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## Complex chain system the formula with changeable commission

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#### Abstract

In this paper I describe the formula which is useful to determine the profit or loss in chain business having variable commission and participate member necessary not to create own member. I also describe a formula which is helpful to calculate the profit for a participant according to number of members made participants by him in his chain.

**Keywords:** To evaluate total profit or loss, commission

#### 1. Introduction

I had published an article named *chain system the formula recently in international journal of mathematics trends and technology* in this paper we can find profit chain business system but in which the commission remains stable at all the stages.

I had also published an article named *complex chain system the formula recently in international journal of science and research* in this paper we can find profit of chain business in which not every participant necessarily make other members participant but the commission remains stable.

I had also published an article named *chain system the formula with changeable commission recently in international journal of scientific research and education* in which every participant makes his own members in his chain and they get commission can be changed at different stages.

But now in this paper I describe a formula we can find profit of chain business in which every participant necessary not make his own members in his chain and they get commission can be changed at different stages. This also helps to find that a company is gaining or losing something with the chain business.

The members which participate in chain they can find their profit easily.

Procedure of commission change used in formula-

I will like to clear it with an example that is- Suppose if a person completes a task and gets A% commission of starting price and then if second task is also completed by him then he will get 2(A)% commission and 3(A)% for next task and so on.

#### 2. The formulae are

1. Formula which find the chain's stages through a number of members those participate in the chain system

$$\text{Total member} = 1 + \left( \frac{G_1^{n-1} - 1}{G_1 - 1} \right) G$$

- "G" shows the type of group mean number of members which is to be participated by a member this his chain, that is a member can make only "G" number of members the participant.
- "G<sub>1</sub>" number of member those forward their chain.
- "n" number of stage.

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2. Formula for total profit =

$$P + GP \left( \frac{G_1^{n-1} - 1}{(G_1 - 1)} \right) - \left[ \frac{G_1^{n+1} - G_1}{(G-1)^3} - \frac{nG_1}{(G_1 - 1)^2} - \frac{n(n-1)}{2(G_1 - 1)} \right] C$$

- “P” shows the starting price mean the starting investment by each member.
- “C” showing starting commission mean the first profit gained a member after completing his first task.

3. Formula for evaluating the commission =  $\left[ \frac{n(n-1)}{2} \right] C$

- To 4.08 cmtal member =  $1 + \left( \frac{G_1^{n-1} - 1}{G_1 - 1} \right) G$

• Total profit =

$$P + GP \left( \frac{G_1^{n-1} - 1}{(G_1 - 1)} \right) - \left[ \frac{G_1^{n+1} - G_1}{(G-1)^3} - \frac{nG_1}{(G_1 - 1)^2} - \frac{n(n-1)}{2(G_1 - 1)} \right] C$$

Where "P" is starting Price

"C" is commission

"n" is no. of Stages

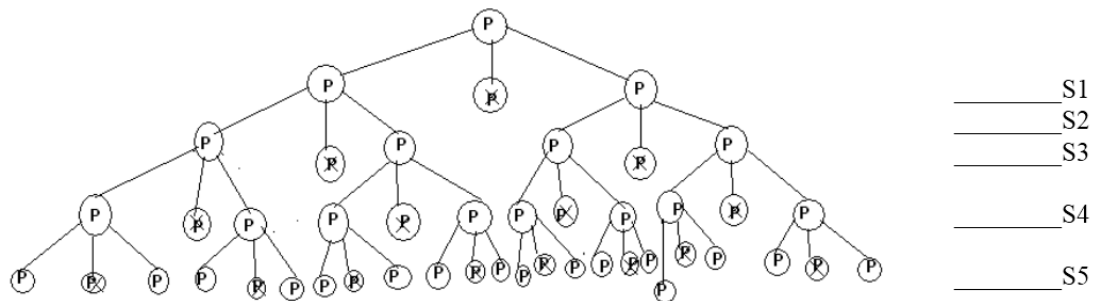
"G<sub>1</sub>" number of member those forward their chain.

**Methodology**

If every member has put "G" member BUT only "G<sub>1</sub>" (G > G<sub>1</sub>) member has to put "G" member toward in their chain AND commission of member can be changed at different stages THEN:-

Ans

For example:- If every member has put 3 member for his chain then only 2 members of them can forward their chain then find the total profit starting price is 1000 Rs.. Total member is 46 and starting commission is 20% of 1000 Rs.



Since Starting Price = 1000 Rs.

Since Starting Commission is 20% of 1000 Rs.

THEN starting commission= 200 Rs.

Profit of S1 = 1000 Rs

Profit of S2 = 3(1000) - 200 = 2800 Rs

Profit of S3 = 6(1000) - 400 - 400 = 5200 Rs

Profit of S4 = 12(1000) - 800 - 800 - 600 = 9800 Rs

Profit of S5 = 16(1000) - 1600 - 1600 - 1200 - 800 = 18800 Rs

Total Profit = 37600 Rs.

