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Q. 1  
A man invested Rs. 4455 in Rs. 10 shares quoted at Rs. 8.25. If the rate of dividend be 12%, his annual income is:

[A] Rs. 207.40  
[B] Rs. 534.60  
[C] Rs. 648  
[D] Rs. 655.60

Answer  Option [C]

Explanation:
Number of shares = \( \frac{4455}{8.25} \) = 540.

Face value = Rs. (540 x 10) = Rs. 5400.

Annual income = Rs. \( \frac{12}{100} \times 5400 \) = Rs. 648.

Q. 2  
A man invested Rs. 1552 in a stock at 97 to obtain an income of Rs. 128. The dividend from the stock is:

[A] 7.5%  
[B] 8%  
[C] 9.7%  
[D] None of these

Answer  Option [B]

Explanation:
By investing Rs. 1552, income = Rs. 128.
By investing Rs. 97, income = Rs. \( \frac{128}{1552} \times 97 \) = Rs. 8.

\[ \therefore \text{Dividend} = 8\% \]

Q. 3  
The market value of a 10.5% stock, in which an income of Rs. 756 is derived by investing Rs. 9000, brokerage being \( \frac{1}{4} \)%, is:

[A] Rs. 108.25  
[B] Rs. 112.20  
[C] Rs. 124.75  
[D] Rs. 125.25

Answer  Option [C]

Explanation:
For an income of Rs. 756, investment = Rs. 9000.
For an income of Rs. \( \frac{21}{2} \), investment = Rs. \( \frac{9000}{756} \times \frac{21}{2} \) = Rs. 125.

\[ \therefore \text{For a Rs. 100 stock, investment} = \text{Rs. 125.} \]

Market value of Rs. 100 stock = Rs. \( 125 - \frac{1}{4} \) = Rs. 124.75
Q. 4  
A 6% stock yields 8%. The market value of the stock is:

[A] Rs. 48  
[B] Rs. 75  
[C] Rs. 96  
[D] Rs. 133.33

Answer  Option [B]

Explanation:
For an income of Rs. 8, investment = Rs. 100.
For an income of Rs. 6, investment = Rs. \( \frac{100}{8} \times 6 \) = Rs. 75.

\( \therefore \) Market value of Rs. 100 stock = Rs. 75.

Q. 5  
A man bought 20 shares of Rs. 50 at 5 discount, the rate of dividend being 13 \( \frac{1}{2} \)%. The rate of interest obtained is:

[A] 12 \( \frac{1}{2} \)%  
[B] 13 \( \frac{1}{2} \)%  
[C] 15%  
[D] 16 \( \frac{2}{3} \)%

Answer  Option [C]

Explanation:
Investment = Rs. \([20 \times (50 - 5)]\) = Rs. 900.  
Face value = Rs. \((50 \times 20)\) = Rs. 1000.  
Dividend = Rs. \(\sqrt{\frac{27}{2} \times \frac{1000}{100}}\) = Rs. 135.  
Interest obtained = \(\frac{135}{900} \times 100\)% = 15% 

Q. 6  
In order to obtain an income of Rs. 650 from 10% stock at Rs. 96, one must make an investment of:

[A] Rs. 3100  
[B] Rs. 6240  
[C] Rs. 6500  
[D] Rs. 9600

Answer  Option [B]

Explanation:
To obtain Rs. 10, investment = Rs. 96.  
To obtain Rs. 650, investment = Rs. \(\frac{96}{650} \times 650\) = Rs. 6240.
Q. 7  
The cost price of a Rs. 100 stock at 4 discount, when brokerage is \( \frac{1}{4} \) % is:

[A] Rs. 95.75  
[B] Rs. 96  
[C] Rs. 96.25  
[D] Rs. 104.25

Answer  Option [C]

**Explanation:**
\[
\text{C.P.} = \text{Rs.}\, \left( 100 - 4 + \frac{1}{4} \right) = \text{Rs.}\, 96.25
\]

Q. 8  
Rs. 9800 are invested partly in 9% stock at 75 and 10% stock at 80 to have equal amount of incomes. The investment in 9% stock is:

[A] Rs. 4800  
[B] Rs. 5000  
[C] Rs. 5400  
[D] Rs. 5600

Answer  Option [B]

**Explanation:**
Let the investment in 9% stock be Rs. \( x \).

Then, investment in 10% stock = Rs. (9800 - \( x \)).

\[
\frac{9}{75} \times x = \frac{10}{80} \times (9800 - x)
\]

\[
\Rightarrow \frac{3x}{25} = \frac{9800 - x}{8}
\]

\[
\Rightarrow 24x = 9800 \times 25 - 25x
\]

\[
\Rightarrow 49x = 9800 \times 25
\]

\[
\Rightarrow x = 5000.
\]

Q. 9  
A man buys Rs. 20 shares paying 9% dividend. The man wants to have an interest of 12% on his money. The market value of each share is:

[A] Rs. 12  
[B] Rs. 15  
[C] Rs. 18  
[D] Rs. 21

Answer  Option [B]
Explanation:
Dividend on Rs. 20 = Rs. \( \frac{9}{100} \times 20 \) = Rs. \( \frac{9}{5} \).

