

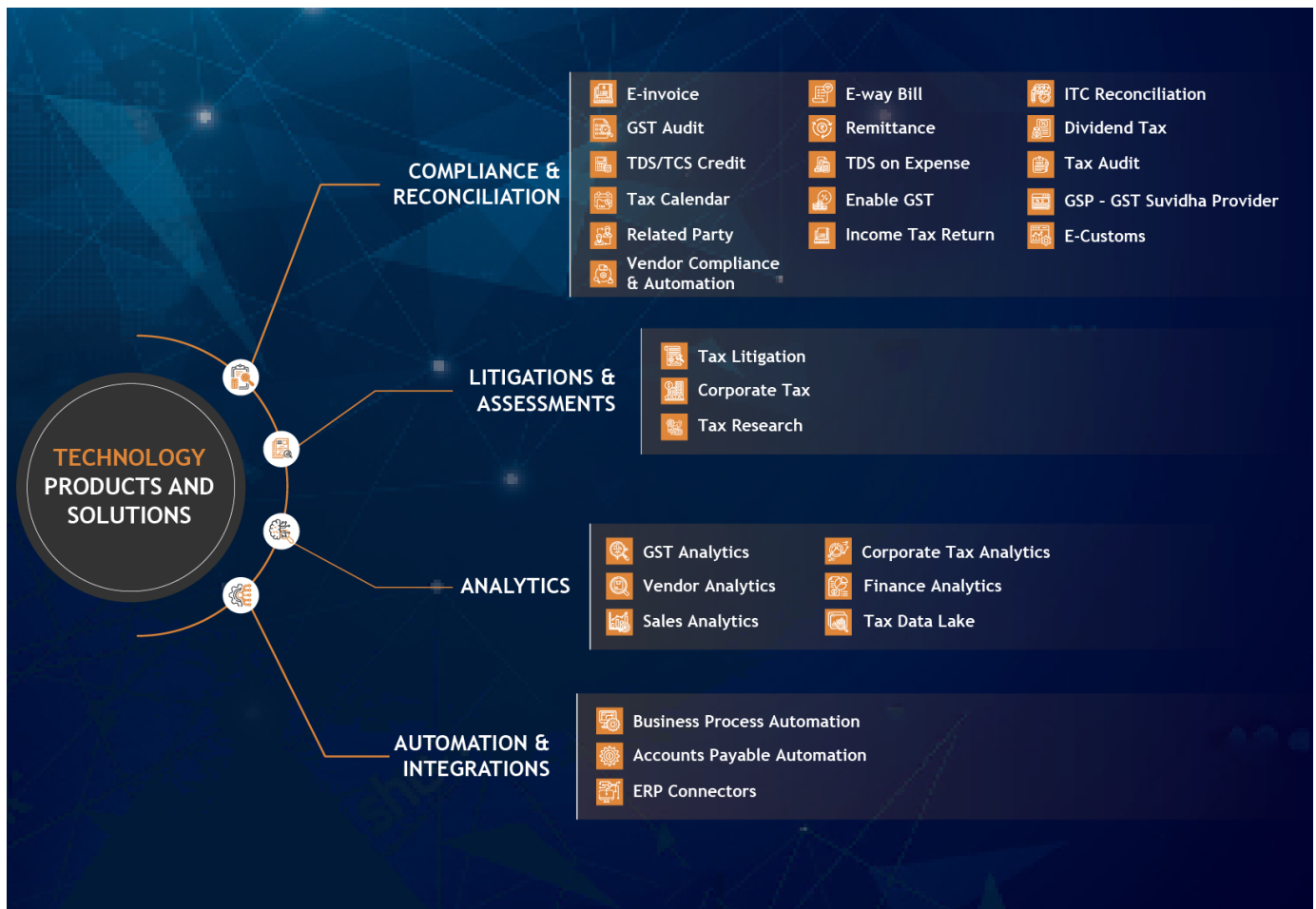


# VENDOR COMPLIANCE AND AUTOMATION

## A PROPRIETARY TAX-TECHNOLOGY SOLUTION BY BDO INDIA

BDO IN INDIA  
2023

Our **Technology Products and Solutions** are built to address the comprehensive tax needs of clients & businesses. In response to changing regulatory environments and growing business needs, our suite of products combines the experience of tax advisory through proprietary applications and products developed by the firm's in-house technology team.



**Vendor Compliance and Automation** An efficient and centralised solution to manage vendors and their contracts.

### A SMART CLOUD-BASED TECHNOLOGY SOLUTION WITH END-TO-END AUTOMATION

Vendor or accounts payable activities are no longer limited to finance functions. With the updated regulatory requirements, companies are also required to monitor the tax compliance of their vendors. Timely tracking of vendor compliance activities for payment release or block has always been a tedious and time-consuming process. With more compliances and penalties on its default, the onus now rests with the organisation to timely track GST compliance activities of vendors and comply with the same appropriately.