By his methodology:-

Total member = 46

We know Total member =  $1 + \left( \frac{G_1^{n-1} - 1}{G_1 - 1} \right) G$

Since G = 3; G<sub>1</sub> = 2 then  $1 + \left( \frac{2^{n-1} - 1}{2 - 1} \right) 3 = 46$

⇒ (2<sup>n-1</sup> - 1)3 = 45

⇒ 2<sup>n-1</sup> - 1 = 15

⇒ 2<sup>n-1</sup> = 16

⇒ n - 1 = 4

⇒ n = 5

We know that Total profit =  $P + GP \left( \frac{G_1^{n-1} - 1}{(G_1 - 1)} \right) - \left[ \frac{G_1^{n+1} - G_1}{(G-1)^3} - \frac{nG_1}{(G_1 - 1)^2} - \frac{n(n-1)}{2(G_1 - 1)} \right] C$

Since P = 1000; G = 3; G<sub>1</sub> = 2; n = 5; C = 200;

Then total profit =  $1000 + 3(1000) \left( \frac{2^{5-1} - 1}{(2 - 1)} \right) - \left[ \frac{2^{5+1} - 2}{(2-1)^3} - \frac{5(2)}{(2-1)^2} - \frac{5(5-1)}{2(2-1)} \right] 200$

=  $1000 + 3000 - \left( \frac{15}{1} \right) - [62 - 10 - 10](200)$

= 46000 - 42(200)

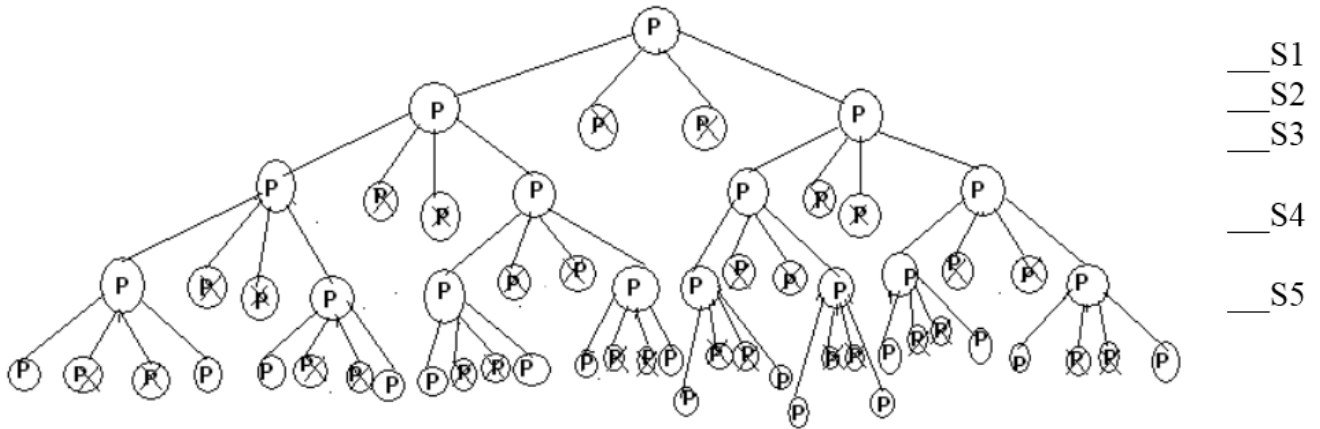
= 46000 - 8400

= 37600 Rs

- For example:- If every member has put 4 member for his chain then only 2 members of them can forward their

chain then find the total profit starting price is 2000 Rs.. Total member is 61 and starting commission is 10% of 2000 Rs.

Ans:-



Since Starting Price = 2000 Rs.  
 Since Starting Commission is 10% of 2000 Rs.  
 THEN starting commission= 200 Rs  
 Profit of S1 = 2000 Rs  
 Profit of S2 = 8000 -200 = 7800 Rs  
 Profit of S3 = 16000-400-400= 15200 Rs  
 Profit of S4 = 32000-800-800-600 = 29800 Rs  
 Profit of S5 = 64000-1600-1600-1200-800 = 58800 Rs  
 Total Profit = 113600 Rs.

We know Total member =  $1 + \left( \frac{G_1^{n-1} - 1}{G_1 - 1} \right) G$

Since G = 3;  $G_1 = 2$  then  $1 + \left( \frac{2^{n-1} - 1}{2 - 1} \right) 4 = 61$

- $\Rightarrow (2^{n-1} - 1)4 = 60$
- $\Rightarrow 2^{n-1} - 1 = 15$
- $\Rightarrow 2^{n-1} = 16$
- $\Rightarrow n - 1 = 4$
- $\Rightarrow n = 5$

By his methodology:-

Total member = 61

We know that Total profit =  $P + GP \left( \frac{G_1^{n-1} - 1}{(G_1 - 1)} \right) - \left[ \frac{G_1^{n+1} - G_1}{(G - 1)^3} - \frac{nG_1}{(G_1 - 1)^2} - \frac{n(n-1)}{2(G_1 - 1)} \right] C$

