

## NPTEIN

reviewer2@nptel.iitm.ac.in ▼

### Courses » Time value of money-Concepts and Calculations

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Course

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## Unit 2 - Week 1



## **Course** outline

How to access the portal?

#### Week 1

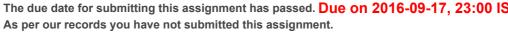
- Introduction
- Interest Rates
- Simple Interest
- Compounding Techniques- 1 &
- Week 1Assignment 1Solution
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- Quiz : Week 1Assignment 1
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Week 2

Week 3

Week 4

# Week 1 Assignment 2





- 1) On a sum of Rs. 90,000 what will be the interest after 5 years when compounding at the rate **1 point** of 9% per annum (p.a.)?
  - Rs.1.38.476.15
  - Rs.48.476.15
  - Rs.1,38,746.15
  - Rs.48,746.15

No, the answer is incorrect. Score: 0

#### **Accepted Answers:**

Rs.48,476.15

- 2) The difference between the compound interest and simple interest is Rs.320.6. This **2 points** difference is obtained when simple interest, at rate of 10% per annum for 2 years, is applied on a certain amount and also for the same amount the compound interest at rate of 12% per annum compounded half-yearly is applied for 2 years. Find the amount of money invested?
  - Rs.5030
  - Rs.4556.76
  - Rs.5347
  - Rs.5131.5

No, the answer is incorrect.

Score: 0

### **Accepted Answers:**

Rs.5131.5

- 3) What time (least time) it will take to grow a certain amount to its three times (or more) when **2 points** compounding at a rate of 16% per annum (p.a.) is used?
  - 2 years
  - 5 years
  - 8 years
  - 11 years

No, the answer is incorrect.

Score: 0

**Accepted Answers:** 

8 years

4) At what interest years?	st rate the amount Rs.4000 invested in an account becomes Rs.7669.5 in 3	1 point
23.45%		
22.56%		
24.23%		
25.63%		
No. 4ho anavis	a to transmissa	
No, the answer	r is incorrect.	4
Accepted Ansv	wore:	
24.23%	weis.	
5) What will be the 6% compounded y	he interest on an amount Rs. 8000 invested for 4.6 years at the interest rate of 2 yearly?	? poi
Rs.2632.0	69	
Rs.10632		İÌ
Rs.2459.		
Rs.10459		8
- 110.10100		
No, the answer		
Accepted Answers Rs.2459.16	wers:	
he can earn intere now the cost of sh	of sufficient for purchasing the shop. He decided to put them in a bank account set, after 7 years he withdraw all amount from the account for same purpose but nop is five times from the cost before 7 years (assume the cost of shop before 7 What interest rate he should get so that he could buy that shop, if interest is ually?	
30.45%		
28.63%		
34.05%		
31.23%		
No, the answer	r is incorrect.	
Accepted Answards 30.45%	wers:	
7) How long (appinterest is paid at r	proximate years) it will take so that Rs.6000 grows five times, if the compound rate of 13.73%?	1 point
13.1 year	rs	
12.5 year		
11.7 year	s	
9.6 years		
No, the answer	r is incorrect.	
Accepted Answ 12.5 years	wers:	
	e should invest today so that Rs. 80,000 will be returned after 3 years if the % p.a. and compound interest is paid on that money?	1 point
Rs.56674	4.78	
Rs.6403.		
Rs.89998		
- 1101.111.177	5.97	
Rs.64038		

No, the answer is incorrect. Score: 0	·
Accepted Answers: Rs.64038.75	
	00 from a bank at the rate of 20% compound annually. He <b>4 points</b> rs as a part of repayment. How much money he still have to pay to
Rs. 106944 Rs. 105764 Rs. 102944 Rs. 109870	f
No, the answer is incorrect. Score: 0	
Accepted Answers: Rs. 102944	ir
annually at 5%, 10%, 15%, and 17% in	Int for 4 years at different interest rates compounded opoi terest rates for 1st, 2nd,3rd and 4th years respectively. If at the to Rs. 67000, then what is the amount invests initially?
Rs.40000 Rs.42567.77 Rs.43113.08 Rs.43311.56	
No, the answer is incorrect. Score: 0 Accepted Answers:	
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