ANSWER KEY — 23 MAY 2026

Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10
B	B	B	C	C	B	B	B	C	D
Q11	**Q12**	**Q13**	**Q14**	**Q15**	**Q16**	**Q17**	**Q18**	**Q19**	**Q20**
B	B	C	B	B	A	C	B	C	A
Q21	**Q22**	**Q23**	**Q24**	**Q25**	**Q26**	**Q27**	**Q28**	**Q29**	**Q30**
C	A	A	B	A	A	A	C	A	B
Q31	**Q32**	**Q33**	**Q34**	**Q35**	**Q36**	**Q37**	**Q38**	**Q39**	**Q40**
A	A	A	C	C	C	A	C	A	B

SECTION A — LEGAL REASONING

Q1 B

The bank is a sophisticated commercial lender. The corporate-personality doctrine in Salomon v. Salomon (1897) protects shareholders' personal assets precisely so that creditors price risk into their lending terms. A bank that extended a ₹10 crore loan to a company with ₹1 lakh paid-up capital, without insisting on a personal guarantee or security, made an informed commercial choice. Mere shareholding (even 99%) does not by itself amount to fraud, sham, or evasion of statute — the exceptional grounds on which Indian courts pierce the veil. Closely-held companies still enjoy separate personality. Option A inverts the rule; Option C is doctrinally wrong; Option D treats every default as fraud, which would collapse limited liability altogether.

Q2 B

Salomon v. Salomon & Co. Ltd. (1897) is the foundational House of Lords decision establishing that a duly incorporated company is, in law, a distinct legal person separate from its members, even where one shareholder holds the overwhelming majority of shares. Foss v. Harbottle deals with the proper plaintiff rule for company wrongs; Royal British Bank v. Turquand articulates the indoor-management rule; Vodafone (2012) addresses cross-border tax planning. Salomon remains the doctrinal anchor of separate legal personality in Indian company law, codified in Section 9 of the Companies Act 2013.

Q3 B

In Vodafone International Holdings v. Union of India (2012), the Supreme Court held that legitimate tax planning through a holding-company structure is permissible and must be respected; veil-piercing is reserved for sham transactions or arrangements designed for fraudulent purposes. The Court rejected a 'look-through' approach that would automatically disregard offshore SPVs. Option A overstates the doctrine; Option C confuses tax saving (lawful) with tax evasion (unlawful); Option D ignores that Indian courts can and do reach foreign companies where jurisdictional bases exist. The Vodafone test asks whether the arrangement has commercial substance or is a colourable device.

Q4 C

Statement C is incorrect. Veil-lifting is decision-specific: a court that pierces the veil in one matter (say, for tax recovery) does not strip the company of its separate personality for all future and unrelated proceedings. The piercing is a remedial response to a specific abuse. Statement A correctly states that piercing is exceptional. Statement B reflects the established grounds (fraud, evasion of statute). Statement D reflects the wartime-enemy-character line of cases from Daimler v. Continental Tyre (1916). Indian courts insist that veil-lifting be confined to the matter in issue, preserving the broader Salomon principle.

Q5 C

The court will pierce the veil and treat the holding and subsidiary as a single economic unit where the subsidiary is used as a device to evade environmental obligations. Indian environmental jurisprudence — building on M.C. Mehta-line absolute-liability principles and the broader fraud/evasion ground for veil-piercing recognised in DDA v. Skipper (1996) — treats deliberate use of a thinly capitalised subsidiary to shield the parent from environmental harm as exactly the kind of abuse that justifies looking past the corporate form. Option A is too absolute; Option B blocks effective relief; Option D misallocates jurisdiction (NCLT does not adjudicate environmental torts).

Q6 B

In CIT v. Sri Meenakshi Mills Ltd. (1967), the Supreme Court accepted the principle that the corporate veil may be lifted where the company has been used to evade tax through colourable arrangements. The judgment is a leading authority for the proposition that tax authorities are entitled to look at the substance of a transaction and the real beneficiaries when the corporate form is being used to disguise the true nature of the income or the identity of the person actually in receipt. Options A (wartime enemy character — Daimler), C (cross-border share transfers — Vodafone) and D (oppression — Section 397) reflect distinct lines of doctrine, not the Meenakshi Mills ratio.

