, 900
- (3) 375, 250, 575
- (4) 385, 255, 475
- (5) None of these

PARTNERSHIP

Q 3. A, B and C enter into a partnership. A advances one-third of the capital for one-third of the time. B contributes one-sixth of the capital for one-third of the time C contributes the remaining capital for the whole time. How should they divide a profit of 1200.

- (1) 300, 200, 700
- (2) 200, 100, 900**
- (3) 375, 250, 575
- (4) 385, 255, 475
- (5) None of these

PARTNERSHIP

Q 4. Manoj got 6000 as his share out of the total profit of 9000 which he and Ramesh earned at the end of one year. If Manoj invested 20000 for 6 months, whereas Ramesh invested his amount for the whole year, the amount invested by Ramesh was—

- (1) 60000
- (2) 10000
- (3) 40000
- (4) 5000
- (5) None of these

PARTNERSHIP

Q 4. Manoj got 6000 as his share out of the total profit of 9000 which he and Ramesh earned at the end of one year. If Manoj invested 20000 for 6 months, whereas Ramesh invested his amount for the whole year, the amount invested by Ramesh was—

- (1) 60000
- (2) 10000
- (3) 40000
- (4) 5000**
- (5) None of these

PARTNERSHIP

Q 5. A and B enter into partnership investing 12000 and 16000 respectively. After 8 months, C also joins the business with a capital of 15000. The share of C in a profit of 45600 after 2 years will be—

- (1) 12000
- (2) 14400
- (3) 19200
- (4) 21200
- (5) None of these

PARTNERSHIP

Q 5. A and B enter into partnership investing 12000 and 16000 respectively. After 8 months, C also joins the business with a capital of 15000. The share of C in a profit of 45600 after 2 years will be—

- (1) 12000**
- (2) 14400
- (3) 19200
- (4) 21200
- (5) None of these

PARTNERSHIP

Q 6. Kishan and Nandan started a joint firm. Kishan's investment was thrice the investment of Nandan and the period of his investment was two times the period of investment of Nandan. Nandan got 4000 as profit for his investment. Their total profit if the distribution of profit is directly proportional to the period and amount, is—

- (1) 24000
- (2) 16000
- (3) 28000
- (4) 20000
- (5) None of these

PARTNERSHIP

Q 6. Kishan and Nandan started a joint firm. Kishan's investment was thrice the investment of Nandan and the period of his investment was two times the period of investment of Nandan. Nandan got 4000 as profit for his investment. Their total profit if the distribution of profit is directly proportional to the period and amount, is—

- (1) 24000
- (2) 16000
- (3) 28000**
- (4) 20000
- (5) None of these

PARTNERSHIP

Q 7. A and B enter into a partnership with their capitals in the ratio 5 : 9. At the end of 8 months, A withdraws his capital. If they receive the profits in the ratio 4 : 9, find how long B's capital was used?

- (1) 10 months
- (2) 9 months
- (3) 8 months
- (4) 4 months
- (5) None of these

PARTNERSHIP

Q 7. A and B enter into a partnership with their capitals in the ratio 5 : 9. At the end of 8 months, A withdraws his capital. If they receive the profits in the ratio 4 : 9, find how long B's capital was used?

- (1) 10 months**
- (2) 9 months**
- (3) 8 months**
- (4) 4 months**
- (5) None of these**

PARTNERSHIP

Q 8. A started a business by investing 2700. After sometime B joined him by investing 2025. At the end of one year, the profit was divided in the ratio 2 : 1. After how many months did B join the business?

- (1) 4 months
- (2) 6 months
- (3) 3 months
- (4) 2 months
- (5) None of these

PARTNERSHIP

Q 8. A started a business by investing 2700. After sometime B joined him by investing 2025. At the end of one year, the profit was divided in the ratio 2 : 1. After how many months did B join the business?

- (1) 4 months**
- (2) 6 months**
- (3) 3 months**
- (4) 2 months**
- (5) None of these**

PARTNERSHIP

Q 9. A, B and C invested in the ratio 1 : 2 : 3; the timing of their investments being in the ratio 1 : 2 : 3. In what ratio would their profit be distributed?

