

# Partnership

Let us imagine 2 people Alma and Balma who start a business amongst themselves sharing an equal amount of capital. They will get the same amount of profits/loss. But what would happen if they enter different amounts or they invest for different periods of time or even worse, they invest different amounts for the different time duration.

Before solving Partnerships Questions, let us discuss two types of the partnership:

## **Simple Partnership:**

**Unequal investment & equal time Period:** Considering two people discussed above Alma & Balma started a business with Rs. 1 lakh & 100 each. So at the end of the year, if there is the profit of Rs. 10000 who do you think will get more share in this profit. Of course, the one with 1Lakh investment because he had taken more risk in the business venture (the exact amount of their profit we will discuss).

So, Profit  $\propto$  investment (Time Period constant)

**Equal Investment & unequal time period:** Consider a scenario where Alma & Balma Just had Rs. 100 each on them but Alma Invest for 10 years & Balma invest for 1 year. And after 10 years their business

gives them a profit of Rs. 1Lakh. As Alma had invested for a longer duration, he would get more shares in the profit.

So, Profit  $\propto$  Time (Investment constant)

### **Compound partnership:**

If the time and investment both begin change according to the requirements of the investors, we simply need to combine the above stated equations into one. The result obtained will be:

Profit  $\propto$  investment  $\times$  time

Also, we can also say that ratio of their profits is equal to the ratio of product of their Investment & Time period.

To solve with simple Partnership Problems. Let's take an example of Math's Partnership as given as below:

Let us consider Alma invest Rs. 1000 for 2 year & Balma Invest Rs. 2000 for 3 years. At the end profit is Rs. 8000. What is the net profit of Alma & Balma?

**Solution:** Profit  $\propto$  investment  $\times$  time

$1000 \times 2 : 2000 \times 3 = 1:3 \Rightarrow$  Ratio of their profit = 1:3

Alma's Profit share =  $1 / 4 \times 8000 =$  Rs. 2000

Balma's Profit share =  $3 / 4 \times 8000 =$  Rs. 6000

Sleeping Partner:

Sleeping Partner gives money, credit or different resources, for example, a land, building or machinery; however, has nothing to do with the business management.

Working Partner:

A partner who has responsibilities for maintaining the business as an active partner. Each partner plays an important role, like production or marketing. Working Partner also gets its incentive due to its management. Then remaining profit is dividing between both according to their investment.

## **Partnership questions and answers:**

**1. P and Q started a business investing Rs. 85,000 and Rs. 15,000 respectively. In what ratio the profit earned after 2 years be divided between P and Q respectively?**

(A) 3 : 4

(B) 3 : 5

(C) 15 : 23

(D) 17 : 23

(E) None of these

**Answer**

Ans . E

**2. A, B, C enter into a partnership investing Rs. 35,000 and Rs. 45,000 and Rs. 55,000 respectively. The respectively shares of A, B, C, in an annual profit of Rs. 40,500 are:**

(A) Rs. 10,500, Rs. 13,500, Rs. 16,500

(B) Rs. 11,500, Rs. 13,000, Rs. 16,000

(C) Rs. 11,000, Rs. 14,000, Rs. 15,500

(D) Rs. 11,500 Rs. 12,500 Rs. 16,500

**Answer** Ans . A

**3. Reena and Shaloo are partners in a business. Reena invests Rs. 35,000 for 8 months and Shaloo invests Rs. 42,000 for 10 months. Out of a profit of Rs. 31,570, Reena's share is:**

- (A) Rs. 9471
- (B) Rs. 12,628
- (C) Rs. 18,040
- (D) Rs. 18,942

**Answer**

Ans . B

**4. Simran started a software business by investing Rs. 50,000. After six months, Nanda joined her with a capital of Rs. 80,000. After 3 years, they earned a profit of Rs. 24,500. What was Simran's share in the profit?**

- (A) Rs. 9423
- (B) Rs. 10,250
- (C) Rs. 12,500
- (D) Rs. 14,000
- (E) None of these

