



Accounting And Auditing In Income Industry.

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CHAPTER 1

Introduction of study

Background of the Study

Accounting and Auditing play a very crucial role in the Income Tax Industry.

The measuring, processing, and exchange of financial and nonfinancial information for organizations and corporations is known as accounting, often known as Accountancy. Accounting is the "language of the business" that measures the results of the organization's economic entities and conveys this information to the variety of stakeholders, investors, management and the regulatory authorities.

There are many fields in accounting that includes:

Financial accounting, Tax accounting, Cost accounting and Management accounting.

Each and every aspect of this accounting underlines and accounts all on the principle of GAAP.

Income tax is the name given to the kind of tax that the government levies on people and corporations in accordance with the law based on their income or earnings. In 1860, Sir James Wilson became the first person to introduce it to India.

This taxation is a source of revenue to the governments used to fund the public services, pay to complete the requirements of the Government.

The Income tax in India is governed by the entry 82 of the union list of the seventh schedule to the constitution of India empowering the Central Government to tax.

The Income tax in India is governed by The Income Tax act 1961. The notifications and the Circulars issued by the Central Board of Direct Taxes(CBDT).

The type of taxation depends on the income that individuals receive as well as the rates that have been given to it. Personal tax is also dependent on the individual's residency status and is owed by HUFs, companies, LLPs, and other entities. The purpose of the Income tax is to cover all the basic as well as the amenities required for the development of the nation. The primary objective of the government is to raise and collect taxes from the general populace.

The objective of the Income tax Industry:

The price stability:

It provides a measure to regulate expenditure and keeps track of what's happening with the taxes in accordance with the variations involved in it to preserve price stability in the economy by setting out the regulation.

The non revenue objective:

This point speaks about the higher tax rate which is applicable to the wealthy people. In addressing the inequality in this way, progress has been made and the non revenue goal has been achieved.

The term "Audit" describes the process of looking through several books of accounts to make sure the organization's financial statements are genuine and accurate. Its aim is to disclaim an independent opinion on the records maintained and the financials.

The principle of the examination must be checked and implemented based on the identification of the circumstances and the generally accepted accounting principles.

It falls under Section 44AB, which is responsible for ensuring that the Income Tax Act's different sections are followed as well as any additional conditions.

Major types of Audit

Internal audits:

The company's own employee conducts the internal audit and examines the findings and submits to the audit committee.

* External audits:

External audit refers to the audit that will go into broad way in the focus as well as the examination of the different aspects of the internal audit conducted.

This audit takes place with the third independent party that has no connection with the firm that is being audited.

As per the jurisdictions it amounts to call for an external audit basically annually then it further depends on the size of the scale of the operations of the company involved. Now let's talk about the purpose of the Audit:

For maintaining compliance:

Assuring that the organization complies with the requirements and necessary compliance with the regulations is one of the most important parts.

By fulfilling this compliance the organization can be protected against the garnishment of the goodwill of the organization.

Detection and the prevention against the frauds:

By looking at the organization's finances, an audit can be used to identify the organization's flaws and offer solutions to limit the harm that the fraud has already done and will likely do in the future.

The importance of making the system improvements:

The audit increases an organization's efficiency by identifying areas for beneficial adjustments to be made while taking a detailed look at its systems and controls.

The improvisation of planning and budgeting:

The procedure validates the veracity of the data acquired, and this will assist in future decision-making based on the planning completed today.

Accounting in the income tax industry:

Bookkeeping. Financial statements, tax compliance, tax planning and financial analysis etc.

The procedure of the accounting starts with the bookkeeping process expenses that involves recording of the financial transactions such as the involved the income involved the assets and the liabilities of the organization.

Second is the financial statements of the organization.

That gives the position, the performance and the growth prospects of the organization.

Third is the tax compliance wherein the assurance is the compliance as per the regulations involved.

The final step is the financial analysis, which takes into account the organization's trends, the decisions that need to be made, the cost analysis, the budgeting, the forecasting, etc.

Auditing in the Income tax industry:

Financial audits, internal control review, compliance audits, risk assessment, assurance services etc. Financial audits are the review of an organization's financial statements made in accordance with accounting rules.

Internal control review is the process of evaluating the efficiency of an organization's internal controls and identifies areas for improvement.

Determining if an audit complies with tax regulations is referred to as a compliance audit.

The process of evaluating a risk's contributing elements, determining its consequences, and simultaneously developing a risk-related set of actions is known as risk assessment.

Chapter 2

Industry profile

INTRODUCTION:

The financial services industry for individuals and corporations are extremely dependent on the advisory services they provide by chartered accountants.

The company tries its hardest to offer services like advisors and client assistance.

Additionally, make sure the rules are followed

INDUSTRY OVERVIEW:

We are the firm of chartered accountants based in Bengaluru.

The firm has been setup by a group of young, enthusiastic, highly skilled and motivated professionals who have gained experience from top consulting firms and are extensively experienced in their chosen areas.

We offer end to end solutions in a wide spectrum of services including: Assurance services, accounting and the payroll processing services, business tax planning and financial planning services, project financing and the PE funding services etc.

Key services offered:

Audit and assurance:

Execution of the internal audit to assess the efficiency of the internal controls.

Carrying out the required audits for the businesses to make sure they are in compliance with the rules.

Taxation:

Providing clients with tax planning services, helping them with tax preparation and appeals in the event of disagreements with the tax authorities.

And also gear up to the optimization of the client's tax liabilities.

Accounting and Bookkeeping:

* Maintenance of registers of the purchase, sales, and its ledger records.

* Ensuring the compliance with the accounting standards, and the IFRS

Payroll processing, accounts payables etc.

Corporate compliance:

Aiding clients with the establishment of their businesses and any necessary services.

Offering assistance in the legal and regularity areas as a navigational area.

Trends and the Challenges:

Globalization:

The role and significance of cross-border taxation, as well as counselling clients on the Financial and tax ramifications of doing business internationally, have become more and more important as the company prepares to expand overseas.

Technical advancements:

With the development and adoption of AI, cloud-based solutions, and data analytics, businesses are now focusing on dynamic areas to increase efficiency and accuracy.

CHAPTER 3

COMPANY PROFILE

INTRODUCTION:

We are the firm of chartered accountants based in Bengaluru.

The firm has been setup by a group of young, enthusiastic, highly skilled and motivated professionals who have gained experience from top consulting firms and are extensively experienced in their chosen areas.

We offer end to end solutions in a wide spectrum of services including:

Assurance services, accounting and the payroll processing services, business tax planning and financial planning services, project financing and the PE funding services etc.

KEY SERVICES:

ACCOUNTING AND BOOKKEEPING:

- Accounts receivables
- Inventory
- Invoices
- Bank reconciliation
- Bills
- Payroll processing

AUDIT AND ASSURANCE:

- . Internal audits
- Statutory audits
- . Compliance audits

TAXATION:

- Tax return preparation (GST)
- Tax planning
- Tax collection at source DigiTDS

INDUSTRIES SERVED:

- Information technology
- . Financial services

- Manufacturing and Distribution
- Investment companies

Why choose ROHITH ANUSHA AND ASSOCIATES CHARTERED ACCOUNTANTS:

- Experienced professionals
- Extensive industry knowledge
- Client centric approach
- Qualitative services
- Advisory services are dynamic

Contact us:

ROHITH ANUSHA AND ASSOCIATES CHARTERED ACCOUNTANTS NO.258, 2ND FLOOR 3D MAIN ROAD CHAMRAJPET, BANGALORE-560018 7676744406

DIRECTOR:

CA.ROHITH LUNKAR

SUMMARY:

Experienced the demonstrated history of the working in the financial services, the strategic finance, partnering, audit, taxation etc.

