nexdigm

Case Study

A US-based Financial Services Trading Company

Service(s) offered: Payroll, Administration & HR Compliance

Sector/Industry: BFSI

Managed Payroll and Compliance Service for 300+ Associates

Our client is a proprietary trading company that recruits amateur traders, trains them, and funds them with company capital for trading in stocks, bonds, forex, cryptocurrencies, indices, futures, and commodity markets.

Challenge

As incentives were provided to associates based on the number of trades and quantum of amounts traded, monthly payouts fluctuated to a great extent. As a result, ascertaining the taxability of associates became a tedious and time-consuming process.

The client needed to streamline their payroll and compliances on an immediate basis to adhere to the tax and statutory requirements. There was an extremely short duration for which all activities needed to be completed.

The company faced attrition of key associates in their financial function. Therefore, the management decided to enlist a partner to manage payroll processing (as part of the entire accounting function) to minimize risk of business disruption on account of non-payment to employees. The client selected Nexdigm for their payroll requirements.

Case Highlights

- The client was onboarded with a headcount of 300+ associates
- The set-up and transition to the new payroll system was completed within 48 hours
- Ensured compliance with Employee State Insurance Corporation (ESIC) and Labor Welfare Fund (LWF) regulations
- Successfully managed the entire project, overcoming multiple challenges with expediency within five business days, as against the industry average transition time of two months

Our Approach

We first visited the client‘s office to understand current processes, challenges, and requirements from all related parties.

The first two days were spent gathering all pertinent information and reaching out to other departments for their inputs.

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Solution

After understanding the requirements in detail, the Nexdigm team completed the following activities:

- Data collection was one of the initial steps we undertook. There was a vast array of information to be collected from several teams, which was completed within 12 hours
- Identified gaps in computation of tax on income from salary
- Prepared a robust plan listing every activity with specific timelines and action owner
- Designed payroll processes to ensure 100% compliance on income tax and payroll related statutory compliances
- We also assisted the client with registration under the Labor Welfare Fund (LWF)
- Overhauled the entire payroll calculations from the beginning of the financial year to ensure accuracy
- A weekly review call was scheduled to discuss the progress and feedback until we achieved steady-state in the operations

Impact

- Nexdigm acted as an extended arm of the client to complete the payroll within the requisite deadlines, while avoiding all transition hassles to employees
- The entire payroll was set up and rolled out (including transition period) within 48 hours
- We delivered the first payroll with 100% accuracy, with zero queries on salaries
- We did a complete health check on the payroll compliances and ensured it was 100% compliant vis-a-vis payroll management

For more information on this case study, please write to us at:

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You can also visit our website to know how our services resulted in tangible business benefits:

www.nexdigm.com