**Answer Ans . E**

**5. A and B started a business in partnership investing Rs. 20,000 and Rs. 15,000 respectively. After six months, C joined them with Rs. 20,000. What will be B's share in the total profit of Rs.25000 earned at the end of 2 years from the starting of the business?**

(A) Rs. 7500

(B) Rs. 9000

(C) Rs. 9500

(D) Rs. 10,000

(E) None of these

**Answer**

Ans . A

**6. Aman started a business investing Rs. 70,000. Rakhi joined him after six months with an amount of Rs.1,05,000 and Sagar joined them with Rs. 1.4 lakhs after another six months. The amount of profit earned should be distributed in what ratio among Aman, Rakhi and Sagar respectively, 3 years after Aman started the business?**

(A) 7 : 6 : 10

(B) 12 : 15 : 16

(C) 42 : 45 : 56

(D) Cannot be determined

(E) None of these

**Answer**

Ans . B

**7. Arun, Kamal and Vinay invested Rs. 8000, Rs. 4000 and Rs. 8000 respectively in a business. Arun left after six months. If after eight months, there was a gain of Rs. 4005, then what will be the share of Kamal?**

(A) Rs. 890

(B) Rs. 1335

(C) Rs. 1602

(D) Rs. 1780

**Answer** Ans . A

**8. Shekhar started a business investing Rs. 25,000 in 1999. In 2000, he invested an additional amount of Rs. 10,000 and Rajeev joined him with an amount of Rs. 35,000. In 2001, Shekhar invested another additional amount of Rs. 10,000 and Jatin joined them with an amount of Rs. 35,000. What will be Rajeev's share in the profit of Rs. 1,50,000 earned at the end of 3 years from the start of the business in 1999?**

- (A) Rs. 45,000
- (B) Rs. 50,000
- (C) Rs. 70,000
- (D) Rs. 75, 000
- (E) None of these

**Answer**

Ans . B



**9. A, B, C subscribe Rs. 50,000 for a business. A subscribes Rs. 4000 more than B and B Rs. 5000 more than C. Out of a total profit of Rs. 35,000 A receives:**

- (A) Rs. 8400
- (B) Rs. 11,900
- (C) Rs. 13,600
- (D) Rs. 14,700

**Answer**

Ans . D

**10. Three partners A, B, C start a business. Twice A's capital is equal to thrice B's capital and B's capital is four times C's capital. Out of a total profit of Rs. 16,500 at the end of the year, B's share is:**

- (A) Rs. 4000
- (B) Rs. 6000
- (C) Rs. 7500
- (D) Rs.6600

**Answer**

Ans . B

**11. A, B and C enter into partnership. A invests some money at the beginning, B invest double the amount after 6 months and C invests thrice the amount after 8 months. If the annual profit be Rs. 27,000. C share is:**

- (A) Rs. 8625
- (B) Rs. 9000
- (C) Rs. 10,800
- (D) Rs. 11,250

**Answer**

Ans . B

**12. A, B and C rent a pasture. A puts 10 oxen for 7 months, B puts 12 oxen for 5 months and C puts 15 oxen for 3 months for grazing. If the rent of the pasture is Rs. 175, how much must C pay as his share of rent?**

- (A) Rs. 45
- (B) Rs. 50
- (C) Rs. 55
- (D) Rs. 60

**Answer** Ans . A

**13. In a business, A and C invested amounts in the ratio 2 : 1, whereas the ratio between amounts invested by A and B was 3 : 2. If Rs.1,57,300 was their profit, how much amount did B receive?**

(A) Rs. 24,200

(B) Rs. 36,300

(C) Rs. 48,400

(D) Rs. 72,600

**Answer**

Ans . C

**14. A and B started a partnership business investing some amount in the ratio of 3 : 5. C joined them after six months with an amounts equal to that of B. In what proportion should the profit at the end of one year be distributed among A, B and C?**

(A) 3 : 5 : 2

(B) 3 : 5 : 5

(C) 6 : 10 : 5

(D) Data inadequate

(E) None of these

**Answer**

Ans . C

15. A, B and C enter into a partnership and their shares are in the ratio

$\frac{1}{2} : \frac{1}{3} : \frac{1}{4}$ . After 2 months, A withdraws half of his capital and after 10 months, a profit of Rs. 378 is divided among them. What is B's share?

