

Daily Practice — Legal Reasoning · Analytical Reasoning · Quantitative Techniques

Darken one bubble per question. Negative marking applies. Answers and detailed explanations are provided in a separate companion sheet.
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SECTION A — LEGAL REASONING
Q1-12 · 12 Marks
PRINCIPLE A — DOCTRINE OF LIFTING THE CORPORATE VEIL (Q1-6)

A company incorporated under the Companies Act, 2013 is, in law, a person distinct from its shareholders, directors, and promoters — the rule traceable to *Salomon v. Salomon & Co. Ltd.* (1897). Because the company has its own legal personality, members are not personally liable for its debts and the corporate form ordinarily shields them. However, courts and statutes 'lift' or 'pierce' the veil where the corporate facade is being used to defeat justice, evade legal obligations, perpetrate fraud, escape tax, or where the company is a mere sham or alter ego of the controllers. Statutory grounds include misstatements in prospectus (Section 35), fraudulent conduct of business (Section 339), and failure to return application money. Judicial grounds, summarised in *Vodafone International Holdings v.*

1. M/s Vega Traders Pvt. Ltd. is wholly owned by Mr. Ahuja, who funnels his personal taxable income through the company to claim a lower corporate rate, with no genuine business activity occurring inside Vega. The Revenue alleges sham. Which of the following is the strongest legal conclusion?

- A. The veil may be lifted on the ground that the company is being used as a device to evade lawful tax liability of the controlling s.
- B. The veil cannot be lifted because *Salomon* establishes that the company is a separate legal person.
- C. The veil can be lifted only after the company is wound up by the Tribunal on a creditor's petition under the Companies Act, 2013 on the facts of the question.
- D. The veil may be lifted only if there is a criminal prosecution under Section 447.

2. Three group companies — P, Q and R — are 100% owned by a common holding entity and share offices and directors, but each has independent contracts, employees, and audited accounts. A creditor of P seeks to recover from Q on the ground that they are essentially one enterprise. Which statement is MOST accurate?

- A. The veil should be lifted because common shareholding combined with shared offices necessarily establishes that the entities are a.
- B. Common shareholding, shared directors.
- C. The veil must always be lifted in holding-subsiary structures because group companies are treated as a single economic unit unde.
- D. The creditor's only remedy is to file a winding-up petition against P.

3. Mr. Khanna, the sole director of Z Ltd., signs a prospectus that materially misstates the company's audited turnover, on the basis of which the public subscribes to shares. Section 35 of the Companies Act, 2013 is invoked. Which proposition follows MOST directly from the principle stated?

- A. Mr.
- B. Mr.
- C. The veil cannot be lifted because *Salomon* shields directors from any personal consequence arising out of company-issued documents.
- D. Personal liability arises only if Z Ltd. is first found insolvent and unable to compensate the subscribers, and not otherwise.

4. Which of the following is LEAST likely, by itself, to justify a court in lifting the corporate veil?

- A. Use of the company as a sham vehicle to defeat the lawful claims of judgment creditors in pending execution proceedings.
- B. Operation of the company by a single controller to deliberately evade an existing personal injunction granted by a competent court.
- C. Use of an Indian subsidiary by a non-resident parent to evade Indian capital gains tax through artificial routing of transactions.
- D. Adoption of a multi-layered corporate group structure across jurisdictions for legitimate tax planning and commercial efficiency.

5. A and B incorporate XYZ Ltd. solely to take advantage of a covenant that restrained A personally from carrying on a competing business. The court is asked to enforce the covenant against XYZ Ltd. On the principle stated, the court will MOST LIKELY:

- A. Lift the corporate veil and enforce the covenant against XYZ Ltd.
- B. Refuse to lift the veil because contractual restraints in restraint of trade cannot be enforced against an independent juristic pe.
- C. Lift the veil only if A and B are also shown to be directors, and not merely shareholders.
- D. Hold that A's only remedy is damages from A himself, since XYZ Ltd.

6. Which statement BEST captures the limits of the lifting-the-veil doctrine as developed in Indian case law?

- A. Once the veil is lifted in respect of one transaction.
- B. The veil may be lifted whenever the court considers it equitable to do so, even in the absence of fraud, evasion, or sham under the principle stated above.
- C. The veil is lifted narrowly and only for the specific transaction concerned; the corporate personality otherwise survives for all.
- D. The veil-lifting doctrine has been impliedly abrogated by the Companies Act, 2013.