- (1) 3 : 2 : 1
- (2) 1 : 2 : 3
- (3) 1 : 4 : 9
- (4) 9 : 4 : 1
- (5) None of these

PARTNERSHIP

Q 9. A, B and C invested in the ratio 1 : 2 : 3; the timing of their investments being in the ratio 1 : 2 : 3. In what ratio would their profit be distributed?

- (1) 3 : 2 : 1
- (2) 1 : 2 : 3
- (3) 1 : 4 : 9**
- (4) 9 : 4 : 1
- (5) None of these

PARTNERSHIP

Q 10. A, B and C invested in the ratio 2 : 5 : 7, the timing of their investments being in the ratio 3 : 4 : 5. In what ratio would their profit be distributed?

- (1) 2 : 10 : 15
- (2) 15 : 10 : 2
- (3) 6 : 20 : 35
- (4) 6 : 20 : 15
- (5) None of these

PARTNERSHIP

Q 10. A, B and C invested in the ratio 2 : 5 : 7, the timing of their investments being in the ratio 3 : 4 : 5. In what ratio would their profit be distributed?

(1) 2 : 10 : 15

(2) 15 : 10 : 2

(3) 6 : 20 : 35

(4) 6 : 20 : 15

(5) None of these

PARTNERSHIP

Q 11. A, B and C invested capitals in the ratio 4 : 5 : 6. At the end of the business term, they received the profits in the ratio 2 : 3 : 4. Find the ratio of time for which they contributed their capitals.

- (1) 6 : 5 : 8
- (2) 6 : 5 : 9
- (3) 10 : 12 : 9
- (4) 15 : 18 : 20
- (5) None of these

PARTNERSHIP

Q 11. A, B and C invested capitals in the ratio 4 : 5 : 6. At the end of the business term, they received the profits in the ratio 2 : 3 : 4. Find the ratio of time for which they contributed their capitals.

- (1) 6 : 5 : 8
- (2) 6 : 5 : 9
- (3) 10 : 12 : 9
- (4) 15 : 18 : 20**
- (5) None of these

PARTNERSHIP

Q12. A, B and C invested capitals in the ratio 4 : 6 : 9. At the end of the business term, they received the profits in the ratio 2 : 3 : 5. Find the ratio of time for which they contributed their capitals.

- (1) 1 : 1 : 9
- (2) 2 : 2 : 9
- (3) 10 : 10 : 9
- (4) 9 : 9 : 10
- (5) None of these

PARTNERSHIP

Q12. A, B and C invested capitals in the ratio 4 : 6 : 9. At the end of the business term, they received the profits in the ratio 2 : 3 : 5. Find the ratio of time for which they contributed their capitals.

- (1) 1 : 1 : 9
- (2) 2 : 2 : 9
- (3) 10 : 10 : 9
- (4) 9 : 9 : 10**
- (5) None of these

PARTNERSHIP

Q 13. A, B and C invest their capitals in a business. If the ratio of their periods of investments are $2 : 3 : 6$ and their profits are in the ratio of $4 : 5 : 6$. Find the ratio in which the investments are made by A, B and C.

- (1) $9 : 10 : 12$
- (2) $4 : 5 : 6$
- (3) $8 : 5 : 12$
- (4) $6 : 5 : 3$
- (5) None of these

PARTNERSHIP

Q 13. A, B and C invest their capitals in a business. If the ratio of their periods of investments are $2 : 3 : 6$ and their profits are in the ratio of $4 : 5 : 6$. Find the ratio in which the investments are made by A, B and C.

(1) $9 : 10 : 12$

(2) $4 : 5 : 6$

(3) $8 : 5 : 12$

(4) $6 : 5 : 3$

(5) None of these

PARTNERSHIP

Q 14. A, B and C invest their capitals in a business. If the ratio of their periods of investments are $7 : 3 : 5$ and their profits are in the ratio of $2 : 1 : 2$. Find the ratio in which the investments are made by A, B and C.

