

Compound Interest

$$\text{Amount} = P + SI$$

$$\text{Amnt (n)} = P \left(1 + \frac{R}{100} \right)^n$$

P+CI

4 different formula

Simple

Diff b/w C.I. & S.I. for 2 yrs
 Diff b/w C.I. & S.I. for 3 yrs
 Installment

Difference Compound I & S.I. for 2 hrs

$$\text{Diff} = P \left(\frac{R}{100} \right)^2 = \frac{SI \times R}{200}$$

$$\text{Difference for 3 yrs} = P \left(\frac{R}{100} \right)^2 \left(\frac{R}{100} + 3 \right)$$

Population

$$\text{Population in yrs} = P \left(1 + \frac{R}{100} \right)^n$$

1) what will be the interest earned on sum of 6400 kept for 6 months at 25% rate compounded annually

$$CM = P \left(1 + \frac{R}{100} \right)^n \quad r = \frac{r}{4} \quad T = An = 4 \times 0.5 = 1$$

$$6 \text{ months} = 0.5$$

$$6400 \left(1 + \frac{25}{100 \times 4} \right)^2 = 7257$$

2.) what Compound interest will be Rs 5000 fetch in 3 years 10 months at 30%.

3 years and 10 months = $3 \frac{10}{12}$

if its in mixed fraction

$$\text{Amt} = P \left(1 + \frac{R}{100} \right)^n \left[1 + \frac{\frac{R}{12} \times 10}{100} \right]$$

for mixed fraction

$$5000 \left(1 + \frac{30}{100} \right)^3 \left(1 + \frac{\frac{30}{12} \times 10}{100} \right) = 13731.25$$

$$13731.25 - 5000 = 8731.25$$

3.) How much money invested at compound interest will yield Rs 6350.40 at end of 3 yrs for first year it increases to 12% and for 3rd decreases to 8%.

calculate for yr¹

$$P \left(1 + \frac{R}{100} \right)^n = P \left(1 + \frac{5}{100} \right) \left(1 + \frac{12}{100} \right) \left(1 + \frac{8}{100} \right) = 6350.40$$

$$6350 = P \left(\frac{115}{100} \right) \left(\frac{112}{100} \right) \left(\frac{108}{100} \right)$$

$$Rs = 5000$$

4) An amount becomes 4 times in 6 years.
In how many years it will become 16 times the value when remains under

$$A \rightarrow 6 \text{ yrs} \rightarrow 4A \rightarrow 18 \text{ yrs} \rightarrow 4(4A) = 16A \rightarrow 16A = 64A$$

$$3(6) = 18 \text{ yrs}$$

5) RS 400 is SI for a sum for 4 yrs at 10% rate of interest per annum. for (1) for same sum rate of interest for same time period

$$400 = \frac{P \times 10 \times 4}{100}$$

$$P = 1000$$

$$P \left(1 + \frac{R}{100} \right)^n$$

$$1000 \left(1 + \frac{10}{100} \right)^4$$

$$RS = 1464.10$$

$$A = P + CI$$

$$RS = 1464.10 - 1000$$

$$RS = 464.10$$

6) In
But
in

7.)

- 6) In 3 years by CI, a sum becomes ₹900. But in 4 years by CI becomes ₹1000, what is sum & rate of interest

$$SI = CI = 100 \text{ 900}$$

$$P = 900 = 2 + 3 \text{ yr}$$

$$SI = \frac{P \times R \times T}{100} = 100 = R = 100/9\% = 11.11\%$$

$$A = 900 = P \left(1 + \frac{100}{9 \times 100} \right)^3 = \text{Rs } 656$$

See in this case we are taking 2+3 as compound and 900 — 1000 as SI for 1 yr rule. So we get answer

- 7) The population of a city is 50,000 at present. It increases at the rate of 10% per annum. what will be the population 3 yr from now

$$P = P \left(1 + \frac{R}{100} \right)^n$$

$$50,000 \left(1 + \frac{10}{100} \right)^3 = 66550 \checkmark$$

8) The population of city is 50,000 at present. It increases at rate of 10% per annum. What was its population 4 yrs ago from present

$$P = P \left(1 + \frac{v}{100} \right)^n$$

$$\text{for past} = \frac{P}{\left(1 + \frac{v}{100} \right)^n}$$

$$\frac{50000}{\left(1 + \frac{10}{100} \right)^4} = 34,151 //$$

9) what will be difference in population 3 yrs ago and 2 yrs ago of Devron village; whose current population is 1,00,000 which is increasing at a rate of 25%.

$$P_3 < P_2$$

$$P_2 - P_3$$

$$P_3 = \frac{P}{\left(1 + \frac{R}{100} \right)^n} = \frac{1,00,000 \times 64}{125} \quad - (1)$$

$$P_2 = \frac{100000}{\left(\frac{1+25}{100}\right)^1} = \frac{100000 \times 100}{125}$$

$$P_2 = 80000$$

$$\frac{100000 \times 16}{125} - \frac{100000 \times 64}{125} = 12800$$

10) The difference between Simple & CI on a certain sum of money for 2 yrs at 4 Percent per annum is Re. 1. The sum of money

Diff. SI - CI for 2 yrs

$$P \left(\frac{R}{100} \right)^2 = \frac{R \times SI}{100}$$

$$1 = P \left(\frac{4}{100} \right)^2 = P = 625 \text{ Rs}$$

11) Sarang invested some money in HDFC at 5% rate of interest. what would be corresponding SI after 2 yrs, Sarang got 761.50 (₹)

$$\text{Diff} = CI - SI = P \left(\frac{R}{100} \right)^2 = \frac{SI \times R}{200}$$

$$101.50 - CI = \frac{SI \times 5}{200}$$

$$SI = \text{Rs } 100$$

12.) Find the principal amount invested if difference between CI and SI for 3 years at rate of 25% is 320

$$\text{Diff} = \text{CI} - \text{SI} = P \left(\frac{R}{100} \right)^2 \left(\frac{R+3}{100} \right)$$

$$320 = P \left(\frac{25}{100} \right)^2 \left(\frac{25+3}{100} \right)$$

$$P = 1575.38$$