$$\text{Amount} = \text{Principal} \times \left(1 + \frac{r}{2 \times 100}\right)^{n \times 2}$$

$$= ₹32,000 \times \left(1 + \frac{20}{200}\right)^{1 \times 2}$$

$$= ₹32,000 \times \left(\frac{11}{10}\right)^{2}$$

$$= ₹32,000 \times \frac{11}{10} \times \frac{11}{10} = ₹38,720$$

C.I = Amount – Principal

= ₹38,720 – ₹32,000 = ₹6,720