Learning Unit 01: Introduction

Study Questions

1. Find the compound interest on Rs. 10000 at 10% p.a. for 2 years.
   a) Rs. 1400
   b) Rs. 1100
   c) Rs. 2100
   d) Rs. 800

2. Find the compound interest on Rs. 15000 at 20% p.a. for 3 years.
   a) Rs. 11400
   b) Rs. 11000
   c) Rs. 12000
   d) Rs. 10920

3. Find the compound interest on Rs. 5000 at 15% p.a. for 2 years.
   a) Rs. 1650.5
   b) Rs. 1612.5
   c) Rs. 1200.4
   d) Rs. 800.25

4. Find the compound interest on Rs.2000 at 10% p.a. for 4 years.
   a) Rs. 890
   b) Rs. 900
   c) Rs. 662
   d) Rs. 800

5. Find the compound interest on Rs. 8000 at 5% p.a. for 2 years.
   a) Rs. 1400
   b) Rs. 1100
   c) Rs. 1200
   d) Rs. 820

Study Explanations

1. C)

$$CI = P\left[\left(1+\frac{r}{100}\right)^{n}-1\right]$$

$$CI = 10000\left[\left(1+\frac{10}{100}\right)^{2}-1\right]$$

$$CI = 2100$$

2. d)

$$CI = P\left[\left(1+\frac{r}{100}\right)^{n}-1\right]$$

$$CI = 15000\left[\left(1+\frac{20}{100}\right)^{3}-1\right]$$

$$CI = 10920$$

3. b)

$$CI = P\left[\left(1+\frac{r}{100}\right)^{n}-1\right]$$

$$CI = 5000\left[\left(1+\frac{15}{100}\right)^{2}-1\right]$$

$$CI = 1612.5$$

4. c)

$$CI = P\left[\left(1+\frac{r}{100}\right)^{n}-1\right]$$

$$CI = 2000\left[\left(1+\frac{10}{100}\right)^{3}-1\right]$$

$$CI = 662$$

5. d)

$$CI = P\left[\left(1+\frac{r}{100}\right)^{n}-1\right]$$

$$CI = 8000\left[\left(1+\frac{5}{100}\right)^{2}-1\right]$$

$$CI = 820$$