

solvency ratios			activity/ turnover ratios			profitability ratios (cont)					
debt to equity ratio = debt/eq-uity(s-harhld.r fund)	total asset to debt ratio = TA /Dbt	proprietary ratio = share-holders funds or propri- etors funds or equity/ TA	inventory turnover ratio = crfo/ avg inventory before interest	trade receiv- ables turnover ratio = crfo/ ATR	trade payables turnover ratio = net credit purchases/ ATP	OP= operating expenses= employees benefit exp + deprec & amortis- ation exp + other exp	np after tax= gp + other income - indirect expenses -tax	capital employed= asset side: NCA +WC	liability side: share cpt+re- serves and surplus +LTB +LTP		
equity= share cpt+ reserv- es&su- rplus	TA=NCA+CA	equity= share cpt+ reserves &- urplus	crfo = opening inventory + net purchase - closing inventory	crfo = cost of material consumed + purchase of stock in trade + change in inventory of finished goods + direct exp.	crfo = rfo - GP	GP ratio = GP/rfo × 100	operating ratio = crfo + O- perating exp/ rfo × 100 OR operating cost/ rfo × 100	operating profit ratio = operating profit / rfo × 100	net profit ratio = NP after tax /rfo × 100	return on invst/cpt employed= profit before interest,tax & dividend/ cpt employed OR operating cost/ rfo × 100	
equity= NCA+WC-NCL	CA= CI+ invt+TR +cash & cash equivalents+ ST loans & advances										
debt= LT.bor- rowing (deben- tures,- mortgage loan,p- ublic dep) +LT.prov	NCA=property ,plant & eq- ngible assets+NCl+ LT loans & advances										
			liquidity ratios								
			current ratio = CA/CL	liquid/quick ratio = LAorQA/CL							
			wc=ca- cl	QA= CA- inventori- es-prepaid exp.							
			profitability ratios								

