



Q20. Himanshu withdraws Rs.2,500 at the end Month of each month. The Partnership deed provides for charging the interest on drawings @ 12% p.a. Calculate interest on Himanshu's drawings for the year ending 31<sup>st</sup> December, 2014.

Sol:

$$\text{Total Drawing of Himanshu} = 2,500 \times 12 = 30,000$$

$$\text{Interest on Drawing} = \text{Total Drawing} \times \frac{\text{Rate}}{100} \times \frac{5.5}{12}$$

$$= 30,000 \times \frac{12}{100} \times \frac{5.5}{12}$$

$$= 1,650$$

Drawings are made at the end of every month.

Therefore, Period taken is 5.5 months.

\*\*\*\*\* END \*\*\*\*\*