

CUET UG 2025 301-Accountancy Question Paper

Time Allowed :1 Hours	Maximum Marks :100	Total questions :50
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General Instructions

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- i) The CUET (UG) 2025 will be conducted by the National Testing Agency (NTA) in Computer Based Test (CBT) mode.
- ii) All questions will be objective type (MCQs) with four options, out of which only one will be correct.
- iii) Each correct answer carries **+5 marks**, and **1 mark will be deducted** for every incorrect response. Unanswered questions will get **0 marks**.
- iv) The test will consist of three sections:
 - Section I: Languages
 - Section II: Domain Subjects
 - Section III: General Test
- v) Candidates must carry their Admit Card and a valid Photo ID proof to the examination center.
- vi) Rough work should be done only in the provided sheet/scribble pad, which must be returned after the test.
- vii) No electronic gadgets, mobile phones, or programmable calculators are permitted inside the examination hall.

Q1. Which of the following indicate limitation of financial analysis:

1. They focus on the facts and relationships related to managerial performance, corporate efficiency etc.
2. They does not consider price level changes.
3. They indicate the ability of the company to meet its obligations.
4. They provide vital information to different stakeholders.

Q2. G.S. Rai company ltd. purchased assets of the book value of Rs. 98,000 from another firm. It was agreed that purchase consideration be paid by issuing 11% debentures of Rs. 100 each. Assume debentures have been issued at discount of 20%.

Identify the number of debentures issued by the company to the vendor:

1. 1100 debentures
2. 1200 debentures
3. 1225 debentures
4. 1960 debentures

Q3. X Ltd. has a current ratio of 3:1 and quick ratio of 2:1. If excess of current assets over quick assets, represented by inventories is Rs. 5,000, calculate current assets and quick assets.

1. Rs. 15,000 ; Rs. 10,000
2. Rs. 15,000 ; Rs. 14,000
3. Rs. 10,000 ; Rs. 15,000
4. Rs. 15,000 ; Rs. 18,000

Q4. A, B and C are partners in a firm. If D is admitted as a new partner, what will be its effect?

1. Old firm is dissolved

2. Old firm and old partnership is dissolved
3. Old partnership is reconstituted
4. Firm will lose its existence

Q5. The director of Priya Polymer Limited resolved that 200 equity shares of Rs. 100 each be forfeited for non-payment of the second and final call of Rs. 30 per share. Out of these, 150 shares were re-issued at Rs. 60 per share to Monit. The amount of capital reserve will be:

1. Rs. 4000
2. Rs. 4500
3. Rs. 5500
4. Rs. 5000

Q6. A business has earned average profits of Rs. 1,00,000 during the last few years and the normal rate of return in a similar business is 25%. Ascertain the value of goodwill by capitalisation of average profits method, given that the value of net assets of the business is Rs. 3,20,000.

1. Rs. 80,000
2. Rs. 2,40,000
3. Rs. 4,00,000
4. Rs. 2,60,000

Q7. Rana, Sana and Kamana are partners, sharing profits in the ratio 4:3:2. Rana retires; Sana and Kamana decided to share profits in the future in the ratio of 5:3. The Gaining Ratio of Sana and Kamana will be -

1. 21:11
2. 11:21
3. 11:22

Q8. The following journal entry appears in the books of X Co. Ltd.

Bank A/c Dr. 4,75,000

Loss on Issue of Debentures A/c Dr. 75,000

To 12% Debentures A/c 5,00,000

To Premium on Redemption of Debenture A/c 50,000

In this case, the debentures have been issued at a discount of 5%. What is the rate of premium on redemption of debentures?

1. 5%
2. 15%
3. 20%
4. 10%

Q9. Stock at the time of dissolution was appearing in books at Rs 50,000. Half of the stock was sold at a discount of 20% and the remaining was taken over by one of the partners at a 10% discount. What amount was received in cash at the time of realization of stock?

1. Rs. 25,000
2. Rs. 42,500
3. Rs. 20,000
4. Rs. 45,000

Q10. Hemant and Naman are partners in a firm sharing profits in the ratio of 3:2. Their capitals were Rs. 80,000 and Rs. 50,000 respectively. They admitted Samrat on Jan. 1, 2025

as a new partner for $\frac{1}{5}$ share in the future profits. Samrat brought Rs. 60,000 as his capital. Calculate the value of goodwill of the firm.

