

# Tips, Formulae and shortcuts on Profit, Loss and Discount for IBPS

By

**CRACKU.IN**

## Cracku Tip 1 – Profit, Loss and Discount

- Profit, Loss and Discount is very important topic for IBPS and significant number of questions are asked from this topic every year.
- The number of concepts in these topics are very easy to understand and most of the problems can be solved by applying the formulae directly.
- This document covers various formulas, tips and shortcuts of Profit, Loss and Discount topic.

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## Cracku Tip 2 – Profit, Loss and Discount

- **Cost Price**

The amount paid to purchase an article or the cost of manufacturing an article is called Cost Price (C.P)

- **Selling Price**

The price at which a product is sold is called Selling price (S.P)

- **Marked Price**

The price at which an article is marked is called Marked price (M.P)

## Cracku Tip 3 – Profit, Loss and Discount

- If  $S.P > C.P$ , then Profit or Gain,  $P = S.P - C.P$
- If  $C.P > S.P$ , then Loss,  $L = C.P - S.P$
- % Profit or Gain percentage or Profit Percentage =  $\frac{\text{Profit}}{C.P} \times 100$
- %Loss =  $\frac{\text{Loss}}{C.P} \times 100$
- Discount =  $M.P - S.P$  (If no discount is given, then  $M.P = S.P$ )
- %Discount =  $\frac{\text{Discount}}{M.P} \times 100$

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## Cracku Tip 4 – Profit, Loss and Discount

- Total increase in price due to two subsequent increases of X% and Y% is  $( X+ Y+ \frac{X Y}{100} )\%$
- If two items are sold at same price, each at Rs.x, one at a profit of P% and other at a loss of P% then there will be overall loss of  $\frac{P^2}{100} \%$

$$\text{The absolute value of loss} = \frac{2P^2x}{100^2 - P^2}$$

## Cracku Tip 5 – Profit, Loss and Discount

- If C.P of two items is same, and by selling of each item he earned p% profit on one article and p% loss on another, then there will be no loss or gain.
- If a trader professes to sell at C.P but uses false weight, then

$$\text{Gain\%} = \frac{\text{Error}}{\text{True value} - \text{Error}} \times 100$$

## Cracku Tip 6 – Profit, Loss and Discount

- $S.P = \left(\frac{100 + \text{Profit}\%}{100}\right) C.P$  (If  $S.P > C.P$ )
- $S.P = \left(\frac{100 - \text{Loss}\%}{100}\right) C.P$  (If  $S.P < C.P$ )
- $C.P = \frac{100 \times S.P}{100 + \text{Profit}\%}$  (If  $S.P > C.P$ )
- $C.P = \frac{100 \times S.P}{100 - \text{Loss}\%}$  (If  $S.P < C.P$ )

## Cracku Tip 7 – Profit, Loss and Discount

- Buy x get y free, then the %discount =  $\frac{y}{x+y} \times 100$ .  
(here x+y articles are sold at C.P of x articles.)

- When there are two successive discounts of a% and b% are given then the,

$$\text{Resultant discount} = \left( a + b - \frac{a*b}{100} \right)$$

- If C.P of x article is equal to the selling price of y articles then the,

$$\text{Resultant profit \% or loss \%} = \frac{y-x}{y} \times 100$$



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