**IMPORTANT FACTS**

**Cost Price:**

The price, at which an article is purchased, is called its **cost price**, abbreviated as **C.P.**

**Selling Price:**

The price, at which an article is sold, is called its **selling prices**, abbreviated as **S.P.**

**Profit or Gain:**

If S.P. is greater than C.P., the seller is said to have a **profit** or **gain**.

**Loss:**

If S.P. is less than C.P., the seller is said to have incurred a **loss**.

**IMPORTANT FORMULAE**

1. Gain = (S.P.) - (C.P.)
2. Loss = (C.P.) - (S.P.)
3. Loss or gain is always reckoned on C.P.
4. Gain Percentage: (Gain %)

|  |  |  |  |
| --- | --- | --- | --- |
| Gain % = |  | Gain x 100 |  |
| C.P. |

1. Loss Percentage: (Loss %)

|  |  |  |  |
| --- | --- | --- | --- |
| Loss % = |  | Loss x 100 |  |
| C.P. |

1. Selling Price: (S.P.)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| SP = |  | (100 + Gain %) | x C.P |  |
| 100 |

1. Selling Price: (S.P.)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| SP = |  | (100 - Loss %) | x C.P. |  |
| 100 |

1. Cost Price: (C.P.)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| C.P. = |  | 100 | x S.P. |  |
| (100 + Gain %) |
|  |  |  |  |  |

1. Cost Price: (C.P.)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| C.P. = |  | 100 | x S.P. |  |
| (100 - Loss %) |

1. If an article is sold at a gain of say 35%, then S.P. = 135% of C.P.
2. If an article is sold at a loss of say, 35% then S.P. = 65% of C.P.
3. When a person sells two similar items, one at a gain of say *x*%, and the other at a loss of *x*%, then the seller always incurs a loss given by:

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Loss % = |  | Common Loss and Gain % |  | 2 | = |  | *x* |  | 2 | . |
| 10 | 10 |

1. If a trader professes to sell his goods at cost price, but uses false weights, then

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Gain % = |  | Error | x 100 | %. |
| (True Value) - (Error) |