1. Rs. 1,20,000
2. Rs. 1,10,000
3. Rs. 1,30,000
4. Rs. 1,40,000

Q11. The common size statements are useful, both, in intra-firm comparisons over different years and also in making inter-firm comparisons for several years. This analysis is also known as:

1. Vertical analysis
2. Ratio analysis
3. Trend analysis
4. Horizontal analysis

Q12. The need for Codification is:

1. The Encryption of data
2. The Generation of mnemonic code
3. To secure the accounts, reports etc
4. Easy to process data, keeping proper records

Q13. Which analysis is a judgemental process which aims to estimate current and past financial positions and the results of the operation of an enterprise, with primary objective of determining the best possible estimates and predictions about the future conditions?

1. Cash flow Analysis
2. Trend Analysis

3. Ratio Analysis

4. Financial Statement Analysis

Q14. Where is the address of the active cell displayed?

1. Row heading
 2. Status bar
 3. Name Box
 4. Formula bar
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Q15. From the following details, calculate net profit before tax:

Net Profit after tax = Rs. 50,000

15% Long-term debt = Rs. 12,00,000

Tax rate = 20%

1. 1,80,000
 2. 1,50,000
 3. 62,500
 4. 72,500
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Q16. A trader carries an average inventory of Rs. 40,000. His inventory turnover ratio is 8 times. If he sells goods at a profit of 20% on Revenue from operations, find out the gross profit.

1. Rs. 60,000
 2. Rs. 70,000
 3. Rs. 90,000
 4. Rs. 80,000
-

Q17. Gross profit ratio of a company was 25%. Its credit revenue from operations was Rs. 20,00,000 and its cash revenue from operations was 20% of the total revenue from operations. If the indirect expenses of the company were Rs. 50,000, calculate its net profit.

1. Rs. 5,00,000
2. Rs. 6,25,000
3. Rs. 6,00,000
4. Rs. 5,75,000

Q18. Asha, Deepa and Lata are partners in a firm sharing profits in the ratio of 3 : 2 : 1. Deepa retires. After making all adjustments relating to revaluation, goodwill, payment to Deepa and accumulated profit etc., the capital accounts of Asha and Lata showed a credit balance of Rs. 1,60,000 and Rs. 80,000 respectively. It was decided to adjust the capitals of Asha and Lata in their new profit sharing ratio. You are required to calculate the new capitals of the partners i.e. Asha and Lata.

1. Rs. 1,80,000 & Rs. 1,70,000
2. Rs. 1,80,000 & Rs. 60,000
3. Rs. 60,000 & Rs. 1,60,000
4. Rs. 1,60,000 & Rs. 80,000

Q19. A and B are partners sharing profits in the ratio of 2:1. C is admitted into the firm for 1/4 share of profits. C brings in Rs. 20,000 in respect of his capital. The capitals of old partners A and B, after all adjustments relating to goodwill, revaluation of assets and liabilities, etc., are Rs. 45,000 and Rs. 15,000 respectively. It is agreed that partners' capitals should be according to the new profit sharing ratio. Determine the new profit sharing ratio.

1. 6 : 3 : 2
2. 2 : 1 : 1
3. 2 : 1 : 2
4. 1 : 2 : 1

Q20. According to which section of the Partnership Act 1932, the dissolution of a partnership between all the partners of a firm is called the dissolution of the firm?

1. Section 32
2. Section 35
3. Section 37
4. Section 39

Q21. Which of the following is correct?

The important provision affecting partnership accounting, in the absence of a partnership deed is:

1. Profit Sharing Ratio: If the partnership deed is silent about the profit sharing ratio, the profits and losses of the firm are to be shared by partners in their capital ratio.
2. Interest on Capital: Partner is entitled to claim higher interest on the amount of capital contributed by him in the firm as a matter of right.
3. Interest on Drawings: No interest is to be charged on the drawings made by the partners, if there is no mention in the Deed.
4. Interest on Loan: If any partner has advanced loan to the firm for the purpose of business, he/she shall be entitled to get an interest on the loan amount at the rate of 16% per annum.

