



KPMG in India's offerings for automating Accounts Payable and Accounts Receivable processes



In this era of rapid technological innovations and changes, digitisation of content has become top priority for more organisations. KPMG in India provides the technical expertise and leverages our firm wide experience and expertise to deliver continual improvement, digitisation and attain business excellence. This differentiator has enabled us to build certain assets, accelerators. as described below:

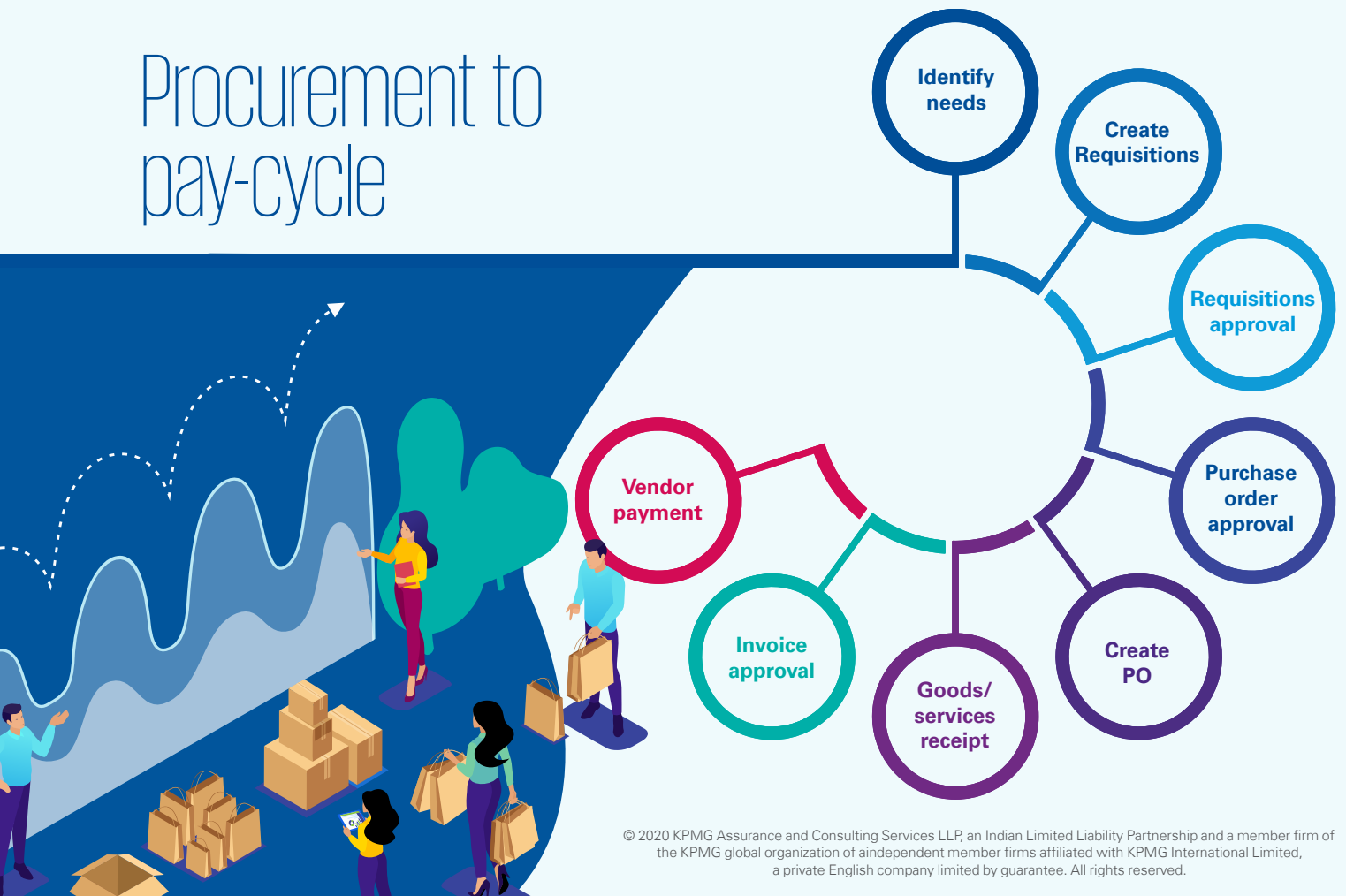


Accounts Payable (AP)

Description

The procure-to-pay systems enable the integration of the purchasing department with the accounts payable (AP) department. It is the process of requisitioning, purchasing, receiving, paying for and accounting for goods and services. It gets its name from the ordered sequence of procurement and financial processes, starting with the first steps of procuring a good or service to the final steps involved in paying for it.