(A) Rs. 129

(B) Rs. 144

(C) Rs. 156

(D) Rs. 168

**Answer**

Ans . B

16. A, B and C enter into a partnership in the ratio  $\frac{7}{2} : \frac{4}{3} : \frac{6}{5}$ . After 4 months, A increases his share by 50%. If the total profit at the end of one year be Rs. 21,600 then B's share in the profit is :

(A) Rs. 2100

(B) Rs. 2400

(C) Rs. 3600

(D) Rs. 4000

**Answer**

Ans . D

17. A and B entered into a partnership with capitals in the ratio 4 : 5.

After 3 months, A withdrew  $\frac{1}{4}$  of his capital and B withdrew  $\frac{1}{5}$  of his capital. The gain at the end of 10 months was Rs. 760. A's share in this profit is:

- (A) Rs. 330
- (B) RS. 360
- (C) Rs. 380
- (D) Rs. 430

**Answer**

Ans . A

18. A, B and C jointly thought of engaging themselves in a business venture. It was agreed that A would invest Rs. 6500 for 6 months, B, Rs.8400 for 5 months and C, Rs. 10,000 for 3 months. A wants to be the working member for which he was to receive 5% of the profits. The profit earned was Rs. 7400. Calculate the share of B in the profit.

- (A) Rs.1900
- (B) Rs. 2660
- (C) Rs. 2800
- (D) Rs. 2840

**Answer** Ans . B

**19. A began a business with Rs. 85,000. He was joined afterward by B with Rs. 42,500. For how much period does B join, if the profits at the end of the year are divided in the ratio of 3 : 1?**

(A) 4 months

(B) 5 months

(C) 6 months

(D) 8 months

**Answer**

Ans . D

**20. A starts business with Rs. 3500 and after 5 months, B joins with A as his partner. After a year, the profit is divided in the ratio 2: 3. What is the B's contribution in the capital?**

(A) Rs. 7500

(B) Rs. 8000

(C) Rs. 8500

(D) Rs. 9000

**Answer**

Ans . D

**21. Two friends P and Q started a business investing in the ratio of 5 : 6. R joined them after six months investing an amount equal to that of Q's. At the end of the year, 20% profit was earned which was equal to Rs. 98,000. What was the amount invested by R?**

- (A) Rs. 1,05,000
- (B) Rs. 1,75,000
- (C) Rs. 2,10,000
- (D) Data inadequate
- (E) None of these

**Answer**

Ans . C

**22. Three partners shared the profit in a business in the ratio 5 : 7 : 8. They had partnered for 14 months, 8 months and 7 months respectively. What was the ratio of their investments?**

- (A) 5 : 7 : 8
- (B) 28 : 49 : 64
- (C) 38 : 28 : 21
- (D) None of these

**Answer**

Ans . D

**23. A and B invest in a business in the ratio 3 : 2. If 5 % of the total profit goes to charity and A's share is Rs. 855, the total profit is :**

- (A) Rs. 1425
- (B) Rs. 1500
- (C) Rs. 1537.50
- (D) Rs. 1576

**Answer**

Ans . B

**24. A and B started a business with initial investments in the ratio 14 : 15 and their annual profits were in the ratio 7 : 6. If A invested the money for 10 months, for how many months did B invest his money?**

- (A) 6
- (B) 7
- (C) 8
- (D) 9

**Answer**

Ans . C



25. A and B are partners in a business. A contributes of  $\frac{1}{4}$  the capital for 15 months and B received  $\frac{1}{4}$  of the profit. For how long B's money was used?

- (A) 6 months
- (B) 9 months
- (C) 10 months
- (D) 1 year.

**Answer**

Ans . C

## References Links

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<https://www.hitbullseye.com/Partnership-Problems.php>

<https://www.examsbook.com/partnership-questions-and-answers-for-bank-exams-and-SSC>