EXPERIENCE:

RA BUSINESS SOLUTIONS PVT LTD (12 YEARS)

Experienced partner with a demonstrated history of working in the financial services industry. Finance professional with keen interest and passion in strategic finance partnering to businesses in planning and strategy, establishing processes and building and leading finance tearus.

ASSOCIATE -Indirect taxation

Vishnudaya and co

And Singhvi, Dev & Unni, Chartered Accountants

Education:

The Institute of Chartered Accountants of India

Sri Bhagwaan Mahaveer Jain College

BBUL Jain Vidyalaya

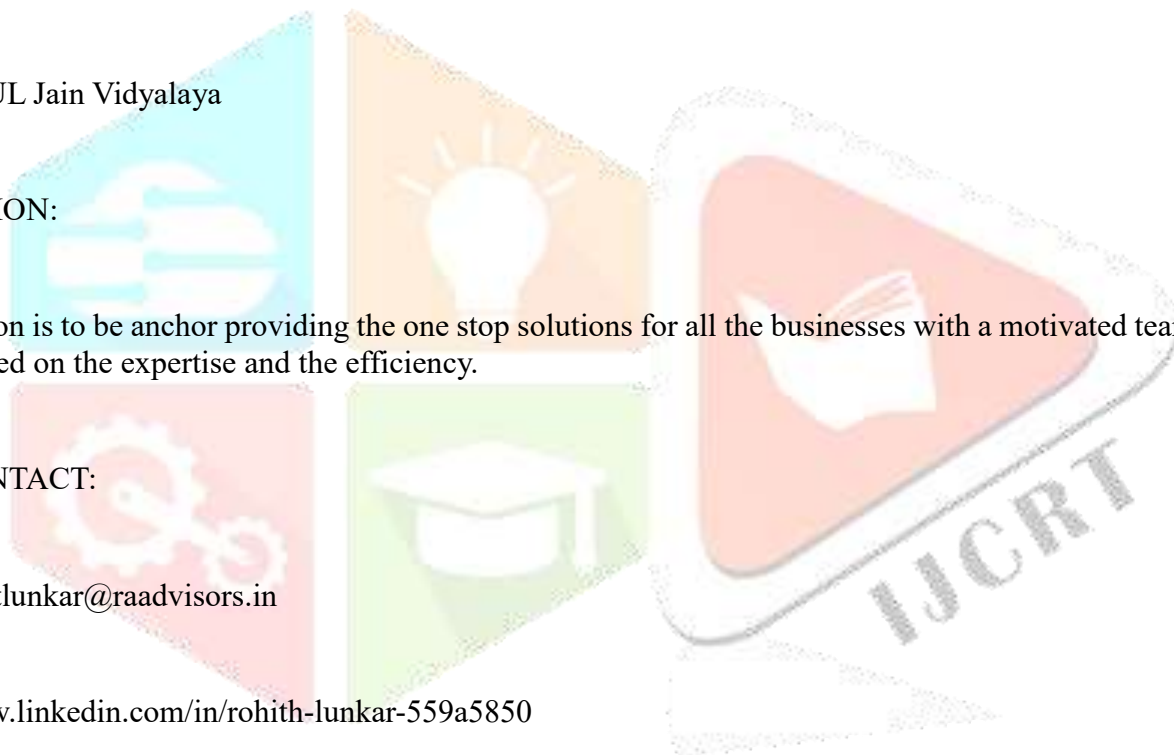
VISION:

Vision is to be anchor providing the one stop solutions for all the businesses with a motivated team of experts focused on the expertise and the efficiency.

CONTACT:

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www.linkedin.com/in/rohith-lunkar-559a5850



CHAPTER 4

DEPARTMENT AND THE ORGANIZATIONAL STRUCTURE

PARTNERS AND THE DIRECTORS:

In charge of managing the particular practise departments that they are hired to handle.

Maintainance of the client relationships

Support for broad-based plans and policies in general

MANAGING PARTNERS:

Assumes overall leadership and strategic direction for the company.

They are able to observe business operations, advancements, and client projects.

They nurture and develop the junior accountants, auditors

Ensuring team work and spirit

Monitoring and assessing the accountants' work.

ASSOCIATES:

Conduct research and analysis to support client's work

Monitor and work in the preparation of the tax returns, filings, financials.

They participate in customer engagements in conjunction with the senior teams. accountants, and other professionals.

INTERNS:

- They assist in the day to day operational tasks within the organization
- They acquire and gain the practical exposure to the theoretical knowledge studied and apply it in their work

They take part in the organization's professional development programmes and activities, such as presentations, communication, and workplace evolution.

In addition, they assist the team members with the tasks and projects that are assigned to them by the clients.

CHAPTER 5**SWOT ANALYSIS OF THE ORGANIZATION****STRENGTHS:****PROFESSIONALS WHO ARE SKILLED AND EXPERIENCED IN THE RELATED AREAS**

They have specialized knowledge in their individualized core field, and the qualification in the area of accounting and taxation is the key to it.

ARRANGEMENT AND RETENTION OF TALENT:

They offer professional development programmed that will entice the gifted professionals to raise and develop their standards in order to implement the flourishing as well as the engaging developments in the organization

COMPLIANCE:

It takes a committed team to complete a compliance that is both effective and of high quality, and this job is done with the help and supervision of a professional.

ESTABLISHED GOODWILL:

Trust, integrity, and the value based services are the key to the client's will to build the strong trust based relations with the organization. These will make it reliable and an outstanding service provider in the world.

CLIENT RELATIONSHIPS:

The ability to provide individualised services and an awareness of each client's particular demands

will help to forge a strong and integrated link with the client, which will increase customer loyalty and word-of-mouth advertising.

COMPETITIVE ANALYSIS AND THE MARKETING NETWORK:

Here the most driving factor is the identification of the industrial trends and the adaption of the service offerings to stay updated of the concurrent happenings.

This is possible by the exploration of the new diving opportunities leading to the expansion.

TECHNOLOGICAL ADVANCEMENTS AND INTEGRATION:

Towards the enhancement of the services the software upgradation and the streamlining of the processes are involved.

WEAKNESSES:

REACH TO POTENTIAL CLIENTS:

Operating in a certain area might occasionally put a stop to the client's ability to realise their full potential and gain exposure, causing them to miss out on possibilities that might have otherwise led to their expansion.

LIMITED MARKETING AND BRANDING

Duc to the client's invisibility-who tends to recognise the larger enterprises more quickly and easily the marketing and branding issues in small and mid-sized businesses are caused by their inability to compete with those of larger companies.

STAFF TURNOVER AND RETENTION

High personnel turnover can affect client relationships and the firm's overall effectiveness.

COMPLIANCE CHALLENGES

It can be difficult to keep up with the compliance frameworks and continuously evolving regulatory requirements, which could result in mistakes or delays.

OPPORTUNITIES:

Market Expansion:

Find and research potential new geographic areas or market niches for the business to develop a presence and grow its clientele.

Niche Specialization:

refers to building up specialised knowledge and solutions in a certain field, which will help the company stand out from the competition and draw in clients looking for specialised advice and services

Strategic Partnerships:

Refers to the collaboration with other professional service firms, such as legal or consulting firms, to offer top-notch solutions to the clients as per their requisites.

Implementing technology:

Adopting cutting-edge technologies, such cloud-based accounting software or data analytics tools, can improve the efficacy and efficiency of the job involved.

Continuous Learning and Adaptation:

Describes the method by which the culture of innovation and learning will grow, encouraging professionals to keep up with market trends, governmental changes, and new technologies.

THREATS:

Intense Competition:

competition from other firms that offer chartered accounting services, consultancy firms, and technology companies that provide financial services

Cybersecurity Risks:

The confidentiality and reputation of the clients are significantly at stake from the potential of data breaches.