Procurement to pay-cycle



There are four workflows under procurement to pay cycle in our current implementation. 1. AP Overseas. 2) GRN Creation 3) EMD 4) Invoice Processing.

Business user will submit service request for invoice approval and adds a case in client tool. Vendor details are pulled from ERP system by using purchase order (PO) number. Request goes to AP overseas executive for his/her review and approval. After the approval, case will be closed.

For AP domestic payments, business user will search for the operating unit and PO then received quantity, vendor details will be fetched ERP system and GRN (Goods Received Note) is created and posting is done on the ERP system.

As a next step, business user will submit EMD (earnest money deposit) request; then request goes to AP Executive to verify the EMD request. Supporting documents will be attached as well. AP Executive will review the request and approve the same. Invoice request will be auto launched, and invoice details are updated by AP Executive and he/she submits the request for AP Manager's approval. Once AP Manager approves the request, the request will be processed, and case will be closed.

KPIs

- Improved speed, usability and performance of procure to pay process
- Helps organisations to streamline procurement to pay process avoiding manual work and reduces fraud
- All the PO and invoices related documents are readily available in a centralised location
- Less risk and improved compliance
- Efficient and effective integration with ERP systems
- Various tasks involved in the AP process, such as GRN Creation/, Invoice Processing (Overseas and Domestic) are automated
- Visibility of every transaction at every step of AP process.

Implementation time

On already installed environment, AP app can be deployed in one to two weeks of time, followed by additional time required for tweaking the app, product version mismatch, UAT and go live.





AR (Account Receivables)

Description

Accounts receivable are legally enforceable claims for payment held by a business for goods supplied and/or services rendered that customers/clients have ordered but not paid for. These are generally in the form of invoices raised by a business and delivered to the customer for payment within an agreed time frame.

Business user provides cheque submission details in request page, uploads necessary documents and submits the request. Based on the advance amount, the request is moved to Partner approval (advance amount > 0) else moved to AR Executive approval. If Partner rejects the request, it will be moved to Business user along with email notification. AR Executive can discuss any queries with business team using query management tool. AR Executive should select payment method details, upload the cheque copy and payment advice documents and Approve/Reject the request. If Rejected, the request will be moved to Business team for review and resubmission. Business team can resubmit or terminate the case. If Business user selects Terminate, request will be terminated. Business user by selecting Resubmit, resubmits the request to the AR Executive. If AR Executive approves,

Cheque/Remittance details will be posted to ERP System and the Cash Receipt Number received from ERP System will be updated in request page. If posting is success, the request will be completed. else, an alert will be shown to AR executive saying that the posting is failed. AR Executive can verify error message under cash receipt number field against each invoice row. Email notification sent after successful posting in ERP System.

Business user/AR Executive provides Refund details in request page and submits the request. Based on the initiator of request, the request is moved to for further approval. If request is submitted by Business user, it goes for Partner approval, else it will be moved to Finance manager approval. After Partner Approval, the request will then be moved to AR executive. After AR executive approval, it will be sent to Finance manager approval. After Finance Manager approvals, request will be sent to AR executive for approval. AR Executive provides Receipt and Refund details and approve the request. If Refund details are successfully posted to ERP System, system will show "Success" message on "Refund status" field, else an alert will be shown saying the posting is failed.

KPIs

- Prevention of invoices getting lost in manual punching
- Auto allocation of cases based on workload of AP Executive
- Tracking of invoices being processed by Finance team
- Easier communication with the right person and quicker resolution in timely fashion
- Elimination of manual mistakes by Finance while entering invoice data
- Email notification to Finance at every stage
- Easy retrieval of soft copy of invoices for manual verification
- Easy extraction of reports
- Invoices with queries being sent to right person and queries resolved in timely fashion
- Automatic workflow for query resolution with emails and reminders
- Processing of user invoices within SLA defined in application
- User can track the status of invoices at any instant
- Email notification to users on successful processing of invoices along with payment details
- Email notification to vendors on successful payment.

Implementation time

On already installed environment, AR app can be deployed in one to two weeks of time, followed by additional time required for tweaking the app, product version mismatch, UAT and go live.

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