ComputePrep

Simple and compound interest questions with answers

15 exam-shaped questions with full worked solutions.

For IBPS · SBI · SSC · Railway quant.

Free, share it forward. Every question in this set was generated and verified by the ComputePrep engine — the same one behind the free daily timed drill at **computeprep.com**.

The questions

Work them on paper first. Full solutions start after question 15 — the numbering matches.

QUESTION 1

What is the simple interest earned?

₹120000 is deposited for 2 years at 10% per annum, simple interest.

A. 24000
B. 144000
C. 24012
D. 12000
E. 25200

QUESTION 2

What is the simple interest earned?

₹30000 is deposited for 2 years at 10% per annum, simple interest.

A. 3000
B. 36000
C. 6300
D. 6000
E. 5992

QUESTION 3

By how much does the compound interest exceed the simple interest?

A sum of ₹60000 is invested for 2 years at 10% per annum.

A. 587
B. 12600
C. 1200
D. 600
E. 12000

QUESTION 4

What is the simple interest earned?

₹50000 is deposited for 2 years at 25% per annum, simple interest.

A. 12500
B. 25000
C. 75000
D. 28125
E. 25004

QUESTION 5

What is the simple interest earned?

₹10000 is deposited for 2 years at 25% per annum, simple interest.

A. 2500
B. 5000
C. 15000
D. 5011
E. 5625

QUESTION 6

By how much does the compound interest exceed the simple interest?

A sum of ₹110000 is invested for 2 years at 10% per annum.

A. 22000
B. 1114
C. 23100
D. 1100
E. 2200

QUESTION 7

What is the simple interest earned?

₹110000 is deposited for 2 years at 5% per annum, simple interest.

A. 11000
B. 121000
C. 5500
D. 11275
E. 10998

QUESTION 8

What is the simple interest earned?

₹120000 is deposited for 2 years at 10% per annum, simple interest.

A. 25200
B. 24008
C. 24002
D. 144000
E. 24000

QUESTION 9

By how much does the compound interest exceed the simple interest?

A sum of ₹90000 is invested for 2 years at 20% per annum.

A. 900
B. 3600
C. 39600
D. 36000
E. 7200

QUESTION 10

By how much does the compound interest exceed the simple interest?

A sum of ₹50000 is invested for 2 years at 5% per annum.

A. 125
B. 5000
C. 5125
D. 120
E. 250

QUESTION 11

What is the compound interest earned?

₹30000 is deposited for 2 years at 10% per annum, compounded annually.

A. 300
B. 6000
C. 3000
D. 6300
E. 36300

QUESTION 12

What is the sum?

On a certain sum, the compound interest for 2 years at 6% per annum exceeds the simple interest for the same period by ₹216.

A. 120000
B. 3600
C. 60000
D. 60011
E. 60003

QUESTION 13

What is the simple interest earned?

₹40000 is deposited for 2 years at 20% per annum, simple interest.

A. 15990
B. 16000
C. 17600
D. 15993
E. 8000

QUESTION 14

What is the simple interest earned?

₹120000 is deposited for 2 years at 5% per annum, simple interest.

A. 6000
B. 12300
C. 11988
D. 12000
E. 132000

QUESTION 15

What is the simple interest earned?

₹100000 is deposited for 2 years at 5% per annum, simple interest.

A. 110000

B. 10250

C. 5000

D. 10000

E. 10006

Answers and worked solutions

Each walkthrough is the engine's own elimination order, step for step — not a reconstruction written after the fact.

SOLUTION 1

Answer: **24000**

1. Simple interest = P × R × T ÷ 100 = ₹120000 × 10 × 2 ÷ 100 = ₹24000.
2. Each year earns the same ₹12000 under simple interest.
3. Answer: 24000.

SOLUTION 2

Answer: **6000**

1. Simple interest = P × R × T ÷ 100 = ₹30000 × 10 × 2 ÷ 100 = ₹6000.
2. Each year earns the same ₹3000 under simple interest.
3. Answer: 6000.