Q22. If a company issues Rs. 1,00,000, 9% debentures of Rs. 100 each at a discount of 5% but redeemable at a premium of 5%, then what amount will be debited to Loss on Issue of Debentures Account?

1. Rs. 5,000
2. Rs. 10,000
3. Rs. 15,000
4. Rs. 20,000

Q23. Debenture Application & Allotment A/c Dr. 95,000

Loss on Issue of Debentures A/c Dr. 10,000

 To 9% Debenture A/c 1,00,000

 To Premium on Redemption of Debentures A/c 5,000

On the basis of the above entry, determine the rate of discount at which Rs. 1,00,000, 9% debentures of Rs. 100 each were issued if they were to be redeemed at a premium of 5%.

1. 5%
2. 10%
3. 15%
4. 20%

Q24. Which of the following is not the main factor affecting the value of Goodwill?

1. Nature of Business
2. Location
3. Market situation
4. Efficiency of Management of non-competitive firms

Q25. Dividend paid by a company to its shareholder is classified as which type of activity under cash flow statement?

1. Cash flow from operating activities
2. Cash flow from investing activities
3. Cash flow from financing activities
4. Cash flow from extraordinary activities

Q26. The sum due to the retiring partner includes:

- (A) His share of profits up to the date of retirement.
- (B) His share of goodwill.

- (C) His share of accumulated profits.
- (D) His share in the gain of revaluation of assets and liabilities.

Choose the correct answer from the options given below:

1. (A), (B) and (D) only
2. (A), (B) and (C) only
3. (A), (B), (C) and (D)
4. (B), (C) and (D) only

Q27. Various accounting aspects involved on death of a partner are as follows:

- (A) Adjustment in respect of unrecorded assets and liabilities
- (B) Treatment of goodwill
- (C) Preparation of Realization A/c
- (D) Preparation of Executor's loan A/c

Choose the correct answer from the options given below:

1. (A), (B) and (C) only
2. (A), (B) and (D) only
3. (A), (B), (C) and (D)
4. (B), (C) and (D) only

Q28. Minimum subscription is the minimum amount that, in the opinion of directors, must be raised to meet the needs of business operations of the company relating to:

- (A) The price of any property purchased, or to be purchased, which has to be met wholly or partly out of the proceeds of issue;
- (B) Preliminary expenses payable by the company and any commission payable in connection with the issue of shares;
- (C) Working capital;
- (D) Any other expenditure required for the usual conduct of business operations

Choose the correct answer from the options given below:

1. (A), (B) and (D) only
2. (A), (B) and (C) only
3. (A), (B), (C) and (D)
4. (B), (C) and (D) only

Q29. While issuing the share capital for public subscription where there is no Articles of Association of its own, the following provisions of Table A will apply:

- (A) A period of one month must elapse between two calls.
- (B) The amount of call should not exceed 25% of the face value of the share.
- (C) A minimum of 7 days' notice is given to the shareholders to pay the amount.
- (D) Calls must be made on a uniform basis on all shares within the same class.

Choose the correct answer from the options given below:

1. (A), (B) and (C) only
2. (A), (B) and (D) only
3. (A), (B), (C) and (D)
4. (B), (C) and (D) only

Q30. Securities Premium Account can be used only for the following purposes:

- (A) To issue partly paid bonus shares to the extent not exceeding unissued share capital of the company;
- (B) Buy back of own shares.
- (C) To write-off the expenses of, or commission paid, or discount allowed on any securities of the company;
- (D) To pay premium on the redemption of preference shares or debentures of the company.

Choose the correct answer from the options given below:

1. (A), (B) and (D) only

2. (A), (B) and (C) only
3. (A), (B), (C) and (D)
4. (B), (C) and (D) only

Q31. Match List-I with List-II:

List-I (Accounting ratio)	List-II (Type of ratio)
(A) Current ratio	(I) Liquidity ratios
(B) Stock turnover ratio	(II) Activity ratios
(C) Debt Equity ratio	(III) Solvency ratios
(D) Operating ratio	(IV) Profitability ratios

Choose the correct answer from the options given below:

