



CERTIFICATE

This is to certify that the investigation describes in this report titled “**A study of an Accounting system at CA firm**” has been carried out by **Ms. Yogita Vijaysingh Shendre** during the summer internship Project. This study was done in the organization of “**AMOL SHEGAONKAR & CO. Chartered Accountants**” in partial fulfillment of the requirement for the degree of Master of Business Administration of R.T.M.N.U., Nagpur. This work is the own work of the candidate, complete in all respect and is to sufficiently high standard to warrant its submission to the said degree. The assistance and resources used for the work are duly acknowledged.

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TO WHOM IT MAY CONCERN

This is to certify that **Miss. YOGITA VIJAYSIGH SHENDRE**, student of Master of Business Administration in Finance in **D.M.R.S, G.S COLLEGE OF COMMERCE AND ECONOMICS**, has successfully completed a summer internship in the field of finance from 16 Sep 2022 to 31st Oct 2022 under the guidance of **CA AMOL SHEGAONKAR**.

During the period of his internship program with us he has been exposed to different business process and found punctual, hardworking and inquisitive.

We wish him every success in his life and career.

Regards



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ACKNOWLEDGEMENT

I would like to express my gratitude and appreciation to all those who gave me the possibility to complete this summer internship project in “**Shegaonkar Manapure & Associates. Chartered Accountants**” and I am sincerely thankful to them for providing this opportunity to me.

I am extremely thankful to **CA Amol Shegaonkar** for guiding me throughout this project and continuously encouraging me. It would not have been possible to complete this project without his support.

I am also thankful to all the faculty members of Department of Management Sciences and Research, G.S. College of Commerce and Economics, Nagpur and particularly my mentor **Dr Aniruddha Akarte** for helping me during this project.

Finally, I am grateful to my family and friends for their unending support.

Yogita Vijaysingh Shendre

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INTRODUCTION

In the present day, accountants no longer record every transaction of a company or any corporate body with the help of pen and pencils using a ledger book. After the birth of computers and the emergence of digitalization in most professional sectors in India, accounting is also computerized.

For the past few decades, computerized data has been used mainly in the field of science and technology. However, as the years go by, computerized accounting systems are also becoming quite common.

Several accounting firms still perform book-keeping manually, while most firms comprise financial transactions that can be a lot for a manual accounting process.

Moreover, the complicated financial transactions of a firm are quite difficult to be recorded manually. That led to the introduction of the concept of computerized accounting systems.

Before you learn the meaning of computerized accounting, it is important to know about the various factors to consider before using such a system.

Features of Computerized Accounting Systems

The characteristic features of computerized accounting systems are as follows –

- a. Components of computerized accounting systems are software programs which are installed on a company machine, network server or accessed remotely with the help of the Internet.
- b. Such a system allows accounting professionals to set up income and expense accounts such as purchases and sales accounts, salary distribution account, advertising expenses account, etc.
- c. The process of computerized accounting systems includes programs that can be used to manage and control bank accounts, prepare company budgets, etc.
- d. Depending upon the program and how advanced it is, accountants can also construct tax documents, handle company payroll, and manage project expenses properly.
- e. Programs in this system can be customized as per user demands. This feature helps every accounting professional to meet the requirements of their firm.

SHEGAONKAR MANAPURE & ASSOCIATES

We are a Chartered Accountant Partnership Firm with team of qualified and motivated professionals, offering integrated one-stop services. We primarily focus on Accounting, Audit & Assurance, Management Advisory, Consultation in Taxation, Economic and Other related laws and Transaction Advisory Services. We have exceptional and leading edge expertise in the areas of Statutory Audit of listed companies, Statutory Audit , Internal Audit, Management Audit, Secretarial Audit, Propriety Audit Stock and Audit Tax Audit. From the experience gained by the founding partner, it is understood that there is a huge vacuum in the Indian professional services sector, where the firms have expertise in independent domains but are not equipped with a holistic approach to assist the client's business. The genesis of our firm is to fill this vacuum and provide integrated solution to client's business. To withstand the ever-increasing competition faced by corporates in the vibrant global economy coupled with increasing responsibilities on human resources, we aim at enhancing the economic well-being of an organization by providing timely services which add significant value addition to the client's business.

VISION :-

“Our vision is simple-becoming leading consultancy firm operating worldwide. With the intent of upholding the ethics of financial affairs, not only we streamline your economic operations, but we also elevate the goodwill to a whole new level with our consultancy services.”