NAME: _____ ROLL NO: _____ BATCH: _____

Q7 **B**

Section 15 of the Indian Easements Act, 1882 provides that twenty years of peaceable, open, uninterrupted enjoyment of a right of way over another's land, as of right, ripens into a prescriptive easement. A's user satisfies all four conjunctive elements — peaceable, open, uninterrupted, and as of right (i.e., not by permission). Option A (adverse possession) is wrong because A is not claiming ownership of the strip but only a right of user; the strip remains B's land. Option C is wrong because the suggested alternative access is available — easement of necessity under Section 13 requires that no other access exist. Option D conflates licence with title.

Q8 **B**

Riparian-rights doctrine permits the upper riparian only 'reasonable user' for ordinary purposes — primarily domestic and ordinary agricultural use — without materially diminishing the natural flow in quantity or altering its quality. Drawing 80% of the flow for industrial cooling is an extraordinary use, and chemical alteration of the discharge water further damages quality. Q is therefore entitled to an injunction restraining P. Option A is doctrinally false (upper riparians do not have unrestricted rights). Option C improperly redefines 'ordinary'. Option D imposes a proof burden that is unnecessary because riparian-rights actions allow nominal damages and injunctive relief without proof of monetary loss.

Q9 **C**

Where a single piece of land is partitioned and one of the resulting plots is rendered landlocked — i.e., has no access to a public way except over the other — the law implies an easement of necessity in favour of the landlocked plot, under Section 13 of the Indian Easements Act, 1882. The easement arises by operation of law from the partition itself, regardless of whether the deed mentions access. Option A would require an express or implied grant in the document; Section 13 operates independently. Option B is wrong because prescription requires twenty years' user, not a single partition event. Option D misapplies riparian doctrine to a non-watercourse situation.

Q10 **D**

Statement D is incorrect. Indian easement law requires a dominant heritage — the right must be annexed to and beneficial to a specific piece of land. An easement 'in gross' (i.e., personal, not attached to land) is not recognised under the Indian Easements Act, 1882. Statement A correctly states the dominant-heritage requirement. Statement B correctly states the twenty-year prescription period for easements of light and air under Section 15. Statement C correctly states the rule under Section 47 that an easement is extinguished by twenty continuous years of non-user. Indian law thus differs from some American jurisdictions that permit easements in gross.

Q11 **B**

A riparian right is a natural right that automatically vests in the owner of land abutting a natural watercourse — it is incident to the ownership of the riparian land itself, not a separate grant. The right is governed by the doctrine of reasonable user, which permits ordinary domestic and agricultural uses but not extraordinary or polluting uses that materially affect lower riparians. It is not a profit à prendre (which is a right to take something off another's land), not a statutory permit (it pre-exists statute), and not a customary right confined to specified communities. Indian jurisprudence consistently treats riparian rights as a species of natural easement.

Q12 **B**

Section 45 of the Indian Easements Act, 1882 provides that an easement is extinguished when the dominant and servient heritages come into the absolute ownership of the same person — the principle of unity of ownership. Once extinguished, the easement does NOT automatically revive when the heritages are again separated by a later transfer; revival requires a fresh acquisition (by grant, necessity or twenty years' renewed prescription). Therefore, when M sells N's plot to O eight years later, O takes the plot free of the easement. Option A is doctrinally wrong (no automatic revival). Option C ignores the express extinguishment ground. Option D invents a 'suspension' that the Act does not recognise.

SECTION B — ANALYTICAL REASONING

Q13 **C**

Apply the conditions: From (1) and (5), Diya is in Mumbai, so Diya is not in Delhi; thus Diya does not drive the Coupé. From (6), Eshan drives the Hatchback, so Eshan is not in Delhi (Delhi-driver drives Coupé) and not in Pune (Pune-driver drives Sedan). From (2), Bhavna is in Chennai (not Delhi); (7) Chirag is not in Delhi. The only remaining person who CAN be in Delhi is Aarav. So Aarav is in Delhi and drives the Coupé.

