



“Auditing of Accounts, opinion regarding preparation of Budget, opinion regarding Advance tax payment, opinion regarding taking Insurance of Shop and Depreciation calculation”

(practices implement by the wholesaler and retailer in Silvassa, Daman and Vapi cities)

Abstract: *Researcher want to study the practices adopted by “Auditing of Accounts, opinion regarding preparation of Budget, opinion regarding Advance tax payment, opinion regarding taking Insurance of Shop and Methods adopted by them for depreciation Calculation” by the wholesalers and retailers in selected three cities i.e. 1) from Union Territory of Dadra and Nagar Haveli, Silvassa City (Capital City of UT), 2) from Union Territory of Daman and Diu, only Daman City (District) and 3) Vapi City (Taluka: Vapi, District: Valsad, South Gujarat). This all three cities located in between South Gujarat and Maharashtra states in surrounding area of less than 24 km. for that questionnaire is prepared of 300 wholesalers and retailer respondent response is taken from selected cities regarding the subjects and full research methodology and data collection and analysis. Interpretation is given after various hypotheses testing at last in conclusion various suggestions and recommendations is included for the betterment of wholesale and retail business men. At the last references is given.*

Key words: Wholesale Business, Retail Business, Accounts of Audits, Budget Preparation, Advance Tax Payment, Insurance and Depreciation.

1) Introduction:

This study will be useful to know the awareness of the wholesaler and retailer regarding the accounting practices. The wholesalers and retailers can get accounting information whenever required, by maintaining accounts. For this study purpose the selected / covered cities / region / market are competitor to each other and located in western part of India. The distance with each other cities are less than 24 Kilometers. The three selected cities are 1) from UT of Dadra and Nagar Haveli, Silvassa City (Capital City of UT), 2) from UT of Daman and Diu, only Daman City (District) and 3) from Gujarat state: South Gujarat’ Vapi City (Taluka: Vapi, District: Valsad, South Gujarat) are selected for this study purpose. This study focuses on the wholesale and retail businessmen in selected region regarding. About wholesale business “The goods and services pass through several hands before they come to the hands of the consumer for use. But in some cases producers sell goods and services directly to the consumers without involving any middlemen in between them, which can be called as direct channel. So there are two types of channels, one direct channel and the other, indirect channel. There are many indirect channels like: 1.) Producer 2.) Wholesaler 3.) Retailer and 4.) Consumer. Wholesalers and retailers are important middlemen who generally facilitate flow of goods from the producers to the consumers.” And About Retailers “the traders who buy goods from wholesalers or sometimes directly from producers and sell them to the consumers. They generally operate through a retail shop and sell goods in small quantities. They keep a variety of items of daily use.”

2) Objectives:

- To know about the wholesale and retail Businessmen’s opinion regarding Auditing of Accounts in selected cities
- To study the wholesale and retail Businessmen’s opinion regarding preparation of Budget in selected cities

- To examine the wholesale and retail Businessmen's opinion regarding Advance tax payment in selected Cities.
- To evaluate the wholesale and retail Businessmen's opinion regarding taking Insurance of Shop in selected cities.
- To study the wholesale and retail Businessmen's Method for Calculation of Depreciation.

3) Research Methodology

3.1) Universe of the Study and Sample Design:

Keeping in view the limitation of time, efforts and cost, it is not possible to study all wholesalers and Retailers of UT of Dadra and Nagar Haveli, UT of Daman and Diu and south Gujarat (Located in western part of India). I have gone for sampling to complete the study within stipulated time with minimum cost. From UT of Dadra and Nagar Haveli Silvassa City (Capital City of UT), from UT of Daman and Diu Daman City (District) and from Gujarat state South Gujarat city i.e. Vapi City (Taluka: Vapi, District: Valsad, South Gujarat) are selected and from each city 50 Wholesalers and 50 Retailers have taken. Sample sizes are 300 (150 Wholesalers & 150 Retailers) and method of sampling is Simple random sampling. The sample is selected through considering the factors are The wholesalers and retailers are selected whose products are more consumable like edible goods and their yearly income. The wholesalers and retailers whose shop situated at Market or Gunj or Danapith area.

3.2. Research Instrument:

A structured questionnaire is used for data collection from the Wholesale and Retail business organizations in the selected region/ cities.

3.3. Collection of Data:

Primary Data: The Primary data is collected through questionnaires from 300 businessmen select from selected region or cities. Further equal importance has been given both to the Wholesale and Retail Businessmen by selecting 150 businessmen of Wholesale business and 150 businessmen of Retail business. The questionnaire is prepared and present personally to 150 wholesale and 150 retail businessmen to collect the require information. As far as business structure is concerned Out of total (150) wholesaler 115 practicing as sole proprietor and 35 partnerships and Out of total (150) retailer 123 practicing as sole proprietor and 27 partnerships. As far as Opinion of Businessmen regarding Accounting Knowledge Out of total (150) wholesaler 95 has replied Yes opinion and 55 has No and Out of total (150) retailer 82 has replied Yes opinion and 68 No.

