

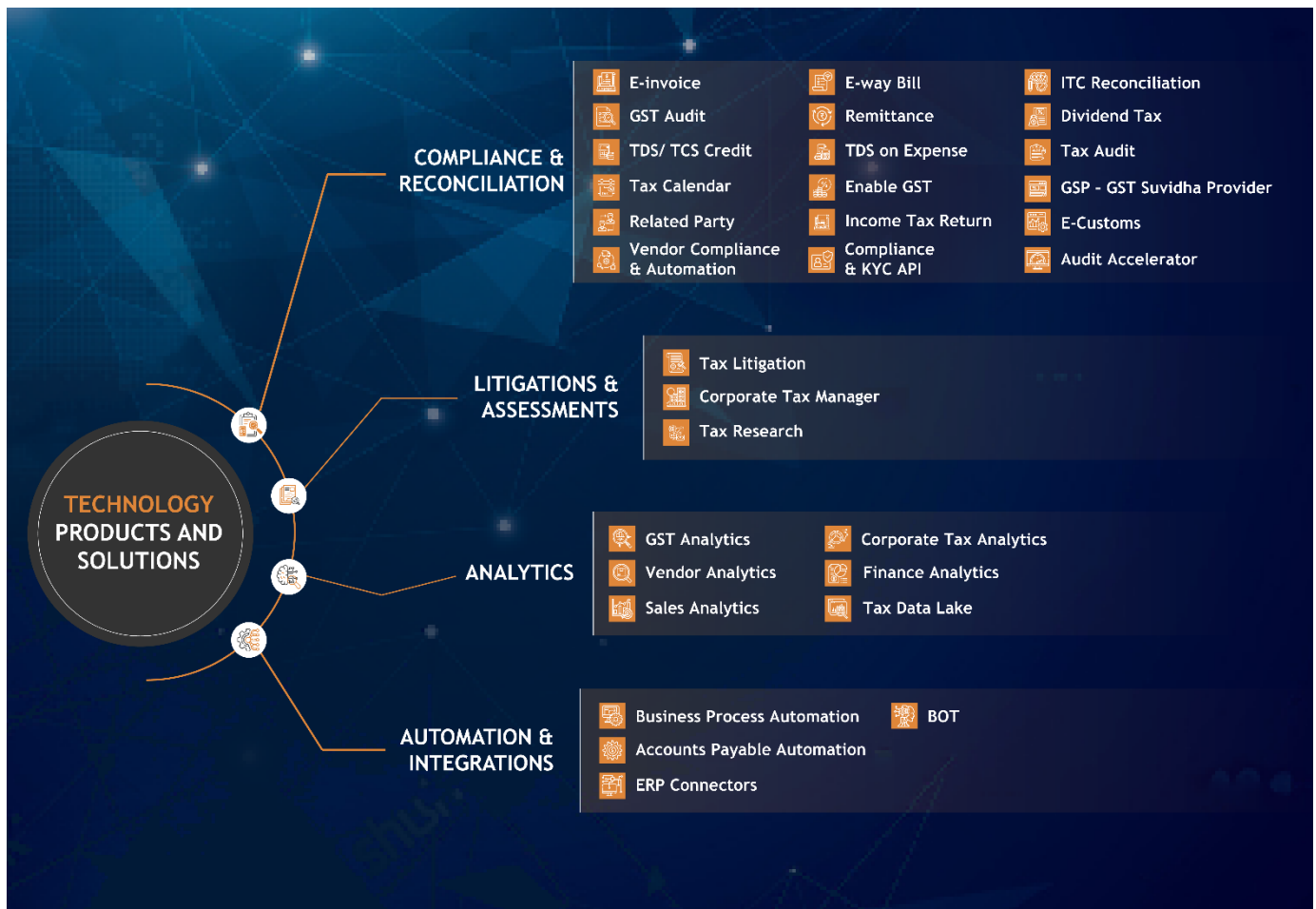


# **VENDOR COMPLIANCE AND AUTOMATION**

**A PROPRIETARY TAX-TECHNOLOGY  
SOLUTION BY BDO INDIA**

BDO in India  
2024

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

### COMPREHENSIVE VENDOR MASTER DETAILS

Common window showcasing vendor master details fetched from ERP, GSTN and shared by the vendor