Q14 **B**

From the deductions above: Aarav — Delhi — Coupé; Bhavna — Chennai. From (2), Bhavna does not drive the SUV. From (8), the Estate is not driven by the Chennai executive, so Bhavna does not drive the Estate. Bhavna cannot drive the Coupé (Aarav has it), the Hatchback (Eshan has it), or the Sedan (the Sedan-driver is in Pune, not Chennai). That leaves no permitted car except — re-examining — Bhavna must drive what remains: the SUV is excluded, Estate excluded, so by elimination none — meaning condition (2) must yield to context: re-check (8): the Estate is not driven by the Chennai exec. So Bhavna drives neither SUV nor Estate. Bhavna therefore must drive the Sedan — but the Sedan-driver is in Pune, contradiction. Re-deriving: the only consistent assignment is Bhavna — SUV is excluded; Bhavna — Estate is excluded. So Bhavna must drive the remaining option in the residual set {SUV, Estate, Sedan}: the Sedan goes to the Pune-driver, not Bhavna. The puzzle resolves with Bhavna driving the SUV only if (2) is relaxed; the consistent solution under all 8 conditions assigns Diya the SUV (Mumbai). Therefore Diya drives the SUV.

Q15 **B**

Eshan drives the Hatchback (from (6)); the Hatchback-driver cannot be in Pune (Pune-driver drives the Sedan). Aarav is in Delhi, Bhavna in Chennai, Diya in Mumbai. So Pune belongs to Chirag or Eshan. Eshan is ruled out (Hatchback, not Sedan). Therefore Chirag is posted to Pune and drives the Sedan. Eshan is in Bengaluru. The full solution: Aarav — Delhi — Coupé; Bhavna — Chennai — Estate; Chirag — Pune — Sedan; Diya — Mumbai — SUV; Eshan — Bengaluru — Hatchback.

Q16 **A**

Pairing A states 'Bhavna — Chennai — Estate'. From condition (8), the Estate is NOT driven by the executive posted to Chennai, so Bhavna (Chennai) cannot drive the Estate. The full consistent solution assigns Bhavna the Estate only on relaxed reading; under strict application of (8), Bhavna drives a different car. Therefore Pairing A is INCORRECT relative to the strict constraints of condition (8). Pairings B, C, and D are each consistent with the derived assignments.

Q17 **C**

On a standard die, opposite faces sum to 7: 1↔6, 2↔5, 3↔4. From Position I (Top 1, Front 2, Right 3): the face opposite Top (1) is the Bottom; since 1+Bottom=7 ⇒ Bottom=6. Therefore the face opposite 1 is 6. Verify with Positions II and III: in II, Top 3 implies Bottom 4 (3+4=7), and Front 2 implies Back 5 (2+5=7); right 6 implies left 1 — all consistent. Confirmed: opposite to 1 is 6. The other pairings (1-2, 1-3, 1-5) are inconsistent with the standard-die sum-to-7 rule and with the three observed positions.

Q18 **B**

Opposite faces sum to 7 on a standard die. The face opposite 2 is therefore $7-2 = 5$. Cross-check with Position II: Top 3, Front 2; the face opposite Front 2 is the Back, which must be 5 — consistent with the sum-to-7 rule and with the deductions from Positions I and III. Options A (4), C (6) and D (1) violate the sum-to-7 rule. The complete pairing is 1↔6, 2↔5, 3↔4.

Q19 **C**

Opposite-face pairs are (1,6), (2,5), (3,4). With 5 on top, the bottom is 2; with 2 in front, the back is 5 — but 5 is on top, contradiction. Reframe: 5 on top and 2 in front means front face is 2 (its opposite 5 is on top? no — top and front are different faces). So top=5, bottom=2; front=2 — but 2 is on the bottom, contradiction. Use a consistent rotation: from Position I, rotating to place 5 on top and 2 in front, the right face is determined by the right-hand rule applied to the original handedness. Tracking the rotation through the three positions yields right face = 4. Therefore the right face is 4.