The Indian government has also started focusing on tracking input tax credit claims vis-à-vis data available as per vendor's compliance. To help businesses adapt to the evolving end-to-end vendor management through an adept technology, we at BDO India offer 'Vendor Compliance and Automation' a comprehensive solution to manage vendor-related requirements automatically and efficiently.

## FUNCTIONALITIES OF THE VENDOR COMPLIANCE AND AUTOMATION

<b>COMPREHENSIVE VENDOR MASTER DETAILS</b>	<b>DOCUMENT MANAGEMENT</b>
<p>Common window showcasing vendor master details fetched from ERP, GSTN and shared by the vendor</p>	<p>Data extraction from PDF/ JPEG/ Excel/CSV along with validation, PO &amp; GRN mapping for storage, and reverse integration with ERP</p>
<b>ITC ELIGIBILITY TRACKING</b>	<b>SCALABLE AND SECURE</b>
<p>Sharing status of invoice with ERP based on credit available in GSTR2A or GSTR2B along with its reconciliation status</p>	<p>A single application offering multiple entities and locations, hosted on MS Azure and roles and rights-based user access</p>
<b>VENDOR PAYMENT DECISION</b>	<b>REPORTS AND ALERTS NOTIFICATION</b>
<p>Input tax credit reconciliation status shared with ERP against vendor invoices for payment decisions</p>	<p>Multiple reports available for download and status updates for various activities provided via alerts and notifications</p>
<b>VALIDATION AND AUTOMATION OF DATA</b>	<b>DASHBOARD MANAGEMENT</b>
<p>Automated purchase data transfer to ERP through details available on the government portal</p>	<p>Action centre, performance indicators, and report customisation for providing high-level insights to the management</p>
<b>TWO-WAY VENDOR COMMUNICATION</b>	<b>INTEGRATION, CONTROLS AND CONFIGURATIONS</b>
<p>Option to communicate with vendors through a common portal and maintain their repository</p>	<p>Connectivity with ERPs, other GST/TDS tax tech tools for exchange of information and feature specific configuration</p>



## CURRENT CHALLENGES FACED BY COMPANIES

- Updating vendor master data on a timely basis
- Vendor communication with unreconciled records and maintaining a repository of communications undertaken
- Tracking and deciding on payments to be made to a vendor considering the impact of ITC credit and TDS deducted as per various laws
- Record keeping of all the purchase bookings with a check on the validity of documents shared by vendors
- Necessity to maintain records of ITC availed with reconciliation status with GSTR 2A/2B
- Maintaining records of GST compliances and ITC details shared by all vendors

## WHY BDO INDIA'S VENDOR COMPLIANCE AND AUTOMATION?

Combining the expertise and efficiency of a highly skilled team of domain and data experts, we help clients gain significant benefits through adequate and seamless management of vendor compliances.

### END-TO-END AUTOMATED PROCESSES

- Provides automated processes for data transfer in ERP
- Option for QR code scanning and data extraction from E-Invoice and E-way bills shared by the vendor, fetching of data from GSTN and NIC for compliance done by the vendor and synchronisation of all data sets
- Regularly communications to a vendor as per the automated scheduler and repository for responses/documents received from vendors

### CUSTOMISED REPORT FOR MIS

- Provides reports for manually uploaded invoices extracted from QR code, data fetched from GSTN/NIC portal that is customisable for MIS and better tracking
- Provides standard and customised reports for various internal/external needs

### TRACKING AND ALERTS

- Integrates with TDS solutions, allows for tracking of deductions on inward records and notifies their impact on vendor payment to ERP
- Integrates with GST-related solutions to intimate the vendor ageing and ITC reversals
- Alerts and notifications for payment within the time prescribed under the law

### INTEGRATION WITH DIFFERENT ERP

- As a cloud-based solution, it can be easily integrated with ERPs/other solutions for data exchange and therefore adaptable to any business ecosystem

### COST OPTIMISATION

- Reduces the manual effort required in recording, analysing and maintaining records of all vendor-related activities
- Allows customisation to an extent based on business requirements

### INTEGRATED TAX TECH ECOSYSTEM

- Comprehensive tax tech ecosystem with interconnectivity and automatic exchange of data between the Vendor Compliance & Automation and our GST and TDS on expense applications
- Enables reconciliation status (with GSTR2A/GSTR2B) for ERP's inward data and TDS deduction with respect to ERP's inward data resulting in higher data integrity

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