

Spend Reduction in NBFC

Case Study | June 2025

Overview

A leading Indian NBFC reached out for our help to manage rising remote vendor invoice volumes, delays in processing, payments, and higher operational compliance requirements due to mandates from RBI and SEBI. With legacy systems and growing remote vendor interactions, they needed a comprehensive spend management solution that ensured compliance, auditability, data security, and operational efficiency.

Key Challenges



Invoice Processing Delays

Delays in invoice processing due to increasing spends across branches caused dissatisfaction among partners



Remote Vendor Due Diligence

Higher due diligence required due to remote vendors, distributors, DSAs and channel partners.



RBI's Cybersecurity Audit for NBFCs

RBI's Cybersecurity Audits needed spend processing to maintain infosec security, confidentiality and integrity



Higher Auditor Demands

The company's IPO invited higher auditor demands for centralized audit trails, due diligence and documentation.



Late MSME Vendors' Payments

MSME-1 and 43B(h) IT Act penalties due to delayed invoice processing and payments for MSME Vendors



Higher AP Workload

The current AP team's bandwidth was strained and there was a shortage of skilled resources to aid the team.

Current State

ERP, HRMS and All Approvals were done via Mails

The Expensing Products that Solved the Challenges

Procurement

Accounts Payable Automation

Vendor Onboarding

Vendor Compliance

Strategic Sourcing

Vendor Portal

Budgeting

Payment Desk

GST Reconciliation

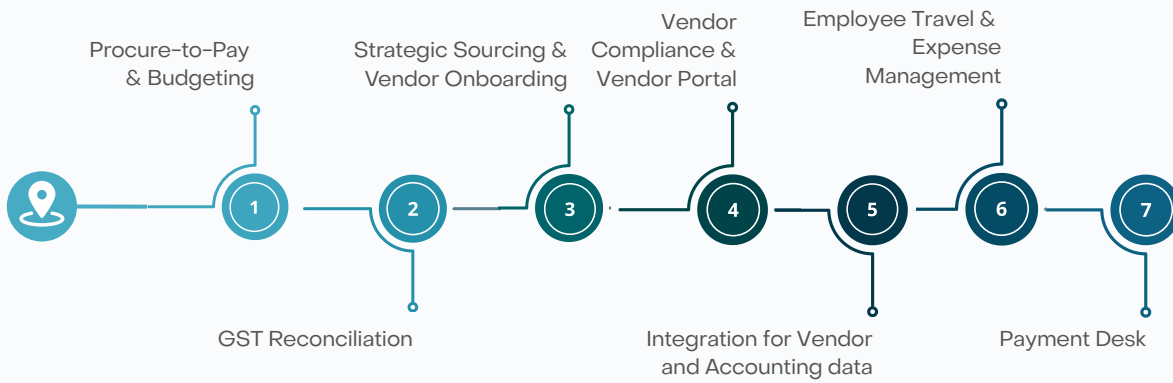
The Expensing Products' Scope of Implementation

300+ branches

600+ users

5000+ invoices monthly

Expensing Implementation Timeline



Expensing Solution for Non Banking Finance Companies

Business Process	Improvements
Vendor Onboarding	<ul style="list-style-type: none"> DSAs and Service providers can now open a Link online and enter their details. Checklists can be used to ensure that vendor compliance objectives are met Approval process ensures that the right vendors are onboarded and business risk is mitigated
Vendor Compliance	<ul style="list-style-type: none"> Vendor Compliance: 13+ Vendor compliance checks for all relevant information like MSME, GST registrations, bank account verification, etc. is now a single click process KYV: Frequency based Compliance check Dashboard MSME Vendor Management: MSME Late Payments, On-Time Payments tracking and Visibility Dashboards along with MSME alerts during Onboarding
Procurement	<ul style="list-style-type: none"> Centralised Procurement for vendors who do loan applicants' compliance checks can know what service they have to provide. Negotiated Rates are enforced by the system Centralised Procurement for Admin, Marketing and IT ensures that spend is under control
Accounts Payable Automation	<ul style="list-style-type: none"> Vendors are paid on time Small AP teams can manage high volumes Statutory Compliance for direct and indirect taxes, MSME and vendor information is enforced Thorough scrutiny of every invoice using automation and AI tools ensures that risk of wrong payments and fraud is minimised
Digital Invoice Creation	<ul style="list-style-type: none"> To eliminate the need for paper invoices from DSAs and legal and risk compliance vendors, you can offer digital invoice creation tools to them to submit their invoices

Business Process	Improvements
Vendor Portal	<ul style="list-style-type: none"> ◦ Vendors can now transact seamlessly for submitting their invoices and knowing the statuses ◦ DSAs appreciate the transparency and efficiency of the Portal
Payment Desk	<ul style="list-style-type: none"> ◦ A fraud-proof and efficient Payment Engine enables the Finance team to manage cashflows optimally ◦ Vendors can be prioritised and paid earlier or later as the case may be ◦ A direct Bank Payment gateway ensures that you minimise the number of steps involved
Query Management	<ul style="list-style-type: none"> ◦ Transparent and auditable trails of back and forth queries and documents can now be managed through the system itself. This enables a log of queries with internal teams as well as vendors.
GST Reconciliation	<ul style="list-style-type: none"> ◦ Level 1: GSTR 2B Reconciliation ◦ Level 2: GSTR 2B, 3B, IMS, GSTR3B, GSTR6, GSTR7, GSTR8, GSTR9, ITC-O4 Reconciliation and Filing and GST Reports

Business Outcomes & Metrics

Turnaround Time (TAT) for Invoice Processing Reduced ↓ 45%	Maverick Spends Reduced ↓ 40%	Compliant Vendor Spends ↑ 2.5x
Approval Cycle Time Reduced ↓ 65%	Invoices Processing Improved (monthly) ↑ 5000+	Fraud Instances Detected ↓ Multiple Instances
Approval Cycle Time Improved ↑ Smoother & faster audits	Team Bandwidth Increased ↑ 35%	Manual Accounting Efforts Reduced ↓ AP Workload reduced

Conclusion

Spend management remains key to the NBFC's growth, supporting market expansion and diverse vendor ecosystems. Its successful implementation offers a replicable model for industry-wide operational efficiency and resilience.