Q1. When user is created using adduser cmd the folder is created in /home directory but no directory is created when user is created using useradd cmd. Why?

A1. Useradd is native binary compiled with system. It is low level utility.

Adduser is a pearl script and uses useradd binary at its backend. And it will add users according to comd line options and configuration information in /etc/adduser.conf. The directory will be created automatically.

Useradd only does what you ask. So, by default it will only create the user and no home directory or skeleton files will be created. Thats why it doesn't appear in home. If we want a home directory to be created then we'll have to tell to create it.

When we open /etc/passwd and have a look at the users created by useradd and adduser. The user created with adduser cmd uses /bin/bash i.e. bash and the user created with useradd uses /bin/sh shell.