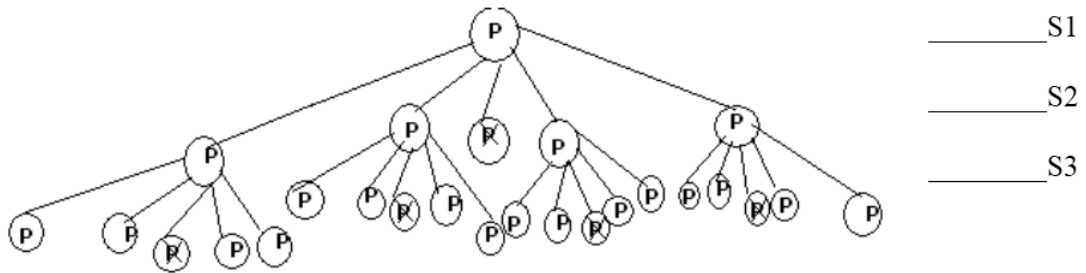
Since P = 2000; G = 4;  $G_1 = 2$ ; n = 5; C = 200;

Then total profit =  $2000 + 4(2000) \left( \frac{2^{5-1} - 1}{(2 - 1)} \right) - \left[ \frac{2^{5+1} - 2}{(2 - 1)^3} - \frac{5(2)}{(2 - 1)^2} - \frac{5(5 - 1)}{2(2 - 1)} \right] 200$   
 $= 2000 + 8000(15) - [62 - 10 - 10](200)$   
 $= 122000 - 42(200)$   
 $= 122000 - 8400$   
 $= 113600 \text{ Rs.}$

- For example:- If every member has put 5 member for his chain then only 4 members of them can forward their

chain then find the total profit starting price is 1000 Rs.. Total member is 26 and starting commission is 10% of 1000 Rs.

Ans:-



Since Starting Price = 1000 Rs.  
 Since Starting Commission is 10% of 1000 Rs.  
 THEN starting commission= 100 Rs  
 Profit of S1 = 1000 Rs  
 Profit of S2 = 5000 -100 = 4900 Rs  
 Profit of S3 = 20000-400-200= 19400 Rs  
 Total Profit = 25300 Rs.

By his methodology:-

Total member = 26

We know Total member =  $1 + \left( \frac{G_1^{n-1} - 1}{G_1 - 1} \right) G$

Since  $G = 3$ ;  $G_1 = 2$  then  $1 + \left( \frac{4^{n-1} - 1}{4 - 1} \right) 5 = 26$

$= \left( \frac{4^{n-1} - 1}{3} \right) 5 = 26 - 1$

$\Rightarrow (4^{n-1} - 1)3 = \frac{3(25)}{5}$

$\Rightarrow 4^{n-1} - 1 = 15$

$\Rightarrow 4^{n-1} = 16$

$\Rightarrow n - 1 = 2$

$\Rightarrow n = 3$

We know that Total profit =  $P + GP \left( \frac{G_1^{n-1} - 1}{(G_1 - 1)} \right) \cdot \left[ \frac{G_1^{n+1} - G_1}{(G - 1)^3} - \frac{nG_1}{(G_1 - 1)^2} - \frac{n(n-1)}{2(G_1 - 1)} \right] C$

Since  $P = 1000$ ;  $G = 3$ ;  $G_1 = 2$ ;  $n = 5$ ;  $C = 200$ ;

Then total profit =  $1000 + 5(1000) \left( \frac{4^{3-1} - 1}{(4 - 1)} \right) \cdot \left[ \frac{4^{3+1} - 4}{(4 - 1)^3} - \frac{3(4)}{(4 - 1)^2} - \frac{3(3 - 1)}{2(4 - 1)} \right] 100$

$= 1000 + 5000 - \left( \frac{15}{3} \right) - \left[ \frac{256 - 4}{27} - \frac{12}{9} - \frac{3}{3} \right] (100)$

$= 26000 - \frac{(21)}{3} (100)$

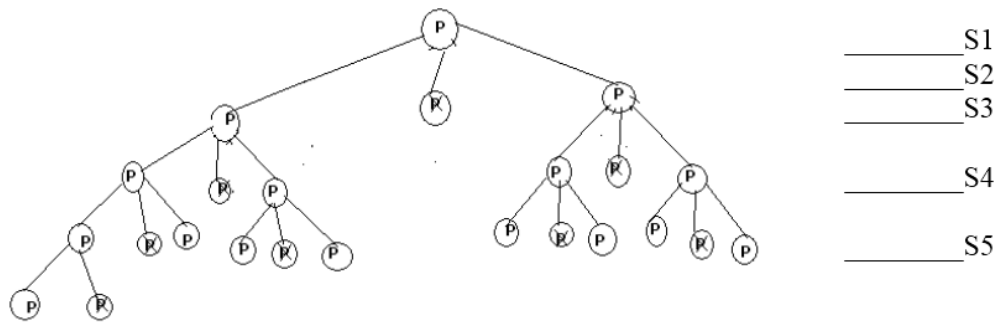
$= 26000 - 700$

$= 25300 \text{ Rs.}$

- For example:- If every member has put 3 member for his chain then only 2 members of them can forward their chain then find the total profit starting price is 500 Rs..