Secondary Data: The secondary data is collected from various sources like Books, Periodicals, Research Work completed by research scholars and use of various websites. For this study both primary and secondary data are collected

3.4. Hypotheses:

Hypothesis testing is predictive statement capable of being tested by scientific methods that reveals and independent variable to some dependent. Hypotheses of study are mention as under

1	$H_0 =$	There is no significant difference between the wholesale and retail Businessmen's opinion regarding Auditing of Accounts in selected region
	$H_1 =$	There is significant difference between the wholesale and retail Businessmen's opinion regarding Auditing of Accounts in selected region
2	$H_0 =$	There is no significant difference between the wholesale and retail Businessmen's opinion regarding preparation of Budget in selected region
	$H_1 =$	There is significant difference between the wholesale and retail Businessmen's opinion regarding preparation of Budget in selected

		region
3	H₀ =	There is no significant difference between the wholesale and retail Businessmen's opinion regarding Advance tax payment in selected Region
	H₁ =	There is significant difference between the wholesale and retail Businessmen's opinion regarding Advance tax payment in selected Region
4	H₀ =	There is no significant difference between the wholesale and retail Businessmen's opinion regarding taking Insurance of Shop in selected region.
	H₁ =	There is significant difference between the wholesale and retail Businessmen's opinion regarding taking Insurance of Shop in selected region.
5	H₀ =	There is no significant difference between the wholesale and retail business on the base of Method use for Calculation of Depreciation in selected region
	H₁ =	There is significant difference between the wholesale and retail business on the base of Method use for Calculation of Depreciation in selected region.

3.5. Population:

- total population of Wholesaler and retailer in selected region or cities
- In U.T. of Dadra Nagar Haveli total No. of Wholesaler Approx. 150 and retailer Approx. 500
- In U.T. of Daman total No. of Wholesaler Approx. 180 and retailer Approx. 600
- In Vapi City total No. of Wholesaler Approx. 240 and retailer Approx. 750

3.6. Selection of samples: for this study purpose 10% of total population is recommended. Here for the uniformity purpose researcher has taken 50 samples from wholesaler and 50 samples from retailer is collected from one selected city or region. So out 3 cities or regions through convenient sampling method data was collected. Total 300 samples collected for each question of questionnaire.

3.7. Data Collections

Researcher has adopted here close ended questionnaires to collect data Questionnaires are as follow to collect the data from the respondent (wholesaler & retailer). Questionnaire is prepared in three languages i.e. Gujarati, Hindi and English because in the selected cities wholesaler and retailers people belong to overall India.

- Data analysis is done by using manually calculated.
- Data are presented through using tables, charts, interpretations selected region and categories wise, hypothesis formulating, calculation test, testing of hypotheses and Interpretation of Result. Hypotheses tested at significant level of 5% And Applicable Require Degree of Freedom.

3.8. Data Analysis

Applicable Test for data analysis: As par suitability of collected data for this study the χ^2 test is applicable. Its calculation, formula and other details of specification is given here. Calculation of χ^2 test applicable to hypotheses testing for this study.

$$\text{Formula} = \sum_i \sum_j \frac{(O_{ij} - E_{ij})^2}{E_{ij}} \quad \frac{(\text{Observed} - \text{Expected})^2}{\text{Expected}}$$

Where, O= Observed frequency, **E=** Expected frequency, **i =** Row, **j=** Colum

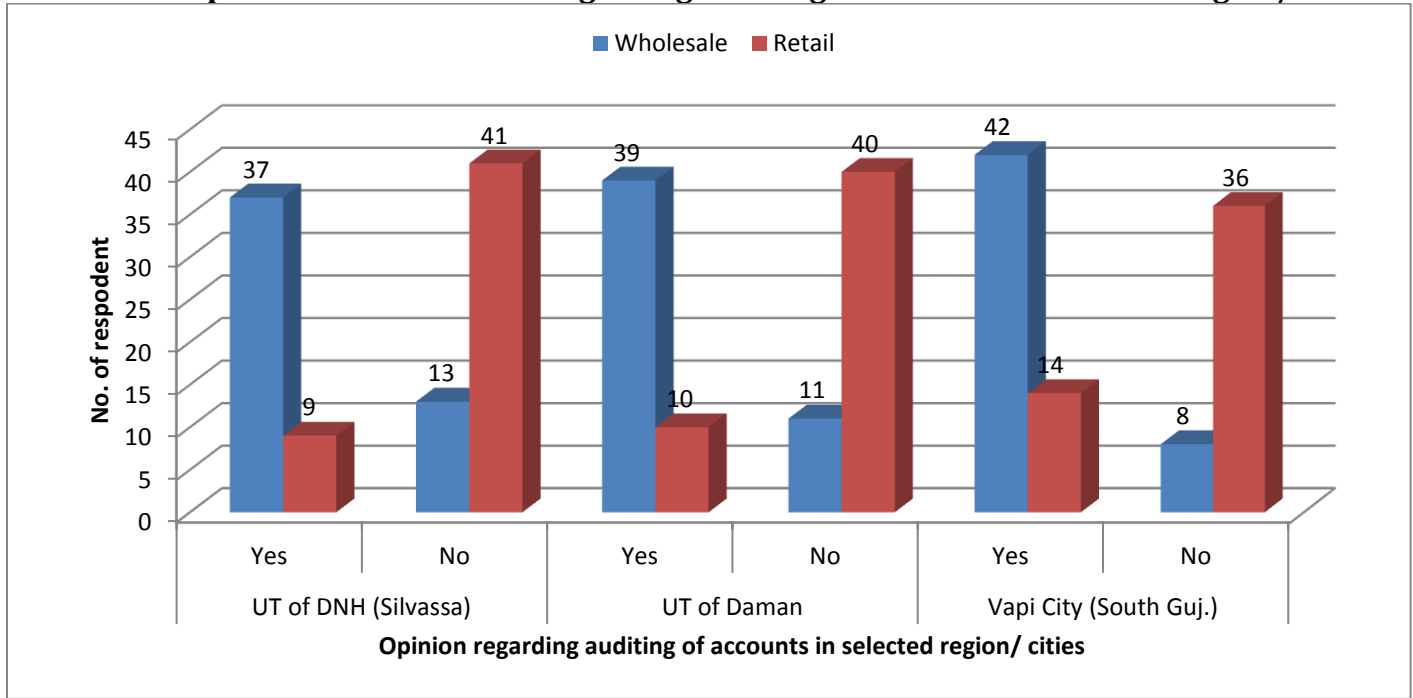
The sum of these quantities over all of the cells is the test statistic. Under the null hypothesis, it has approximately a chi-squared distribution whose number of degrees of freedom i.e. (No. of Row – 1) (No. columns-1)

