

Profit and Loss Questions

Latest Profit and Loss MCQ Objective Questions

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Question 1:

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The price of 7.5% stock at 6 premiums of ₹3,100 is-

1. ₹2,914
2. ₹2,867.5
3. ₹3,286
4. More than one of the above
5. None of the above

Answer (Detailed Solution Below)

Option 3 : ₹3,286

**Profit and Loss Question 1 Detailed Solution****Given:**

Dividend rate = 7.5% and Premium = 6

Market value of the stock = ₹3100

Concept used:

The price of a stock at a certain premium is calculated using the formula $\text{Price} = \text{Market Value} + \text{Premium}$.

Calculation:

In this case,

The premium value as a percentage of market value = $\frac{6}{100} \times 3100$

$$\Rightarrow 6 \times 31 = \text{Rs. } 186$$

The price of the 7.5% stock at 6 premiums of ₹3100 = Market Value + Premium

$$\Rightarrow 3100 + 186 = \text{Rs. } 3,286$$

∴ The price of the 7.5% stock at 6 premiums of ₹3,100 is ₹3,286.

Alternate Method

Stock rate: 7.5%, Premium: 6%, and Face value of stock: ₹3100

Price of stock = Face value + Premium

$$\text{Premium} = (6/100) \times ₹3100 = 0.06 \times ₹3100 = ₹186$$

$$\text{Price of stock} = \text{Face value} + \text{Premium} = ₹3100 + ₹186 = ₹3286$$

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**Question 2:**[View this Question Online >](#)

'P' and 'Q' entered into a partnership investing Rs. 30000 and Rs. 35000 respectively. After 4 months, 'R' also joined the business with an investment of Rs. 40000. What is the share of 'R' in the annual profit of Rs. 50000?

1. Rs.15525.5
2. Rs. 14545.5
3. Rs. 15750.2
4. More than one of the above
5. None of above

Answer (Detailed Solution Below)

Option 2 : Rs. 14545.5

Profit and Loss Question 2 Detailed Solution**Shortcut Trick**

$$30000 \times 12 : 35000 \times 12 : 40000 \times 8$$

$$18 : 21 : 16$$

$$\text{Total} = 55$$

$$\text{The profit share for R} = (50000/55) \times 16 = 14545.454$$

Alternate Method

Given:

Initial investments: P = Rs. 30,000, Q = Rs. 35,000

After 4 months, R joined with an investment of Rs. 40,000

Total profit for the year = Rs. 50,000

Concept:

We'll calculate the share of each partner in the profit using the concept of the ratio of investments multiplied by the time they invested.

Formula used:

Profit share = (Investment \times Time) / Total Investment

Calculation:

The total investment and time for each

For P = Rs. 30,000 \times 12 months = Rs. 360,000

For Q = Rs. 35,000 \times 12 months = Rs. 420,000

For R = Rs. 40,000 \times 8 months = Rs. 320,000

the total investment = 360,000 + 420,000 + Rs. 320,000 = 1,100,000

The profit share for R = (320,000 / 1,100,000) \times 50,000

= 14,545.45

\therefore The share of 'R' in the annual profit of Rs. 50000 is 14,545.45

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Question 3:

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A, B, and C start a business by investing Rs. 2800 , Rs. 3600 and Rs. 4000 respectively. After x months C left the business. Total profit share of C is $\frac{5}{17}$ th of total profit. Find the value of x?

1. 8

2. 7

3. 6

4. 4

5. 10

Answer (Detailed Solution Below)

Option 1 : 8

Profit and Loss Question 3 Detailed Solution

Given:

A's investment = Rs. 2800

B's investment = Rs. 3600

C's investment = Rs. 4000

C's profit share = $\frac{5}{17}$ of total profit

Formula used:

Profit share \propto Investment \times Time

Calculation:

A's investment period = 12 months

B's investment period = 12 months

C's investment period = x months

Let total profit = P

C's profit share = $\frac{(4000 \times x)}{(2800 \times 12 + 3600 \times 12 + 4000 \times x)} = \frac{5}{17}$

