Ramco Enterprise Series

Application Reference Manual

Payables Management

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1 Introduction

1.1 Overview

Payables management handles a series of functions associated with creating and settling the liability for goods and services purchased for production, trading or for day-to-day administration. The essential ingredients of an effective payables management system is a prompt accounting of the company's liability and a timely payment of these liabilities, and deriving benefits from the terms of credit offered by its suppliers.

The core business needs addressed by the Payables management function are:

▸ Recording invoices for purchases of goods or services.

▸ Matching invoices with orders or goods receipt documents

▸ Payments to suppliers

▸ Advances to suppliers

▸ Releasing payments to suppliers for invoices and credit documents

▸ Raising credit /debit notes for post invoicing corrections

▸ Adjusting invoices against advances or debit notes

▸ Maintaining Supplier Balance information

▸ Generating Supplier Statement of Account

▸ Making sundry payments (non purchase related receipts)

1.1.1 Functions

1.1.1.1 Invoicing

The process of recording invoices received from suppliers for purchases of goods or services is termed as invoicing.

In the normal business scenario, a purchase order is placed with a supplier and an order-based invoice is recorded in the system based on the terms and conditions of the purchase order, subsequent to the receipt of goods and the receipt of the invoice from the supplier. In the case of adhoc purchases or purchases without orders, an invoice can be recorded in the system based on the invoice received from the supplier. These invoices could be for items or for any expenses incurred by the company to avail services of any kind from a supplier. When a purchase is made based on a regular purchase order, it is possible that the delivery charges must be paid to a person other than the supplier.

The terms and conditions of invoicing may vary depending upon the business requirements for example there could be a situation when the invoice must be recorded in the system even before the receipt of materials. An invoice could also be raised on the company requesting for an advance or prepayment. This invoice is usually termed as the "Prepayment Invoice".

The above business processes are addressed as different flavors of invoices in Ramco Enterprise Series.

It could be said that an invoice is a document that represents the legal transfer of ownership of products from a seller to a buyer. The invoice contains all the information required to make a valid purchase. The following information is recorded in any invoice:

▸ Supplier Details

▸ Date of the invoice

▸ Currency and the exchange rate in which the liability is recorded

▸ Items / services and the corresponding rates at which they are ordered for

▸ Any taxes, charges or discounts applicable on the invoice

▸ Payment terms (due dates, early payment discounts, and penalty clause).

▸ Default payment method and mode of settlement of the invoice

A debit / credit note is raised to adjust the liability towards the supplier which has occurred because of change in price, discount, and return of defective items or due to errors while raising an invoice.

A debit note reduces the liability towards a supplier whereas a credit note increases the amount payable to the supplier. Every debit / credit note will contain a reference to the original document based on which the correction or alteration has been recorded. However, it is also possible for a debit or credit note to be raised without a reference document, for example an acknowledgement for details of incentives recorded for the volume of purchases made from a supplier.

The invoicing function in Ramco Enterprise Series provides the following facilities:

▸ Raising invoices based on a purchase order

▸ Raising invoices without reference to an order

▸ Raising invoices for delivery charges that have been incurred

▸ Raising invoices for advances received

▸ Raising debit or credit notes

1.1.1.2 Matching

Matching is the comparison of the quantity and value of goods at different points in the process of ordering and receiving. The quantity and the value of the items ordered, received and the quantity accepted is matched with the quantity and value invoiced to ensure that payment is made for the correct quantity and value of items.

Tolerances are set to provide for minor differences between the purchase order (PO), goods receipt (GR) and the invoice due to the nature of the item or due to the company's policy. Positive and negative tolerances are set for both quantities and values and the invoice is passed after accounting the difference as a variance in quantity or price (value). There could also be situations when urgent payments must be paid to suppliers even without fully matching the invoices irrespective of the defined tolerances.

Ramco Enterprise Series allows the user to match invoices in any one of the following manner:

1.1.1.2.1   Two-way Matching

In this type the user could match the invoiced quantity and value with the ordered quantity and value. This type of matching could be used for a purchase order without a goods receipt

1.1.1.2.2   Three-way Matching

In this type the user could match the invoice after the receipt of goods. This type of matching is primarily used for items that do not require inspection. It could also be used during the purchase of huge quantities of items and when items are received from suppliers whose quality is good. This type of matching can further be classified as:

▶   Three-way matching at PO level and

▶   Three-way matching at GR level.

In the first type, it is considered that the user is not interested in individual goods receipts for the purpose of matching and so will use only the PO, whereas in the second type, the user is interested in the individual goods receipts.

1.1.1.2.3   Four-way matching

In this type the user can match the invoice after the goods have been accepted. This type of matching is used for items of high value, items for which rejections are high, and for items received from suppliers whose quality record is not good. This type of matching can be classified as:

▶   Four-way matching at PO level and

▶   Four-way matching at GR level.