Total member is 24 and starting commission is 20% of 500 Rs.

Ans:-



Since Starting Price = 500 Rs.  
 Since Starting Commission is 20% of 500 Rs.  
 THEN starting commission= 100 Rs  
 Profit of S1 = 500 Rs  
 Profit of S2 = 1500 -100 = 1400 Rs  
 Profit of S3 = 3000-400= 2600 Rs  
 Profit of S4 = 6000-1100= 4900 Rs  
 Profit of S5 = 1500 Rs  
 Total Profit = 10400 Rs.

$$\text{Since } G = 3; G_1 = 2 \text{ then } 1 + \left( \frac{2^{n-1} - 1}{2 - 1} \right) 3 = 24$$

$$\begin{aligned} \Rightarrow (2^{n-1} - 1)3 &= 24 - 1 \\ \Rightarrow 3 \cdot 2^{n-1} - 3 &= 23 \\ \Rightarrow 3 \cdot 2^{n-1} &= 23 + 3 \\ \Rightarrow 3 \cdot 2^{n-1} &= 26 \end{aligned}$$

If it does not express then a smaller number is chosen which can be expressed and we get the value of "n"

Like "24" is a smaller number than 26  
 $\Rightarrow 24 = 3 \cdot 2^{n-1}$   
 $\Rightarrow n = 4$   
 $\Rightarrow R$  is equal to difference between them,  
 $\Rightarrow R = 26 - 24$   
 $\Rightarrow R = 2$

By his methodology:-

Total member = 24

We know Total member =  $1 + \left( \frac{G_1^{n-1} - 1}{G_1 - 1} \right) G$

Now some part of profit =  $P + GP \left( \frac{G_1^{n-1} - 1}{(G_1 - 1)} \right) - \left[ \frac{G_1^{n+1} - G_1}{(G - 1)^3} - \frac{nG_1}{(G_1 - 1)^2} - \frac{n(n-1)}{2(G_1 - 1)} \right] C$

Since P = 500; G = 3; G<sub>1</sub> = 2; n = 4; C = 100;

$$\text{Then total profit} = 500 + 3(500) \left( \frac{2^{4-1} - 1}{(2 - 1)} \right) - \left[ \frac{2^{4+1} - 4}{(2 - 1)^3} - \frac{4(2)}{(2 - 1)^2} - \frac{4(4 - 1)}{2(2 - 1)} \right] 100$$

$$\begin{aligned} &= 500 + 1500(7) - [30 - 8 - 6](100) \\ &= 11000 - 1600 \\ &= 9400 \text{ Rs.} \end{aligned} \quad (1)$$

Now we find  $I = \frac{R}{G_1 - 1}$

Then we arises three cases:-

Case1:- I < G then add (IP) in (1)  
 Case2:- if I = G then add (IP-C) in (1)

Case3:- if I > G then find out  $\frac{I}{G} = X$ . --

Then we arises more cases:-

Case3.1:- X < G then add (IP-XC) in (1)  
 Case3.2:- if X = G then add (IP-XC-2C) in (1)

Case3.3:- if X > G then find out  $\frac{X}{G} = Y$ . --

Then Add (IP-XC-2YC) in (1)

Now  $I = \frac{R}{G_1 - 1}$

Since R = 2; G<sub>1</sub> = 2

Then  $I = \frac{2}{2 - 1} = 2$

I = 2

Since 2 < 3

$\Rightarrow I < G$

Then by case1:-

Add IP in..... (1)

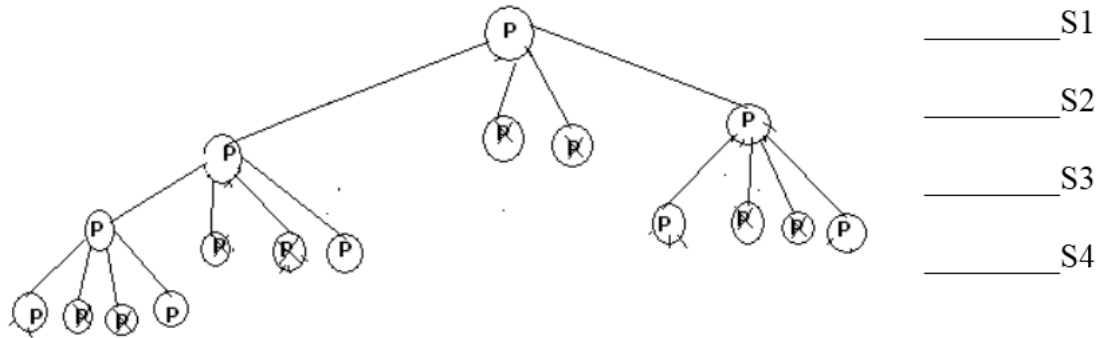
Mean add 2(500) = 1000 in.... (1)

Total profit = 9400 + 1000 = 10400 Rs.

- For example:- If every member has put 4 member for his chain then only 2 members of them can forward their

chain then find the total profit starting price is 800 Rs.. Total member is 17 and starting commission is 12.5% of 800 Rs.

