

- When two quantities of same kind are in the same units are compared by Division, ratio of two quantities is obtained.
- A ratio has no unit.
- A ratio is said to be in simplest form, if its two terms have no common factor other than one.
- Comparison of two ratios is done by making them fractions with equal denominators and these ratios are called equivalent or proportional.
- Another method of comparison is percentage.
- Any simple fraction, decimal fraction or ratio can be converted into percentage and any percentage can be converted into simple fraction, decimal or ratio.

Percentage means 'for each 100'; $\% = \frac{1}{100}$

- When S.P. > C.P., there is profit.
- Profit = S.P. – C.P.
- Profit % = $\frac{\text{Profit}}{\text{C.P.}} \times 100 \%$
- When C.P > S.P, there is loss
- Loss = C.P – S.P
- Loss % = $\frac{\text{Loss}}{\text{C.P.}} \times 100 \%$
- Simple Interest = $\frac{\text{Principal} \times \text{Rate of interest} \times \text{Time}}{100}$