**Transaction & Invoicing Workflow: Domestic Transactions.**

Once the customer selects a partner, service and finalises price the following steps will take place:

PROCESS ON PLACING AN ORDER : Transactions where the BK payment services are utilised.

1. Final SOW and approval of SOW between client and supplier, this will include the milestones, delivery dates
2. The first milestone has been fixed for a fortnightly payment by benchkart which needs to be covered in the main standard contract
3. The partner will enter the balance milestones into a pre-specified format available on his BK dashboard.
4. Upon approval the partner will raise the performa invoice (PI) for the first milestone. The amount needs to tally the total amount reflecting on the portal (amount +GST)
5. The PI will be uploaded as a PDF document in the system and available for view on both dashboards.
6. Customer can make payment using the PG button.
7. Every transaction will have a 2.5% +GST surcharge for using the payment gateway services.
8. Customer can decide the amount which he pays. This is needed as he might be required to deduct TDS from the transaction and then update on the platform if he has deducted TDS & of what amount.
9. A payment acknowledgement will be sent to the customer and partner.
10. The amount will reflect in our account on T+2 days…… but we can reflect the amount in the dashboard on successful completion of the transaction on the PG.
11. The payment will be withheld in the nodal account of the PG till
    1. the milestone is achieved
    2. partner raises an invoice for release of payments
    3. Customer approves the invoice as per conditions in step 10.
12. The following scenarios will come into play upon such request – the customer has a choice to **approve, dispute, do nothing**
    1. If customer approves, the funds will be immediately released and will reflect in the partners account in next 2 days.
    2. The customer will have 7 calendar days to approve the request for early release of funds to the partner. Incase he does nothing the funds will be automatically released by BK on the 8th day from request for release.
    3. Incase he disputes, the funds will not be released and a dispute ticket will need to be raised….refer to dispute resolution process.
13. WE NEED TO UNDERSTAND THE RECON PROCESS VIA THE PG.

NEXT MILESTONE:

1. Partner can request for funding of the next milestone at anytime.
2. An email notification needs to be sent everytime a partner requests for release of payments.
3. Customer will follow steps from no.2 above.

PAYMENT SETTLEMENT & COMMISSIONS:

1. On confirmation from customer, BK will start the settlement process of funds in the nodal account.
2. On settlement, Nodal account will remit BK commisions to BK current account and balance to partner account.
3. The amount will be inclusive of GST.
4. BK will generate an invoice for the commision amount to the partner.
5. Whether we need to withhold TCS needs to be answered ?
6. The invoice will be uploaded on the platform for the partner to view in their dashboard.

FREE TRIAL:

1. Benchkart will check from partners if they are willing to provide a Free Trial period to the BK customers.
2. If yes,
   1. the customer has an option to cancel the order within 15 days of placing the order and making a payment.
   2. If an order is cancelled for any reason the payment will be refunded to the customer…. Does this increase liability on BK if a supplier sues?
3. If No, the transaction will follow the normal course as defined in step 1

ORDER CANCELLATION:

1. Once a transaction has been initiated by the customer (payment), the order cannot be cancelled.
2. If partner has begun the work then order cannot be cancelled.
3. In exception scenarios, where a customer is requesting for a cancellation/refund after having placed an order and made a payment, BK might at its discretion and upon alignment with the partner choose to refund the amount upon deducting a cancellation fees of 5%.
4. Incase of a cancellation of an order for whatever reason, BK will make a best effort to find a replacement partner for the customer at the same cost.
5. Following are the steps for cancellation:
   1. Customer or Supplier can request for cancellation via the portal.
   2. Both parties will get an email notification for order cancellation.
   3. If no payments have been initiated, order can be cancelled at anytime.
   4. If customer requests for cancellation and has already made a payment the request will come to BK and supplier for confirmation.
   5. If partner agrees, the order is cancelled and money is refunded.
   6. If partner requests for cancellation, the money is refunded to the customer and BK will make its best effort to find a replacement partner.

PROCESS ON PLACING AN ORDER : Transactions where the BK payment services are not utilised.

There would be certain situations, value, complexity of work where the client might choose not to utilise the BK payment services. Our contracts need to explicitely state that incase of such an occurrence the BK commisions are still due from the seller for 1 year.

1. Basis confirmation from client, BK will raise an invoice for commision from the supplier.
2. Upon signing of a contract between both parties., the partner will need to release the complete commisions due to BK for the work within 21 days of BK invoicing the partner. This will include all development work like mobile, app, software etc and would not be linked to milestones.
3. For longer duration work like long term contracts for BPOs, KPOs where the client pays on a monthly basis – the partner will need to provide BK a monthly commission.
4. The standard contract would need to cover the same.

DISPUTE RESOLUTION PROCESS: A DRP process will be offered only if there are funds in the BK payment processing service account for the customer.

1. Incase of a dispute between the customer and partner, either party can raise a dispute in the system.
2. A ticket will need to be raised and acknowledgement needs to be sent to the customer/partner.
3. A BK representative will make an attempt to mediate the transaction and encourage both parties to mutually arrive at a consensus.
4. Either party can request for arbitration incase the parties are unhappy with the dispute resolution.
5. An arbitration fees will need to be paid for by both parties…. The fees depends on the solution which we take.
6. No dispute resolution service is available incase the BK payment services hve not been utilised.

INVOICING:

1. Partner raises a performa invoice for the milestone security money.
2. Partner raises an invoice on completion and of the milestone.
3. BK raises an invoice for the commission payments.

ANNEX

TDS RATES:

Applicable for a company as a payer

Section 194H : Commision or brokerage – 5%

Section 194J: Any sum paid by way of – 10%

a)  Fee for professional services,

b)  Fee for technical services

c)  Royalty,

d)  Remuneration/fee/commission to a director or

e)  For not carrying out any activity in relation to any business

f)  For not sharing any know-how, patent, copyright etc.

Note: With effect from June 1, 2017 the rate of TDS would be 2% in case of payee engaged in business of operation of call center.