

## Group 1 members

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# “Double Entry System of Accounting (DESA)”

## Pain Points:

- No connection between the different sets of Books
- The records are separate
- Lacking in transparency
- Difficult to verify
- Trust deficit between stakeholders
- Increased cost on administrative overheads (Ex: Reconciliations, arbitrations)

## Example of flaws in the DESA

- Automobile manufacturers source various components to assemble
- Increased cost on administrative overheads (Ex: Reconciliations, arbitrations)
- Bottlenecks in production processes
- Delay in lead times resulting in inventory mismanagement
- Great trust deficit

# Blockchain Solution

- Decentralised solution employing Triple Entry System of Accounting (TESA)
- “It’s tough to lie when everybody is watching.”- Ian Grigg
- Transaction entries in different entities cryptographically sealed and stored on Blockchain
- Any ledger transaction (be it stock, payables, receivables) is automatically reconciled

## Benefits of TESA using Blockchain

- Self-regulated and shared environment
- Intentional and unintentional errors or omission eliminated
- Allows reconciling the balance, the transaction, and the reporting process
- Companies will save a lot of time and money creating audit documents
- Trust among stakeholders