BANKING

4 marks

Almost all students in Tulashikhar block have their own bank account. So, they are familiar with the banking operations.

1) Revise the following terms –

   The person who opens an account in the bank is called 'account holder'.

   The amount kept in the bank is called amount 'deposited'. It can be deposited by cheque or by cash.

   When the account holder needs money, he/she can take out money. That is withdrawal.

2) Explain what is percentage in the following contexts.
   - 80 % of students are studying very hard for the exams
   - There will be 50% increase in marks
   - 10% interest rate.

3) 4.5% interest rate per annum –
   - If I deposit 100 Rupees in bank and keep it for 1 year the bank will give me 4.5 rupees.
   - If I deposit 1000 rupees, I will get 45 rupees.

4) If I want to find out interest for one month, I should divide this interest by 12.

5) SI = PRT/100

6) T will be 1/12 for every month.

1) Bank passbook entries are given in the following format

Date	Particulars	withdrawal	Deposit	Balance	Signature
2.1.14	By cash	-	500	500	
10.2.14	To cash	100		400	
12.4.14	By cheque		400	800	
25.4.14	To cash	200		600	

Calculate interest at the end of April :

What is the first month? January

What is the last month? April

Write every month from January to April (even if there is no transaction)

Find the minimum balance from 10th to the end of every month. (The interest is computed on the minimum balance between 10th of the month and last day of the month.)

January 500

February 400

March 400

April 400

TOTAL P = 1700

P is the total of all minimum amounts per month. This is the principal.

The rate is R given as 4%. Which means you get an interest of 4 rupees per 100 per year.

Period is 1/12 (because we are calculating per month)

$$I = \frac{PRT}{100} = \frac{1700*4*1}{100*12} = 5.66$$

Solve one problem from exam paper e.g.

Souradipta Roy opened a savings account with Dharmanagar branch of state bank of India. Particulars of transaction on a page of his passbook are as follows :

Date	Particulars	Withdrawal	Deposit	Balance	Signature
10.12.2012	Cash deposit	-	Rs. 2500	Rs. 2500	
27.12.2012	Withdrawal By cheque	Rs. 600	-	Rs. 1900	
07.01.2013	Cash deposit	-	Rs. 900	Rs. 2800	
13.03.2013	Withdrawal By cheque	Rs. 800	--	Rs. 2000	
05.04.2013	Cash deposit	--	Rs. 700	Rs. 2700	
10.06.2013	Cash deposit	--	Rs. 1500	Rs. 4200	

Find the interest payable to him on 31.06.2013 at the rate of Rs. 4.5% per annum.

Ans :
Principal = P = (consider minimum balance between 10^{th} to 31^{st})

Dec 1900
Jan 2800
Feb 2800
March 2000
April 2700
May 2700
June 4200

TOTAL = 19100

SI = PRT/100
= (19100x4.5x1/12) / 100
= 71.63 Rs.

Question from exam paper :

Entries from the saving bank passbook of Mr. Santanu Debbarma are given below :

Date	Particulars	Withdrawal	Deposit	Balance	Signature
01.04.2006	Balance			1200	
05.04.2006	By cheque	500		700	
04.05.2006	By cash		2000	2700	
10.06.2006	By cash		600	3300	
15.07.2006	By cheque	1600		1700	
31.07.2006	By cash		4000	5700	

Calculate the interest from 01.04.2006 to 31.07.2006 at the rate of 5% per annum.

If he would have closed his account on 01.08.2006 find the amount he would have received from the bank on the closing date.

P = sum of minimum balance between 10^{th} to the last day of each month.

April 700

May 2700

June 3300

July 1700

TOTAL = 8400

I = PTR/100 = (8400 x 1 x 5)/12 x 100 = 35

Interest = Rs. 35/-

He will receive the amount of 5700 + 35 = 5735

(Please note that you don't get the interest for the month in which you close the account. E.g. if he closes the account in the middle of July , you should not add July while calculating P)

SOLVE all problems from earlier exam papers.