The logic of these two categories is similar to that of the corresponding categories in three-way matching.

An invoice can also be matched automatically during the creation process if the invoice quantity and value are within the tolerance limits set for auto-matching.

Tolerances are specified in the purchase order at the line item level for both rate and quantity. Whenever there are variances in the rate and quantity these tolerances would handle situations at the PO / GR and invoice level.

However, there may also be situations when tolerance limits are exceeded but the user still wants to make payments to the supplier. In such cases, the invoice can be fully matched provided the matching is within the set forced matching tolerance limits.

1.1.1.3 Supplier Payment

Supplier Payment is the process of settling supplier dues. Every invoice or credit document will have a payment schedule associated to it, which is based on the terms of credit offered by the supplier. The payment schedule contains the dates on which payments are due, the date till which discounts can be availed on early payment and penalty clauses for late payment.

It is critical for the payables department to identify the documents that are due for payment and avoid any penalty payments. Pre-defined pay groups can be created using date and priority parameters to retrieve documents as per the selected criteria.

Apart from payments for invoices or credit notes, payments can also be made in the form of advances to suppliers. These can be as per the terms of the purchase order or can be in the nature of a general advance.

Business requirements may also demand remittance of payments in favor of a different supplier from the one against whom the liability is recorded.

It is also possible that the payment currency is different from the currency in which the liability is acknowledged.

The payment process in Ramco Enterprise Series is handled by creation of a payment batch in which multiple documents across suppliers and currencies will trigger payment requests. The payment requests are made for the individual payment vouchers that get generated when a payment voucher batch is authorized.

The following information is required for a payment voucher:

‣ The reference document for which the payment is made

‣ Request Date

‣ Payment Date

‣ Payment currency

‣ Exchange Rate

‣ Payment Route, Mode,

▶ The details of the bank, cash or PTT through which the payment will be discharged

▶ Payment Priority

▶ Transaction amount for payment

▶ Discount amount and Penalty

▶ Action on Unadjusted Prepayments

 "Regular" or "Advanced" pay batches are created based on whether the payments are to be made in a single currency or in multiple currencies.

In Ramco Enterprise Series, the payment processing function allows payment requests to be raised. Printing of checks, disbursement of cash or electronic payments is performed by the "Release Payment" function. This results in the updating the payment vouchers as "Paid" and also in reducing the supplier balances. Click here for more information on supplier payment processing.

1.1.1.4 Sundry Payment

For adhoc purchases, with one-time parties where there is no time lag between liability recognition and payment. The payment voucher is prepared by an executive and authorized by the manager concerned after which the payment is discharged immediately. Miscellaneous expenses, rent, statutory charges, sundry advances etc are typical examples of sundry payments. Click here for more information on sundry payment concepts

1.1.1.5 Adjustment

Before making payment of a credit document, it is always necessary to ensure that adjustments / deductions against the same have been made so that the supplier does not get overpaid. Adjustment is the process by which some or all the pending liability of the company to the supplier is set off by adjusting the liability document(s) against prepayments or debit notes.

Some of the business situations where adjustment of documents is required are:

▶ When a fifty percent advance is paid to the supplier prior to the dispatch of materials, as per the purchase order. This advance must be adjusted so that the payment is made for the balance fifty percent.

▶ When a debit note is raised on a supplier for the rates of defective items supplied. The debit note raised must be adjusted against the invoice.

In Ramco Enterprise Series, adjustment occurs when multiple debit / credit documents are retrieved and adjusted against each other, thereby creating an adjustment voucher. The documents that have been retrieved for adjustment could be in the same or different currencies.

As the process of adjustment results in the settlement of credit documents fully or partially, the discounts on these documents can also be modified.

The following information to be required for a payment voucher:

▶ Supplier details

▶ Adjustment Date

▶ Credit Document (s), adjusted amount, discount amount

▶ Debit Document(s), adjusted amount

In Ramco Enterprise Series, the adjustment process offsets the credit and debit documents and also reinstates the net balance amounts for the credit documents. Click here for more information on supplier adjustments.

1.1.1.6 Release payments

A company makes various payments to suppliers, employees, statutory authorities and so on during the course of the daily operations. Payment requests are raised by the various departments by specifying the details of payment like payee details, pay amount, currency, bank, pay mode, pay date etc. Subsequently, the payment is finally released to the payee through a specified mode of discharge like check / cash / DD etc.

In Ramco Enterprise Series, the "Release Payment" processes the payment requests and issues payments by printing a check; paying cash, issuing a DD, pay order or instructing the bank to make a direct debit etc. The payment vouchers and the reference documents based on which it was raised are updated as "Paid".