PRINCIPLE B — RIGHT OF PRIVATE DEFENCE UNDER THE BHARATIYA NYAYA SANHITA, 2023 (SECTIONS 34-44) (Q7-12)

Sections 34 to 44 of the Bharatiya Nyaya Sanhita, 2023 codify the right of private defence of body and property, broadly carrying forward Sections 96 to 106 of the repealed Indian Penal Code, 1860. Nothing is an offence which is done in the exercise of this right. It extends to defending one's own body or that of another, and one's own property or another's, against specified offences. The right does not extend to inflicting more harm than is necessary; it is unavailable where the defender has time to seek protection from public authorities; and it is not available against acts done in good faith by a public servant under colour of office, unless those acts cause reasonable apprehension of death or grievous hurt. The right extends to causing death only against an enumerated grave offence such as an assault reasonably apprehending death, grievous hurt, rape, kidnapping, abduction, unnatural lust, or wrongful confinement. It commences with reasonable apprehension of danger and continues only while that apprehension continues.

7. P is walking home at night when Q, brandishing a knife, demands his wallet and lunges at him. P snatches a brick from the roadside and strikes Q on the head; Q dies. Which conclusion is MOST consistent with the principle?

- A. P is guilty of culpable homicide because death was caused.
- B. P is guilty of murder because, by snatching a brick rather than running away.
- C. P is guilty of voluntarily causing hurt because the right of private defence permits only proportionate force short of death on a fair reading of the rule.
- D. P is protected by the right of private defence as the assault was such as could reasonably cause apprehension of death or grievous.

8. R sees S being beaten unconscious by a group of men with iron rods on a deserted road. R, a passer-by, picks up a rod and joins the defence of S, fatally striking one assailant. Which proposition is MOST accurate?

- A. R can claim the right of private defence only if S was a relative of R; strangers cannot invoke the right on behalf of others unde.
- B. R can claim the right of private defence of the body of any other person under the Sanhita.
- C. R cannot claim the right because it is available only to defend one's own body, and not the body of any third person.
- D. R can claim the right only if S explicitly requested R's intervention before the fatal blow was struck; spontaneous intervention i.

9. M, the owner of a warehouse, sees a thief stealing a bag of grain worth ₹600 and fleeing. M shoots the thief in the back with a licensed firearm, killing him. Which statement BEST applies?

- A. M has exceeded the right of private defence of property by causing more harm than was necessary.
- B. M is fully protected because the right of private defence of property automatically permits the owner to cause the death of any pe.
- C. M is protected because the thief had not yet reached a place of safety.
- D. M's conduct is irrelevant under the Sanhita because the right of private defence applies only to body and not to property in any c.

10. A police officer, in plain clothes and without producing identification, attempts to detain T on a public road. T, fearing a kidnapping, struggles and injures the officer. Assume the officer was acting in good faith under colour of office. Which is the BEST view?

- A. T is liable under the established legal and factual framework on the facts.
- B. T is liable, because the right of private defence is restricted to offences specifically enumerated under the established legal and factual framework on the facts.
- C. T may invoke the right of private defence if the officer's conduct caused a reasonable apprehension of death or grievous hurt.
- D. T is protected even from a marginal scuffle under the established legal and factual framework on the facts.

11. U is being chased by a mob threatening to lynch him. U, having reached a police outpost across the street, instead picks up an iron rod and attacks the nearest pursuer, causing grievous hurt. Which is MOST accurate?

- A. U's act is protected because, in a mob-lynching situation.
- B. U's act is NOT protected.
- C. U's act is protected because the right of private defence extends to causing death where there is reasonable apprehension of griev.
- D. U's act is protected because the right of private defence, once it commences.

12. Which of the following statements MOST accurately describes a limitation on the right of private defence under the Sanhita?

- A. The right extends to the inflicting of any quantum of harm so long as the defender genuinely apprehended danger to body or propert.
- B. The right is available against every act of a public servant.
- C. The right commences only after the actual infliction of harm on the defender's body or property has been completed by the aggresso.
- D. The right does not extend to the inflicting of more harm than is necessary for the purpose of defence.