Ans:-



Since Starting Price = 800 Rs.  
 Since Starting Commission is 12.5% of 800 Rs.  
 THEN starting commission= 100 Rs  
 Profit of S1 = 800 Rs  
 Profit of S2 = 3200 -100 = 3100 Rs  
 Profit of S3 = 6400-200-200= 6000 Rs  
 Profit of S4 = 3200-100= 3100 Rs  
 Total Profit = 13000 Rs.

We know Total member =  $1 + \left( \frac{G_1^{n-1} - 1}{G_1 - 1} \right) G$

Since G = 4;  $G_1 = 2$  then  $1 + \left( \frac{2^{n-1} - 1}{2 - 1} \right) 4 = 17$

- $\Rightarrow 2^{n+1} - 4 = 17 - 1$
- $\Rightarrow 2^{n+1} = 16 + 4$
- $\Rightarrow 2^{n+1} = 20$
- $\Rightarrow R = 4$
- $\Rightarrow 2^{n+1} = 16$
- $\Rightarrow n + 1 = 4$
- $\Rightarrow n = 3$

By his methodology:-

Total member = 17

Now some part of profit =  $P + GP \left( \frac{G_1^{n-1} - 1}{(G_1 - 1)} \right) \cdot \left[ \frac{G_1^{n+1} - G_1}{(G - 1)^3} - \frac{nG_1}{(G_1 - 1)^2} - \frac{n(n-1)}{2(G_1 - 1)} \right] C$

Since P = 800; G = 4;  $G_1 = 2$ ; n = 3; C = 100;

Then total profit =  $800 + 4(800) \left( \frac{2^{3-1} - 1}{(2 - 1)} \right) \cdot \left[ \frac{2^{3+1} - 2}{(2 - 1)^3} - \frac{3(2)}{(2 - 1)^2} - \frac{3(3 - 1)}{2(2 - 1)} \right] 100$

= 800 + 3200(3) - [14 - 6 - 3]100  
 = 800 + 9600 - 500  
 = 9900 Rs. \_\_\_\_\_ (1)

Now we find  $I = \frac{R}{G_1 - 1}$

Since R=4;  $G_1=2$ ;

$I = \frac{4}{2 - 1} = 4$

Since I = G = 4

Then by case II

Add (IP-C) in \_\_\_\_\_ (1)

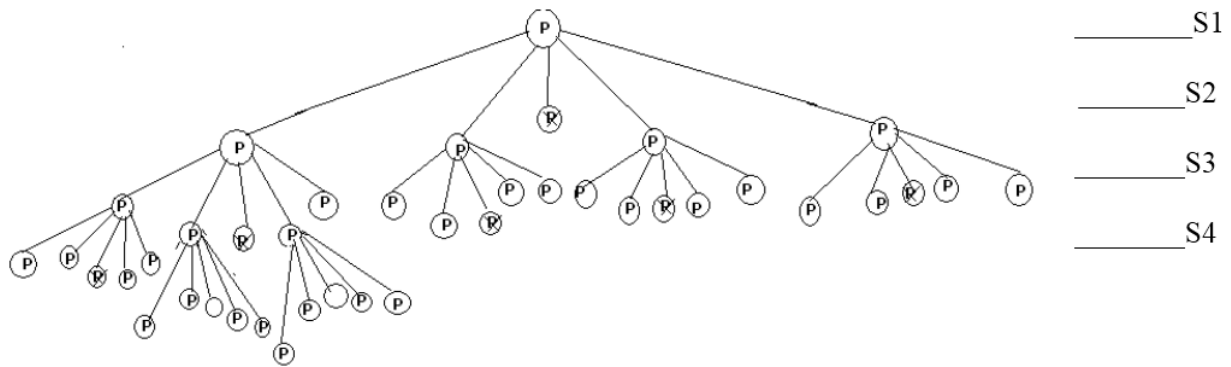
- $\Rightarrow IP - C = 4(800) - 100$
- $\Rightarrow 3200 - 100 = 3100$  Rs.

Add (3100) in \_\_\_\_\_ (1)

Total profit = 9900 + 3100  
 = 13000 Rs.

- For example:- If every member has put 5 member for his chain then only 4 members of them can forward their chain then find the total profit starting price is 700 Rs.. Total member is 41 and starting commission is 150.

Ans:-



Profit of S1 = 700 Rs  
 Profit of S2 = 3500 - 150 = 3350 Rs  
 Profit of S3 = 14000 - 600 - 300 = 13100 Rs  
 Profit of S4 = 10500 - 450 = 10050 Rs  
 Total Profit = 27200 Rs.