4) Auditing of Accounts

As per the Indian Income Tax Act 1961, u/s 44AB the dealers whose annual turnover is Rs. 40 lakhs and above, have to get their accounts audited by chartered accountants before filing the annual income tax returns to the assessing authority. Further, it is good practice for businessmen to get their accounts audited by Chartered Accountants as it ensures more transparency. The opinions of wholesalers and retailers regarding the auditing of their business accounts by chartered accountants are depicted in Table 1.

Table No. 1: Opinion of Businessmen regarding Auditing of Accounts in selected region

Region/ City	Opinions	Wholesale	Retail	Total
UT of DNH (Silvassa)	Yes	37(80.43)	9(19.56)	46(100)
	No	13(24.07)	41(75.92)	54(100)
	Total	50	50	100
UT of Daman	Yes	39(79.59)	10(20.40)	49(100)
	No	11(21.56)	40(78.43)	51(100)
	Total	50	50	100
Vapi City (South Guj.)	Yes	42(75.00)	14(25.00)	56(100)
	No	8(18.18)	36(81.81)	44(100)
	Total	50	50	100
Overall	Yes	118(78.14) (78.66)	33(21.85) (22)	151(100) (50.33)
	No	32(21.47) (21.33)	117(78.52) (78)	149(100) (49.66)
	Total	150(50) (100)	150(50) (100)	300(100) (100)
Note: Figures in Brackets on the right and below the figures shows percentage to the respective column and row totals.				
Source: Field Survey				

Chart No. 1: Opinion of Businessmen regarding Auditing of Accounts in selected Region/ cities

It is evident from the table – 1 that in the

Vapi city (South Guj.) out of the total respondents 46.00% businessmen audit their business accounts while 54.00% businessmen not audit their business accounts.

UT of Daman out of the total respondents 49.00% businessmen audit their business accounts while 51.00% businessmen not audit their business accounts.

Vapi city (South Guj.) out of the total respondents 56.00% businessmen audit their business accounts while 44.00% businessmen not audit their business accounts.

Out of total wholesaler 78.66% wholesale businessmen audit their business accounts while 21.33 % businessmen not audit their business accounts.

Out of total retailer 22.00% retail businessmen audit their business accounts while 78.00 % businessmen not audit their business accounts.

Out of total respondents 50.33% businessmen audit their business accounts while 49.66% businessmen not audit their business accounts. This signifies that retailers are less interested in auditing their business accounts compare to wholesalers and it may be possible due to their low annual turnover and income so they think that it is not necessary for their business.

Hypothesis No.1

H₀ = There is no significant difference between the wholesale and retail Businessmen's opinion regarding Auditing of Accounts in selected region

H₁ = There is no significant difference between the wholesale and retail Businessmen's opinion regarding Auditing of Accounts in selected region

Calculation of χ^2 test

$$\chi^2 c = 96.32$$

$$\chi^2 t = 3.84$$

Hypothesis Result:

Level of Significance = 5%

Degree of Freedom = (r -1) (c -1) it means (2-1) (2-1) = 1

Therefore, $\chi^2 c = 96.32 > \chi^2 t = 3.84$

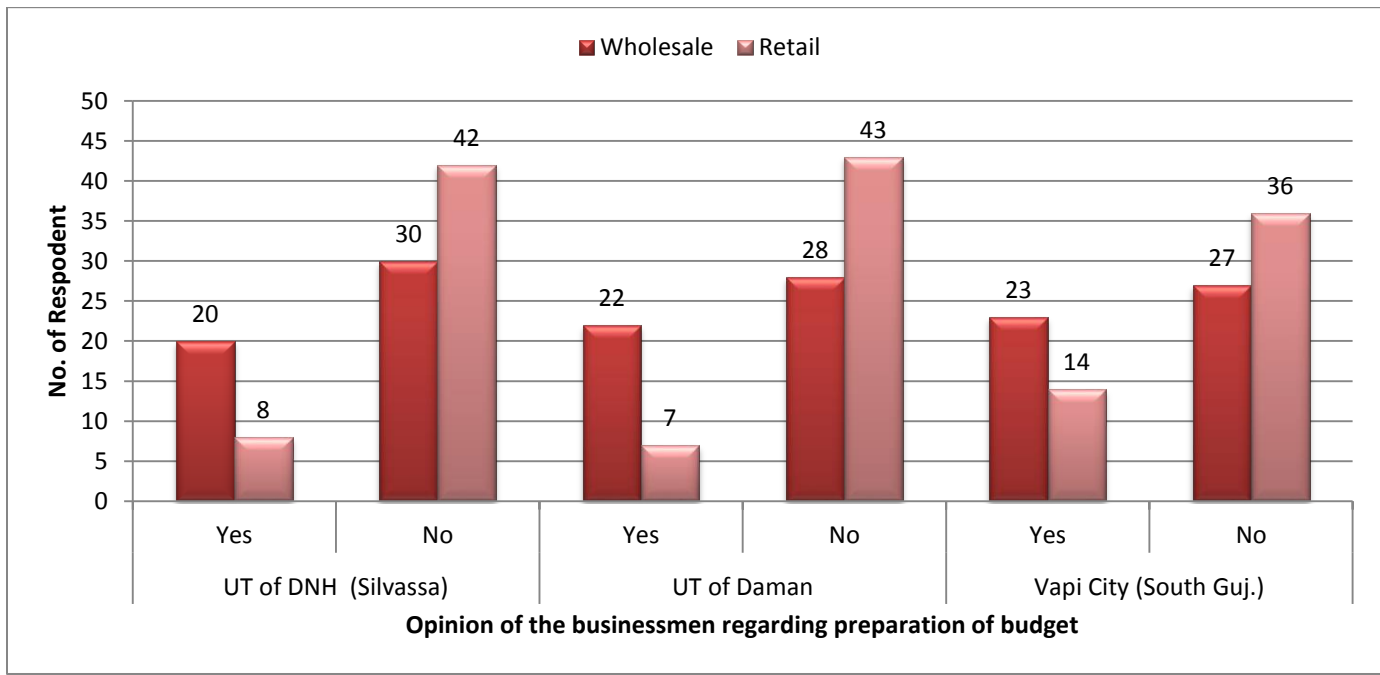
Interpretation of Result: The table value of χ^2 for 1 degree of freedom at 5% level of significance is 3.84 (χ^2 table value) and the calculated value of χ^2 is 96.32 (χ^2 calculation) which is higher than the table value, hence the result of the experiment does not support the hypothesis. So null hypothesis is rejected and alternative hypothesis is accepted. It means There is significant difference between the wholesale and retail Businessmen's opinion regarding Auditing of Accounts in selected region.

5) preparation of Budget

A budget is a financial plan and a list of all planned expenses and revenues. It is a plan for saving, borrowing and spending. The purpose of budgeting is to provide a forecast of revenues and expenditures, that is, construct a model of how our business might perform financially if certain strategies, events and plans are carried out. Enable the actual financial operation of the business to be measured against the forecast. The opinion of owners of business regarding the preparation of budget is presented in table – 2

Table No. 2: Opinion of the Businessmen regarding preparation of Budget in selected region

Region/ City	Opinions	Wholesale	Retail	Total
UT of DNH (Silvassa)	Yes	20(71.42)	8(28.57)	28(100)
	No	30(41.66)	42(58.33)	72(100)
	Total	50	50	100
UT of Daman	Yes	22(75.86)	7(24.13)	29(100)
	No	28(39.43)	43(60.56)	71(100)
	Total	50	50	100
Vapi City (South Guj.)	Yes	23(62.16)	14(37.83)	37(100)
	No	27(42.85)	36(57.14)	63(100)
	Total	50	50	100
Overall	Yes	65(69.14) (43.33)	29(30.85) (19.33)	94(100) (31.33)
	No	85(41.26) (56.66)	121(58.73) (80.66)	206(100) (68.66)
	Total	150(50) (100)	150(50) (100)	300(100) (100)
Note: Figures in Brackets on the right and below the figures shows percentage to the respective column and row totals..				
Source: Field Survey				

Chart No. 3: Opinion of Businessmen regarding preparation of Budget in selected Region/ cities

It is evident from the table –2 that in the

UT of DNH (Silvassa) 28.00 % of the businessmen prepare budget for the business while 72.00% of the businessmen not prepare budget for the business.

UT of Daman 29.00 % of the businessmen prepare budget for the business while 71.00% of the businessmen not prepare budget for the business.

Vapi City (South Guj.) 37.00 % of the businessmen prepare budget for the business while 63.00% of the businessmen not prepare budget for the business.

Out of total wholesaler 43.33% businessmen prepare budget for the business while 56.66% businessmen not prepare budget for the business.

Out of total retailer 19.33 % businessmen prepare budget for the business while 80.66% businessmen not prepare budget for the business.

Out of total respondents 31.33% businessmen prepare budget for the business while 68.66% of the businessmen not prepare budget for the business. It is indicated that very less businessmen prepare budget for the business so they are not showing more interest for the future prediction in the business and retailers are more who are not prepare budget for the business.

Hypothesis No. 2

H₀ = There is no significant difference between the wholesale and retail Businessmen's opinion regarding preparation of Budget in selected region

H₁ = There is significant difference between the wholesale and retail Businessmen's opinion regarding preparation of Budget in selected region

Calculation of χ^2 test

$$\chi^2 c = 20.06$$

$$\chi^2 t = 3.84$$

Hypothesis Result:

