

BHARAT SCHOOL OF BANKING

SIMPLE INTEREST

1. A sum of Rs. 1600 gives a simple interest of Rs. 252 in 2 years and 3 months. The rate of interest per annum is:?

- (a) $5\frac{1}{2}\%$
- (b) 8%
- (c) 7%
- (d) 6%
- (e) none of these

2. A sum of Rs. 1750 is divided into two parts such that the interests on the first part at 8% simple interest per annum and that on the other part of 6% simple interest per annum are equal. The interest on each part (In rupees) is ?

- (a) 60
- (b) 65
- (c) 70
- (d) 40
- (e) none of these

3. Rs. 500 was invested at 12% per annum simple interest and a certain sum of money invested at 10% per annum simple interest at. If the sum of the interests on both the sums after 4 years is Rs. 480, the latter sum of money is?

- (a) Rs. 450
- (b) Rs. 750
- (c) Rs. 600
- (d) Rs. 550
- (e) none of these

4. A sum of money lent out at simple interest amounts of Rs. 720 after 2 years and to Rs. 1020 after a further period of 5 years. The sum is?

- (a) Rs. 500
- (b) Rs. 600
- (c) Rs. 700
- (d) Rs. 710
- (e) none of these

5. In what time will Rs. 72 become Rs. 81 at $25\frac{1}{4}\%$ per annum simple interest?

- (a) 2 years
- (b) 3 years
- (c) 2 years 6 months
- (d) Can't determine
- (e) None of these

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6. The simple interest on a certain sum for 8 months at 4% per annum is Rs. 129 less than the simple interest on the same sum for 15 months at 5% per annum. The sum is:

- (a) Rs. 2580
- (b) Rs. 2400
- (c) Rs. 2529
- (d) Rs. 3600
- (e) None of these

7. A person deposited Rs. 400 for 2 years, Rs. 550 for 4 years and Rs. 1,200 for 6 years. He received the total simple interest of Rs. 1,020. The rate of interest per annum is ?

- (a) 10%
- (b) 5%
- (c) 15%
- (d) 20%
- (e) None of these

8. A sum of money becomes $\frac{7}{6}$ of itself in 3 years at a certain rate of simple interest. The rate per annum is?

- (a) $5\frac{5}{9}\%$
- (b) $6\frac{5}{9}\%$
- (c) 18%
- (d) 25%
- (e) None of these

9. At what rate per cent per annum will the simple interest on a sum of money be $\frac{2}{5}$ of the amount in 10 years?

- (a) 4
- (b) 6
- (c) $5\frac{2}{3}$
- (d) $6\frac{2}{3}$
- (e) None of these

10. Simple interest on a certain sum for 6 years is $\frac{9}{25}$ of the sum. The rate of interest is ?

- (a) 6%
- (b) $6\frac{1}{2}\%$
- (c) 8%
- (d) $8\frac{1}{2}\%$
- (e) None of these

Answers:

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1.(c)

Principal, P = Rs. 1600

T = 2 year 3 months

= $(2+3/12)$ yrs. = $(2+1/4)$ yrs. = $9/4$ yrs.

S.I = Rs. 252

R = % rate of interest per annum

$R = (100 \times S.I.) / (P \times t)$

= $(100 \times 252) / (1600 \times 9/4)$

Rate of interest = 7% per annum.

2.(a)

Let first part = Rs. x and second part = Rs. (1750-x)

According to the question.

$x \times 8/100 = (1750-x) \times 6/100$

$8x + 6x = 1750 \times 6$

$14x = 1750 \times 6$

$x = (1750 \times 6) / 10 = \text{Rs. } 750$

Interest = 8% of Rs. 750

= $750 \times 8/100 = \text{Rs. } 750$

= $750 \times 8/100 = \text{Rs. } 60$

3.(c)

Simple interest gained from Rs. 500

= $(500 \times 12 \times 4) / 100 = \text{Rs. } 240$

Let the other Principal be Rs. x.

S.I. gained = Rs. (480 - 240) = Rs. 240

$(x \times 10 \times 4) / 100 = 240$

$x = (540 \times 100) / 40 = \text{Rs. } 600$

4.(b)

Principal + SI for 2 years = Rs. 720(i)

Principal + SI for 7 years = Rs. 1020(ii)

Subtracting equation (i) from (ii) we get,

SI for 5 years

= Rs. (1020 - 720) = Rs. 300

SI for 2 years = Rs. $300 \times 2/5 = \text{Rs. } 120$

Principal = Rs. 720 - Rs. 120 = 600

5.(a)

Interest = Rs. (81-72) = Rs. 9

Let the time be t years.

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$$9 = (72 \times 25 \times t) / (4 \times 100)$$

$$t = (9 \times 400) / (72 \times 25) = 2 \text{ years}$$

6.(d)

Let the sum be Rs. x

$$(x \times 5 \times 15) / (100 \times 12) - (x \times 4 \times 8) / (100 \times 12) = 129$$

$$x / (100 \times 12) (75 - 32) = 129$$

$$x = (129 \times 1200) / 43 = \text{Rs. } 3600$$

7.(a)

Let the rate of interest be R per cent per annum.

$$(400 \times 2 \times R) / 100 + (550 \times 4 \times R) / 100 + (1200 \times 6 \times R) / 100 = 1020$$

$$8R + 22R + 72R = 1020$$

$$102R = 1020$$

$$R = 1020 / 102 = 10\%$$

8.(a)

Principal = P

Amount = $7P/6$

S.I. = $7P/6 - P = P/6$

$$? R = (S.I. \times 100) / (P \times T) = (P \times 100) / (6 \times P \times 3)$$

$$= 50/9 = 5 \frac{5}{9}\%$$

9.(a)

10.(a)

Rate = $(SI \times 100) / (\text{Principal} \times \text{Time})$

$$= 9 / 25 \times 100 / 6 = 6\% \text{ per annum}$$