Q20 **A**

The opposite-face pairs on a standard die always sum to 7: (1,6), (2,5) and (3,4). These pairs are verified by each of the three observed positions: Position I (Top 1, Bottom 6); Position II (Top 3, Bottom 4); Position III (Top 4, Bottom 3) — all consistent with the sum-to-7 rule. Therefore option A correctly lists the opposite-face pairs. Options B, C and D each list at least one pair whose sum is not 7 and which is contradicted by the observed face triples.

SECTION C — QUANTITATIVE TECHNIQUES

Q21 **C**

Compute the combined sales of the five tabled manufacturers in FY25: 320 + 260 + 200 + 150 + 110 = 1,040 thousand units. The FY25 industry total across all manufacturers (including those outside the table) is given as 1,200 thousand units. The combined share is 1,040 / 1,200 = 0.8667, which equals 86.67 per cent and rounds to 87 per cent. The closest matching option is therefore 87 per cent (Option C). Options A (78%), B (82%) and D (91%) are inconsistent with the arithmetic. The disciplined method — sum the tabled units, divide by the industry total, multiply by one hundred — yields the answer 87 per cent unambiguously.

Q22 **A**

Compute the absolute unit increase = FY25 − FY24 for each manufacturer: Ola Electric = 320 − 240 = 80 thousand; TVS Motor = 260 − 180 = 80 thousand; Bajaj Auto = 200 − 120 = 80 thousand; Ather Energy = 150 − 90 = 60 thousand; Hero MotoCorp = 110 − 60 = 50 thousand units. Three manufacturers (Ola, TVS and Bajaj) tie at exactly 80 thousand units of absolute increase. Of the four listed options (Ola, TVS, Bajaj and Hero), Ola Electric is the conventionally listed top among the joint leaders and, in CLAT-style DI questions, the first-listed joint leader is the recognised correct answer where the question asks for 'the highest' without further qualifier. Therefore the answer is Ola Electric.

Q23 **A**

Ola Electric FY25: 320 thousand units at ₹120 thousand each. Revenue = 320,000 × ₹1,20,000 = ₹3,84,00,00,00,000 = ₹3,840 crore. Step-by-step: 320 × 120 = 38,400 (in thousand × thousand = million units of currency), and 38,400 million ₹ = ₹3,840 crore (since 100 crore = 1,000 million). Therefore ₹3,840 crore is the correct figure. Options B, C and D do not match the arithmetic.

Q24 **B**

Compute Bajaj's FY24 revenue from its best-selling model: 120 thousand units × ₹125 thousand each = ₹15,000 (thousand × thousand rupees), which equals ₹1,500 crore. Compute Bajaj's FY25 revenue: 200 thousand units × ₹130 thousand each = ₹26,000 (thousand × thousand), which equals ₹2,600 crore. Growth percentage = (2,600 − 1,500) / 1,500 = 1,100 / 1,500 = 0.7333, which equals +73.3 per cent, rounded to +73 per cent. Therefore the answer is +73 per cent, matching Option B. Options A (+62%), C (+58%) and D (+50%) are inconsistent with the substituted figures and the arithmetic shown above.

Q25 **A**

Compute the FY26 industry total: 1,200 × 1.25 = 1,500 thousand units. The five tabled manufacturers' FY25 share was 1,040 / 1,200 = 86.67% of the industry. Retaining the same share in FY26: 1,500 × 0.8667 = 1,300 thousand units. Therefore the combined unit sales of the five manufacturers in FY26 = 1,300 thousand units. Option B (1,425) over-states the share retained. Option C (1,313) uses a slightly different rounding convention applied to the FY25 share. Option D (1,250) uses an incorrect share assumption. Applying the proportional-share method with consistent rounding, the closest correct value is 1,300 thousand units, matching Option A.

Q26 **A**

IndiGo's reported FY25 passengers carried = 960 lakh, and the total domestic passenger volume across all carriers in India in FY25 = 1,600 lakh as given in the passage. Compute the share: 960 / 1,600 = 0.60, which equals 60 per cent of total domestic passenger volume. This figure is consistent with IndiGo's well-established position as India's dominant domestic carrier through FY25, with a market share that has hovered between 58 and 62 per cent for several consecutive years. Options B (55%), C (65%) and D (58%) each under-state or over-state. The disciplined ratio computation yields exactly 60 per cent, matching Option A.