1. (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
2. (A) - (I), (B) - (III), (C) - (II), (D) - (IV)
3. (A) - (I), (B) - (II), (C) - (IV), (D) - (III)
4. (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Q32. Match List-I with List-II:

List-I	List-II
(A) Reserves and Surplus	(I) Share Options Outstanding Account
(B) Non-current Liabilities	(II) Long-term provisions
(C) Current Liabilities	(III) Short-term borrowing
(D) Shareholder's Fund	(IV) Calls in arrear

Choose the correct answer from the options given below:

1. (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
2. (A) - (I), (B) - (III), (C) - (II), (D) - (IV)
3. (A) - (IV), (B) - (II), (C) - (III), (D) - (I)
4. (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Q33. Match List-I with List-II:

List-I	List-II
(A) Cash Outflows from financing activities	(I) Redemption of debentures
(B) Cash Inflows from operating activities	(II) Current Investment
(C) Cash and cash equivalents	(III) Cash from royalties, fees, commissions and other
(D) Cash Inflows from investing activities	(IV) Cash receipt from disposal of fixed assets including

Choose the correct answer from the options given below:

1. (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
2. (A) - (I), (B) - (III), (C) - (II), (D) - (IV)
3. (A) - (II), (B) - (I), (C) - (IV), (D) - (III)
4. (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Q34. Match List-I with List-II:

List-I	List-II
(A) Compulsory Dissolution	(I) Partner becomes insane
(B) Dissolution by notice	(II) Death of a partner
(C) Dissolution by Court	(III) Business becomes illegal
(D) Dissolution on certain contingencies	(IV) Partnership at will

Choose the correct answer from the options given below:

1. (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
2. (A) - (III), (B) - (IV), (C) - (I), (D) - (II)
3. (A) - (II), (B) - (I), (C) - (IV), (D) - (III)
4. (A) - (III), (B) - (IV), (C) - (II), (D) - (I)

Q35. Match List-I with List-II:

List-I	List-II
(A) Payment of loans due to partners	(I) Realisation A/c Dr To Bank A/c
(B) Settlement of partners' accounts (debit balance)	(II) Bank A/c Dr To Loan to Partners A/c
(C) Settlement of loan by firm to a partner	(III) Bank A/c Dr To Partner's Capital A/c
(D) Settlement of unrecorded liability	(IV) Partner's Loan A/c Dr To Bank A/c

Choose the correct answer:

1. (A)-(IV), (B)-(III), (C)-(II), (D)-(I)
2. (A)-(IV), (B)-(II), (C)-(III), (D)-(I)
3. (A)-(III), (B)-(II), (C)-(IV), (D)-(I)
4. (A)-(III), (B)-(IV), (C)-(I), (D)-(II)

Q36. Arrange the following in the sequence of payment at dissolution of a firm:

- (A) The debts of the firm to the third parties.
- (B) Partner's loan to the firm.
- (C) Partner's capital.
- (D) Remaining balance divided among partners in profit sharing ratio.

1. (A), (B), (C), (D)
2. (B), (C), (D), (A)
3. (A), (D), (C), (B)
4. (D), (B), (C), (A)

Q37. Arrange the admission procedure in correct sequence:

- (A) Giving share to the new partner.
- (B) Treatment of Goodwill.
- (C) Calculating new profit sharing ratio and sacrificing ratio.
- (D) Preparation of Revaluation A/c.
- (E) Preparing Partner's Capital A/c and Balance Sheet.

1. (A), (B), (C), (D), (E)
2. (A), (C), (B), (D), (E)
3. (A), (D), (C), (B), (E)
4. (A), (B), (C), (E), (D)

Q38. Arrange the following in a sequence in which they will be utilized for the payment of losses:

- (A) Out of capital of partners.
- (B) Out of profits.
- (C) By the partners individually in their profit sharing ratio.

1. (A), (B), (C)
2. (A), (C), (B)
3. (B), (A), (C)
4. (B), (C), (A)

Q39. The important steps in the procedure of share issue are:

- (A) The company issues the prospectus to the public.
- (B) The company has to get minimum subscription within 120 days from the issue of prospectus.
- (C) The prospective investors make an application with application money.
- (D) Letters of allotment are sent to those allotted shares (or regret letters to those rejected).