SECTION B — ANALYTICAL REASONING

Q13-20 · 8 Marks

PUZZLE 1 — BOX-STACKING — FIVE CARTONS OF DIFFERING WEIGHT AND COLOUR (Q13-16)

Five cartons — L, M, N, O and P — are stacked one above the other on a single vertical pallet. Each carton is of a different colour from among Red, Blue, Green, Yellow and White, and each carton has a different weight in whole kilograms from among 4 kg, 6 kg, 9 kg, 12 kg and 15 kg. The bottom-most carton is at position 1 and the top-most at position 5. The following are known: (i) The heaviest carton is not at either extreme of the stack. (ii) The Yellow carton is immediately above the Red carton. Work the visibility of each clue methodically and use elimination to fix one carton at a time before testing remaining permutations.

13. Which carton is placed at position 3 in the stack?

- A. L
- B. P
- C. N
- D. M

14. What is the weight of the Yellow carton?

- A. 15 kg
- B. 12 kg
- C. 9 kg
- D. 6 kg

15. Which of the following statements is definitely TRUE?

- A. P is the Blue carton and is placed at position 1 of the stack.
- B. L is the Red carton and is placed immediately below the Yellow carton on the facts..
- C. The White carton is heavier than the Green carton in this arrangement.
- D. O is at the top of the stack and weighs strictly less than 9 kg.

16. Which combination of position–carton–weight is correct?

- A. Position 2 – L – 12 kg
- B. Position 4 – M – 15 kg
- C. Position 5 – O – 4 kg
- D. Position 1 – P – 9 kg

PUZZLE 2 — COMPARATIVE HEIGHTS OF SIX INTER-COLLEGE ATHLETES (Q17-20)

Six athletes — Aarav, Bhavika, Chirag, Diya, Esha and Farhan — competed at an inter-college meet. Each is of a different height. The following comparative information is available about their heights: (i) Exactly two athletes are taller than Bhavika. (ii) Chirag is taller than Aarav but shorter than Diya. (iii) Esha is the second-shortest in the group. (iv) Farhan is shorter than at least three other athletes. (v) Aarav is not the shortest in the group. (vi) The tallest athlete is not Diya. (vii) No athlete has the same height as any other. Build the order outward from the most constrained clue first and use elimination to fix the unique ranking forced by the constraint set.

17. Who is the tallest among the six athletes?

- A. Diya
- B. Bhavika
- C. Chirag
- D. Aarav

18. Who is the shortest in the group?

- A. Farhan
- B. Esha
- C. Aarav
- D. Chirag

19. Which of the following statements MUST be true on the given clues?

- A. Chirag is taller than Bhavika but shorter than Diya in the final height order.
- B. Bhavika is shorter than every athlete whose name begins with a vowel in the group.
- C. Aarav is taller than Esha but the relative position of Aarav vis-à-vis Bhavika cannot be determined.
- D. Farhan is taller than Esha and is the third-shortest athlete in the line-up.

20. If a seventh athlete, Gauri, is added such that exactly three athletes are now taller than Bhavika and Gauri is taller than Chirag but shorter than the existing tallest, which position from the top does Bhavika now occupy?

- A. Third from the top of the new seven-person order.
- B. Second from the top of the new seven-person order on the facts..
- C. Fourth from the top of the new seven-person order.
- D. Fifth from the top of the new seven-person order.

SECTION C — QUANTITATIVE TECHNIQUES

Q21-30 · 10 Marks

DATA SET 1 — INDIAN START-UP IPOs — FY25 VS FY24, LISTING-DAY PREMIUM BY SECTOR (Q21-25)

FY25 was a milestone year for Indian start-up listings. Five sectors accounted for the bulk of mainboard IPO activity by Indian new-economy companies: Consumer-tech, Fintech, SaaS, EV & Mobility, and HealthTech. The table below shows the number of mainboard IPOs in each sector in FY24 and FY25, together with the aggregate issue size raised (in ₹ crore) and the simple average listing-day premium (listing price over issue price, expressed as a percentage). All listing-day premium figures are derived from the closing price on the first day of trading on the NSE main board. The data are drawn from publicly reported mainboard offer documents and exchange listing-day notices, and represent the sectoral mix as on the close of FY25.

Sector	IPOs FY24	IPOs FY25	Issue Size FY25 (₹ Cr)	Avg Listing Premium FY25 (%)
Consumer-tech	3	7	14,200	+22
Fintech	2	5	9,600	+8
SaaS	1	4	5,400	+35
EV & Mobility	0	3	6,800	-4
HealthTech	1	3	3,000	+14
Total	7	22	39,000	—

21. By what factor did the number of mainboard start-up IPOs grow between FY24 and FY25, considering all five sectors taken together?