If the bank returns the payment due to insufficient balance or a defective instrument, the instrument can be declared as "Void". This information is recorded and the respective departments are notified regarding the returned instrument.

1.1.1.7 Procure to Pay
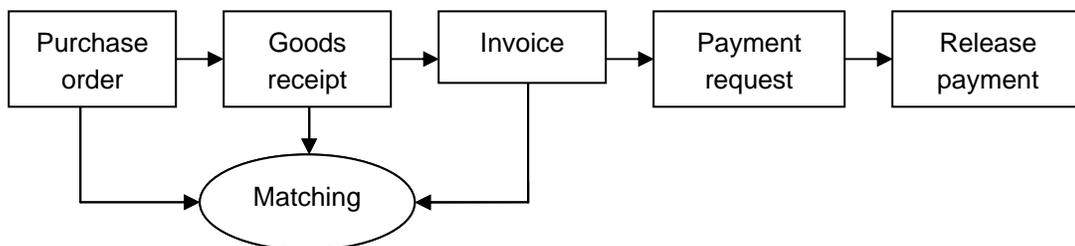
Figure 1Procure to Pay

1.1.1.8 Procure to Pay (with Advances)
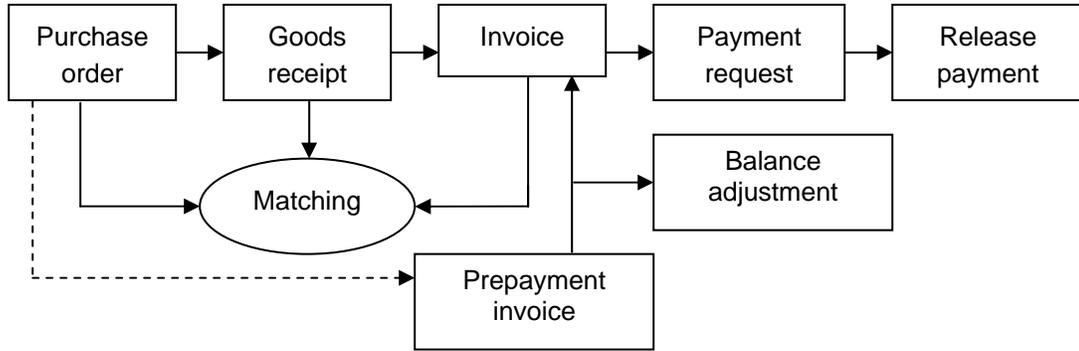
Figure 2 Procure to Pay - Advances

1.1.1.9 Procure to Pay (with Debit & Credit Notes)
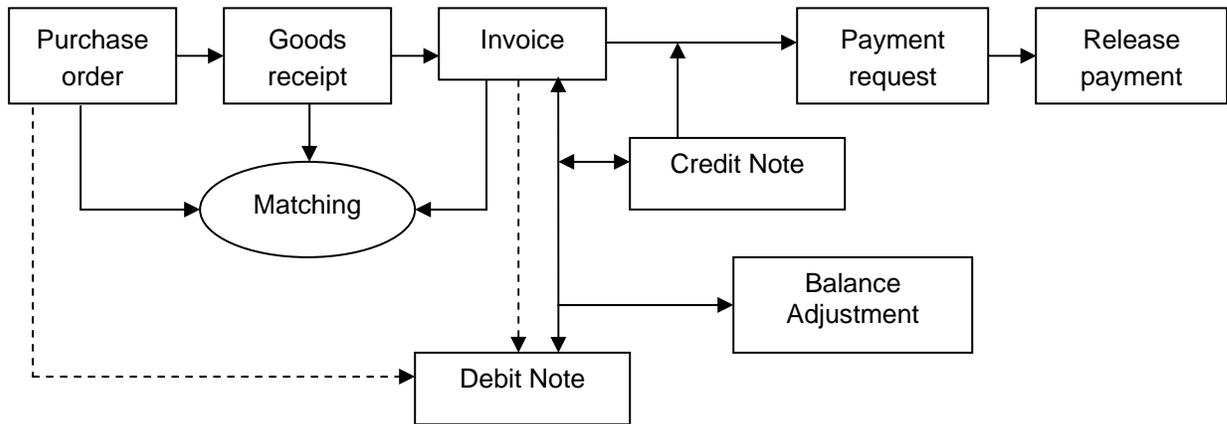
Figure 3 Procure to Pay – Debit & Credit Notes

