

1) calculation of monthly payment:-						
loan amount			1,50,000/-			
rate of interest			8%			
duration			3 years			
monthly payment:-		4,18,554.22				
2) calculation of 12th month Principal portion of loan :-						
loan amount			1,50,000/-			
rate of interest			8%			
duration			3years			
12th principal portion of loan :-		3,981.05				
3) calculation of 6th month interest portion of loan :-						
loan amount			1,50,000/-			
rate of interest			8%			
duration			3years			
6th month interest portion:-		719.4				
4) calculation of EMI:-						
loan amount			2,00,000/-			
rate of interest			10%			
duration			5years			
every month installation :-		-				
5) calculation of CAGR- compound annual growth rate :-						
investment			10,000 - 15,000			
duration			4 years			
CAGR:-		0.11				
6): calculation of effective annual interest rate :-						
nominal annual interest rate			6.00%			
effective annual interest rate :-		$(1+0.06/4)^4 - 1$				
		$(1+0.015)^4 - 1$				
		$(1.015)^4 - 1$				
		$1.06136 - 1$				
		$=0.01636$				
So, the effective annual interest rate is 6.14%						
7) calculation of nominal annual interest rate :-						
effective annual interest rate			9.50%			
nominal rate =		$(1+0.095/12)^{12} - 1$				
		$(1+0.0079167)^{12} - 1$				
		$(1.0079167)^{12} - 1$				
		$1.1007 - 1$				

	0.1009				
So, the nominal annual interest rate is approximately 9%					
8) calculation of depreciation expense of an asset:-					
initial cost	50,000/-				
salvage value	10,000/-				
life of asset	5 years				
depreciation = cost of asset - salvage cost					
= 50,000 - 10,000					
= 40,000					
Depreciation expense per year = Depreciable amount / Useful life					
40,000 / 5 years					
straight-line depreciation expense for the asset = 8,000 /- per year					
9) calculation of monthly payment, principal portion of 36th month, interest portion for 60th month :-					
loan amount	3,00,000/-				
annual interest rate	7%				
duration	10 years				
≈monthly payment of a loan :-	3,843.25/-				
≈principal portion of 36th month :-					
Principal Payment = Total Monthly Payment - Interest Payment					
= 1762 - 1,528.66					
= 2124.58/-					
≈ Interest portion for 60th month :-					
INTEREST = P X T X R /100					
= 1040.40/-					
10) Designing of financial model :-					
loan amount	1,50,000/-				
interest rate	8%				
duration	3years				
monthly payment	4700.45/-				
payment number	1				
principal portion	3700.45/-				
interest portion	1,000/-				