Volatility in the economy

Fluctuations in the economy can impact client spending and demand for accounting and financial services.

Adapting Regulatory Landscape.

Rapidly changing regulations and compliance requirements may increase operational challenges and costs.

Cases and the Strategies:

Strength: Highly qualified and experienced team of accountants

The company should concentrate on utilising the accountants' experience by providing specialised services in specialised fields, such as auditing services for particular sectors or tax preparation for high-net-worth individuals. This will improve the company's reputation and draw in customers looking for specialised knowledge.

Weakness: Lack of technological integration

To restructure its operations, boost productivity, and enhance client service, the company needs invest in cutting-edge accounting software and tools. Additionally, offering training courses to help staff members improve their technology proficiency would aid in overcoming this shortcoming and boosting overall efficiency.

Opportunity: Expansion into international markets

In order to identify possible target markets and create a strategic strategy for global expansion, the company should do market research. This may entail forming alliances with regional accounting firms, using a multilingual workforce, and adjusting to various regulatory regimes. By going global, the company will broaden its clientele and create new revenue streams.

Threat: Intense competition from larger accounting firms

Solution: The company should set itself apart by emphasising individualised client care and cultivating enduring relationships with current clients. Targeted marketing initiatives that emphasise the business's distinct

value proposition such as its sector knowledge or creative solutions can also aid in luring new customers and fending off the danger posed by bigger rivals.

Strategies: STRENGTH WEAKNESS STRATEGIES:

The strength of the firm is derived from the specialised knowledge, professional skills, and credentials of its chartered accountants, which foster client confidence and credibility. A well- established reputation that is based on dependable quality service delivery, client happiness, and ethical business conduct strengthens the firm's competitive edge. Customer Relationships: Client loyalty and referrals are influenced by solid, long-lasting relationships with customers that are built on trust, individualised care, and superior customer service. Numerous Service Options: The company can meet the demands of various clients and create numerous revenue streams by providing a wide range of services, such as audit, taxation, advising, and compliance. Technology Adoption: Adopting cutting-edge software and hardware enhances operational effectiveness, data security, and service delivery while offering the company a competitive edge.

STRENGTH OPPORTUNITIES STRATEGIES:

The firm's strength is the specialised knowledge and expertise of its chartered accountants, which enables it to offer clients financial services that are of the highest calibre and accuracy, a reputable history: The company enjoys a solid reputation in the marketplace based on dependability, ethics, and client pleasure Strong client connections built on responsiveness, understanding, and individualised attention to each client's particular needs. Numerous Service Options: The firm is able to meet the demands of various clients and offer integrated solutions by providing a wide array of services, including audit, taxes, advice, and compliance. Utilising cutting-edge software and technology to boost productivity, streamline operations, and improve service delivery.

STRENGTH THREATS STRATEGIES:

Knowledge and Specialised skills: The firm's strength is in the specialised skills and knowledge of its chartered accountants, which allow it to offer clients accurate and dependable financial services. Established Reputation: The company stands out from rivals and improves its credibility in the market when it has a solid reputation based on trust, integrity, and client satisfaction. Strong connections with current clients built on individualised attention, responsiveness, and knowledge of their particular needs promote client loyalty and word-of-mouth recommendations. Diverse Service Offerings: The firm is able to meet the demands of various clients and offer integrated solutions by providing a wide range of services, including audit, taxation, advice, and compliance. Utilising cutting-edge software and technology to boost productivity, streamline operations, and improve service delivery. There is fierce competition from other chartered accountants.

CHAPTER 6

STUDY OF FUNCTIONAL AREA

A chartered accounting firm's success and viability depend heavily on the functional departments that make up the organisation. Each division is responsible for particular tasks that affect the mess of the whole company. The company may streamline operations, increase client service, and promote continuous improvement by having a clear grasp of these functional domains and how they interact. The firm's strategic objectives must be accomplished and a competitive advantage must be maintained for various departments to effectively coordinate and collaborate

TAXATION DEPARTMENT:

The taxation division focuses on providing advising, compliance, and planning services related to taxes,

Tax planning involves advising customers on tax-efficient tactics and assisting them in maximising their tax positions. Tax compliance: Accurately and timely preparing and filing tax returns in accordance with the law. Tax advisory: Giving advice on intricate tax issues such mergers and acquisitions, international taxation, and transfer pricing. In tax audits, appeals, and legal battles with tax authorities, clients are represented.

FINANCE AND ACCOUNTING DEPARTMENT:

The management of the company's financial resources and the maintenance of correct records are the responsibilities of the finance and accounting department. This department's primary duties include:

The preparation of financial statements, analysis of financial data, and provision of insights to support decision-making are all part of financial reporting and analysis. Budgeting and Forecasting: The department prepares budgets, keeps track of financial activity, and makes projections about how much money will be made in the future. Payroll management: This department processes payroll and makes sure that workers are paid on time and correctly. Accounts Payable and Receivable: This department oversees the management of vendor payments and guarantees prompt payment of client invoices.

AUDIT AND ASSURANCE DEPARTMENT:

The audit and assurance department guarantees adherence to pertinent laws and standards and offers impartial financial statement verification. This department's primary duties include: External auditing: The process of conducting audits of client organisations to offer an unbiased assessment of their financial statements Internal auditing is the process of assessing internal controls, detecting potential risks, and making improvement suggestions. Risk assessment entails evaluating the threats to client organisations and developing the best audit protocols Ensuring conformity to statutory and regulatory standards. Compliance and regulatory reporting.

Business Advisory and Consulting Department:

The business advisory and consulting department offers strategic and operational guidance to clients.

Financial consulting: Providing advice to customers on budgeting, investment analysis, and business assessment. Business process improvement: Finding inefficient areas and suggesting process improvements. Risk management involves identifying and reducing the hazards posed by corporate activities. Advice on business strategy, market research, and organisational growth is provided via management consulting.

CHAPTER 7

ROLE OF THE STUDENT IN THE ORGANIZATION

Students get the chance to gain real-world experience in accounting, finance, and company management through a corporate internship at a CA firm (Chartered Accountancy firm).

Exposure to Accounting Procedures: Interns will gain practical knowledge of a range of accounting practises and procedures. They could help with account reconciliation, financial data analysis, and financial statement preparation. They could also help with accounting record keeping. Auditing and assurance: CA firms frequently offer auditing services, and interns may get the option to get involved by helping with audits, financial statement analysis, internal control verification, and the detection of potential risks or inconsistencies

Work performed by CA firms frequently involves taxation. Assisting with tax planning, preparing tax returns, understanding the effects of taxes on both persons and businesses, and conducting research on tax regulations are all tasks that interns may be assigned. Financial Statement Analysis, Performance Tivaluation, Ratio Analysis, and Contribution to Budgeting and Forecasting Processes are all opportunities that interns may have Client Interaction: Interns may have the chance to interact with clients depending on the company and the amount of responsibility This may entail attending meetings, speaking with clients about their financial information, and offering assistance in resolving their concerns or inquiries. Professional Development: Internships give studems a chance to hone their ualents in the workplace. While working, they can pick up skills including adaptability. time management, and cooperation, Networking: Students might establish contacts within the sector by taking an internship with a CA firm. They can interact with professionals and other intems, thus hailing beneficial connections for potential future employment prospects.

CHAPTER 8

ANALYSIS

DATA COLLECTION:

Both secondary and primary sources have been used to get the data. It is a mixed-methods study as a result. Primary data were obtained from the research subjects themselves using a questionnaire approach. To participate in the study, participants had to fill out Google forms. The systematic collection of data from respondents is made possible by the use of questionnaires in research. It requires asking a number of questions in order to collect the respondents' qualitative or quantitative data. Questionnaires can be distributed in person, by mail, or online. Surveys could be useful in a variety of research situations, including market research, consumer and employee studies, opinion polls, and academic research projects. Often, they are the most

This material was compiled from a variety of sources, including books, novels, newspapers, and online databases.