MISSION :-

Becoming a leader to provide legal and financial services in economy to get more opportunity for an organization.

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TERMINOLOGIES

Bookkeeping Terminology

- **Accounts Payable** – Outstanding payments the company currently owes to suppliers, vendors, and Creditors — essentially any bills the company still has yet to pay.

- **Accounts Receivable** – Outstanding payments the company is currently owed by all customers or clients. Basically, this is anything the company bills out.

- **Balance Sheet** – A financial document that reconciles all the company's assets with their liabilities and equity.

- **Costs of Goods Sold** – The total money spent to produce goods and services, including production, labor, storage and material costs.

- **Current Assets** – Capital that has immediate value (typically that which will be used within one year), including cash, sellable products or accounts receivable.

- **Equity** – All capital currently invested in the company, including any profits that have been re-invested as retained earnings.

- **Expenses** – Any additional money spent operating the company that's not associated with the production of sellable products and services. Examples of expenses include office supplies, lease for the place of business and employee wages.

- **Fixed Assets** – Assets with long-term value, such as land and property, tools and machinery, or vehicles. 2

- **General Ledger** – Record of financial transactions across all of a company's accounts, which is maintained continuously for the entire life of the company.

- **Income Statement** – All outstanding debts owed by the company. This could include accounts payable, loans, liens on property or other long-term investments.

- **Liabilities** – Outstanding payments the company is currently owed by all customers or clients. Basically, this is anything the company bills out.

- **Net Income** – The company's total profit (or loss, if negative) once costs and expenses are subtracted from revenue.

- **Revenue** – All incoming money from selling products and services or generated through a company's additional assets, before expenses are taken into account. Also referred to as "gross income."

- **Terminology Used in Calculations**
- **Credit** – An entry on a balance sheet that decreases asset values and/or increases liability and equity values.
- **Debit** – An entry on a balance sheet that increases asset values and/or decreases liability and equity values (or incoming payments)

- **Return on Investment (ROI)** – Used to determine how much of the money spent producing goods and services was recouped in profits. You find ROI by calculating a ratio of a business's net income to total assets.
- **Present Value (PV)** – The amount a future sum of money is currently worth today. Because a company can invest existing funds in order to collect interest or ROI in the future, a particular sum of money may not be worth the same thing now as it will be in the future. Accountants may use present value calculations to determine the true value of sales to be paid in the future, or to aid in investment decisions.

Types of Accountants

- **Auditors** – Auditors evaluate a company's financial records for accuracy, → check for mistakes and discrepancies, and some may issue evaluations of profitability. Auditors may be internal or external (independent) of the company being audited.
- **Management Accountant** – Management accountants work on a company's internal financial records and processes to aid in business planning, cost/revenue analysis and management of financial operations.

- **Public Accountant** – Public accountants — who by and large must earn— Certified Public Accountant, or CPA, status — may work with individuals or large corporations to prepare all relevant tax and financial documents required by the IRS.

OBJECTIVES OF THE STUDY

- To implement my overall accounting skills practically via entering accounting data online.
- To secure a challenging position to expand my learnings, knowledge, and skills.
- To utilize my training and skills, while making a significant contribution to the success of the company.
- To gain an experience in high-level professional corporate environment.
- It is an alternative corporate business form that offers the benefits of limited liability to the partners at low compliance costs.
- To gain a practical experience of operating various accounting softwares like Tally, Excel, Computax, Spectrum, etc

1. Identification and recording of transactions

The primary object of accounting is to identify the financial transactions and to record these systematically in the books of accounts. As a result, the true nature of each and every transaction is known without much exercise of memory.

With this end in view, the transactions are primarily recorded in general and in a special journal and later on permanently various accounts are kept in the ledger.

2. Ascertainment of results

Every business concern is interested to know its operating results at the end of a particular period.

The amount of profit or loss for a particular period of a business concern can be ascertained by preparing an income statement with the help of ledger account balances of revenue nature. Surplus or deficit of revenue for a particular period of a non-trading concern can also be ascertained by preparing income and expenditure account or statement.

3. Ascertainment of financial affairs

Ascertainment of debts-liabilities, property, and assets i.e. total financial affairs of an organization at a particular date is another important object of Accounting.

Financial affairs of concern at a particular date can be ascertained by preparing a balance sheet. The balance sheet is the statement of assets and liabilities of concern at a particular date.