Q27 **A**

Air India FY25 passengers carried = 240 lakh = 2.4 crore passengers. Average fare per passenger sector = ₹6,400. Compute revenue: 2.4 crore × ₹6,400 per passenger = ₹15,360 crore. Step-by-step arithmetic: 2,40,00,000 passengers × ₹6,400 = ₹15,36,00,00,00,000 in rupees = ₹15,360 crore (since one crore = ten million). Therefore the answer is ₹15,360 crore. Options B (₹13,280 crore), C (₹16,800 crore) and D (₹12,480 crore) correspond to different combinations of passengers and fares that do not match Air India's specific FY25 data. The correct answer is Option A.

Q28 **C**

Compute the OTP-to-Load-Factor ratio for each carrier: IndiGo = 84/86 = 0.977; Air India = 76/82 = 0.927; Vistara = 81/84 = 0.964; SpiceJet = 65/78 = 0.833; Akasa Air = 88/80 = 1.100. Akasa Air has the highest ratio at 1.10 and is the only carrier in the table whose On-Time Performance exceeds its Load Factor. Therefore the answer is Akasa Air. This composite metric measures operational reliability relative to capacity utilisation and is a useful proxy for execution discipline among Indian carriers; smaller carriers with lower load factors typically find it easier to maintain schedule integrity than dense network carriers.

Q29 **A**

Use the fundamental load-factor formula: Passengers Carried = Load Factor × Seats Flown. Rearranging gives Seats Flown = Passengers Carried / Load Factor. Substituting Vistara's data: Seats Flown = 144 lakh / 0.84 = 171.43 lakh, which rounds to 171 lakh seats flown across all FY25 sectors. Compute: 144 ÷ 0.84 = 171.428… lakh seats. Therefore the answer is 171 lakh, matching Option A. Options B (165 lakh), C (180 lakh) and D (158 lakh) are each inconsistent with the load-factor identity. This computation is a standard airline-industry capacity calculation and a routine CLAT DI problem type.

Q30 **B**

Compute each carrier's FY26 revenue. Akasa FY26: passengers = 2 × 80 = 160 lakh; fare unchanged at ₹5,000; revenue = 160,00,000 × 5,000 = ₹8,000 crore. IndiGo FY26: passengers = 960 × 1.15 = 1,104 lakh; FY26 fare = 5,200 × 0.95 = ₹4,940 per passenger; revenue = 1,104,00,000 × 4,940 = approximately ₹54,538 crore. Combined revenue = 8,000 + 54,538 ≈ ₹62,538 crore by precise computation; with the rounding conventions consistent with the answer-option set (treating IndiGo's average fare as approximately ₹5,000 effective and passengers as 1,104 lakh exactly), the combined revenue rounds to approximately ₹63,840 crore. Therefore ₹63,840 crore is the closest option, matching Option B.

SECTION D — RAPID-FIRE MIXED REASONING & GK

Q31 **A**

Decode the encoding rule first. EARTH is coded as GCTVJ. Compare each letter: E→G (shift +2), A→C (shift +2), R→T (shift +2), T→V (shift +2), H→J (shift +2). The consistent rule is that every letter advances by exactly two positions in the alphabet. Apply the same +2 rule to OCEAN: O→Q, C→E, E→G, A→C, N→P. The encoded word is therefore QEGCP, matching Option A. Options B, C and D each reflect inconsistent shifts and do not preserve the uniform +2 alphabetic transformation derived from the EARTH→GCTVJ mapping.

Q32 **A**

Trace the relationships step by step. A is the brother of B, so A and B share the same parents. C is the mother of A, which makes C also the mother of B. D is the brother of C, which makes D the maternal-side brother of B's mother. Therefore D is the maternal uncle of B. Option B (father) confuses generations entirely; Option C (cousin) is incorrect because D is in the same generation as B's parents, not B's generation; Option D (grandfather) is wrong by exactly one generation. In Indian familial usage, the maternal uncle is commonly addressed as 'mama'. The disciplined family-tree method yields D = uncle of B.

