RD SHARMA
Solutions
Class 8 Maths
Chapter 14
Ex 14.5

Q1) Ms. Cherian purchased a boat for Rs 16000	. If the total cost of the boat is depreciating at the rate of 5% per year, calculate its value after
years.	

Solution:

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

$$=> 16000(1-\frac{5}{100})^2$$

$$= 16000 (0.95)^2$$

$$= 14,440$$

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

Q2) The value of a machine depreciates at the rate of 10% per annum. What will be its value 2 years hence, if the present value is Rs 100000? Also, find the total depreciation during this period.

Solution:

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

$$=> 100000(1-\frac{10}{100})^2$$

$$= 100000 (0.90)^2$$

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

Depreciation = Rs 100,000 - Rs 81,000

$$= Rs 19,000$$

Q3) Pritam bought a plot of land for Rs 640000. Its value is increasing by 5% of its previous value after every six months. What will be the value of the plot after 2 years?

Solution:

Given:

$$P = Rs 64,000$$

R = 5% for every six months

Value of the plot after two years = $P(1 + \frac{R}{100})^n$

$$=>64000(1+\frac{5}{100})^4$$

$$=64000(1.025)^4$$

Thus, the value of the plot after two years will be Rs 706,440.25.

Q4) Mohan purchased a house for Rs 30000 and its value is depreciating at the rate of 25% per year. Find the value of the house after 3 years.

Solution:

Value of the house after three years = $P(1 - \frac{R}{100})^n$

$$\Rightarrow$$
 30000 $(1 - \frac{25}{100})^3$

$$=30000(0.75)^3$$

Thus, the value of the house after three years will be Rs 12,656.25.

Q5) The value of a machine depreciates at the rate of 10% per annum. It was purchased 3 years ago. If its present value is Rs 43740, find its purchase price.

Solution:

Purchase price =
$$P(1 - \frac{R}{100})^{-n}$$

$$=>43740(1-\frac{10}{100})^{-3}$$

$$=43740(0.90)^{-3}$$

$$=60,000$$

Thus, the purchase price of the machine was Rs 60,000.

Q6) The value of a refrigerator which was purchased 2 years ago, depreciates at 12% per annum. If its present value is Rs 9680, for how much was it purchased?

Solution:

Purchase price =
$$P(1 - \frac{R}{100})^{-n}$$

$$=>9680(1-\frac{12}{100})^{-2}$$

$$=9680(0.88)^{-2}$$

Thus, the purchase price of the refrigerator was Rs 12,500.

Q?) The cost of a T.V. set was quoted Rs 17000 at the beginning of 1999. In the beginning of 2000 the price was hiked by 5%. Because of decrease in demand the cost was reduced by 4% in the beginning of 2001. What was the cost of the T.V. set in 2001?

Solution:

Cost of the TV =
$$P(1 + \frac{R}{100})(1 - \frac{R}{100})$$

$$=> 17000(1+\frac{5}{100})(1-\frac{4}{100})$$

$$= 17,000 (1.05) (0.96)$$

$$= 17,136$$

Thus, the cost of the TV in 2001 was Rs 17,136.

Q8) Ashish started the business with an initial investment of Rs 500000. In the first year he incurred a loss of 4%. However during the second year he earned a profit of 5% which in third year rose to 10%. Calculate the net profit for the entire period of 3 years.

Solution:

Profit for three years =
$$P(1 - \frac{R_1}{100})(1 + \frac{R_2}{100})(1 + \frac{R_3}{100})$$

$$=> 500000(1 - \frac{4}{100})(1 + \frac{5}{100})(1 + \frac{10}{100})$$

Thus, the net profit is Rs 554,400.