Compound Interest Ex 14.5 Q1

Answer:

Value of the boat after two years $= P\left(1 - \dfrac{R}{100}\right)^{n}$

$\Rightarrow 16,000\left(1 - \dfrac{5}{100}\right)^{2}$

$= 16,000(0.95)^{2}$

$= 14,440$

Thus, the value of the boat after two years will be Rs 14,440.

Compound Interest Ex 14.5 Q2

Answer:

Value of the machine after two years $= P\left(1 - \dfrac{R}{100}\right)^{n}$

$\Rightarrow 100,000\left(1 - \dfrac{10}{100}\right)^{2}$

$= 100,000(0.90)^{2}$

$= 81,000$

Thus, the value of the machine after two years will be Rs 81,000.

Depreciation $=$ Rs $100,000 -$ Rs $81,000$

$\qquad\qquad = $ Rs $19,000$

********** END *********