

DCM-Infotech

**AUTOMATING THE
RECONCILIATION
PROCESSES FOR A NON
BANKING FINANCIAL
INSTITUTION (NBFC) –
ENSURING OPERATIONAL
EFFICIENCIES,
COMPLIANCE AND
BUSINESS SCALABILITY**



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Our client is a consumer finance company specializing in providing a variety of personal loans, automobile loans, and retail merchant sales finance services. The pillars of success, for any finance company, rest upon the unwavering commitment to excellence in financial reconciliations, a robust & timely, journal entry process, with no room for errors.

This case study explores the automation of the financial reconciliation processes of a Non-Banking Financial Service Company. It showcases the challenges that the company faced the solution that we implemented and the resulting benefits achieved.

Automating the core processes, aimed to reduce the chance of frauds & errors and meet the compliance requirements of the regulator.

Challenges: The customer was doing manual "account reconciliation", comparing large amounts of data across multiple systems. This left significant room for human error, especially when teams were involved, in the month-end process, for closing of accounts. As a company grows, the number just gets larger, further magnifying the problem..

- ❖ Over 40,000 individual reconciliations were processed manually using Excel spreadsheets across more than 500 branches.
- ❖ The process for matching transactions was inefficient, demanding significant labor and prone to errors.
- ❖ Journal entries were processed manually without established templates or rules.
- ❖ The close tracking process was decentralized, leading to prolonged financial period closure cycles.

Solution:

We implemented the "Blackline" Account Reconciliation package, to streamline all aspects of the finance and accounting process.

- ❖ We automated the transaction matching, account reconciliation, task management and journal entry processes.
- ❖ The tool unifies systems, data, and processes to deliver greater accuracy, visibility, and control across the cycle and enables timely analysis and decision-making at the speed the business requires
- ❖ Added proper controls on import of data, from different sources and ensured compatibility with the ERP being used by the customer

Business benefits:

- ❖ Increased reconciliation efficiency – releasing manpower to do more strategic work
- ❖ Reduced errors – causing major productivity gains
- ❖ Established end-to-end visibility of -
 - account reconciliations,
 - journal entries,
 - tasks, and
 - variance analysis
- ❖ Improved compliance.
- ❖ Automated clearing of transaction matching and clear visibility of open items.
- ❖ Standardized processes that freed up valuable time for management teams to focus on growth.

About DCM Infotech

DCM Infotech is a global IT services provider offering a wide range of services, including IT consulting, business process outsourcing, cloud services, professional services, automation services, digital transformation, and managed services. Our clients benefit from our highly skilled and certified engineers, cost-effective remote management capabilities, and robust processes. We are developing AI-ML solutions and services to contribute to the digital revolution.