By his methodology:-

Total member = 24

We know Total member =  $1 + \left( \frac{G_1^{n-1} - 1}{G_1 - 1} \right) G$

Since  $G = 5$ ;  $G_1 = 4$  then  $1 + \left( \frac{4^{n-1} - 1}{4 - 1} \right) 5 = 41$

- $\Rightarrow 5 \cdot 4^{n-1} - 5 = 120$
- $\Rightarrow 5 \cdot 4^{n-1} = 125$
- $\Rightarrow 5 \cdot 4^{n-1} = 125$
- $\Rightarrow R = 4$
- $\Rightarrow 5 \cdot 4^{n-1} = 80$
- $\Rightarrow 4^{n-1} = 16$
- $\Rightarrow n - 1 = 2$
- $\Rightarrow n = 3$

Now some part of profit =  $P + GP \left( \frac{G_1^{n-1} - 1}{(G_1 - 1)} \right) - \left[ \frac{G_1^{n+1} - G_1}{(G_1 - 1)^3} - \frac{nG_1}{(G_1 - 1)^2} - \frac{n(n-1)}{2(G_1 - 1)} \right] C$

Since  $P = 700$ ;  $G = 5$ ;  $G_1 = 4$ ;  $n = 3$ ;  $C = 150$ ;

Then total profit =  $700 + 5(700) \left( \frac{4^{3-1} - 1}{(4 - 1)} \right) - \left[ \frac{4^{3+1} - 4}{(4 - 1)^3} - \frac{3(4)}{(4 - 1)^2} - \frac{3(3-1)}{2(4 - 1)} \right] 150$

$= 700 + 3500 \frac{15}{3} - \left[ \frac{252}{27} - \frac{3(4)}{9} - \frac{3(2)}{(2)3} \right] (150)$

$= 700 + 3500(15) - \left[ \frac{28}{3} - \frac{4}{3} - \frac{3}{3} \right] (150)$

$= 700 + 17500 - \left( \frac{21}{3} \right) (150)$

$= 18200 - 1050$

$= 17150 \text{ Rs.} \quad \text{_____ (1)}$

Now we find  $I = \frac{R}{G_1 - 1}$

Since  $R = 4$ ;  $G_1 = 4$

Now we find  $I = \frac{R}{G_1 - 1}$

Since  $R = 4$ ;  $G_1 = 4$

Then  $I = \frac{45}{4 - 1} = \frac{45}{3}$

$I = 15$

Since  $15 > 5$

$\Rightarrow I > G$

Then find  $X = \frac{I}{G}$

Now  $\frac{I}{G} = \frac{15}{5} = 3$

Since  $X = 3$   
 Since  $3 < 4$   
 $\Rightarrow X < G_1$

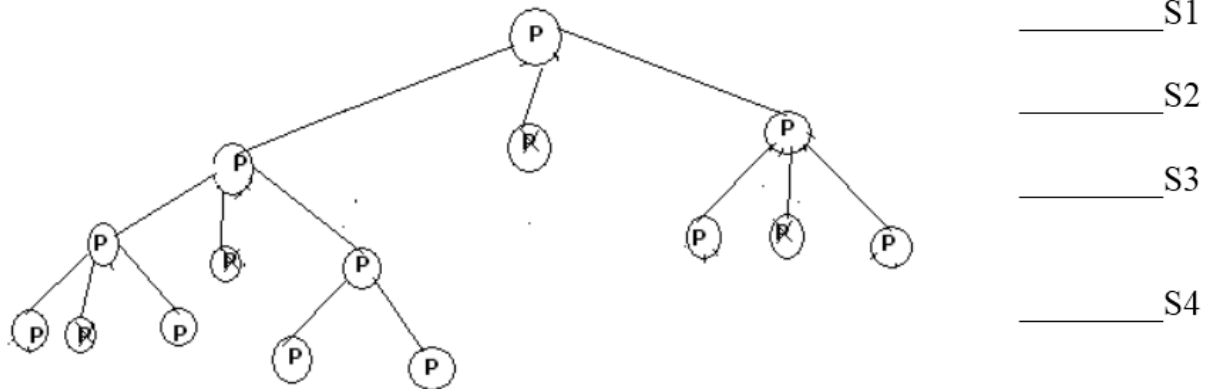
Then by case 3.1; add  $(IP - XC)$  in \_\_\_\_\_ (1)  
 Now  $IP - XC = 15(700) - 3(150)$   
 $= 10500 - 450$

=10050 Rs.

Add in \_\_\_\_\_ (1)  
 Then total profit =  $17150 + 10050$   
 $= 27200$  Rs.

- For example:- If every member has put 3 member for his chain then only 2 members of them can forward their chain then find the total profit starting price is 1000 Rs.. Total member is 15 and starting commission is 20% of 1000 Rs.

Ans:-



Since Starting Price = 1000 Rs.  
 Since Starting Commission is 20% of 1000 Rs.  
 THEN starting commission= 200 Rs  
 Profit of S1 = 1000 Rs  
 Profit of S2 = 3000 -200 = 2800 Rs  
 Profit of S3 = 6000-800= 5200 Rs  
 Profit of S4 = 5000-200= 4800 Rs  
 Total Profit= 13800 Rs.