1.1.1.10 Direct Invoice Without Order
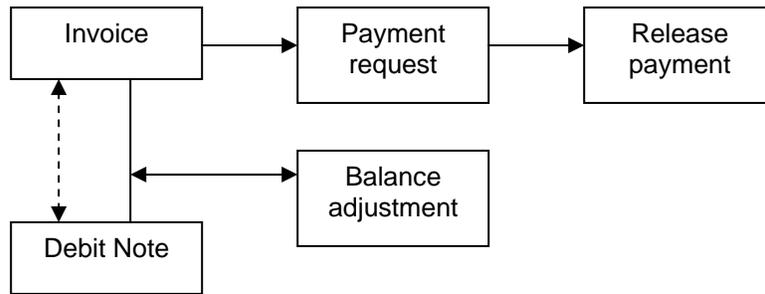
Figure 4 Direct Invoice Without Order

1.1.1.11 Payment Process
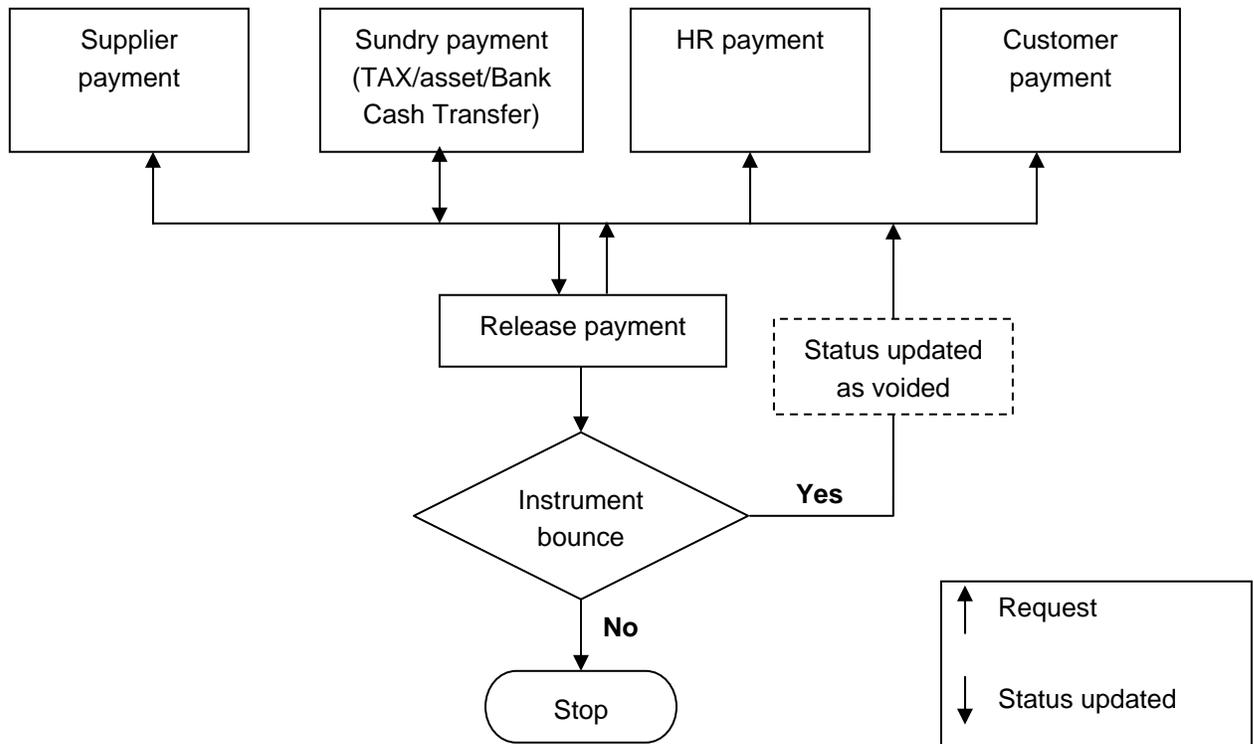
Figure 5 Payment Process

2 Enterprise Modeling

2.1 Understanding the Enterprise structure

For the successful operation of an enterprise solution, it is imperative to model the basic structure of the organization. The flow of information, interactions between business function and reporting relationships need to be identified. Any system must display the ability to input data, aggregate output and analyze information in accordance with the different dimensions of the business enterprise. The system must also be nimble and adaptable to the constantly changing enterprise structures.

Any enterprise can be structured as

2.1.1 Legal organization

A Legal organization works within the purview of a legally registered "Company". A company that has a legal identity is empowered by the law to transact business.

All commercial transactions need to work within the boundaries of the legal company. This company is obliged to present its financial statements to its investors, tax and other legal authorities. The financial information pertaining to the commercial transactions are maintained in the "Finance Books". A legal company can have several "Finance Books" into which information can be posted. All transactions that have a financial impact need to post information to Finance Book

2.1.2 Operations based organization

An "Operation based organization" is designed to carry out business in an efficient and effective manner. The objective of this organization is to bring about a synergy among the resources of the enterprise. This legal structure of the enterprise may or may not have a bearing on this structure. The main entity in this structure is the "Business Unit". A business unit denotes a group of operations that are governed by similar policies and procedures. A typical example of a business unit could be a product line. If there are several business units that perform similar production and logistics function (that is deal with same trading partners, use similar items), they can be grouped together to form a "Logistics Organization".