Level of Significance = 5%

Degree of Freedom = (r -1) (c -1) it means (2-1) (2-1) = 1

Therefore, $\chi^2 c = 20.06 > \chi^2 t = 3.84$

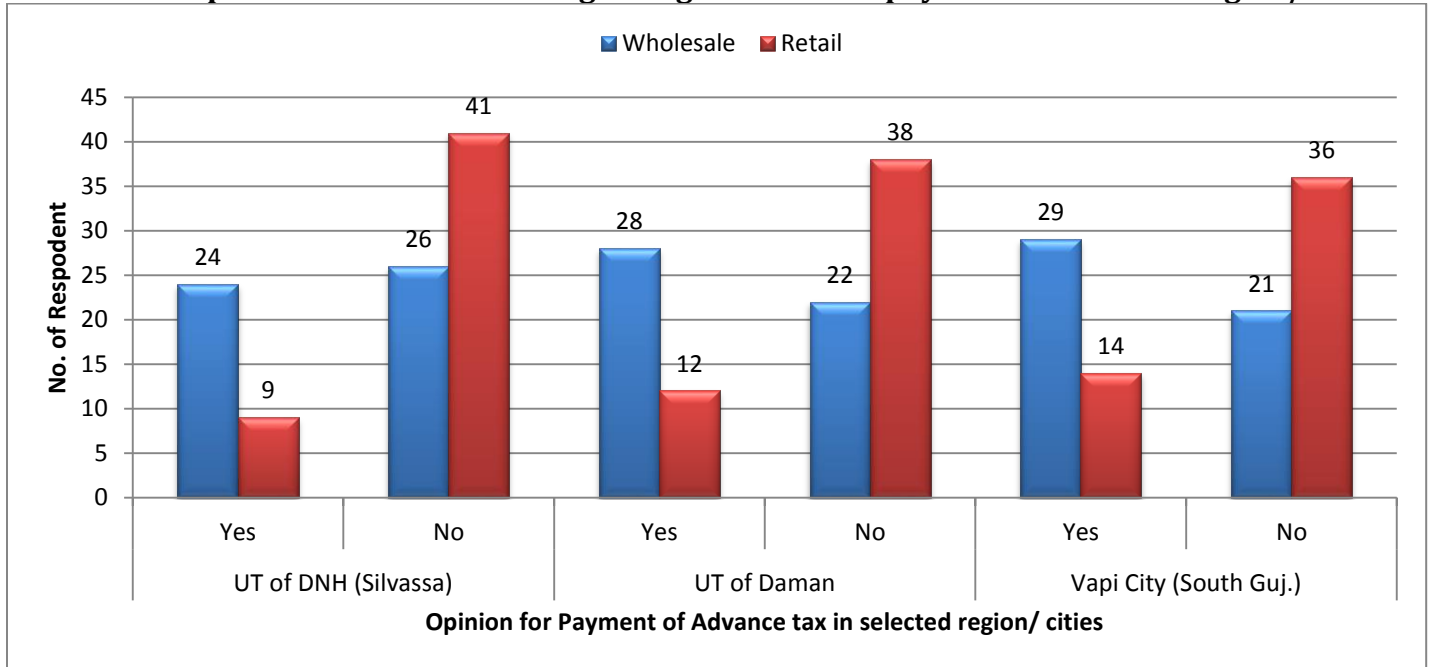
Interpretation of Result: The table value of χ^2 for 1 degree of freedom at 5% level of significance is 3.84 (χ^2 table value) and the calculated value of χ^2 is 20.06 (χ^2 calculation) which is higher than the table value, hence the result of the experiment does not support the hypothesis. So null hypothesis is rejected and alternative hypothesis is accepted. It means there is significant difference between the wholesale and retail Businessmen's opinion regarding preparation of Budget in selected region

6) Advance tax payment

As per the Indian Income Tax Act the dealers. Whose advance tax payable provided it is Rs. 5000 or more. However, it will be payable in certain installments. Further, it is a good practice for businessmen to pay advance tax as it ensures more fairness. The opinions of wholesalers and retailers regarding payment of advance tax are depicted in Table-16

Table No. 3: Opinion of Businessmen regarding Advance tax payment in selected Region

Region/ City	Opinions	Wholesale	Retail	Total
UT of DNH (Silvassa)	Yes	24(72.72)	9(27.27)	33(100)
	No	26(38.80)	41(61.19)	67(100)
	Total	50	50	100
UT of Daman	Yes	28(70.00)	12(30.00)	40(100)
	No	22(36.66)	38(63.33)	60(100)
	Total	50	50	100
Vapi City (South Guj.)	Yes	29(67.44)	14(32.55)	43(100)
	No	21(36.84)	36(63.15)	57(100)
	Total	50	50	100
Overall	Yes	81(69.82) (54)	35(23.33) (23.33)	116(100) (38.66)
	No	69(37.5) (46)	115(76.66) (76.66)	184(100) (61.33)
	Total	150(50) (100)	150(50) (100)	300(100) (100)
Note: Figures in Brackets on the right and below the figures shows percentage to the respective column and row totals.				
Source: Field Survey				

Chart No. 3: Opinion of Businessmen regarding Advance tax payment in selected Region/ cities

It is disclosing from the table - 3 that in

UT of DNH (Silvassa) 33.00% of the businesses pay advance tax while 67.00% of businesses not pay advance tax.

UT of Daman 40.00% of the businesses pay advance tax while 60.00% of businesses not pay advance tax.

Vapi City (South Guj.) 43.00% of the businesses pay advance tax while 57.00% of businesses not pay advance tax.

Out of total wholesaler 54.00% businessmen pay advance tax while 46.00% businessmen not pay advance tax

Out of total retailer 23.33% businessmen pay advance tax while 77.66% businessmen not pay advance tax

Out of total respondents 38.66% of businessmen pay advance tax while 61.33% of the businessmen not pay advance tax. This signifies that overall wholesaler pay advance tax more compare to retailer it may be happen due to turn over and income more as compare to retailer and that is why they are paying advance tax compare to retailer.

