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Session 2020-21  
Sample

Q-30\*



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$$\text{Proprietary Ratio} = \frac{\text{Proprietor's Fund}}{\text{Total Assets}}$$

$$\begin{aligned} \text{Total Assets} &= \text{Debts} \times 2 \\ &= \text{Rs. } 5,00,000 \times 2 \\ &= \text{Rs. } 10,00,000 \end{aligned}$$

$$\begin{aligned} \text{Proprietor's Funds} &= \text{Equity Share Capital} + \text{Preference Share Capital} + \text{Surplus} \\ &= (5,00,000 \times 0.5) + (5,00,000 \times 0.5 \times 25\%) + (10,00,000 - 40\% \text{ of } 10,00,000) \\ &= 2,50,000 + 62,500 + 6,00,000 \text{ (1)} \\ &= \text{Rs. } 9,12,500 \end{aligned}$$

$$\begin{aligned} \text{Proprietary Ratio} &= \frac{\text{Rs. } 9,12,500}{\text{Rs. } 10,00,000} \\ &= 0.912 : 1 \text{ or } \mathbf{0.912 \text{ times}} \end{aligned}$$

