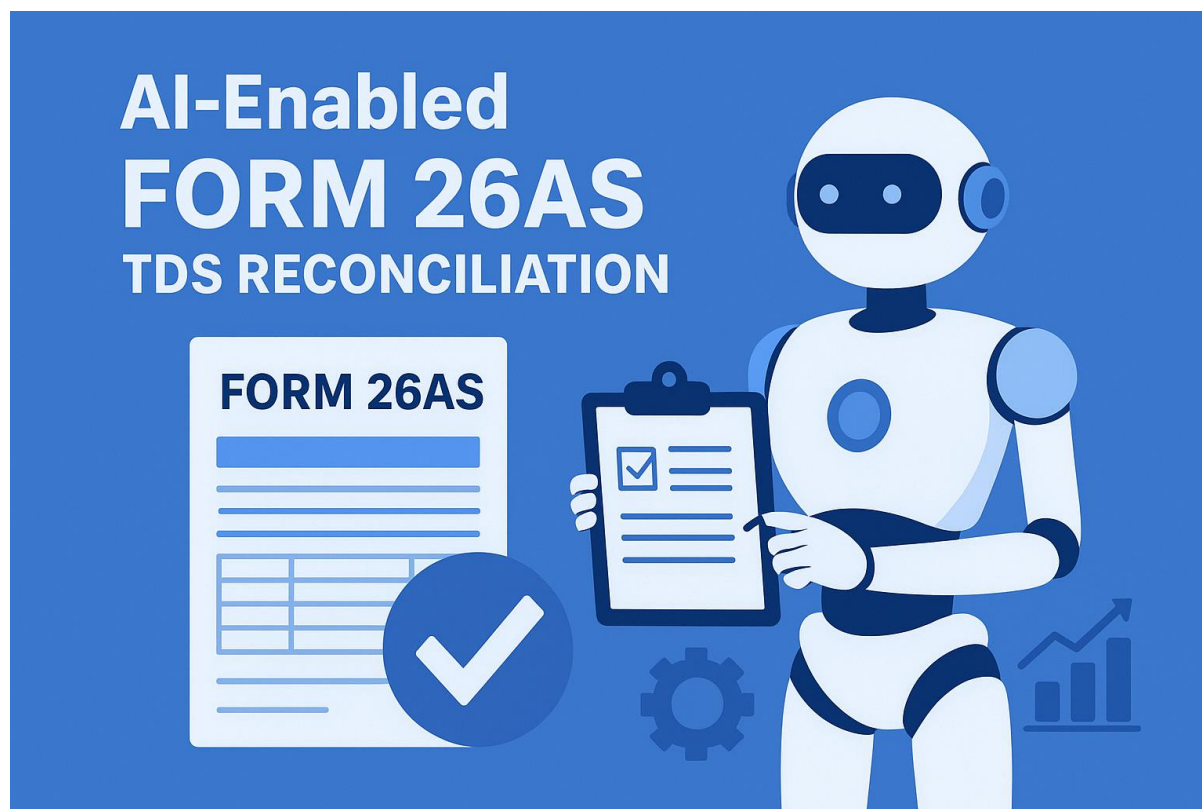


AI-Enabled Form 26AS TDS Reconciliation

[Add on solution in Business Central - Developed by Compusoft Advisors]



Overview :

Manual TDS (Tax Deducted at Source) reconciliation is a challenging and error-prone process for organizations with high transaction volumes. Common issues include, incorrect deduction amounts, timing differences, duplicate entries. These challenges lead to significant time consumption, manual effort, follow-up hassles for finance teams, and risks of penalties, interest, audit issues, and poor financial planning.

To address these challenges, Compusoft Advisors has developed an Automated Tax Reconciliation Toolkit focusing primarily on TDS reconciliation, built within Microsoft Dynamics 365 Business Central and enhanced with **Microsoft Azure services (Function Apps, Key Vault, App Insights)**. This solution streamlines tax reconciliation increases accuracy, ensures secure integration, and enhances compliance.

Key Features :

- **Automated Data Ingestion** of ERP records and Form 26AS for comprehensive data capture.
- **Advanced Matching Algorithms** including Same-Day, Range-Based, and FIFO matching with configurable tolerance checks.
- **Azure AI-Powered Reconciliation** using Python-based Azure Function App for fuzzy matching, confidence scoring, and intelligent discrepancy detection.
- **Discrepancy Detection** allowing identification of exact matches, shortfalls, and excess deductions with escalation workflows.
- **Detailed Reconciliation Reports** at party-wise, transaction-level, and summary views.
- **Secure Data Management** with API keys and tokens stored in **Azure Key Vault**, and real-time monitoring enabled through **Azure App Insights**.

How It Works

The solution integrates with Microsoft Dynamics 365 Business Central, automatically ingesting ERP and Form 26AS data. It applies intelligent matching algorithms powered by **Azure Functions (Python)** to reconcile TDS deductions with reported data. Discrepancies are detected and flagged for review with the ability to escalate issues.

Reports provide finance teams with clear, actionable insights, and optional TAN–PAN mapping further improves accuracy and communication via automated email alerts. Additionally, **Azure Key Vault** secures sensitive API tokens, while **App Insights** ensures continuous monitoring and performance tracking.

Prerequisites :

- Existing user of Microsoft Dynamics 365 Business Central.
- Access to Form 26AS data via TRACES or the Income Tax Portal.
- For advanced features:
 - Microsoft Azure subscription with **Function Apps, Key Vault, App Insights**
 - Optionally a Microsoft 365 license for SharePoint or Azure Entra ID authentication

Benefits :

- **Time Savings:** Significantly reduces manual effort in TDS reconciliation.
- **Improved Accuracy:** Rule-based intelligent matching minimizes errors and mismatches.

- **Regulatory Compliance:** Ensures timely and accurate reporting to avoid penalties and interest.
- **Better Cash Flow Management:** Provides clear visibility of TDS liabilities and refunds.
- **Scalability:** Efficiently handles large volumes of transactions without delays; auto-scaling enabled via Azure Functions.
- **Audit Readiness:** Maintains detailed records and reports for statutory inspections with full audit logs in Business Central and monitoring through App Insights.

Suitable Industries :

- IT & Software Services
- Manufacturing
- Real Estate & Construction
- Professional Services & Consulting
- Banking, Financial Services & Insurance (BFSI)
- Retail & E-commerce
- Infrastructure & Engineering
- Hospitality & Tourism

 Need Help?

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