

PROFIT AND LOSS

When a shopkeeper sells something to a customer he tries to sell it for a price higher than the price at which he bought it. If he succeeds, he makes profit else he suffers a loss.

1. Cost Price is the price at which a retailer buys his goods. (C.P.)

2. Selling Price is the price at which a retailer sells his goods.

• If  $S.P. > C.P.$  Then the seller makes a profit

$$\text{Profit} = S.P. - C.P.$$

• If  $S.P. < C.P.$  Then the seller suffers a loss

$$\text{Loss} = C.P. - S.P.$$

Ex: (12.1)

Sol 1. Cost Price of a table = ₹ 2500 or C.P. = ₹ 2500

Selling Price of a table = ₹ 3000 or S.P. = ₹ 3000

Since  $S.P. > C.P.$  therefore Ravi makes profit

$$\text{profit} = S.P. - C.P.$$

$$\text{Profit} = ₹ 3000 - ₹ 2500$$

$$\text{Profit} = ₹ 500$$

Q2 Cost price of a bike = ₹ 12,500 C

Amount spent on its overhauling = ₹ 3,000

∴ Total cost price of a bike = ₹ 15,500 C.P. = ₹ 15,500

Selling price of a bike = ₹ 18,000

Since  $S.P. > C.P.$

$$\therefore \text{Profit} = S.P. - C.P.$$

$$= 18,000 - 15,500$$

$$\text{Profit} = ₹ 2,500$$

Sol 3 Cost Price of per quintal of rice = ₹ 4875  
 Selling price of per quintal of rice = ₹ 4625  
 Since Cost price is greater than Selling Price  
 There fore Neelam suffers loss  

$$\text{Loss} = \text{C.P.} - \text{S.P.}$$

$$= ₹ 4875 - ₹ 4625$$

$$\text{Loss} = ₹ 250$$

Q4 and Q5 do your self

### EX 12.2

In This exercise we have to calculate Selling Price or S.P.

In case There is profit

$$\text{S.P.} = \text{C.P.} + \text{Gain or Profit}$$

In case There is loss

$$\text{S.P.} = \text{C.P.} - \text{Loss}$$

Sol 1 Cost price of a fan = ₹ 1500  
 Profit = ₹ 425

$$\text{S.P.} = \text{C.P.} + \text{Profit}$$

$$\text{S.P.} = ₹ 1500 + ₹ 425$$

$$\text{S.P.} = ₹ 1,925$$

Sol 2 Cost price of a Table = ₹ 3550  
 Loss = ₹ 165

$$\text{selling price of a Table} = \text{C.P.} - \text{Loss}$$

$$\text{S.P.} = ₹ 3550 - ₹ 165$$

$$\text{S.P.} = ₹ 3385$$

Sol 3 Cost price of chocolates = ₹ 650  
 Profit = ₹ 75

$$\text{Selling price} = \text{C.P.} + \text{Profit}$$

$$= ₹ 650 + ₹ 75$$

$$\text{S.P.} = ₹ 725$$