### DOCUMENT MANAGEMENT

Data extraction from PDF/ JPEG/ Excel/CSV along with validation, PO & GRN mapping for storage, and reverse integration with ERP

### ITC ELIGIBILITY TRACKING

Sharing status of invoice with ERP based on credit available in GSTR2A or GSTR2B along with its reconciliation status

### SCALABLE AND SECURE

A single application offering multiple entities and locations, hosted on MS Azure and roles and rights-based user access

### VENDOR PAYMENT DECISION

Input tax credit reconciliation status shared with ERP against vendor invoices for payment decisions

### REPORTS AND ALERTS NOTIFICATION

Multiple reports available for download and status updates for various activities provided via alerts and notifications

### VALIDATION AND AUTOMATION OF DATA

Automated purchase data transfer to ERP through details available on the government portal

### DASHBOARD MANAGEMENT

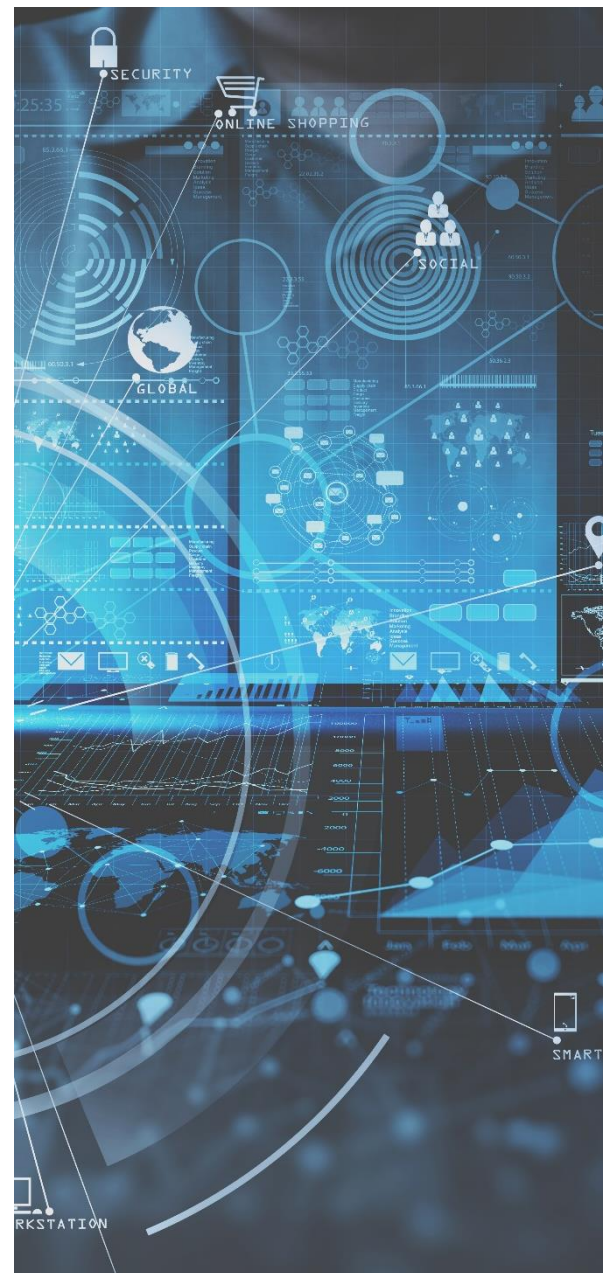
Action centre, performance indicators, and report customisation for providing high-level insights to the management

### TWO-WAY VENDOR COMMUNICATION

Option to communicate with vendors through a common portal and maintain their repository

### INTEGRATION, CONTROLS AND CONFIGURATIONS

Connectivity with ERPs, other GST/TDS tax tech tools for exchange of information and feature specific configuration



## 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

## ABOUT BDO GLOBAL

BDO is a leading professional services organisation with a presence in 160+ countries and over 115,600 people working out of more than 1,750 offices. We endeavor to deliver an exceptional client experience through a tailored solutions approach, while partnering with our employees and clients globally.

## ABOUT BDO IN INDIA

BDO in India offers Assurance, Tax, Advisory, Business Services & Outsourcing and Digital Services for both domestic and international clients across industries. The team at BDO in India consists of over 9,000 professionals led by more than 300 partners and directors operating out of 18 offices, across 12 key cities.

## CONTACT US

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