We know Total member =  $1 + \left( \frac{G_1^{n-1} - 1}{G_1 - 1} \right) G$

Since  $G = 3$ ;  $G_1 = 2$  then  $1 + \left( \frac{2^{n-1} - 1}{2 - 1} \right) 3 = 15$

By his methodology:-

Total member = 15

- $\Rightarrow 3 \cdot 2^{n-1} - 3 = 14$
- $\Rightarrow 3 \cdot 2^{n-1} = 17$
- $\Rightarrow R = 5$
- $\Rightarrow 3 \cdot 2^{n-1} = 12$
- $\Rightarrow 2^{n-1} = 4$
- $\Rightarrow n - 1 = 2$
- $\Rightarrow n = 3$

Now some part of profit =  $P + GP \left( \frac{G_1^{n-1} - 1}{(G_1 - 1)} \right) - \left[ \frac{G_1^{n+1} - G_1}{(G - 1)^3} - \frac{nG_1}{(G_1 - 1)^2} - \frac{n(n-1)}{2(G_1 - 1)} \right] C$

Since  $P = 1000$ ;  $G = 3$ ;  $G_1 = 2$ ;  $n = 3$ ;  $C = 200$ ;

Then total profit =  $1000 + 3(1000) \left( \frac{2^{3-1} - 1}{(2 - 1)} \right) - \left[ \frac{(2^{3+1} - 2)}{(2 - 1)^3} - \frac{3(2)}{(2 - 1)^2} - \frac{3(3-1)}{2(2 - 1)} \right] 200$

$= 1000 + 3000(3) - [14 - 6 - 3](200)$   
 $= 10000 - 1000$   
 $= 9000$  Rs. \_\_\_\_\_ (1)

Now  $I = \frac{R}{G_1 - 1}$   
 Since  $R = 5; G_1 = 2$   
 Then  $I = \frac{5}{2 - 1} = 5$   
 $I = 5$   
 Since  $5 > 3$   
 $\Rightarrow I > G$   
 Then find  $X = \frac{I}{G}$   
 Now  $\frac{I}{G} = \frac{5}{3} = 1.6\bar{6}$   
 So  $X = 1$

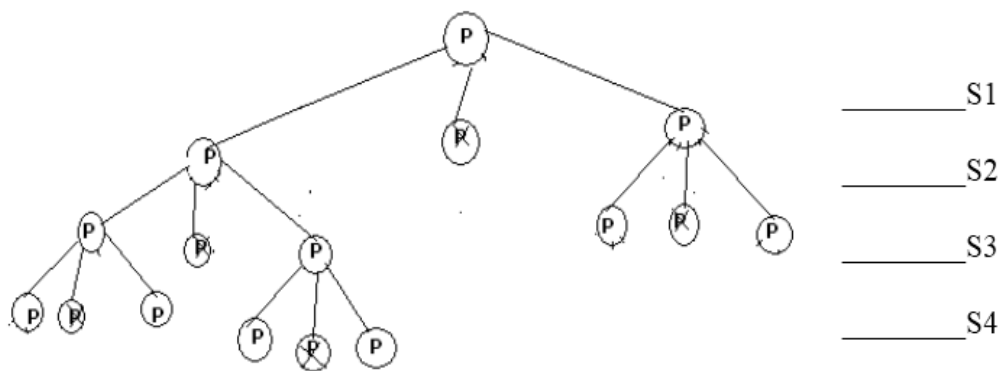
$\Rightarrow 1 < 2$   
 $\Rightarrow X < G_1$

Then by case 3.1; add  $(IP - XC)$  in (1)  
 Now  $IP - XC = 5(1000) - 1(200)$   
 $= 5000 - 200$   
 $= 4800 \text{ Rs.}$

Add in (1)  
 Then total profit =  $9000 + 4800$   
 $= 13800 \text{ Rs.}$

- For example:- If every member has put 3 member for his chain then only 2 members of them can forward their chain then find the total profit starting price is 500 Rs.. Total member is 16 and starting commission is 20% of 500 Rs.

Ans:-



Since Starting Price = 500 Rs.  
 Since Starting Commission is 20% of 500 Rs.  
 THEN starting commission = 100 Rs  
 Profit of S1 = 500 Rs  
 Profit of S2 = 1500 - 100 = 1400 Rs  
 Profit of S3 = 3000 - 400 = 2600 Rs  
 Profit of S4 = 3000 - 400 = 2600 Rs  
 Total Profit = 7100 Rs.

We know Total member =  $1 + \left( \frac{G_1^{n-1} - 1}{G_1 - 1} \right) G$   
 Since  $G = 3; G_1 = 2$  then  $1 + \left( \frac{2^{n-1} - 1}{2 - 1} \right) 3 = 16$

By his methodology:-  
 Total member = 15

$\Rightarrow 3 \cdot 2^{n-1} - 3 = 15$   
 $\Rightarrow 3 \cdot 2^{n-1} = 18$   
 $\Rightarrow R = 6$   
 $\Rightarrow 3 \cdot 2^{n-1} = 12$   
 $\Rightarrow 2^{n-1} = 4$   
 $\Rightarrow n - 1 = 2$   
 $\Rightarrow n = 3$

Now some part of profit =  $P + GP \left( \frac{G_1^{n-1} - 1}{(G_1 - 1)} \right) - \left[ \frac{G_1^{n+1} - G_1}{(G - 1)^3} - \frac{nG_1}{(G_1 - 1)^2} - \frac{n(n-1)}{2(G_1 - 1)} \right] C$

