Simple Interest

A. Choose the correct answer:

1. The formula for Simple Interest is

a) SI = $\frac{P \times R \times T}{100}$ b) SI = $P + R + T$

c) SI = $\frac{P \times R}{T}$ d) SI = $\frac{P \times T}{R}$

2. If the Principal is Rs. 1000, Rate is 5% per annum, and Time is 2 years, the Simple Interest is

a) Rs. 50 b) Rs. 100

c) Rs. 150 d) Rs. 200

3. Which of the following is not a part of the Simple Interest formula?

a) Principal b) Time

c) Amount d) Radius

4. If the Simple Interest is Rs. 240 for 3 years at 8% per annum, the Principal is

a) Rs. 800 b) Rs. 900

c) Rs. 1000 d) Rs. 1200

5. The total amount paid after borrowing Rs. 500 at 10% per annum for 2 years is

a) Rs. 500 b) Rs. 550

c) Rs. 600 d) Rs. 650

B. Write the Missing Terms to Complete the Sentences:

1. Simple Interest = $\frac{(----\times Rate \times Time)}{100}$.
2. If SI = Rs. 120, P = Rs. 400, and R = 10%, then Time = _____ years.
3. The sum of Principal and Simple Interest is called _____.
4. If the rate of interest is 6% per annum, then in 1 year Rs. 100 will earn _____ rupees as SI.
5. SI on Rs. 2000 for 3 years at 5% per annum is _____.

C. Mark each sentence with a True (✔) or False (✗):

1. Simple Interest increases if time increases. _____
2. The principal is the total amount paid back after interest is added. _____
3. SI does not depend on the rate of interest. _____
4. SI = $\frac{P \times R \times T}{100}$ is the correct formula. _____
5. Interest is always calculated on the amount. _____

D. Figure out the answers to these questions:

1. Find the Simple Interest on Rs. 1200 for 3 years at 6% per annum.
2. A sum of Rs. 2500 is borrowed at 8% per annum for 2 years. Find the total amount to be repaid.
3. If the Simple Interest earned on a sum in 4 years at 5% per annum is Rs. 400, find the principal.
4. A person lends Rs. 1800 for 1.5 years at 4% per annum. Calculate the interest.
5. The amount after 2 years is Rs. 1150 and the Simple Interest is Rs. 150. Find the Principal.

E. Challenge yourself with these questions:

1. Calculate SI for Rs. 2400 at 9% per annum for 4 years.
2. If the SI is Rs. 360 in 3 years at 6% per annum, find the principal.
3. A sum of money doubles itself in 10 years at simple interest. Find the rate.
4. How much time will it take for Rs. 1500 to earn Rs. 450 as SI at 5% per annum.
5. Find the amount to be paid after 5 years if SI on Rs. 3000 is calculated at 6% per annum at what rate will Rs. 2500 fetch an interest of Rs. 300 in 5 years?
6. Find the sum which will amount to Rs. 3264.80 at $4\frac{1}{2}$ % per annum in 8 years at simple interest.
7. A sum amounts to 1326 in 6 years at 5% per annum. In what time will this sum double itself at the same rate of interest?