- A. Slightly over 3.1 times.
- B. Slightly over 2.4 times.
- C. Slightly over 4.0 times.
- D. Exactly 2.0 times.

22. Which sector raised the highest issue size per IPO in FY25?

- A. Fintech, since it raised ₹9,600 crore overall in FY25.
- B. EV & Mobility, since it raised ₹6,800 crore overall in FY25 on the facts..
- C. Consumer-tech, since it raised ₹14,200 crore overall in FY25.
- D. SaaS, since it raised ₹5,400 crore overall in FY25.

23. If an investor applied for and was allotted ₹1,00,000 worth of shares at the issue price in each of the five sectors, and held all of them till the close of the listing day, what would be the aggregate listing-day percentage return on the total ₹5,00,000 invested? (Round to the nearest whole number.)

- A. About 18%.
 B. About 15%.
 C. About 22%.
 D. About 35%.

24. Which of the following statements is MOST clearly supported by the data?

- A. FY25 SaaS IPOs raised more capital in absolute terms than FY25 Consumer-tech IPOs did on the mainboard.
 B. Every sector in the table saw the number of mainboard IPOs at least double between FY24 and FY25 on year-on-year basis.
 C. EV & Mobility was the only sector among the five that showed an average listing-day loss for the investor in FY25.
 D. Fintech was the only sector that raised more than ₹6,000 crore in FY25 from mainboard IPOs by Indian start-ups.

25. Approximately what percentage of the total FY25 issue size of ₹39,000 crore was raised by the Consumer-tech and SaaS sectors taken together?

- A. About 36%.
 B. About 42%.
 C. About 50%.
 D. About 58%.

DATA SET 2 — DIGITAL PAYMENTS IN INDIA — MONTHLY UPI, CARDS AND WALLETS VOLUME (APR-AUG 2025) (Q26-30)

The Reserve Bank of India's Bulletin of November 2025 reports a sharp continuing rise in retail digital payment volumes. The table below summarises monthly transaction volumes (in crore — i.e., ten-million units) across three rails: UPI (Unified Payments Interface, including P2P and P2M), Card payments (debit + credit, at POS and online combined), and Prepaid Wallets (semi-closed wallets used for retail spends). 'Total' is the sum of the three rails for that month. All figures are in crore transactions and are rounded to the nearest crore. Each entry in the 'Total (Cr)' column is the arithmetic sum of UPI, Cards and Wallets for that month, rounded to the nearest crore for ease of comparison.

Month (2025)	UPI (Cr)	Cards (Cr)	Wallets (Cr)	Total (Cr)
April	1,420	90	55	1,565
May	1,480	92	58	1,630
June	1,540	94	60	1,694
July	1,620	98	63	1,781
August	1,700	100	65	1,865

26. What was the approximate share of UPI in total digital payment volumes for August 2025? (Round to the nearest whole percent.)

- A. About 89%.
 B. About 85%.
 C. About 93%.
 D. About 91%.

27. From April to August 2025, by what approximate percentage did UPI transaction volumes increase? (Round to the nearest whole percent.)

- A. About 17%.
 B. About 20%.
 C. About 25%.
 D. About 30%.

28. Which rail showed the highest percentage growth from April to August 2025?

- A. Wallets — the volume rose from 55 to 65 crore, a growth of about 18%.
 B. Cards — the volume rose from 90 to 100 crore, a growth of about 11%.
 C. UPI — the volume rose from 1,420 to 1,700 crore, a growth of about 20%.
 D. All three rails grew at roughly the same percentage rate of approximately 17%.

29. If wallet transactions in September 2025 grew at the same absolute month-on-month increment seen between July and August 2025, what would be the wallet volume in September 2025?

- A. About 70 crore transactions on the facts..
 B. About 68 crore transactions.
 C. About 67 crore transactions.
 D. About 65 crore transactions.

30. Which of the following statements is MOST clearly supported by the table?

- A. Cards consistently contributed more than wallets, but cards' share in the total monthly volumes declined from April to August.
 B. Wallet transaction volumes overtook card transaction volumes for the first time during the month of August 2025 in absolute terms.
 C. UPI grew faster in absolute terms than the other two rails combined in every single month captured in the table data.
 D. Cards remained the dominant rail by absolute volume throughout the five-month period covered by the digital payments table.