Sample design: Google form

Sample size: 50

Sampling unit: 50

The steps in the process of exploring and comprehending information include the gathering, association, organisation, and analysis of survey data. This cycle aims to provide a window into respondents' responses and to pinpoint instances, trends, and relationships among them.

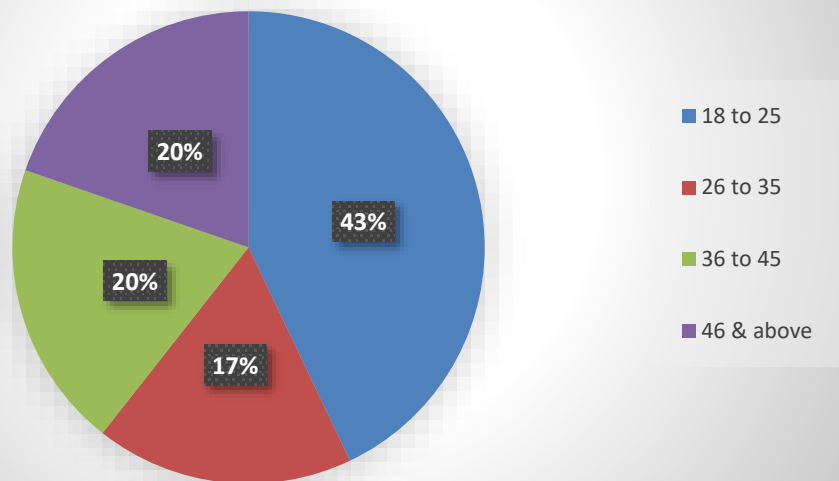
Develop techniques for using this analysis improving the survey's validity or to shed light on decisions regarding the format and content of subsequent polls

INTERPRETATION:

AGE OF THE RESPONDENTS.

AGE

56 responses

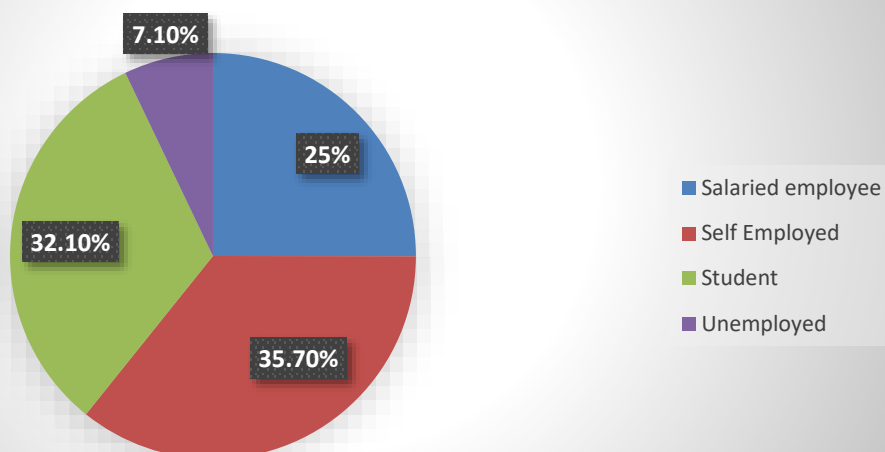


From the analysis of the questionnaire, it has been found that out of 56 respondents, 18 to 25 were 42.9%, age group of 26 to 35 were 17.9%, people between the age group 36 to 45 were 19.6%, there were 19.6% respondents who belonged to age group 46 and above.

Occupation of the Respondents:

Occupation

56 responses

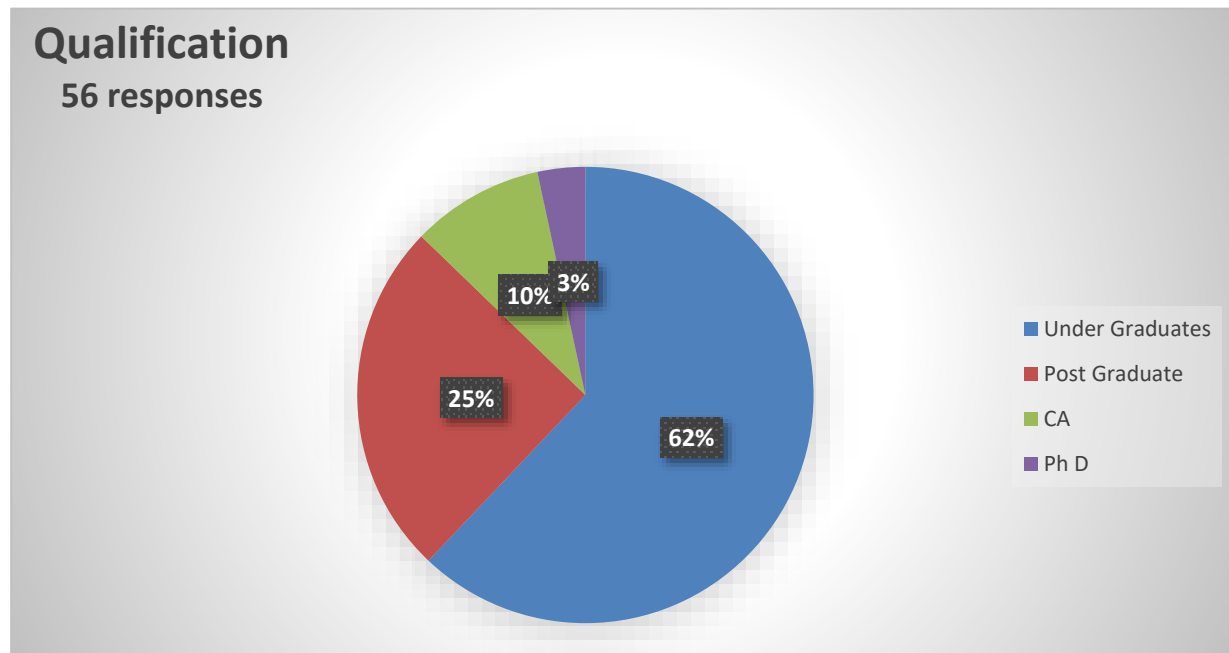


Based on the analysis of 56 respondents, the distribution of occupation types was as follows:

- Students: 32.1% (18 out of 50 respondents)
- Salaried employees: 25% (14 out of 50 respondents)
- Self-employed: 35.7% (20 out of 50 respondents)
- unemployed: 7.1% (4 out of 50 respondents)

This suggests that most respondents were Self-employed, comprising 63.3% of the total. Students comprised 32.1% of the respondents, while self-employed individuals accounted for 35.7%. The remaining 7.1% of respondents fell into the "Unemployed" category.