Hypothesis No. 3

H₀ = There is no significant difference between the wholesale and retail Businessmen's opinion regarding Advance tax payment in selected Region

H₁ = There is significant difference between the wholesale and retail Businessmen's opinion regarding Advance tax payment in selected Region

Calculation of χ^2 test

$$\chi^2 c = 29.74$$

$$\chi^2 t = 3.84$$

Hypothesis Result:

Level of Significance = 5%

Degree of Freedom = (r -1) (c -1) it means (2-1) (2-1) = 1

Therefore, $\chi^2 c = 29.74 > \chi^2 t = 3.84$

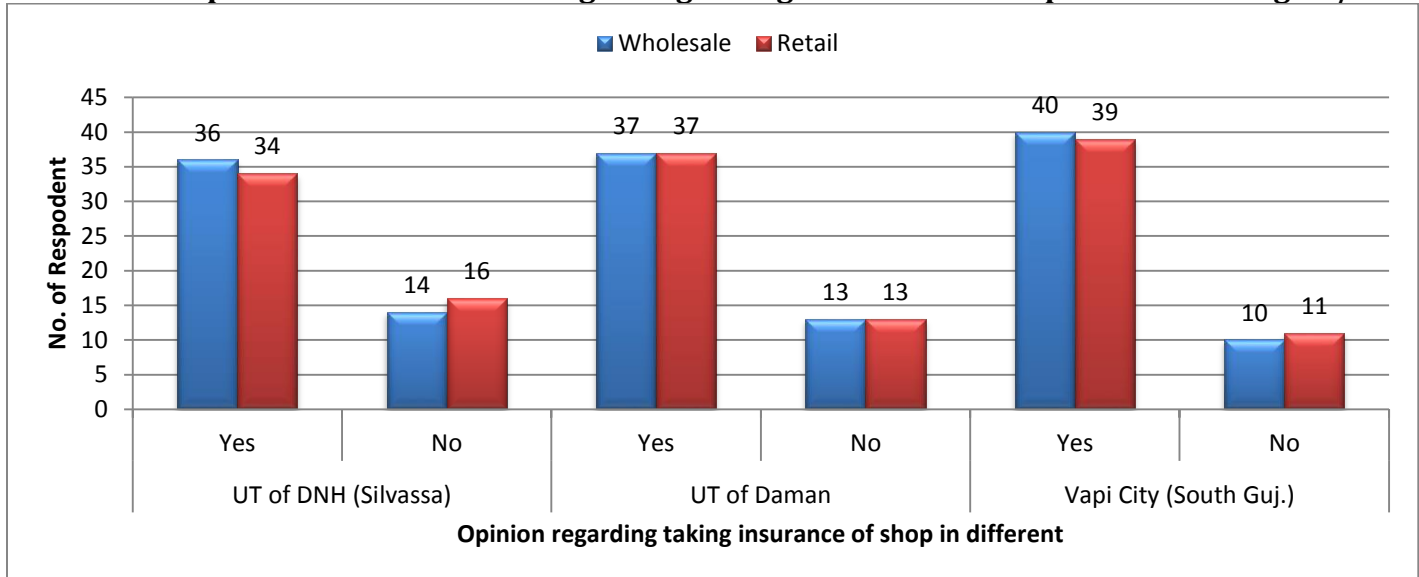
Interpretation of Result: The table value of χ^2 for 1 degree of freedom at 5% level of significance is 3.84 (χ^2 table value) and the calculated value of χ^2 is 29.74 (χ^2 calculation) which is higher than the table value, hence the result of the experiment does not support the hypothesis. So null hypothesis is rejected and alternative hypothesis is accepted. It means There is significant difference between the wholesale and retail Businessmen's opinion regarding Advance tax payment in selected Region

7) Taking Insurance of Shop

Taking of insurance is safety step taken by businessmen because if any natural calamity like floods earthquake, or if fire or theft will harmful to business. The opinion of owners of business regarding the taking insurance of shop is presented in table - 4.

Table No. 4: Opinions of Businessmen regarding taking Insurance of Shop in different selected region.

Region/ City	Opinions	Wholesale	Retail	Total
UT of DNH (Silvassa)	Yes	36(51.42)	34(48.57)	70(100)
	No	14(46.66)	16(53.33)	30(100)
	Total	50	50	100
UT Daman	Yes	37(50)	37(50)	74(100)
	No	13(50)	13(50)	26(100)
	Total	50	50	100
Vapi City (South Guj.)	Yes	40(50.63)	39(49.36)	79(100)
	No	10(47.61)	11(52.38)	21(100)
	Total	50	50	100
Overall	Yes	113(50.67) (75.33)	110(49.32) (73.33)	223(100) (74.33)
	No	37(48.05) (24.66)	40(51.94) (26.66)	77(100) (25.66)
	Total	150(50) (100)	150(50) (100)	300(100) (100)
Note: Figures in Brackets on the right and below the figures shows percentage to the respective column and row totals.				
Source: Field Survey				

Chart No. 4: Opinion of Businessmen regarding taking Insurance of Shop in selected Region/ cities

It is disclosing from the table – 4 that in the

UT of DNH (Silvassa) 70.00% owners of business have taken insurance of their shop while 30.00% owners of business have not taken insurance.

