February 1st week

Discount

The discount of money reduced from the marked price when it is going to sell is called a discount. Most often a discount is indicated as a percentage of marked price. Discount result in direct benefit for customers while the shop owners too gain long term benefit.

Ex: 1. If a torch is sold for Rs.750 at a discount of 10% calculate the discount and the selling price.

Discount = 10/100 x750   selling price = 750-75

       = Rs.75   = Rs.675

2. The production cost of a chair is Rs.2000 the price of the chair has been marked keeping a profit of Rs.1000. It the chair is sold at a discount of 10% on the marked price , find selling price and profit of the vendor.

Marked price   = 2000 + 1000   = Rs.3000

Discount   = 3000 x 10/100 = Rs.300

Selling price   = 3000 – 300   = Rs.2700

Profit of the vendor = 2700 -2000   = Rs.700

3. if a dictionary is sold for Rs.1840 at a discount of 8% what is the marked price?

Marked price   selling price

100   92

x 1840

$$\frac{100 \times 1840}{92} = \frac{x \times 92}{92}$$

100 x 20   = x

Marked price   =   Rs.2000

> ➤ By studying this lesson answer questions 01- 05 of the exercise 4.3

Commissions

The amount of money charge by brokerages for facilitating the sale is know as the commission and it is usually a percentage of the value of the transaction.
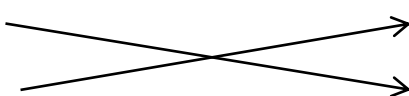
ex: 1. What is the commission charge by a company for facilitate the sale of a motor vehicle worth Rs.1500 000 calculate the commission if commission of 5% is charge.

The commission = Rs.1500 000 x 5/100

= Rs.75 000

2. a real estafe company charges a fee of Rs.125 000 to facilitate the sale of a land worth Rs.2500000 calculate the company.

The commission percentage = 125000/2500000 x 100%

= 5%

3. a person paid a commission of 3% when he purchased a vehicle. If he paid Rs.2 910 000 as a commission find the amount he paid for the vehicle.

selling price of vehicle   amount gain

100   97

x 2 910 000

$$\frac{100 \times 2\,910\,000}{97} = \frac{x \times 97}{97}$$

100 x 30 000   = x

Selling price of vehicle   =   Rs.3 000 000

> ➢ Study the lesson given above and answer the question 6 -9 of the lesson