

**Chapter: 14:**

**Q.1 Choose the correct alternative. (3)**

- 1) The sum of money borrowed is .....  
a. Interest                      b. Amount                      c. Principal                      d. None of these
- 2) The reduction in price of any article due to use over a period of time is called.  
a. appreciation                      b. depreciation  
c. discount                      d. reward
- 3) The simple interest on Rs 30000 for 3 years at the rate of 15% per annum is.  
a. Rs. 4500                      b. Rs. 9000  
c. Rs. 18000                      d. Rs. 13500

**Q.2 Solve the following questions. (Any three) (9)**

- 1) What sum will amount to Rs. 3630 in two years at 10% per annum compound interest.
- 2) In a forest there are 40,000 trees. Find the expected number of trees after 3 years if the objective is to increase the number at the rate 5% per year.
- 3) Sameerrao has taken a loan of Rs.12500 at a rate of 12 p.c.p.a. for 3 years. If the interest is compounded annually then how many rupees should he pay to clear his loan?
- 4) The cost price of a machine is Rs. 2,50,000. If the rate of depreciation is 10% per year find the depreciation in price of the machine after two years.

**Q.3 Answer the following (Any two) (8)**

- 1) Find the amount and compound interest on Rs. 15000 for 2 years at 8 % per annum, interest compounded annually.
- 2) The present population of a village is 5408. If it has increased at the rate of 4% every year what was its population two years ago.
- 3) Find the difference between simple interest and compound interest on Rs. 20000 in 2 years at 8 p.c.p.a.