

4.5. A - COMMERCIAL ARITHMETIC – II

(For the students who have already studied Statistics at PU I & II/XI & XII)

Lecture per Week: 4 hours

Max Marks: 80 (End Sem.) + 20 (IA) = 100

Exam Duration: 3 Hours

Objectives: To train the students of commerce to become familiar with the practical problems relating to commerce and business environment and make them acquainted with actual commercial problems existing in the modern world.

Units	Topics	No of periods
I	Simple interest: Concept of Principal, Interest, Rate of interest, Period of interest and Amount. Calculation of interest, period, rate, amount. Other examples. Compound Interest: Formula to find amount. Problems based on this formula. Varying rates of compound interest. Nominal and effective rates of compound interest. Problems based on these. Concept of depreciation, Calculations of Value, period, Original price and rate. Varying rates of depreciation. Problems based on depreciation.	10
II	Bills of Exchange: Definition of bill of exchange. Discounting of a bill. Problems based on these. Present worth, sum due, true discount, banker's discount and banker's gain problems	10
III	Average Due date: Definition of equated period and average due date. Nominal due date and legal due date. Finding average due date in different cases.	10
IV	Installment buying and annuities: Concept of installment buying. Finding rate of interest and value of installment. Definition of annuities. Formula for amount of an annuity. Annuity immediate and annuity due. Present worth of an annuity. Problems based on these.	10
V	Time, Work and Speed: Relation between time and the work done. Relation between speed and time. Problems on these.	10

SUGGESTED REFERENCE:

1. Commercial Arithmetic by Prof. R. H. Dhareshwar
2. Commercial Arithmetic by Iyer and Bari
3. Commercial Arithmetic by Patvardhan and Joshi
4. Commercial Arithmetic by Sutaria