4. Keeping accounts of cash

Cash book is a prominent book of the books of accounts. Cash receipts and cash payments are accounted for in this book. A number of daily cash receipts, payments, cash in hand and cash at the bank can be known from this book. Fraud, forgery, and misappropriation of money are reduced by keeping cash book scientifically and accurately.

5. Control over assets and liabilities

For running a business successfully a businessman is to acquire various assets like land, building, machinery, etc.

He is to face various debts and liabilities like accounts payable, notes payable, loan, bank overdraft, etc. side by side with the acquisition of assets. The actual position of these debts-liabilities, property, and assets can be ascertained through the proper keeping of accounts.

- A businessman can take the right steps for controlling the quantity of assets decrease and liability increase.
- If the entity is required to file any form/application/document, then it needs to be filed in an electronic form.
- It is enhance the skill do that work in effective way it's important for the organisation.
- Providing financial services and achieving organisation goal.
- To secure employment with a reputable company, where I can utilize my skills and business studies background to the maximum.
- A highly organized and hard-working individual looking for a responsible position to gain practical experience.
- To make use of my interpersonal skills to achieve goals of a company that focuses on customer satisfaction and customer experience.

SCOPE OF STUDY

1. To provide consultancy and accounting services as per the procedures & rules described in companies Act'1956.
2. Changes required to be incorporated for preparation of final accounts as per the companies Act and the guidelines of ICAI required to be followed.
3. Ensuring the day to day accounting transactions of payments, receipts, sales and purchases, other miscellaneous expenses and inventory accounting are entered in SAP on daily basis. Working knowledge with regards to basic data entry, report generation in SAP environment are essential.
4. Preparation, maintenance and updating of Fixed Assets Register as per the Standard Accounting Bench marks.
5. To generate monthly trial balance including priced stores ledger, funds flow statement and final accounts (profit and loss account, Balance Sheet quarterly, Half Yearly and annual final accounts) along with necessary schedules as required by the Internal Audit, Statutory Audit, Tax Audit and as per Corporate Office Guidelines.
6. Evolve the costing system with the help of departmental staff and suggest the suitable methods for setting up of standards for regular costing system.

7. Analysis of Debtors and creditors on daily basis and reconciliation of the same & inter Unit accounts on monthly basis, preparation of Bank Reconciliation on Fortnight basis in SAP environment.
8. Preparation of Half year and Annual Budget and consolidation thereof, and analysis of variance based on actual vs budgeted and actual vs target.
9. Scrutinizing all ledger accounts at regular intervals in SAP environment.
10. Passing regular journal entries, making month end provisions, month end closings and preparation of Monthly Profit and Loss account to submit the same to Corporate Office.
11. Responsible for Statutory compliance under various acts such as Companies Act, Income Tax Act, Central Excise, Service Tax, VAT, CST etc .
12. Responsible for quarterly E-TDS returns and monthly VAT returns and any other statutory returns pertaining to Finance and Accounts, as and when required.
13. Preparation and generation of Management information /reports as when required by both local management and Corporate Office.
14. Co-ordination with Internal and Statutory auditors, providing the data for audit and addressing audit queries / observations under the guidance of GM/AM(F&A)/OFAs related to Finance and Accounts.

15. To suggest suitable methods and latest updating on mandatory requirements with regards to Finance and Accounts and Taxation matters under various statute for smooth functioning of Finance and Accounts department.

16. Monitoring overall accounts of this Unit and suggest remedial measures wherever lapses found.

17. All books of accounts are required to be maintained on double entry system on accrual basis in SAP environment. The firm will be required to provide the services to ensure preparation and finalization of unit's accounts using SAP environment. The correctness and quality of accounts and other reports will have to be certified by the Chartered Accountants.

18. Any other works assigned by the GM/AM(F&A)/OFAs related to Finance and Accounts.

NEED OF THE STUDY

It Helps in Evaluating the Performance of Business

Your financial records reflect the results of operations as well as the financial position of your small business or corporation. In other words, they help you understand what's going on with your business financially. Not only will clean and up to date records help you keep track of expenses, gross margin, and possible debt, but it will help you compare your current data with the previous accounting records and allocate your budget appropriately.

It Ensures Statutory Compliance

Laws and regulations vary from state to state, but proper accounting systems and processes will help you ensure statutory compliance when it comes to your business.

The accounting function will ensure that liabilities such as sales tax, VAT, income tax, and pension funds, to name a few, are appropriately addressed.

It Helps to Create Budget and Future Projections

Budgeting and future projections can make or break a business, and your financial records will play a crucial role when it comes to it.