Since  $P = 1000; G = 3; G_1 = 2; n = 3; C = 200;$

Then total profit =  $500 + 3(500) \left( \frac{2^{3-1} - 1}{(2 - 1)} \right) - \left[ \frac{(2^{3+1} - 2)}{(2 - 1)^3} - \frac{3(2)}{(2 - 1)^2} - \frac{3(3 - 1)}{2(2 - 1)} \right] 100$

$= 500 + 1500(3) - [14 - 6 - 3](100)$   
 $= 500 + 4500 - 500 = 4500 \text{ Rs.} \quad \text{_____ (1)}$

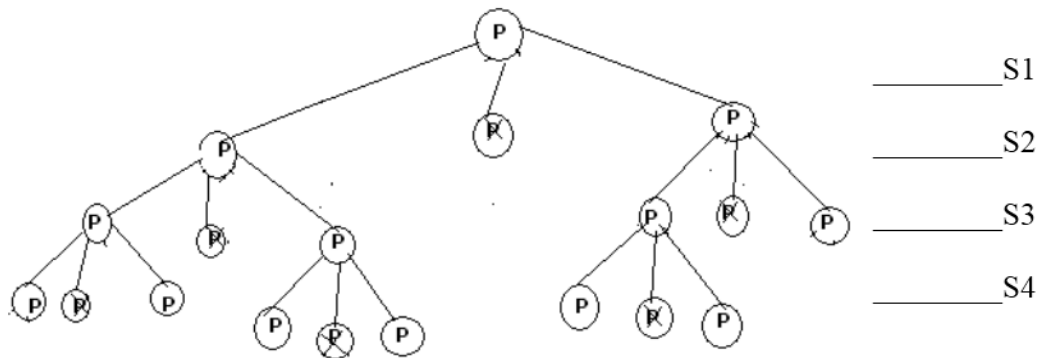
Now  $I = \frac{R}{G_1 - 1}$   
 Since  $R = 6; G_1 = 2$   
 Then  $I = \frac{6}{2-1} = 6$   
 $I = 6$   
 Since  $6 > 3$   
 $\Rightarrow I > G$   
 Then find  $X = \frac{I}{G}$   
 Now  $\frac{I}{G} = \frac{6}{3} = 2$   
 So  $X = 2$

$\Rightarrow 2 = X = G_1$

Then by case 3.2; add  $(IP - XC - 2C)$  in (1)  
 Now  $IP - XC - 2C = 6(500) - 2(100) - 200$   
 $= 3000 - 400$   
 $= 2600 \text{ Rs.}$   
 Add in \_\_\_\_\_ (1)  
 Then total profit =  $4500 + 2600$   
 $= 7100 \text{ Rs.}$

- For example:- If every member has put 3 member for his chain then only 2 members of them can forward their chain then find the total profit starting price is 600 Rs.. Total member is 19 and starting commission is 10% of 600 Rs.

Ans:-



Profit of S1 = 600 Rs  
 Profit of S2 =  $1800 - 60 = 1740 \text{ Rs}$   
 Profit of S3 =  $3600 - 120 - 120 = 3120 \text{ Rs}$   
 Profit of S4 =  $5400 - 180 - 120 = 5100 \text{ Rs}$   
 Total Profit = 10560 Rs.

We know Total member =  $1 + \left( \frac{G_1^{n-1} - 1}{G_1 - 1} \right) G$

Since  $G = 3; G_1 = 2$  then  $1 + \left( \frac{2^{n-1} - 1}{2 - 1} \right) 3 = 19$

By his methodology:-

Total member = 19

$\Rightarrow 3 \cdot 2^{n-1} - 3 = 18$   
 $\Rightarrow 3 \cdot 2^{n-1} = 21$   
 $\Rightarrow R = 9$   
 $\Rightarrow 3 \cdot 2^{n-1} = 12$   
 $\Rightarrow 2^{n-1} = 4$   
 $\Rightarrow n - 1 = 2$   
 $\Rightarrow n = 3$

Now some part of profit =  $P + GP \left( \frac{G_1^{n-1} - 1}{(G_1 - 1)} \right) \cdot \left[ \frac{G_1^{n+1} - G_1}{(G - 1)^3} - \frac{nG_1}{(G_1 - 1)^2} - \frac{n(n-1)}{2(G_1 - 1)} \right] C$

Since  $P = 1000; G = 3; G_1 = 2; n = 3; C = 200;$

Then total profit =  $600 + 3(600) \left( \frac{2^{3-1} - 1}{(2 - 1)} \right) \cdot \left[ \frac{(2^{3+1} - 2)}{(2 - 1)^3} - \frac{3(2)}{(2 - 1)^2} - \frac{3(3 - 1)}{2(2 - 1)} \right] 60$

$= 600 + 1800(3) - [14 - 6 - 3](60)$   
 $= 6000 - 540$   
 $= 5460 \text{ Rs.} \quad \text{_____ (1)}$