2.1.2.1 Organization Unit

An organization unit constitutes the most atomic grouping of resources, functions or utilities. Organization units can be grouped to define "Business Units" or "Legal Companies".

2.1.3 Organization of the Payable Management Function

In Ramco Enterprise Series, the payables management process is required to function within the enterprise structure, both legal and operational. The "Payables Management" process can be centralized or decentralized. The relation between the functions and the organization structure is detailed below

Invoicing - The invoicing process may be centralized or decentralized. If centralized, then the "Purchase Order" (PO) and "Goods Receipt" (GR) documents recorded at different organization units can be invoiced at a single organization unit. However, if the invoicing is decentralized, the purchase orders, goods receipts and invoicing are restricted to the same organization unit. Similarly, when purchase orders are raised and executed in a business unit, it is expected that the corresponding invoice must also be recorded within the same business unit. Every invoice should refer to a single company. Also the contract (purchase order) on which is the invoice is based must belong to the same company. This is applicable for all documents within the invoicing function. Multiple instances of invoicing function may be deployed for a company.

The following is the representation of a centralized invoicing process
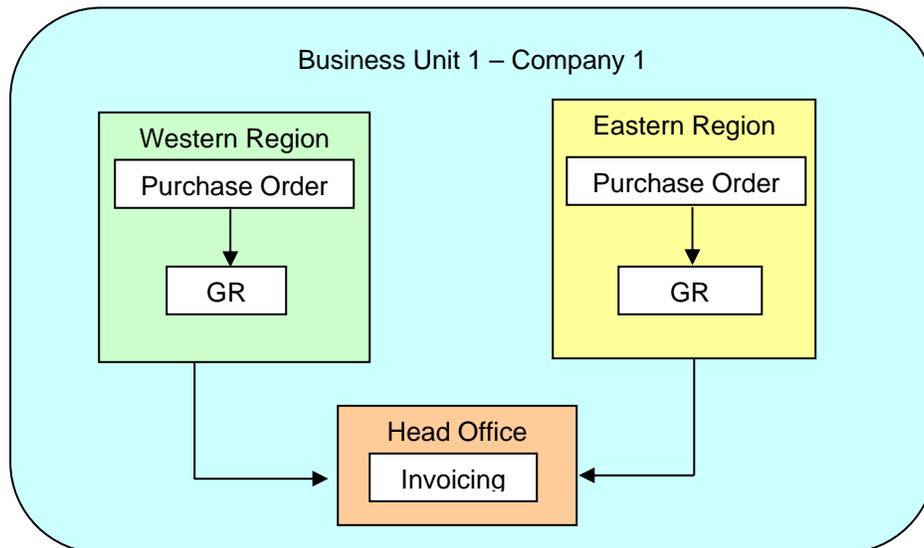
Figure 6 Centralized Invoicing Process

The following is the representation of a decentralized invoicing process

The Western Region invoices for Sale orders and shipments from Western region and like wise for Eastern region. Also invoicing function does not transgress business unit boundaries.
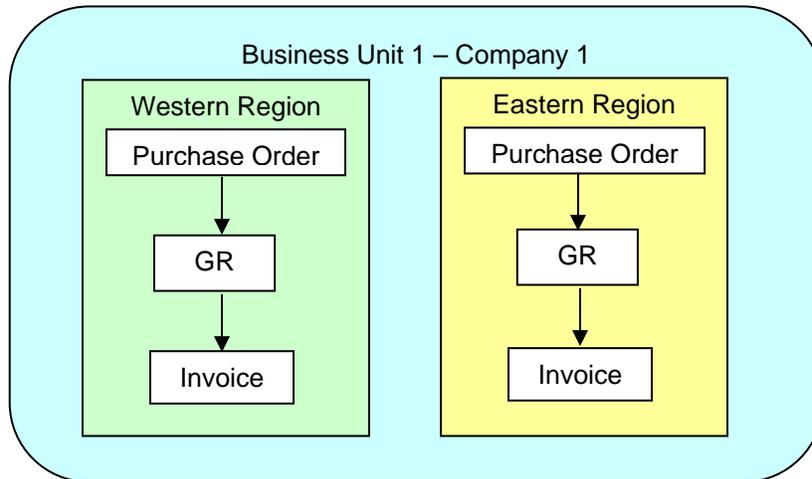
Figure 7Decentralized Invoicing Process
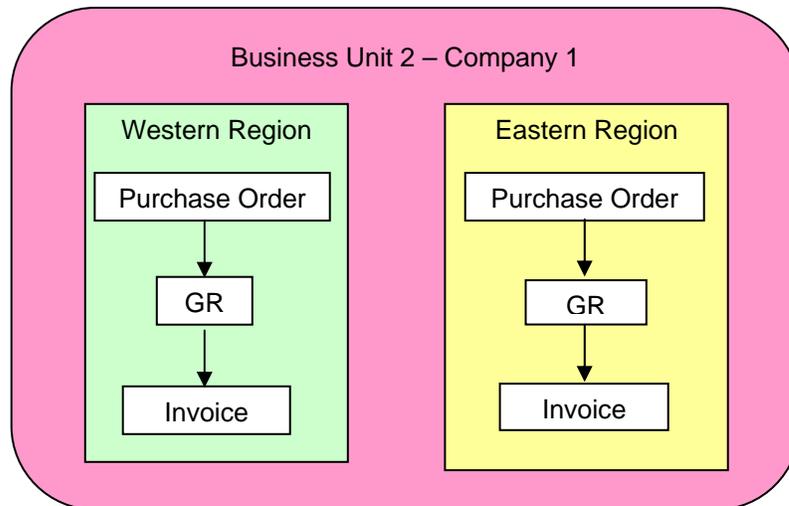
Figure 8 Decentralized Invoicing Process