SOLUTION 3

Answer: **600**

1. Simple interest = ₹60000 × 10 × 2 ÷ 100 = ₹12000.
2. Compound interest = ₹60000 × [(1 + 10/100)² − 1] = ₹12600.
3. Difference = ₹12600 − ₹12000 = ₹600. (Shortcut: P × (R/100)² gives the same.)
4. Answer: 600.

SOLUTION 4

Answer: **25000**

1. Simple interest = P × R × T ÷ 100 = ₹50000 × 25 × 2 ÷ 100 = ₹25000.
2. Each year earns the same ₹12500 under simple interest.
3. Answer: 25000.

SOLUTION 5

Answer: **5000**

1. Simple interest = P × R × T ÷ 100 = ₹10000 × 25 × 2 ÷ 100 = ₹5000.
2. Each year earns the same ₹2500 under simple interest.
3. Answer: 5000.

SOLUTION 6

Answer: **1100**

1. Simple interest = ₹110000 × 10 × 2 ÷ 100 = ₹22000.
2. Compound interest = ₹110000 × [(1 + 10/100)² − 1] = ₹23100.
3. Difference = ₹23100 − ₹22000 = ₹1100. (Shortcut: P × (R/100)² gives the same.)
4. Answer: 1100.

SOLUTION 7

Answer: **11000**

1. Simple interest = P × R × T ÷ 100 = ₹110000 × 5 × 2 ÷ 100 = ₹11000.
2. Each year earns the same ₹5500 under simple interest.
3. Answer: 11000.

SOLUTION 8

Answer: **24000**

1. Simple interest = P × R × T ÷ 100 = ₹120000 × 10 × 2 ÷ 100 = ₹24000.
2. Each year earns the same ₹12000 under simple interest.
3. Answer: 24000.

SOLUTION 9

Answer: **3600**

1. Simple interest = ₹90000 × 20 × 2 ÷ 100 = ₹36000.
2. Compound interest = ₹90000 × [(1 + 20/100)² − 1] = ₹39600.
3. Difference = ₹39600 − ₹36000 = ₹3600. (Shortcut: P × (R/100)² gives the same.)
4. Answer: 3600.

SOLUTION 10

Answer: **125**

1. Simple interest = ₹50000 × 5 × 2 ÷ 100 = ₹5000.
2. Compound interest = ₹50000 × [(1 + 5/100)² − 1] = ₹5125.
3. Difference = ₹5125 − ₹5000 = ₹125. (Shortcut: P × (R/100)² gives the same.)
4. Answer: 125.

SOLUTION 11

Answer: **6300**

1. Amount = ₹30000 × (1 + 10/100)² = ₹36300.
2. Compound interest = amount − principal = ₹36300 − ₹30000 = ₹6300 — interest is the gain, not the amount.
3. Answer: 6300.

SOLUTION 12

Answer: **60000**

1. Over 2 years, CI − SI = P × (R/100)², so ₹216 = P × 36/10000.
2. P = ₹216 × 10000 ÷ 36 = ₹60000.
3. Answer: 60000.

SOLUTION 13

Answer: **16000**

1. Simple interest = P × R × T ÷ 100 = ₹40000 × 20 × 2 ÷ 100 = ₹16000.
2. Each year earns the same ₹8000 under simple interest.
3. Answer: 16000.

SOLUTION 14

Answer: **12000**

1. Simple interest = P × R × T ÷ 100 = ₹120000 × 5 × 2 ÷ 100 = ₹12000.
2. Each year earns the same ₹6000 under simple interest.
3. Answer: 12000.

SOLUTION 15

Answer: **10000**

1. Simple interest = P × R × T ÷ 100 = ₹100000 × 5 × 2 ÷ 100 = ₹10000.
2. Each year earns the same ₹5000 under simple interest.
3. Answer: 10000.

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