UT of Daman 74.00% owners of business have taken insurance of their shop while 26.00% owners of business have not taken insurance.

Vapi City (South Guj.) 79.00% owners of business have taken insurance of their shop while 21.00% owners of business have not taken insurance.

Out of total wholesaler 75.33% wholesale businessmen have taken insurance of their shop while 24.66% retail businessmen have not taken insurance.

Out of total retailer 73.33% retail businessmen have taken insurance of their shop while 26.66% retail businessmen have not taken insurance.

Out of total respondents 74.33% owners of business have taken insurance of their shop while 25.66% owners of business have not taken insurance of their shop.

This signifies that overall businessmen have taken insurance of their shop who have taken insurance for their shop wholesaler is higher compare to retailer and who not taken insurance for their shop retailer is higher compare to wholesaler.

Hypothesis No. 4

H₀ = There is no significant difference between the wholesale and retail Businessmen's opinion regarding taking Insurance of Shop in selected region.

H₁ = There is significant difference between the wholesale and retail Businessmen's opinion regarding taking Insurance of Shop in selected region.

Calculation of χ^2 test

$$\chi^2 c = 0.156$$

$$\chi^2 t = 3.84$$

Hypothesis Result:

Level of Significance = 5%

Degree of Freedom = $(r - 1) (c - 1)$ it means $(2-1) (2-1) = 1$

Therefore, $\chi^2 c = 0.156 < \chi^2 t = 3.84$

Interpretation of Result: The table value of χ^2 for 1 degree of freedom at 5% level of significance is 3.84 (χ^2 table value) and the calculated value of χ^2 is 0.156 (χ^2 calculation) which is less than the table value, hence the result of the experiment supports the hypothesis. So null hypothesis is accepted and alternative hypothesis is rejected. It means there is no significant difference between the wholesale and retail Businessmen's opinion regarding taking Insurance of Shop in selected region.

8) Calculation of Depreciation

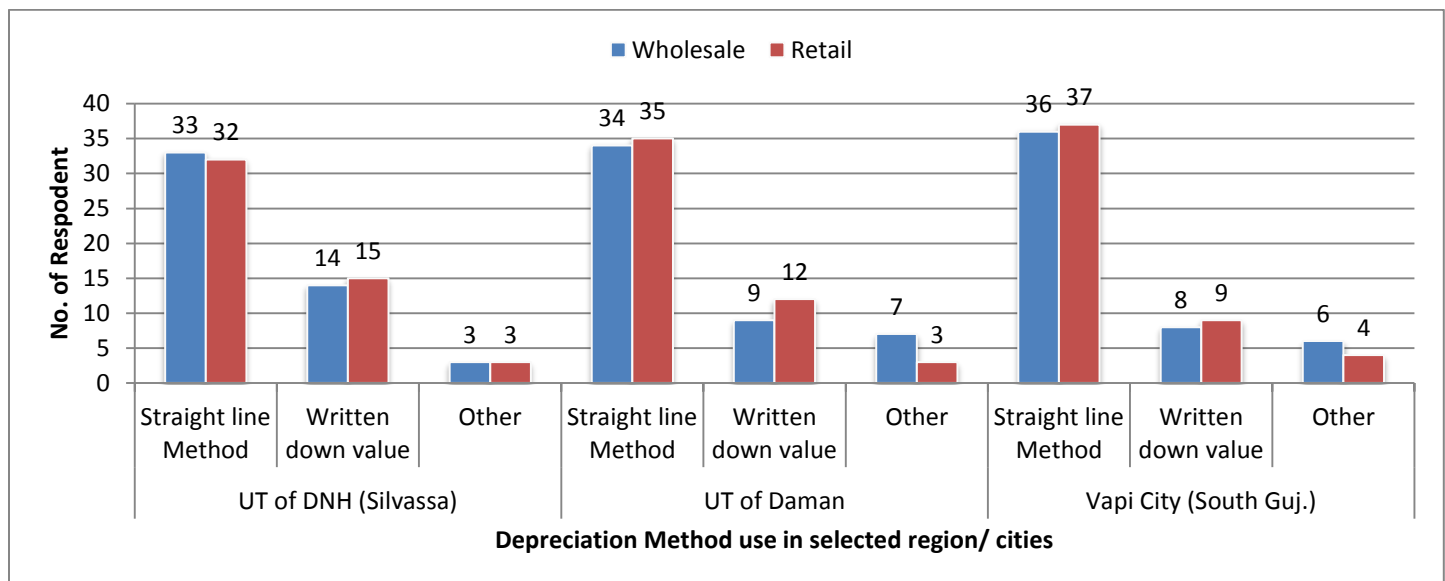
Depreciation is the reduction in the value of fixed assets due to its use and passage of time and obsolescence. Depreciation is the apportionment of cost of asset net estimated scrape value over its estimated useful life. The principle of consistency required the same methods should be followed from year to year. But in case of permissible situation on enterprise can change the method. The most common method for depreciation is Straight Line Method, written down value method, Sinking fund method, annuity method, Depletion method, etc. Classification of methods which used by businessmen for depreciation is presented in Table -5

Table No. 5: Classification of Businessmen base on Method use for Calculation of Depreciation in selected region