Payments – this process could also be centralized or decentralized. In a centralized payment set up, request for payment vouchers would be centered at one organization unit, whereas in the case of decentralized set up, multiple payment requesting points would be available for raising requests. Payment vouchers must belong to a single legal company.

Also the process of releasing the payments may be centralized or decentralized. Multiple instances of deployment for a payment component are possible.

The following is the representation of the Centralized payment process:
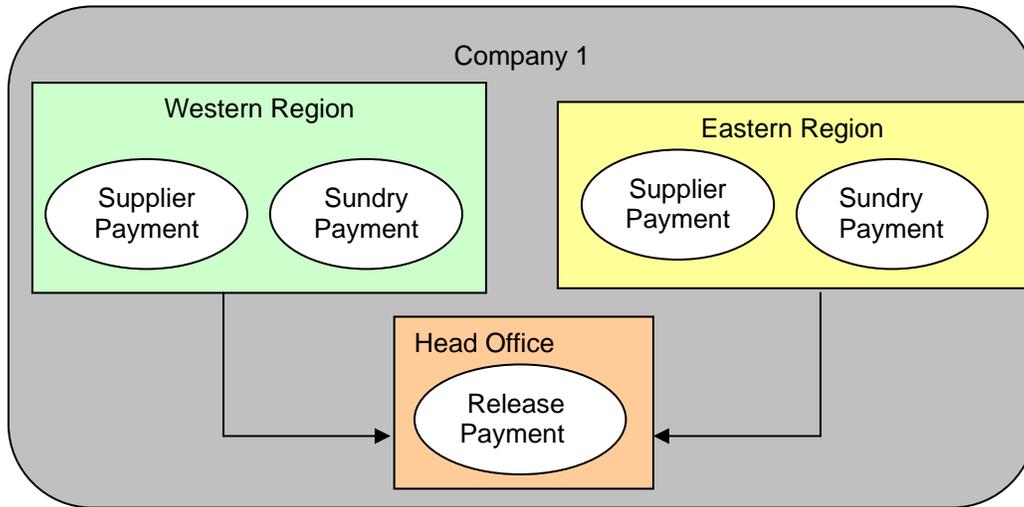
Figure 9 Centralized Payment Process

The following is a representation of the decentralized payment process
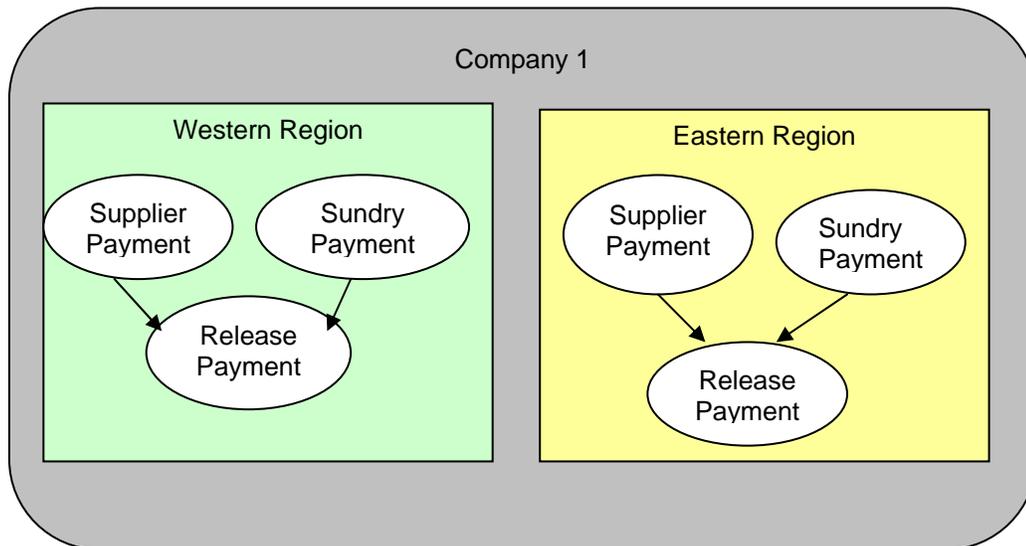
Figure 10 Decentralized Payment Process