Business trends and projections are based on historical financial data to keep your operations profitable. This financial data is most appropriate when provided by well-structured accounting processes.

It Helps in Filing Financial Statements

Businesses are required to file their financial statements with the Registrar of Companies.

Listed entities are required to file them with stock exchanges, as well as for direct and indirect tax filing purposes. Needless to say, accounting plays a critical role in all these scenarios.

CONTRIBUTION DURING SIP

Working hours :- 8 hrs. per day.

Working days :- 6 days per week.

1 st Week

- Data analysis of various companies.
- Checking of missing balances amounts.
- Tally Entries (Rebate and Discount) .
- Updation of clients' passwords to ms excel via spectrum, Creation of sales bills & printing.
- Letter of Mutuation in NMC records, Santosh Mourya letter & letter of transfer of Meter, Entries in various vouchers, Records maintenance in Excel.

2 nd Week

- Minutes of Meeting, Editing& recreating reconcilliation of Swimming pool
- Electricity bills, Downloading of 3CD from gst website & mailing to Brijesh
- Sharma, Checking and updating Balance Sheet of Roystonea.
- Scanning of Balance Sheet of Manav vikas seva sanstha, Editing of Minutes, Statewise GSTR3B Updation in Excel, Balance sheet updation in excel.
- Statewise GSTR-1 working in excel, Checking of balances of M4 PTE FZE in tally, made H.O., Branch & Customer Copy of Edelweiss Broking Ltd.,

Letter to Mr. Virendra Nimkar for payment of overdue apt. maintenance, Form SH4

Share Transfer, Letter to Investors Protection

- Cell Share Entries & Editing of letter of Payment of Overdue Apartment Maintenance, DSC Validity name updation of remaining clients.
- RERA : Rechecking of sales details• & correction. Checking of SHEL statewide GST working.

3 rd Week

- Updation of names & expiry dates & RERA master sheet updation.
- Stock Audit of Chanvim Engineering Pvt. Ltd. : Stock auditing of Godown,
- General store, 3P, Aluminium items, Finished goods, Refrigerator items.
- International Accounting : Chauddagam Restaurent, Dubai/
- Journal voucher entries of LPG Gas of June & August.
- Journal entries of Al Jahez Foodstuff Trading.
- Downloading of AIS & TIS.

4 th Week

- Made ledgers of various creditors & purchases accounts. Journal entries of Al
- Mamzar packaging, Al Manama general food items & various creditors.
- Made ledgers & journal entries of Poseidon General Trading, Majlis plastic & containers, etc.
- Journal entries of Chauddagam Restaurent of nov jan pdf.
- Abdullah Mobiles receipt vouchers & some entries of Oct pdf.
- All journal entries of October pdf, some entries of Abdullah mobiles
- (Converted all suspense a/c to cash a/c's)

5 th Week

- Remaining journal entries of Oct pdf& completed all the entries of Chauddagam Restaurent, Downloaded company data of 33 companies, Digitally signed in UDPL Balance Sheet, GST working.
- Downloading of company data& director master data, Auditing of purchase & sales vouchers of both the companies of December month.
- Exported tally data of Suspense a/c ledger& mailed to V Tech Enterprises. B2B working in excel.

- Bank statement entries of Rak Bank, International bank entries. Auditing of purchase voucher of Dec 21.
- Bank statement entries of Rak Bank, International bank entries. Auditing of purchase voucher of Dec 21.

6 th Week

- Invoices entries in Tally, E verification of ITR3, Cash sales entries.
- Filled RTGS forms, RTGS received & payment entries in tally.
- Cash sales entries, Sent quaterly VAT reports of various companies.
- Updation of profit & loss a/c & balance sheet in vertical format, Exported quaterly VAT reports to Sajid Sheikh .
- Downloaded FORM 26AS & AIS of 1 client, drafted a letter for discrepancy, made Balance Sheet in both the formats of Seema Hurkat for the F.Y.2019-21 & made vertical balance sheet for the F.Y. 2019-20

7th Week

- Excel working of payments for Dec 21, Amount adjustments of Sundry Debtors of companies.
- Drafted a bank statement letter, filled deposit slips of Sudeep Yadav & Co of ICICI bank, checked & adjusted bank statements of various companies, adjusted closing stock & debtors amounts of Roystonea.
- Reconciled sales i.e receipt vouchers from all the companies & found the missing amounts, Excel working of receipts & payments of various companies
- Bank statements of RAK Bank & VAT amounts.
- Found missing amounts in receipts & payments of all the companies, bank statement entries of Seema Sarda, Shares purchase entries & bank statements of ICICI bank.