Count Of Qualification:

Based on the analysis of 56 respondents, the distribution of education levels was as follows:

Undergraduates: 66.1% (37 out of 56 respondents)

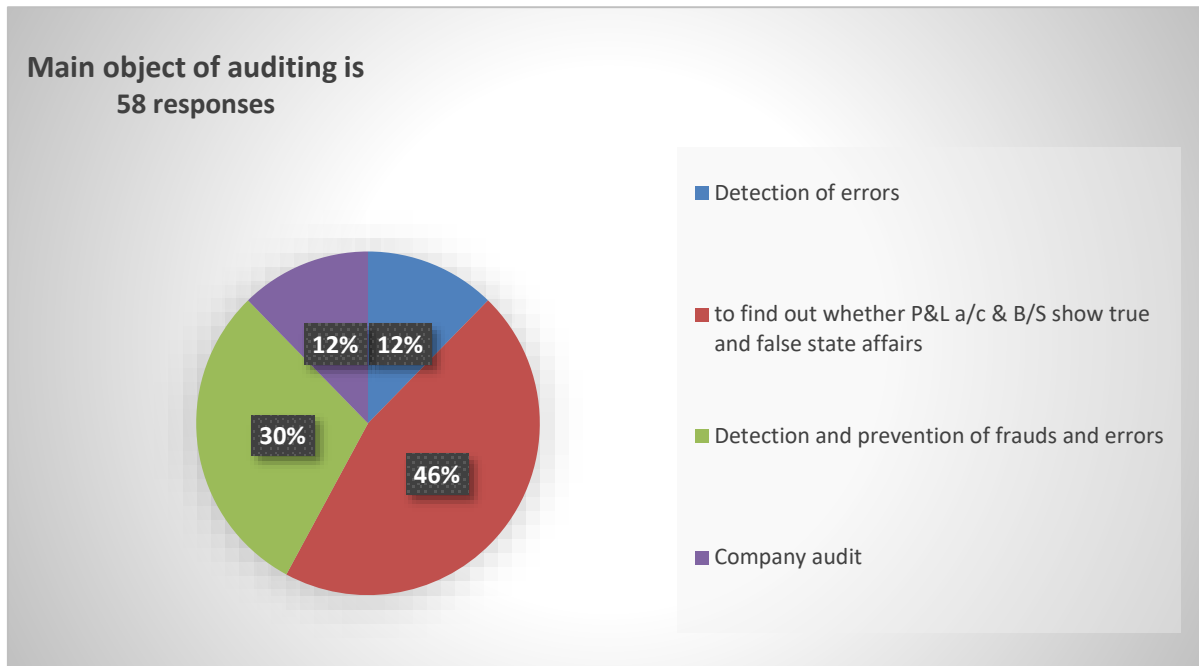
Chartered Accountants (CA): 10.0% (3 out of 56 respondents)

Post graduates: 26.8% (15 out of 56 respondents)

Ph D: 3.6% (2 out of 56 respondents)

This suggests that the majority of respondents were undergraduates, comprising 66.1% of the total. Postgraduates accounted for 26.6% of the respondents, while Chartered Accountants (CA) made up 10.0% of the respondents.

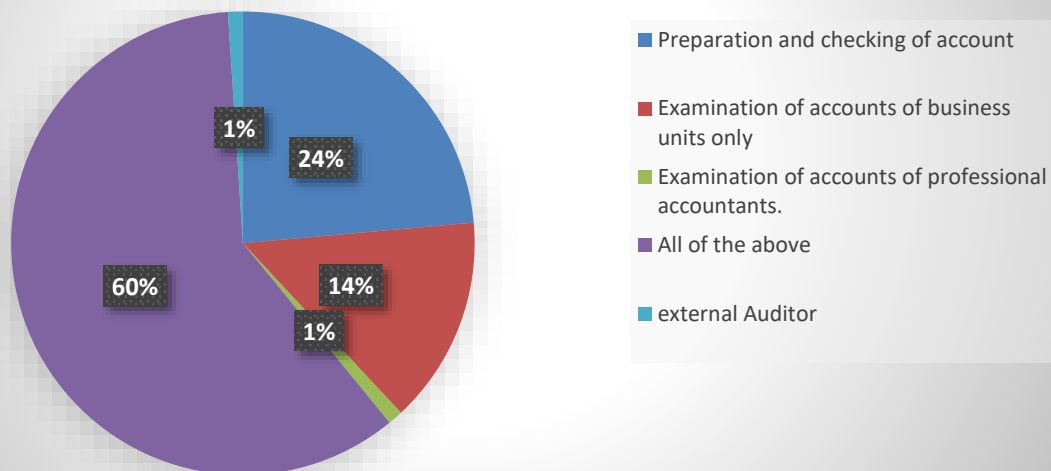
Count of object of Auditing:



It is good to hear that the majority of the respondents, 44.8%, agreed that the audit objective is to find out whether P&L & B/S show true and fair state affairs. However, it is important to also take into consideration the 29.3.3% of respondents who thought that the objective was only Detection and prevention of fraud and errors. This suggests that there may be room for improvement in the clarity and specificity of the audit objective. It is also worth exploring why the remaining 12.1% of respondents thought the objective was Detection of errors, as this could potentially highlight areas where the audit process can be further refined or clarified.

Count of Auditing refers:

Auditing Refes to 57 responses



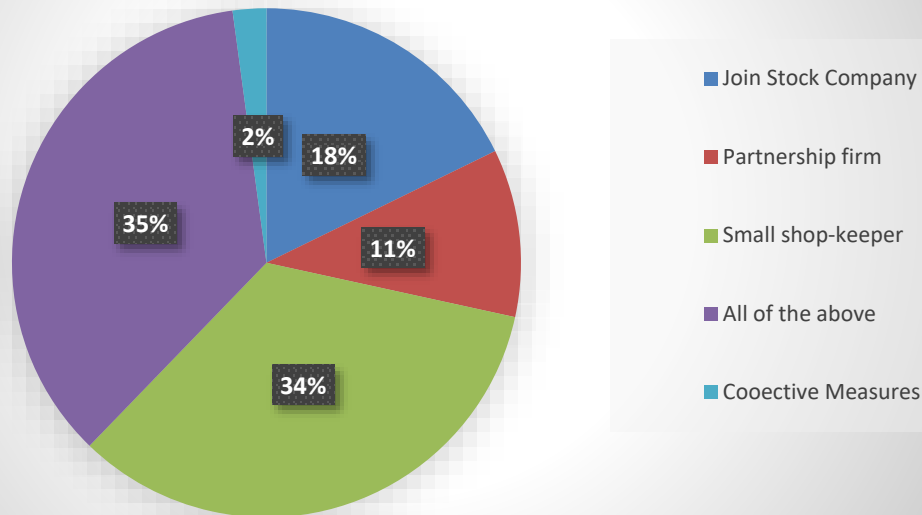
Based on the analysis of 57 respondents, the distribution of Auditing refers to was as follows:

- Preparation and checking of account. 22.8% (13 out of 57 respondents)
- Examination of accounts of business units only 14% (8 out of 57 respondents)
- Examination of accounts of professional accountants. 1.18% (1 out of 57 respondents)
- All of the above. 57.9% (33 out of 57 respondents)
- External Auditor 3.5% (2 out of 57 respondents)

This suggests that the majority of respondents were All of the above, comprising 57.9% of the total. Preparation and checking of account 22.8% of the respondents, While 14% for Examination of accounts of business units only & Examination of accounts of professional accountants for 1.18% finally External Auditor for 3.5%.

