

COMPOUND INTEREST

- Q.1. A sum of money amounts to Rs. 4624 in 2 years and to RS.4913 in 3 years at compound interest. The sum is:
- a) Rs 4096 b) Rs 4260 c) Rs 4335 d) Rs 4360
- Q.2. A sum of money placed at compound interest doubles itself in 5 years. It will amount to eight times itself in:
- a) 7 years b) 10 years c) 15 years d) 20 years
- Q.3. A sum of money at compound interest amounts to thrice itself in 3 years. In how many years will it be 9 times it self ?
- a) 6 years b) 9 years c)10 years d) 12 years
- Q.4. In how many years will a sum of Rs.800 at 10% per annum compounded semi-annually become Rs.926.10?
- a) 1 1/2 years b) 2 years c) 3 1/2 years d)2 1/2 years
- Q.5. The present worth of Rs.169 due in 2 years at 4% per annum compound interest is:
- 4%
- a) 156.25 b) 156.29 c)160 d) 162
- Q.6. The difference between the compound interest and simple interest earned at the end of second year on a sum of money at 10% per annum is Rs.20. The sum is:
- a) 2000 b) 3000 c) 1000 d) 1500
- Q.7. A sum of Rs.12000 deposited at compound interest becomes double after 5 years. After 20 years it will become:
- a) Rs 96,000 b) Rs 1,20,000 c)Rs 1,24,000 d) Rs 1,92,000
- Q.8. The least number of complete years in which sum of money put out at 20% compound interest will be more than doubled is:
- a) 3 b) 4 c) 5 d) 6
- Q.9. A tree increases annually by 1/8 the of its height. By how much will it increase after 2 years, if it stands today 64 cm high?
- a) 17 b) 20 c) 24 d) 34 e) 81
- Q.10. The difference between the rate compound interest and the simple interest for 2 years on a sum of money is Rs.60. If the simple interest for 2 years were Rs.1440, the rate percent is:
- a) 8% b) 8 1/3 c) 7 % d) 8 1/2

- Q.11. The compound interest on a sum for 2 years is Rs.832 and the simple interest on the same sum for the same period is Rs.800. The difference between the compound interest and the simple interest for 3 years will be:
- a) 98.56 b) 98.45 c) 98.40 d) 98.25
- Q.12. The difference between compound interest and simple interest on a sum for 2 years at 10% per annum, when the interest is compounded annually is Rs.16. If the interest were compounded half yearly, the difference in two interests would be:
- a) Rs 24.81 b) Rs 26.90 c) Rs 31.61 d) Rs 32.40
- Q.13. The difference between simple interest and compound interests on Rs.1200 for one year at 10% per annum, reckoned half-yearly is:
- a) Rs 120 b) Rs 3 c) Rs 60 d) Rs 6
- Q.14. The difference between simple and compound interests compounded annually on a certain sum of money for 2 years at 4% per annum is Rs 1. Find the sum:
- a) Rs 600 b) Rs 625 c) Rs 650 d) Rs 675
- Q.15. The compound interest on Rs.8000 at 15% per annum for 2 years 4 months, compounded annually is:
- a) 2400 b) 1200 c) 3109 d) 2609
- Q.16. The present worth of Rs.4913 due 3 years hence at $6\frac{1}{4}$ % per annum compound interest, is:
- a) Rs 3096 b) Rs 4076 c) Rs 4085 d) Rs 4096
- Q.17. The compound interest on Rs.30000 at 7% per annum for a certain period is Rs.4347. The period is:
- a) 2 b) $2\frac{1}{2}$ c) 3 d) 4
- Q.18. At what rate of compound interest per annum will a sum of Rs. 1200 become Rs. 1348.32 in 2 years?
- a) 6 % b) 6.5 % c) 7 % d) 7.5
- Q.19. A sum of money invested at compound interest amounts to Rs. 800 in 3 years and Rs. 840 in 4 years. What is the rate of interest per annum?
- a) $2\frac{1}{2}$ % b) 4 % c) 5 % d) $6\frac{2}{3}$ %
- Q.20. A sum of money becomes 8 times of itself in 3 years at compound interest. The rate of interest is:
- a) 100 b) 120 c) 200 d) 210

ANSWER KEY

1	A
2	C
3	A
4	A
5	A
6	A
7	D
8	B
9	E
10	b
11	A
12	A
13	B
14	B
15	C
16	D
17	A
18	A
19	C
20	A