Adjustments – Adjustment vouchers must belong to a single company. The documents that are adjusted must also belong to the same company. However based on a parameter setting, the documents may or may not belong to the same business unit. Similarly a supplier's balance may be transferred from one business unit to another, but must be within the same legal company. Ramco Enterprise Series supports multiple deployment instances of Adjustment component.

Decentralized and within BU
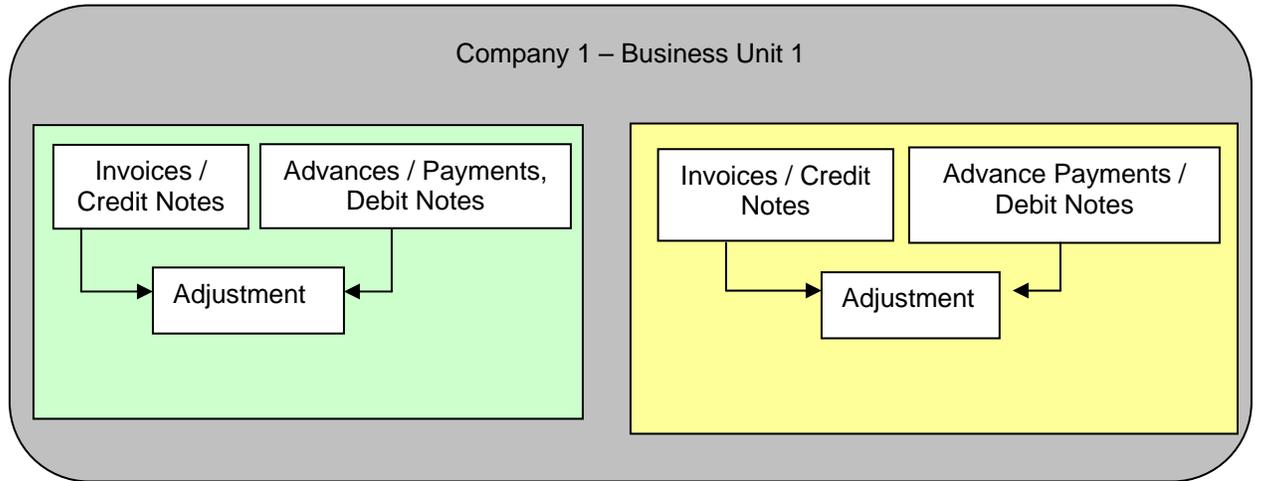
Figure 11Decentralized within Business Unit