- (1) $30 : 35 : 42$
- (2) $7 : 6 : 10$
- (3) $42 : 30 : 35$
- (4) $42 : 25 : 35$
- (5) None of these

PARTNERSHIP

Q 14. A, B and C invest their capitals in a business. If the ratio of their periods of investments are $7 : 3 : 5$ and their profits are in the ratio of $2 : 1 : 2$. Find the ratio in which the investments are made by A, B and C.

- (1) 30 : 35 : 42**
- (2) 7 : 6 : 10**
- (3) 42 : 30 : 35**
- (4) 42 : 25 : 35**
- (5) None of these**

PARTNERSHIP

Q 15. A, B and C are partners. A receives $\frac{2}{7}$ of the profit and B and C share the remaining profit equally. A's income is increased by 240 when the profit rises from 10% to 15%. Find the capitals invested by B and C each.

- (1) 2400
- (2) 1200
- (3) 4800
- (4) 6000
- (5) None of these

PARTNERSHIP

Q 15. A, B and C are partners. A receives $\frac{2}{7}$ of the profit and B and C share the remaining profit equally. A's income is increased by 240 when the profit rises from 10% to 15%. Find the capitals invested by B and C each.

- (1) 2400
- (2) 1200
- (3) 4800
- (4) 6000**
- (5) None of these

PARTNERSHIP

Q16. A, B and C are partners. A receives $\frac{5}{8}$ of the profit and B and C share the remaining profit equally. A's income is increased by 450 when the profit rises from 4% to 9%. Find the capitals invested by B and C each.

- (1) 3366
- (2) 1687.5
- (3) 3475
- (4) 2700
- (5) None of these

PARTNERSHIP

Q16. A, B and C are partners. A receives $\frac{5}{8}$ of the profit and B and C share the remaining profit equally. A's income is increased by 450 when the profit rises from 4% to 9%. Find the capitals invested by B and C each.

- (1) 3366
- (2) 1687.5
- (3) 3475
- (4) 2700**
- (5) None of these

PARTNERSHIP

Q17. Two partners invest 26000 and 16250 respectively in a business and agree that 40% of the profit should be divided equally between them and the remaining profit is to be treated as interest on capital. If one partner gets 450 more than the other, find the total profit made in the business.

- (1) 3250
- (2) 3520
- (3) 3230
- (4) 3200
- (5) None of these

PARTNERSHIP

Q17. Two partners invest 26000 and 16250 respectively in a business and agree that 40% of the profit should be divided equally between them and the remaining profit is to be treated as interest on capital. If one partner gets 450 more than the other, find the total profit made in the business.

- (1) 3250**
- (2) 3520
- (3) 3230
- (4) 3200
- (5) None of these

PARTNERSHIP

Q 18. Two partners invest 17000 and 13000 respectively in a business and agree that 75% of the profit should be divided equally between them and the remaining profit is to be treated as interest on capital. If one partner gets 532 more than the other, find the total profit made in the business.

- (1) 16960
- (2) 14960
- (3) 16950
- (4) 15960
- (5) None of these

PARTNERSHIP

Q 18. Two partners invest 17000 and 13000 respectively in a business and agree that 75% of the profit should be divided equally between them and the remaining profit is to be treated as interest on capital. If one partner gets 532 more than the other, find the total profit made in the business.

- (1) 16960
- (2) 14960
- (3) 16950
- (4) 15960**
- (5) None of these

PARTNERSHIP

Q 19. A and B invested in the ratio 5 : 3 in a business. If 10% of the total profit goes to charity and A's share is 900, find the total profit.

- (1) 1600
- (2) 1400
- (3) 1500
- (4) 1800
- (5) None of these

PARTNERSHIP

Q 19. A and B invested in the ratio 5 : 3 in a business. If 10% of the total profit goes to charity and A's share is 900, find the total profit.

- (1) 1600**
- (2) 1400**
- (3) 1500**
- (4) 1800**
- (5) None of these**

PARTNERSHIP

Q 20. A and B invested in the ratio 4 : 9 in a business. If 8% of the total profit goes to charity and A's share is 460, find the total profit.