8th Week

- Drafted a document submission letter, bank statements of Sankalp marketing
- Bank statements of ICICI bank
- Bank statements of Ajman Bank, auditing of purchase bills of Vipul prints & VV offsets of Dec 21.
- Purchase & sales bills of foodstuff trading, Reconciliation of companies closing balances.
- Reconciliation & correction of vouchers & submission of Sales register, VAT 201 & stock report.
- Reconciliation of DP Sarda & family's closing balances & excel working, shares purchase & sales entries of the family.

LIMITATIONS

- Duration of the internship was quite small.
- Working hours were 8, so was't able to invest my time into other important tasks.
- At times the data available for study can be too large, which makes it a time consuming tasks.
- Sometimes it happens that the server & internet connection is low & accounting tasks are put on hold.
- In bank statements, sometimes closing balances doesn't match, so it becomes a time consuming task to reverify previous balances by checking or altering tally entries.
- Sometimes server issue comes from the main system which disables all other systems work which makes the work delay.

RESEARCH METHODOLOGY

In mainly, I used two types of data collection methods for this research purpose

1. Primary data
2. Secondary data

1. Primary data

This report has prepared through extensive use of primary data. It is collected from group of people who are related with this company the following method are used in collecting primary data.

Primary data is the data that is collected for the first time through personal experiences or evidence, particularly for research. It is also described as raw data or first-hand information. The mode of assembling the information is costly, as the analysis is done by an agency or an external organisation, and needs human resources and investment. The investigator supervises and controls the data collection process directly.

The data is mostly collected through observations, physical testing, mailed questionnaires, surveys, personal interviews, telephonic interviews, case studies, and focus groups, etc.

2. Secondary data :

Secondary data is collected from the company's collected from the company's manuals report and brochures through company's records.

Secondary data is a second-hand data that is already collected and recorded by some researchers for their purpose, and not for the current research problem. It is accessible in the form of data collected from different sources such as government publications, censuses, internal records of the organisation, books, journal articles, websites and reports, etc.

This method of gathering data is affordable, readily available, and saves cost and time.

However, the one disadvantage is that the information assembled is for some other purpose and may not meet the present research purpose or may not be accurate.

The type of research which I have used is the qualitative research, Qualitative research describes qualities or characteristics. It is collected using questionnaires, interviews, or observation, and frequently appears in narrative form.

For example, it could be notes taken during a focus group on the quality of the food at Cafe Mac, or responses from an open-ended questionnaire. Qualitative data may be difficult to precisely measure and analyse. The data may be in the form of descriptive words that can be examined for patterns or meaning, sometimes through the use of coding. Coding allows the researcher to categorize qualitative data to identify themes that correspond with the research questions and to perform quantitative analysis.

Observational Data –

Observational data are captured through observation of a behavior or activity. It is collected using methods such as human observation, open-ended surveys, or the use of an instrument or sensor to monitor and record information -- such as the use of sensors to observe noise levels at the Mpls/St Paul airport. Because observational data are captured in real time, it would be very difficult or impossible to re-create if lost

FINDINGS

Departments at Office

- Company Audit.
- Direct, Excise, And Service Tax.
- International Accounting & International Tax.
- GST Compliance, Audit, And Training.
- Company Secretarial Services.
- Cost Accountancy.

CONCLUSION

- From the internship, it was seen that how manual accounting is converted to practical accounting by usage of various software's.
- Basic concepts of accounts which was introduced from class 11th were actually included while implementation in tally software.
- For GST work, various software's like Spectrum & Computax were used.
- Every voucher entry & specially share purchase & sales entries were recorded in the systematical way in tally.
- missing from the accounting data, so it created awareness for an auditor to
- identify missing entries & to alter it.

SUGGESTIONS

- Main server system should be technically fine so that it won't create a barrier for other systems.
- Rotational work should be distributed among the employees so that each & every employee must be aware about everything.
- Hardware systems & other devices should be of good quality & quantity so that it won't create a lack of electronic equipments i.e (Monitor, keyboard, mouse, cpu, LAN connection, printer)
- Staff should be encouraged to communicate more frequently with each other in English with the employees to create a formal corporate atmosphere.
- Work should be prioritised according to the urgent requirement of completion so that important tasks would get complete on time.

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