Count of auditing is Luxury For:

Auditing is luxury for a 57 responses



Based on the analysis of 57 respondents, the distribution of Auditing refers to was asfollows:

Joint stock company. 17.5% (10 out of 57 respondents)

Partnership firm. 10.5% (6 out of 57 respondents)

Small shop-keeper. 33.3% (19 out of 57 respondents)

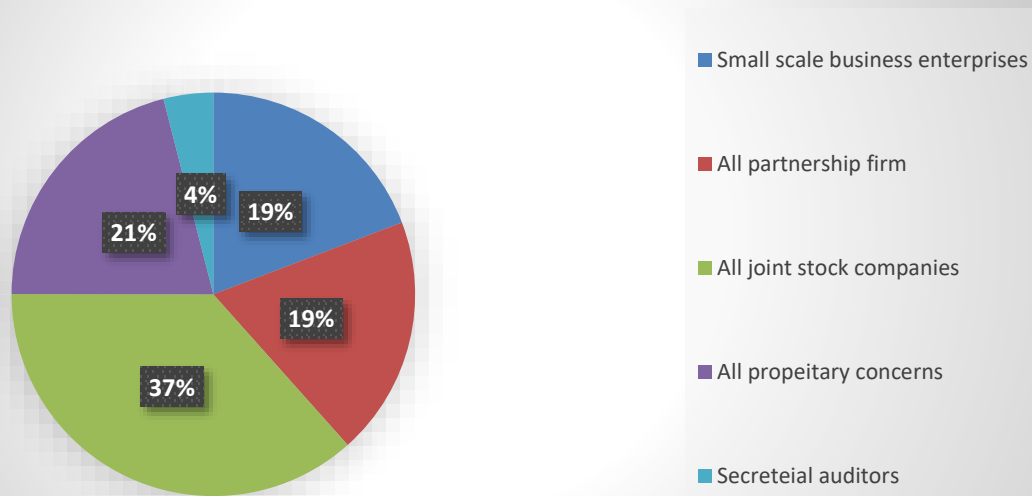
All of the above 35.1% (20 out of 57 respondents)

Corrective Measures 3.5% (2 out of 57 respondents)

This suggests that the majority of respondents were All of the above comprising 35.1% of the total. Partnership firm 10.5% of the respondents, While 33.3% for Small shop- keeper & Corrective Measures for 3.5% finally Joint stock company for 17.5

Auditing is Compulsory for:

Auditing is compulsory for 57 responses



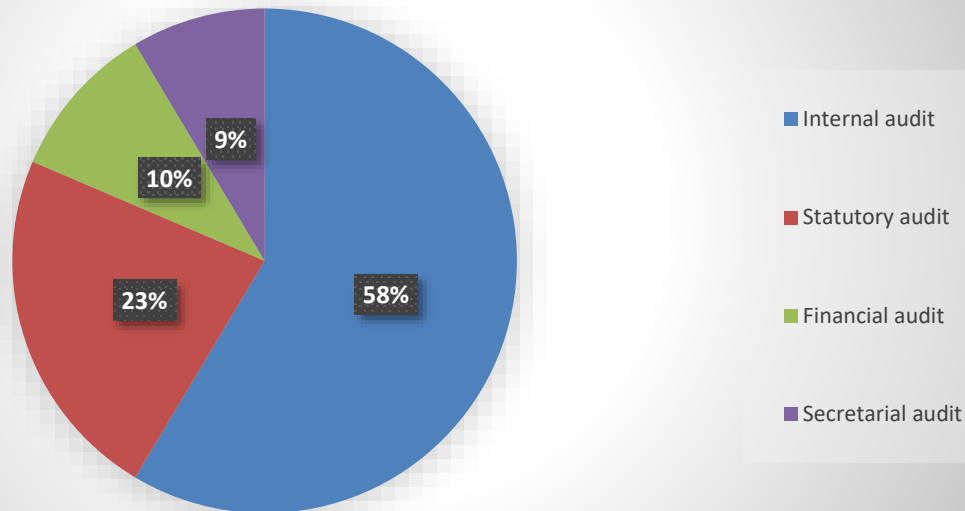
Based on the analysis of 57 respondents, the distribution of Auditing is compulsory was as follows:

- Small scale business enterprises. 19.3% (11 out of 57 respondents)
- All partnership firms. 19.3% (11 out of 57 respondents)
- All joint stock companies. 36.8% (21 out of 57 respondents)
- All proprietary concerns. 21.1% (12 out of 57 respondents)
- Secretarial Auditor 3.5% (2 out of 57 respondents)

This suggests that the majority of respondents were All joint stock companies comprising 36.8% of total. All proprietary concerns for 21.1% of the respondents, while 19.3 for Small scale business enterprises & All partnership firms, and finally Secretarial Auditor for 3.5% by total 57 responses.

Count for Internal, Statutory, Financial and secretarial Audit:

It is recommended that the ---- be carried out periodically(quarterly/half yearly)and adverse findings if any, be communicated to the board for corrective action -

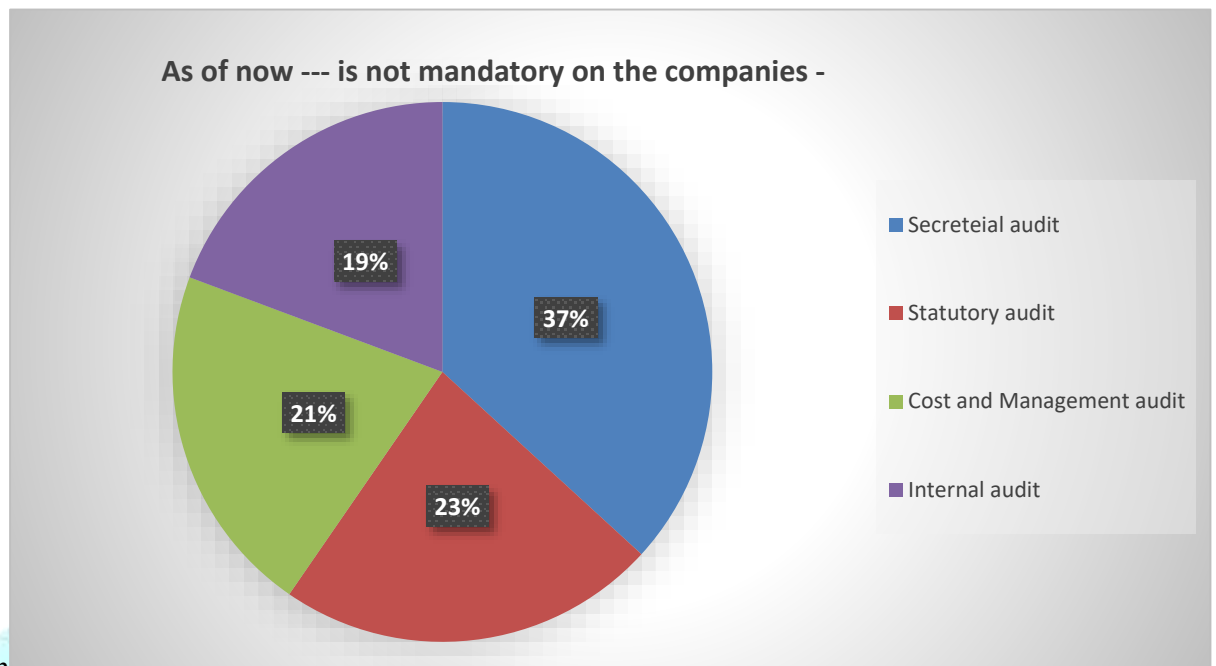


Based on the analysis of 57 respondents, the distribution of internal, Statutory, Financial and Secretarial audit was as follows:

- Internal audit 43.9% (25 out of 57 responses)
- Statutory audit 17.5% (10 out of 57 responses)
- Financial audit 15.8% (09 out of 57 responses)
- Secretarial audit 22.8% (13 out of 57 responses)

. This suggests that the majority of respondents were Internal audit comprising 43.9% of total, Statutory audit for 17.5% of the respondents, while Financial audit for 15.8% and finally Secretarial audit for 22.8%- total 57 responses.