- (1) 2625
- (2) 2526
- (3) 1526
- (4) 1625
- (5) None of these

PARTNERSHIP

Q 20. A and B invested in the ratio 4 : 9 in a business. If 8% of the total profit goes to charity and A's share is 460, find the total profit.

- (1) 2625
- (2) 2526
- (3) 1526
- (4) 1625**
- (5) None of these

PARTNERSHIP

Q 21. Three partners A, B and C together invested 14400 in a business. At the end of the year, A got 1250, B got 2500 and C got 3750 as profit. How much amount did C invest?

- (1) 2400
- (2) 4800
- (3) 7200
- (4) 9600
- (5) None of these

PARTNERSHIP

Q 21. Three partners A, B and C together invested 14400 in a business. At the end of the year, A got 1250, B got 2500 and C got 3750 as profit. How much amount did C invest?

- (1) 2400
- (2) 4800
- (3) 7200**
- (4) 9600
- (5) None of these

PARTNERSHIP

Q 22. Three partners A, B and C together invested 36000 in a business. At the end of the year, A got 4200, B got 7000 and C got 9800 a profit. How much amount did B invest?

- (1) 7200
- (2) 12000
- (3) 16800
- (4) 12500
- (5) None of these

PARTNERSHIP

Q 22. Three partners A, B and C together invested 36000 in a business. At the end of the year, A got 4200, B got 7000 and C got 9800 a profit. How much amount did B invest?

(1) 7200

(2) 12000

(3) 16800

(4) 12500

(5) None of these

PARTNERSHIP

Q 23. A puts 375 more in a business than B, but B has invested his capital for 4 months while A has invested his for 8 months. If the share of A is 75 more than that of B out of the total profit of 125, find the capital contributed by B?

- (1) 750
- (2) 375
- (3) 735
- (4) 573
- (5) None of these

PARTNERSHIP

Q 23. A puts 375 more in a business than B, but B has invested his capital for 4 months while A has invested his for 8 months. If the share of A is 75 more than that of B out of the total profit of 125, find the capital contributed by B?

(1) 750

(2) 375

(3) 735

(4) 573

(5) None of these

PARTNERSHIP

Q 24. A puts 768 more in a business than B, but B has invested his capital for 7 months while A has invested his for 4 months. If the share of A is 42 more than that of B out of the total profits of 358, find the capital contributed by B?

- (1) 642
- (2) 1400
- (3) 632
- (4) 462
- (5) None of these

PARTNERSHIP

Q 24. A puts 768 more in a business than B, but B has invested his capital for 7 months while A has invested his for 4 months. If the share of A is 42 more than that of B out of the total profits of 358, find the capital contributed by B?

- (1) 642
- (2) 1400
- (3) 632**
- (4) 462
- (5) None of these

PARTNERSHIP

Q 25. A and B invest 3000 and 4000 in a business. A receives 10 per month out of the profit as a remuneration for running the business and the rest of profit is divided in proportion to the investments. If in year 'A' totally receives 390, what does B receive?

- (1) 630
- (2) 360
- (3) 480
- (4) 380
- (5) None of these

PARTNERSHIP

Q 25. A and B invest 3000 and 4000 in a business. A receives 10 per month out of the profit as a remuneration for running the business and the rest of profit is divided in proportion to the investments. If in year 'A' totally receives 390, what does B receive?

- (1) 630
- (2) 360**
- (3) 480
- (4) 380
- (5) None of these

PARTNERSHIP

Q 26. A sum of money is to be divided among A, B and C in the ratio 2 : 3 : 7. If the total share of A and B together is 1500 less than C, what is A's share in it?

- (1) 1000
- (2) 1500
- (3) 2000
- (4) Data inadequate
- (5) None of these

PARTNERSHIP

Q 26. A sum of money is to be divided among A, B and C in the ratio 2 : 3 : 7. If the total share of A and B together is 1500 less than C, what is A's share in it?

- (1) 1000
- (2) 1500**
- (3) 2000
- (4) Data inadequate
- (5) None of these