

CUET 2026 May 11 Shift 2 Accountancy

Question Paper (Memory-Based)

Conducted by National Testing Agency (NTA)



General Instructions

- (i) The examination will be conducted in Computer-Based Test (CBT) mode.
- (ii) Each question carries +5 marks for correct answer and -1 mark for wrong answer.
- (iii) The total number of questions are 50.
- (iv) Duration of the exam is 1 hour (60 minutes).

1. According to Section 4 of the Indian Partnership Act, 1932, partnership is the relation between persons who have agreed to share the profits of a business carried on by:

- (A) All partners individually
- (B) Any government authority
- (C) All or any of them acting for all
- (D) Only the active partners

2. Under Section 37 of the Indian Partnership Act, 1932, an outgoing partner may receive interest at the rate of:

- (A) 5% p.a.
- (B) 6% p.a.
- (C) 8% p.a.
- (D) 10% p.a.

3. Under Section 48 of the Partnership Act, 1932, the residue remaining after payment of debts, advances, and capital shall be divided among partners in their:

- (A) Capital ratio
- (B) Equal ratio

- (C) Sacrificing ratio
 - (D) Profit sharing ratio
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4. Under what circumstances, a partner can get exemption from sharing losses in a firm?

- (A) If he is a senior citizen
 - (B) If he is minor
 - (C) If he is retiring partner
 - (D) All of the above
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5. At the time of admission of a partner when Partners' Capital Accounts are maintained following Fixed Capital Accounts Method, Unrecorded Assets or Liabilities are transferred to:

- (A) Old Partners' Current Accounts
 - (B) Old Partners' Capital Accounts
 - (C) Revaluation Account
 - (D) Goodwill Account
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6. Which of the following statements most precisely reflects the doctrine of separate legal entity as established under company law?

- (A) The company and its shareholders are economically identical, though legally separate only in limited circumstances
 - (B) The company is an artificial person with no independent existence beyond statutory recognition
 - (C) The company possesses an independent legal personality, capable of owning property, incurring liabilities, and suing or being sued in its own name, distinct from its members
 - (D) The company merely acts as an agent of its shareholders, who retain ultimate legal ownership of all assets and liabilities
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7. Which of the following most accurately explains the legal foundation governing the mutual rights and obligations of partners in a partnership firm, particularly in the absence of an express written contract?

- (A) A formal offer made by one partner and accepted by others
- (B) An agreement—express or implied—enforceable by law between all partners
- (C) A mutual understanding based solely on trust and verbal communication

(D) An acceptance of business terms without the intention to create legal relations

8. Which of the following is not an essential feature of partnership?

- (A) It has at least two persons.
 - (B) An agreement exists between/among all the partners.
 - (C) Profits and losses are shared equally.
 - (D) Agreement is for a business.
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9. Interest on Capital is allowed on

- (A) the capital at the beginning of the year.
 - (B) the capital at the year end.
 - (C) average capital of the year.
 - (D) the capital in the middle of the year.
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10. Exe Ltd. has balance in Provision for Tax Account of Rs. 50,000 and Rs. 75,000 as on 31st March, 2024 and 2025 respectively. It made provision for tax during the year of Rs. 65,000. Tax paid during the year was

- (A) Rs. 50,000
 - (B) Rs. 60,000
 - (C) Rs. 40,000
 - (D) Rs. 75,000
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