Count on not mandatory on the companies:

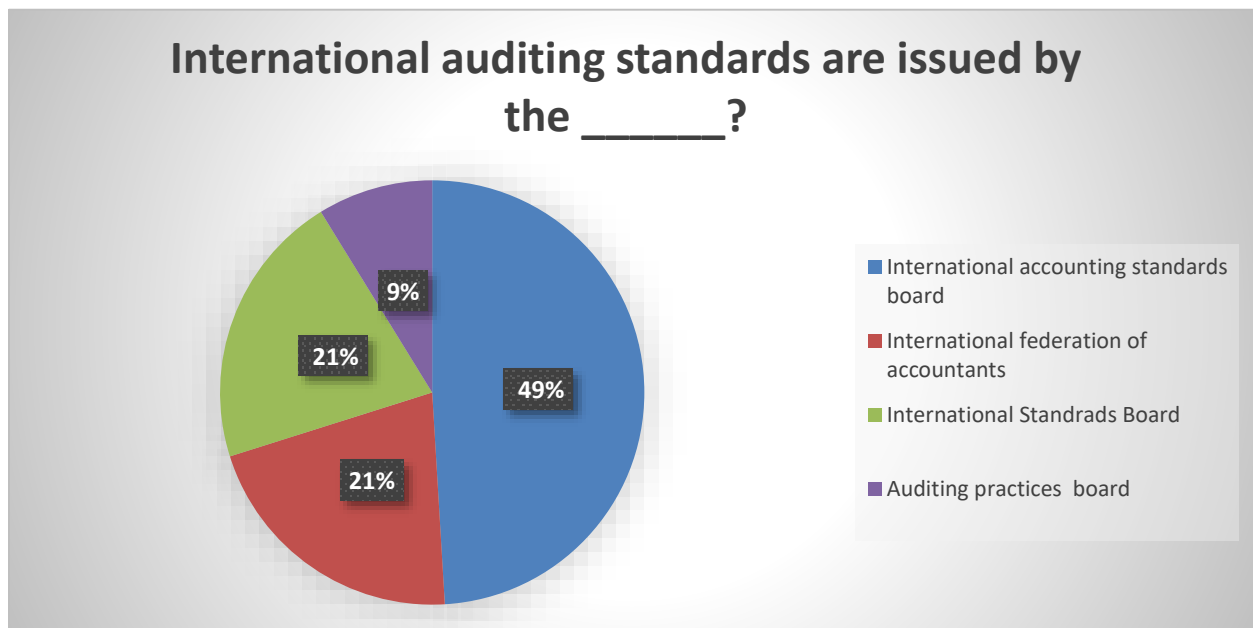


Based on the analysis of 57 respondents, the distribution of not mandatory to was as follows.

- Secretarial audit 36.8% (21 out of 57 responses)
- Statutory audit 22.8% (13 out of 57 responses)
- Cost and management audit 21.1% (12 out of 57 responses)
- Internal audit 19.3% (11 out of 57 responses)

This suggests that the majority of respondents were Secretarial audit comprising 36.8% of total, Statutory audit for 22.8% of the respondents. While Cost and management audit for 21.1% and finally Internal audit for 19.3% by total 57 responses.

Count of International auditing standards are issued by the:



Based on the analysis of 57 respondents, the distribution of Auditing refers to was as follows:

- International Accounting Standards Board 49.1% (28 out of 57 responses)
- International Federation of Accountants 21.1% (12 out of 57 responses)
- International Standards Board 8.8% (05 out of 57 responses)
- Auditing Practices Board 21.1% (12 out of 57 responses)

This suggests that the majority of respondents were International Accounting Standards Board comprising 49.1% of the total, International Federation of Accountants & Auditing Practices Board both 21.1% of the responses and finally International Standards Board for 8.8% by the responses

OBJECTIVE ANALYSIS AND INTERPRETATION

To assess the calibre of audit businesses, which is a difficult task, a wide range of elements that could have an impact on auditor performance must be examined. One can analyse and analyse auditor performance based on a number of important factors, some of which are listed below:

The size and capabilities of the audit firm Larger audit firms may have more resources and specialist skills to carry out audits successfully, which can lead to higher-quality audits. On the other hand, smaller audit firms might provide more individualised service and pay attention to the details.

The culture of an audit firm can have a big impact on the quality of the audits it does. A business that has a strong commitment to upholding ethical conduct and professional standards is more likely to produce high-quality audits

Experience and credentials of the auditors: The auditors backgrounds and qualifications may affect the overall calibre of the audit. Competent auditors need to be well-versed in the technical field and have excellent technical skills in order to perform high-quality audits Quality control methods: For high-quality audits to be ensured, reliable quality control mechanisms are required. A firm's likelihood of consistently producing high-quality audits is increased by strong quality controls at the auditing firm

Regulatory environment: The regulatory environment in which an audit firm works affects its ability to conduct audits. Strong regulatory oversight can promote high-quality audits, whereas weak oversight can lead to audits of poorer quality.

In conclusion, evaluating the calibre of audit firms and examining the factors that affect auditors performance requires a thorough approach that takes into account a variety of factors, including expert skill, the declaration of independence, audit methodology process for quality control corporate culture and ethics. A few methods that can be used to evaluate the calibre of audit firms include peer reviews, internal evaluations, and client feedback.

CHAPTER 9

LEARNING OUTCOME OF THE STUDENT

GST CONCEPT AND FILING:

Goods and Services Tax, or GST, is a consumption-based tax structure that is used in many nations, including India. Its goal is to replace various indirect taxes and simplify the taxation system. The GST and its filings are described succinctly below

Organisation: The GST is a comprehensive tax imposed on the provision of goods and services. It is split into two separate taxes, Central GST (CGST) and State GST (SGST), which are imposed by the federal and state governments, respectively. Interstate purchases as well as imports and exports are subject to the Integrated GST (IGST)

Registration: Businesses are required to register for GST if their annual sales reach a particular level. They receive a special Goods and Services Tax Identification Number (GSTIN), which is required for all transactions involving the GST

GST Filings:

GSTR-1: This report is submitted by registered taxpayers to report their sales or outbound supply. It has information on sales broken down by invoice, credit notes, and debit notes, among other things. Based on the taxpayer's turnover, filing frequency is determined.

GSTR-38. This is a summary return that taxpayers prepare to record their monthly or quarterly summary of incoming and outgoing supply, as well as the settlement of tax liabilities. A self-declaration return is what it is.

GSTR-2A and GSTR 28: The GSTR-2A form, which is automatically generated from the GSTR-1 supplier filed form, contains data on unward supplies. Input tax credit (ITC) availability is summarised in the static GSTR-28 form, which is prepared on a monthly basis using data from GSTR-1.

- **E-Way Bill:** This is a legal document necessary for interstate or intrastate transportation of products with a value more than a specific threshold. It is created online for the consignment and includes information about the supplier, recipient, and products being shipped. It is significant to remember that the GST reporting requirements may change depending on the type of taxpayer, the turnover levels, and the particular laws of the country implementing GST. In order to ensure timely and precise GST filings,

businesses must maintain adequate books of accounts, precisely record their activities, and adhere to the GST laws. There may be fines and legal repercussions for non-compliance. Businesses can successfully meet their GST duties by seeking advice from a tax expert or employing specialised accounting software.



GSTR3B FILING VIA ZOHOO BOOKS:

The GSTR-3B is a crucial tax return that covers the outgoing and incoming supply, input tax credit (ITC), and tax liabilities of a registered taxpayer. It offers a comprehensive view of GST transactions and must be submitted by the 20th of the following month. A comprehensive accounting programme called Zoho Books makes it easier to manage GST compliance, invoicing, inventory, and financial reporting

Log in to Zoho Books: Use your login information to access your Zoho Books account, or if you don't have one now, register for one **Set up GST:** Ensure that Zoho Books GST configuration is accurate. Give the relevant details, including the GSTIN, the frequency of filing, and the tax

seasons. Organise Your Data: Make sure that all of your invoices, purchases, and other pertinent transactions are appropriately recorded in Zoho Books, **Verify the information** to reduce mistakes when filing GSTR-3B **Create a GSTR-3B report:** Select the GSTR-3B report under "Reports" in Zoho Books. Indicate the tax period for which you want to file the return. Carefully examine the GSTR-3B report to make sure the data is accurate. Check the list of outgoing and incoming supplies, the availability of ITCs, and tax obligations. Businesses GST compliance procedures are simplified when GSTR-3B returns are filed using Zoho Books

Through interaction with the GST portal, the programme streamlines data administration, generates precise reports, and allows for easy filing. Businesses can assure timely and accurate GSTR-3B filing, contribute to overall GST compliance, and reduce the risk of fines or non-compliance by following the detailed procedure described in this report,

TDS CONCEPT AND FILING:

TDS was introduced with an aim to collect tax from the source of income

It is the amount that is reduced from the money paid at the time of making payments such as salary, rent, commission, professional fee etc.