Rs. 12 is an income on Rs. 100.
\[ \therefore \text{Rs.} \frac{9}{5} \text{ is an income on Rs.} \left( \frac{100}{12} \times \frac{9}{5} \right) = \text{Rs. 15}. \]

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Q. 10

By investing in \( \frac{2}{3} \)\% stock at 64, one earns Rs. 1500. The investment made is:

[A] Rs. 5640
[B] Rs. 5760
[C] Rs. 7500
[D] Rs. 9600

Answer Option [B]

Explanation:
To earn Rs. \( \frac{50}{3} \), investment = Rs. 64.

To earn Rs. 1500, investment = Rs. \( 64 \times \frac{3}{50} \times 1500 \) = Rs. 5760.

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Q. 11

Sakshi invests a part of Rs. 12,000 in 12\% stock at Rs. 120 and the remainder in 15\% stock at Rs. 125. If his total dividend per annum is Rs. 1360, how much does he invest in 12\% stock at Rs. 120?

[A] Rs. 4000
[B] Rs. 4500
[C] Rs. 5500
[D] Rs. 6000

Answer Option [A]

Explanation:
Let investment in 12\% stock be Rs. \( x \).
Then, investment in 15\% stock = Rs. \( (12000 - x) \).
\[ \therefore \frac{12}{120} \times x + \frac{15}{125} \times (12000 - x) = 1360. \]
\[ \Rightarrow \frac{x}{10} + \frac{3}{25} (12000 - x) = 1360. \]
\[ \Rightarrow 5x + 72000 - 6x = 1360 \times 50 \]
\[ \Rightarrow x = 4000. \]

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Q. 12

Which is better investment: 11\% stock at 143 or \( \frac{9}{4} \\% \) stock at 117?

[A] 11\% stock at 143
[B] \( \frac{3}{4} \) \% stock at 117
Both are equally good

[D] Cannot be compared, as the total amount of investment is not given.

Answer Option [B]

Explanation:
Let investment in each case be Rs. \(143 \times 117\).

Income in 1st case = \(Rs. \left(\frac{11}{143} \times 143 \times 117\right) = Rs. 1287\).

Income in 2nd case = \(Rs. \left(\frac{39}{4 \times 117} \times 143 \times 117\right) = Rs. 1394.25\).

Clearly, \(9\frac{3}{4}\%\) stock at 117 is better.

Q. 13
By investing Rs. 1620 in 8% stock, Michael earns Rs. 135. The stock is then quoted at:

[A] Rs. 80
[B] Rs. 96
[C] Rs. 106
[D] Rs. 108

Answer Option [B]

Explanation:
To earn Rs. 135, investment = Rs. 1620.
To earn Rs. 8, investment = Rs. \(\frac{1620}{135} \times 8\) = Rs. 96.

∴ Market value of Rs. 100 stock = Rs. 96.

Q. 14
A 12% stock yielding 10% is quoted at:

[A] Rs. 83.33
[B] Rs. 110
[C] Rs. 112
[D] Rs. 120

Answer Option [D]

Explanation:
To earn Rs. 10, money invested = Rs. 100.
To earn Rs. 12, money invested = Rs. \(\frac{100}{10} \times 12\) = Rs. 120.

∴ Market value of Rs. 100 stock = Rs. 120.

Q. 15
A man invests some money partly in 9% stock at 96 and partly in 12% stock at 120. To obtain equal dividends from both, he must invest the money in the ratio:
[A] 3 : 4  
[B] 3 : 5  
[C] 4 : 5  
[D] 16 : 15

Answer  
Option [D]

Explanation:
For an income of Re. 1 in 9% stock at 96, investment = Rs. \( \frac{96}{9} \) = Rs. \( \frac{32}{3} \)

For an income Re. 1 in 12% stock at 120, investment = Rs. \( \frac{120}{12} \) = Rs. 10.

\[ \therefore \text{ Ratio of investments} = \frac{32}{3} : 10 = 32 : 30 = 16 : 15. \]