$\Rightarrow \frac{(4000x)}{(2800 \times 12 + 3600 \times 12 + 4000x)} = \frac{5}{17}$

$\Rightarrow \frac{(4000x)}{(33600 + 43200 + 4000x)} = \frac{5}{17}$

$\Rightarrow 4000x \times 17 = 5 \times (76800 + 4000x)$

$\Rightarrow 68000x = 384000 + 20000x$

$\Rightarrow 68000x - 20000x = 384000$

$\Rightarrow 48000x = 384000$

$$\Rightarrow x = 8$$

\therefore C left the business after 8 months.


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Question 4:

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Discount amount of item is approximately Rs. 1920.25. Profit percentage is approximately 29.85%. Profit amount is approximately 50.01 % more than the discount amount. Find the discount percentage approximately?

1. 10%

2. 13%

3. 14%

4. 22%

5. 29%

Answer (Detailed Solution Below)

Option 2 : 13%

Profit and Loss Question 4 Detailed Solution

Discount amount is Rs. 1920.25 = 1920

Let cost price is 100x.

Selling price is $100x \times [100 + 30] / 100 = 130x$ [profit percentage = $29.85 = 30\%$]

so, profit amount is $130x - 100x = 30x$

discount amount is $30x \times [100 / (100 + 50)] = 30x \times 100 / 150x = 20x$

so, marked price is $100x + 30x + 20x = 150x$


discount percentage is $[150x - 130x] \times 100 / 150x = 20x \times 100 / 150x = 13.33\% = 13\%$

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Question 5:

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Roy visited a store to purchase a combination of synthetic and cotton scarfs. The price of a synthetic scarf is Rs. 300, while a cotton scarf costs Rs. 400. He spent a total of Rs. 3600 on these scarfs. If he had purchased the number of cotton scarfs equivalent to the synthetic ones he actually bought and vice versa, he would have saved an amount equal to half the price of one scarf from either category. Determine the total number of scarfs he purchased.

1. 12

2. 10

3. 8

4. 14

Answer (Detailed Solution Below)

Option 2 : 10

Profit and Loss Question 5 Detailed Solution

The cost and quantity (actual and assumed) of scarfs are presented in the table below:

Cost (in hundreds)	Synthetic	Cotton
Cost	3	4
Quantity (Actual)	x	y
Quantity (If)	y	x

Given equation:

$$3x + 4y = 36 \text{ ----- (1)}$$

And,

$$(3x + 4y) - (4x + 3y) = (y - x) = 1.5 \text{ or } 2$$

If $y - x = 1.5$, it does not yield integer values for x and y .

$$\therefore y - x = 2 \text{ ----- (2)}$$

Solving (1) and (2), we get:

$$x = 4, \quad y = 6$$

$$\therefore x + y = 10$$

Thus, the total number of scarfs Roy purchased is **10**.


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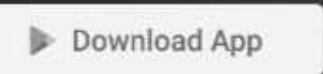
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Question 6

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A shopkeeper earns a profit of 25 percent on selling a radio at 15 percent discount on the Printed price. Finds the ratio of the Printed price and the cost price of the radio.

1. 17 : 25

2. 25 : 27

3. 27 : 25

4. 25 : 17

5. None

Answer (Detailed Solution Below)

Option 4 : 25 : 17

Profit and Loss Question 6 Detailed Solution

Given:

Profit = 25 Percent

Discount = 15 Percent

Formula:

$$MP/CP = (100 + \text{Profit \%}) / (100 - \text{Discount \%})$$

MP = Printed Price

CP = Cost Price

Calculation:

We know that –

$$MP/CP = (100 + \text{Profit \%}) / (100 - \text{Discount \%}) \dots\dots\dots (1)$$

Put all given values in equation (1) then we get

$$MP/CP = (100 + 25) / (100 - 15)$$

$$\Rightarrow 125/85$$

$$\Rightarrow 25/17$$

∴ The Ratio of the Printed price and cost price of radio will be 25 : 17

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