Tax Deducted at Source (TDS) is a mechanism employed by tax authorities to ensure the collection of tax from the very source of income.

Widening the tax base: TDS helps in widening the tax base as it covers various types of payments such as salaries, interest, rent, etc.

The concept of TDS was introduced to ensure a regular source of revenue for the government and to prevent tax evasion. It helps in the timely collection of taxes and acts as a means of tracking income and expenditure.

TDS WINMAN SOFTWARE:



Master Data Management: Winman Software enables customers to keep a detailed database of deductees, complete with information on their PAN, addresses, and tax rates. It makes it easier to

create, manage, and update master data, assuring accuracy in TDS filings. **Challan Preparation:** The software offers an intuitive user interface to produce precise DS challans. The tax amount is automatically determined, and the programme also creates the required challan documents for depositing the withheld tax with the government. **TDS Return Preparation** e-TDS or paper-based TDS returns can be generated using Winman Software. It provides tools to combine TDS information, calculate interest, and evaluate data to reduce filing-related errors. **Correction and Validation:** The programme runs extensive validation procedures to make sure the TDS data is accurate and complete. Any inconsistencies or omissions are highlighted.

For deductors, Winman Software's comprehensive TDS compliance solution streamlines the TDS filing procedure. Winman Software simplifies the entire TDS filing process with its features for master data management, challan creation, return generation, validation, and certificate issue. By using this programme, companies and individuals can guarantee accurate and timely TDS filings, reducing the danger of fines and non-compliance with TDS requirements.

VOUCHING:

Vouching is a crucial step in the auditing process, where auditors examine and authenticate financial transactions by checking the accompanying documentation. To verify the legitimacy, thoroughness, and accuracy of recorded transactions, it involves reviewing invoices, receipts, contracts, bank statements, and other pertinent documents. The student's corporate internship included vouching assignments that allowed them to put their classroom learning to use and acquire firsthand experience with the auditing industry.



Understanding of Audit Objectives: The student initially acquired knowledge of the audit goals, which comprised evaluating the accuracy of financial accounts, spotting fraud or mistakes, and assuring compliance with relevant laws and regulations. **Reviewing Transaction Records:** The student was entrusted with a collection of financial documents, including sales invoices, purchase orders, payment receipts, and bank statements. To locate pertinent transactions for vouching, they painstakingly went over these documents. **Vouching processes:** The student utilised vouching processes to verify the transactions in accordance with established auditing standards. In order to

verify the veracity and completeness of the information supplied, they cross-referenced the recorded entries with the supporting records. **Examination of Documents:** The student carefully reviewed the ancillary records related to a few chosen transactions. They examined purchase orders for matching goods or services, looked closely at invoices to ensure correct authorisation, and checked Documentation and Reporting: Throughout the internship, the student kept thorough work records that included descriptions of the vouching methods carried out, as well as results and suggestions. They wrote succinct reports summarising their findings and recommendations for strengthening internal controls and financial procedures. The student gained useful hands-on experience in the auditing industry while participating in vouching activities during the corporate internship. The student developed understanding of the significance of vouching as a crucial step in the audit process by conducting thorough inspections of financial data, carefully examining supporting papers, and documenting their findings. Their awareness of financial verification, risk assessment, and the value of internal controls was improved by this experience. Overall, the vouching exercises carried out during the internship helped the student advance professionally in the auditing industry

Reconciliation of Invoices in Tally Software with Bank Statement Entries:

Obtain the pertinent bank statement. Go to the appropriate company and ledger in the Tally application. Compare the invoices reported in Tally with the entries in the bank statement. Find any inconsistencies, such as omitted or inaccurate invoices or unrecorded banking transactions. Take the appropriate steps to address the inconsistencies, such as correcting missing invoices or fixing Tally errors. Identify the matched or reconciled transactions in Tally. To make sure all invoices are accounted for and any unresolved issues are resolved, review the reconciliation summary report in Tally.

Benefits of Reconciliation in Tally:

Improved accuracy and reliability of financial records.

Reduced risk of errors, duplicate invoices, or missing transactions.

Enhanced financial control and compliance.

Facilitates timely and accurate financial reporting.

Provides a solid foundation for decision-making based on reliable financial data.



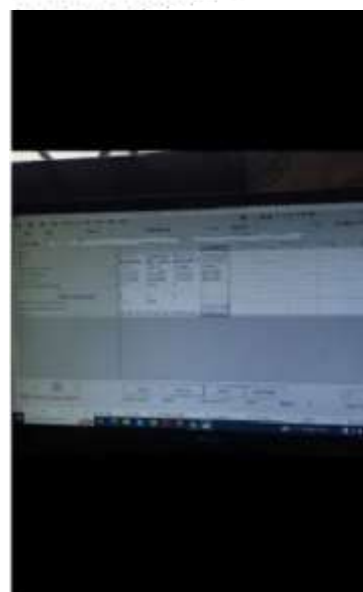
Data Entry of TDS Challans and TDS as per Books in Excel:

Data Entry of TDS Challans:

-The fields or columns used in Excel to record information such as the Challan Identification Number (CIN), TAN, assessment year, major and minor head codes, bank details, and TDS amounts.

Data Entry of TDS as per Books

-The entries in the excel were done as per the tally reco of the tds.



- Identify the columns or fields that are utilised to store information such the deductee's PAN, name, payment type, TDS amount, and assessment year.
- To compare TDS amounts with the related challans or other source documents, emphasise any data reconciliation techniques used.
- Refer to the checks made to find any inconsistencies or mistakes made throughout the data entry process

CHAPTER 10

CONCLUSION

Finally, a variety of elements, including organisational culture, financial relationships, familiarity, the availability of services other than auditing, pressure from client management, and legal and regulatory constraints, have an impact on an auditor's independence. Addressing these issues and fostering a culture of objectivity and independence are crucial for preserving auditor independence and guaranteeing the calibre and integrity of auditing assignments.

The findings of this research will contribute to a better understanding of the factors influencing the accuracy of the productivity analysis performed by an external auditor. The findings of this study will be important to audit firms, regulators, and other stakeholders in enhancing the calibre of performance analysis carried out by external auditors, which can enhance the credibility and dependability of financial reporting. The

In order to guarantee the quality of audits, the study also highlighted the significance of proper and efficient audit techniques, such as assessing risks, substantive testing, and documentation. Additionally, it was discovered that the general setting in which the examination is conducted- including organisational culture, leadership style, and management integrity has an effect on the calibre of the auditor's performance.

These findings led to the study's recommendations, which include promoting professional scepticism among auditors, adhering to the appropriate audit standards, and constantly enhancing auditors' knowledge, abilities, and independence. A friendly atmosphere that promotes moral behaviour, transparency, and a firm tone at the top is crucial for ensuring high-quality audits. In order to sustain and enhance the performance of external auditors, audit firms, regulators, and other stakeholders will need to conduct further research and effort.

CHAPTER 11

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