Region/ City	Depreciation Method	Wholesale	Retail	Total
UT of DNH (Silvassa)	Straight line Method	33(50.76)	32(49.23)	65(100)
	Written down value	14(48.27)	15(51.72)	29(100)
	Other	03(50)	03(50)	6(100)
	Total	50	50	100
UT of Daman	Straight line Method	34(49.27)	35(50.72)	69(100)
	Written down value	09(42.85)	12(57.14)	21(100)
	Other	07()	03()	10(100)
	Total	50	50	100
Vapi City (South Guj.)	Straight line Method	36(49.31)	37(50.68)	73(100)
	Written down value	08(47.05)	09(52.94)	17(100)
	Other	06(60)	04(40)	10(100)
	Total	50	50	100
Overall	Straight line Method	103(49.75) (68.66)	104(50.24) (69.33)	207(100) (69)
	Written down	31(46.26)	36(53.73)	67(100)

	value	(20.66)	(24)	(22.33)
	Other	16(61.53) (10.66)	10(38.46) (6.66)	26(100) (8.66)
	Total	150(50) (100)	150(50) (100)	300(100) (100)
Note: Figures in parentheses on the right and below the figures indicates percentage to the respective row and column totals.				
Source: Field Survey				

Chart No. 5 Classification of Businessmen base on Method use for Calculation of Depreciation in selected region



It is disclosing from the table – 5 that in the

UT of DNH (Silvassa) out of total respondents 65.00% use Straight line method, 29.00% use Written down value method and 06.00% use other method for Calculation of Depreciation. Most of the wholesaler and retailer use Straight line method more compare to Written down value method and other method.

UT of Daman out of total respondents 69.00% use Straight line method, 21.00% use Written down value method and 10.00% use Other method for Calculation of Depreciation. Most of the wholesaler and retailer use Straight line method more compare to Written down value method and other method.

Vapi (South Guj.) out of total respondents 73.00% use Straight line method, 17.00% use Written down value method and 10.00% use other method for Calculation of Depreciation. Most of the wholesaler and retailer use Straight line method more compare to Written down value method and other method.

Out of total wholesaler 68.66 % use Straight line method, 20.66 % use Written down value method and 10.66 % use Other method for Calculation of Depreciation.

Out of total retailer 69.33 % use Straight line method, 24.00% use Written down value method and 6.66 % use other method for Calculation of Depreciation.

Out of total respondents 69.00 % use Straight line method, 22.33 % use Written down value method and 8.66 % use other method for Calculation of Depreciation. Most of the wholesaler and retailer use Straight line method more compare to Written down value method and other method.

Hypothesis No.5:

H_0 = There is no significant difference between the wholesale and retail business on the base of Method use for Calculation of Depreciation in selected region

H_1 = There is significant difference between the wholesale and retail business on the base of Method use for Calculation of Depreciation in selected region

Calculation of χ^2 test

$$\chi^2 c = 1.744$$

$$\chi^2 t = 5.991$$

Hypothesis Result:

Level of Significance = 5%

Degree of Freedom = (r - 1) (c - 1) it means (3-1) (2-1) = 2

Therefore, $\chi^2 c = 1.744 < \chi^2 t = 5.991$

Interpretation of Result: The table value of χ^2 for 2 degree of freedom at 5% level of significance is 5.991 (χ^2 table value) and the calculated value of χ^2 is 1.744 (χ^2 calculation) which is less than the table value, hence the result of the experiment supports the hypothesis. So null hypothesis is accepted and alternative hypothesis is rejected. It means There is no significant difference between the wholesale and retail business on the base of Method use for Calculation of Depreciation in selected region

8) Conclusion

More than half of the respondents not audit their account. Further, in that who audit their business accounts wholesalers number is more compare to retailer and it may be happen in the case of retailer due to their low annual turnover and income so they think that it is not necessary and they are not more interested in finding out the mistake of the business accounts. More than half of the respondents not prepare budget for the business so they are not showing more interest for the future prediction in the business and wholesaler number is more who are prepare budget compare to retailer. More than half of the respondents not pay advance tax. Further, who pay advance tax wholesaler number is more compare to retailer it is indicate that wholesaler earns more income compare to retailer and that is why they pay advance tax. Most of the businessmen are aware about safety of their stocks and shops so that higher number of businessmen taking insurance and in that wholesaler number is more compare to retailer due to their investment amount is more compare to retail business. Most of the wholesaler and retailer use Straight line method more compare to Written down value method and other method, Further in that wholesaler use Straight line method and Written down value method more compare to retailer.

Regularity in Auditing of Accounts - Auditing is a good practice for businessmen to get their accounts audited by chartered accountant as it ensures more transparency and businessmen can control the business in right ways and go for further growth. Prepare Budget for the Business - Budget gives the information about what happen in the future. They can compare actual data with the budget data and on that basis they can decided where they make mistake and they can take corrective action in mistake part. To take the insurance of shops and goods so it will be protect the businessmen from men made and natural calamity. Organize conferences, seminars and workshop by Market Associations - Many businessmen are not much acquainted with accounting of the business and regarding new changes in

accounting and tax. Therefore, there is a need to arrange conferences, seminars and workshops for providing the basic knowledge on different aspects of accounting and taxation to the businessmen so that they aware about such changes. The Accounting of business transactions on regular basis is very essential to survive in the competitive era. Accounting plays an important role in the growth and development of wealth of businessmen. It helps them to know the financial position of their business. Further, regular accounting reduces the risk and manages to avoid the unwanted costs of business. Therefore, there is an immediate need to adopt the principles and practices of modern accounting systems in recording and accounting the business transactions in the interest of businessmen in particular and public in general.

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