

Answer on question 37114 – Math – Algebra

Vasudevan invested rs 60000 at an interest rate of 12 per annum compounded half yearly what amount would he get after 6 months and 1 year?

Solution

The simple interest we can find using the formula

$$A_1 = A_0 \left(1 + \frac{r}{100}\right)$$

Where A_0 is the initial amount of money, A_1 is amount of money after one year, r is the interest rate.

Using this formula we obtain

$$A_1 = 60000 * 1.12 = 67200.$$

The profit after 0.5 year will be

$$pr(A_1) = A_1 \left(1 + \frac{r}{100}\right) * 0.5 = 0.06 * 7200 = 4032.$$

And the amount that he will get after 1.5 year is

$$A_1 + pr(A_1) = 71232.$$

Answer: 71232.