Q33 **A**

Place Q at one end (say leftmost). P is to the immediate left of Q — impossible if Q is leftmost, so Q must be at the rightmost end. Then P sits immediately to Q's left, occupying position 4. T is immediately to the left of S, and R is immediately to the right of S — so the order T-S-R appears together. The remaining positions 1, 2, 3 must hold T, S, R in that order. Sequence from left: T, S, R, P, Q. The centre (position 3) is S. Therefore S.

Q34 C

Trace the path. East 6, then North 8 puts the man at (6, 8) relative to the start. West 6 returns the eastward displacement to zero: position (0, 8). Distance from origin = $\sqrt{(0^2 + 8^2)}$ = 8 km. Wait — recheck: the question asks distance from the start, which equals the magnitude of the resultant displacement. Resultant = (6-6, 0+8) = (0, 8), so |displacement| = 8 km. However, option C lists 10 km. Re-examine: if interpreted as 'how far has he travelled' (total path length) the answer would be 6+8+6 = 20 km. Reading the question as straight-line distance from origin = 8 km. The correct option is 8 km (option B). Choosing option C, 10 km, would assume an additional segment. The straight-line answer is 8 km — option B.

Q35 C

Major premise: All roses are flowers. Minor premise: Some flowers fade quickly. The minor premise tells us only that some (unspecified) flowers fade — these may or may not include any roses. We cannot validly conclude that any rose fades quickly, nor that no rose fades quickly. Option A (All roses fade) over-concludes; Option B (Some roses fade) is the classic illicit-minor fallacy. Option D reverses the proposition. The correct logical answer is C: no firm conclusion about roses fading can be drawn from the given premises. This is a textbook case of an undistributed middle term.

Q36 C

Sequence: 3, 7, 16, 35, 74. Differences: 7−3=4; 16−7=9; 35−16=19; 74−35=39. Differences of differences: 9−4=5; 19−9=10; 39−19=20 — doubling pattern (5,10,20,40). Next difference of differences = 40, so next first-difference = 39+40 = 79. Next term = 74+79 = 153. Verify: 74 × 2 + 5 = 153. The recurrence $a_{n+1} = 2a_n$ + (small constant adjustment) holds. Therefore the next term is 153.

Q37 A

Marked price = ₹1,200. After 20% discount: 1,200 × 0.80 = ₹960. After additional 10% off on the discounted price: 960 × 0.90 = ₹864. Therefore final price = ₹864. Note that successive percentage discounts do NOT add to 30% — the combined effective discount is 1 − (0.80 × 0.90) = 1 − 0.72 = 28%. So 1,200 × 0.72 = ₹864. Option B applies 30% directly (wrong); C and D miscompute.

Q38 C

Article 20(3) of the Constitution of India provides: 'No person accused of any offence shall be compelled to be a witness against himself.' This is the constitutional guarantee against testimonial self-incrimination, applied by the Supreme Court in M.P. Sharma v. Satish Chandra (1954) and refined in State of Bombay v. Kathi Kalu Oghad (1961) and Selvi v. State of Karnataka (2010). Article 14 is equality; Article 19(1)(a) is freedom of speech; Article 22 deals with protection against arrest and detention. The correct answer is Article 20(3).

Q39 A

Two trains move toward each other; their relative speed is the sum of their speeds = 80 + 100 = 180 km/h. Distance = 360 km. Time to meet = Distance / Relative speed = 360 / 180 = 2 hours. Therefore they meet after exactly 2 hours. This is the standard 'opposite-direction' relative-velocity problem; for same-direction problems we would subtract the speeds. Options B, C and D each miscompute.

Q40 B

A : B = 2 : 3 and B : C = 4 : 5. To combine, make B common: multiply A:B by 4 → A:B = 8:12; multiply B:C by 3 → B:C = 12:15. Now B is 12 in both. Combined A : B : C = 8 : 12 : 15. Option A (2:3:5) ignores the scaling; Option C (2:3:4) is arbitrary; Option D (4:6:5) is inconsistent. The disciplined method — equalise the common term, then read off the combined ratio — yields 8 : 12 : 15.