1. (A), (B), (C), (D)
 2. (A), (C), (B), (D)
 3. (B), (A), (D), (C)
 4. (C), (B), (D), (A)
-

Q40. The steps involved in calculation of Goodwill under Super Profit Method are:

- (A) Calculate the super profits by deducting normal profit from the average profits.
- (B) Calculate the normal profit on firm's capital using normal rate of return.
- (C) Calculate the average profit.
- (D) Calculate goodwill by multiplying super profits by given years' purchase.

- 1. (A), (B), (C), (D)
- 2. (A), (C), (B), (D)
- 3. (C), (B), (A), (D)
- 4. (C), (B), (D), (A)

Q41. Passage: A Solid Partnership

A, V and T were partners of a law firm sharing profits in the ratio of 5:3:2. Their partnership deed provided the following:

- (i) Interest on partners' capital @ 5% p.a.
- (ii) A guaranteed that he would earn a minimum annual fee of Rs. 6,00,000 for the firm.
- (iii) T was guaranteed a profit of Rs. 2,50,000 (excluding interest on capital) and any deficiency on account of this was to be borne by A and V in the ratio of 2:3.

During the year ending March 31, 2019, A earned a fee of Rs. 3,20,000 and net profits earned by the firm were Rs. 8,60,000.

Partner's capital on April 01, 2018 were: A = Rs. 3,00,000; V = Rs. 3,00,000 and T = Rs. 2,00,000.

What is the amount of A's deficiency of annual fee?

- 1. Rs. 2,80,000
- 2. Rs. 1,80,000
- 3. Rs. 3,80,000
- 4. Rs. 4,80,000

Q42. What is the amount of T's deficiency in profits?

1. Rs. 20,000
 2. Rs. 30,000
 3. Rs. 40,000
 4. Rs. 57,000
-

Q43. In which ratio the deficiency of T will be borne by A & V?

1. 5:3
 2. 2:3
 3. 2:4
 4. 2:1
-

Q44. What is the amount of profit to be credited to A's Capital account?

1. Rs. 5,28,000
 2. Rs. 5,30,000
 3. Rs. 5,35,000
 4. Rs. 5,38,000
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Q45. What is the amount of profit to be credited to V's Capital account?

1. Rs. 3,10,000
 2. Rs. 3,11,000
 3. Rs. 3,12,000
 4. Rs. 3,13,000
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Q46. Passage: Issue and Forfeiture of Shares

On January 1, 2024, the Director of X Ltd. issued for public subscription 50,000 equity shares of Rs. 10 each at Rs. 12 per share payable, Rs. 5 on application (including premium), Rs. 4 on allotment and the balance on call on May 01, 2024. The issue was closed on February 10, 2024 by which date applications for 70,000 shares were received. Of the cash received Rs. 40,000 was returned and Rs. 60,000 was applied to the amount due on allotment, the balance of which was paid on February 16, 2024. All the shareholders paid the call due on May 01, 2024 with the exception of an allottee of 500 shares. These shares were forfeited on September 29, 2024 and reissued as fully paid at Rs. 8 per share on November 01, 2024. The company, as a matter of policy, does not maintain a calls-in-arrears account.

What amount will be credited to Equity Share Application Account on February 10, 2024?

1. Rs. 2,50,000
2. Rs. 3,00,000
3. Rs. 3,50,000
4. Rs. 4,50,000

Q47. What is the amount of excess application money credited to Share Allotment and money refunded on rejected application in totality?

1. Rs. 40,000
2. Rs. 60,000
3. Rs. 1,00,000
4. Rs. 1,20,000

Q48. On forfeiture of 500 shares for non-payment of call money, what amount will be credited to Shares Forfeiture Account?

1. Rs. 2,500
2. Rs. 3,500
3. Rs. 4,500

4. Rs. 1,500

Q49. On Reissue of 500 forfeited shares as fully paid at Rs. 8 per share, what amount will be debited to Shares Forfeiture Account?

1. Rs. 1,000

2. Rs. 2,000

3. Rs. 3,000

4. Rs. 4,000

Q50. What is the amount of Profit on reissue of Forfeited Shares Accounts transferred to Capital Reserve?

1. Rs. 500

2. Rs. 1,000

3. Rs. 2,000

4. Rs. 2,500