

# CUET 2026 May 20 Shift 1 Accountancy

## Question Paper (Memory-Based)

Conducted by National Testing Agency (NTA)



### General Instructions

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- (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. Which of the following statements most precisely reflects the doctrine of separate legal entity as established in corporate 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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**2. 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
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**3. 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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**4. Mohan, a partner, withdrew Rs. 20,000 on 1st April, 2024 and Rs. 40,000 on 1st October, 2024. Interest on Drawings @ 6% p.a. on 31st March, 2025 will be**

- (A) Rs. 2,400
  - (B) Rs. 3,600
  - (C) Rs. 1,800
  - (D) Rs. 1,200
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**5. An act done by a partner in the course of the firm's business is:**

- (A) Binding on all partners only when expressly authorised by all co-partners
  - (B) Binding on the firm and all partners if done within the scope of implied authority
  - (C) Not binding on other partners unless ratified after the act is performed
  - (D) Binding only on the acting partner unless specifically approved in the partnership deed
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**6. Nominal/Authorised Share Capital is**

- (A) that part of the share capital which is issued by the company.
  - (B) the amount of share capital which is actually applied for by the prospective shareholders.
  - (C) the maximum amount of share capital which a company is authorised to issue.
  - (D) the amount actually paid by the shareholders.
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**7. When a company issues shares at a premium, the company can collect securities premium along with the following:**

- (A) Application money.
  - (B) Allotment money.
  - (C) Call money.
  - (D) Any of the above.
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**8. Provisions of the Partnership Act, 1932 are applied**

- (A) if a Partnership Deed does not exist.
  - (B) If Partnership Deed exists but there are differences among the partners.
  - (C) if capital contribution by the partners is not same.
  - (D) If Partner's salary is not provided in the Partnership Deed.
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**9. Which of the following items, though related to partners, is not an appropriation of profit but rather a charge against profits, and therefore is excluded from the Profit & Loss Appropriation Account?**

- (A) Interest on Partner's Capital provided as per partnership agreement
  - (B) Interest on Drawings charged to partners for use of firm's funds
  - (C) Rent paid to a partner for the use of their property by the firm under a separate contractual arrangement
  - (D) Partner's Salary allowed as per partnership deed
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**10. Money received in advance from shareholders before it is actually called-up by the directors is**

- (A) Debited to Calls in Advance Account.
  - (B) Credited to Calls-in-Advance Account.
  - (C) Debited to Share Capital Account.
  - (D) Credited to Share Capital Account.
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