Centralized and across BU
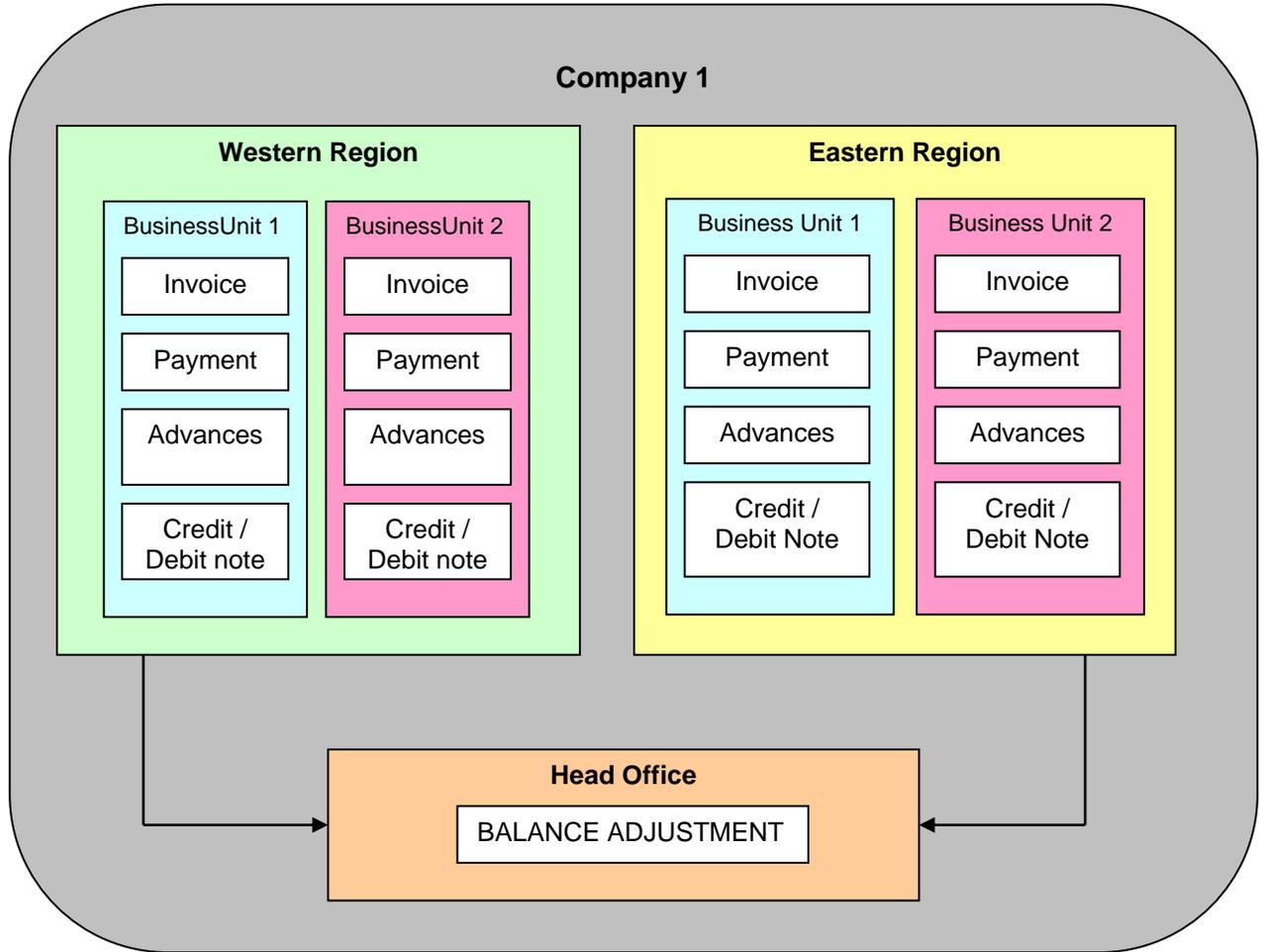
Figure 12 Centralized Across Business Unit

▶ Control Balance maintenance: The supplier balance information can be ascertained at all levels:

       i)   Finance book

      ii)   Company

It is expected that the balance maintenance function would be deployed at a single organization unit for a company.

3 Master Definition

3.1 Check Series

3.1.1 Purpose

Normally, a company holds corporate accounts with a few banks. Among them a few are specifically identified for making payments regularly. One of the most widely accepted modes of payment is through a "Check". Check books containing multiple check leaf are issued by the bank. The details of the check must be filled out manually in these checks. Checks could also be in the form of pre-printed stationery on which the details can be printed out in the system. Another variant of the check issuing process is where the stationery is not pre-printed. If the bank allots check numbers to the company, it could be generated serially and printed out in the stationery.

In order to achieve the objective of printing out checks in Ramco Enterprise Series system, link a payment voucher to the instrument through which it is discharged and maintain the instrument details in the voucher along with the check series of the bank account.

3.1.2 Overview

This component enables us to define the various check series details such as the prefix, number of digits, starting check number, number of checks, pre-printed option and so on. The checks can be written out manually or printed automatically by the system. During issue / printing of a check, system generated check serial number will be assigned to a voucher depending upon the selected check series.

3.1.3 Key Features

▸ **System generated Serial Numbers:** Based on the parameters like prefix, starting check number, number of checks and digits, the check numbers are automatically generated and stored in the system for use.

▸ **Pre-printed / Non-pre-printed:** It is possible to specify at the check series level, whether a check will be printed using the pre-printed stationery of the bank or non-pre-printed stationery. This also governs whether a check can be deleted / recorded as damaged in the system.

▸ **Manual or Automatic:** The system prints the details of the payee if "Automatic" has been opted for. If "Manual" has been selected then the details of the payee must be written down manually subsequent to the printing of the check.

3.2 Pay Groups

3.2.1 Purpose

The purpose of a pay group is to retrieve documents based on a pre-defined set of parameters for creating a payment batch. Pay groups are defined to facilitate the easy recovery of credit documents like invoices or credit notes from the account payables system of a company when a payment voucher is to be generated.

3.2.2 Overview

A pay group is a set of parameters consisting of filters for the source credit documents like invoices or credit notes and the criteria for generating the payment vouchers. For example, a pay group could help the user to retrieve invoices that have been in raised US Dollars within a specified date period, for an amount that does not exceed 10,000/- US Dollar payable through electronic fund transfer like ESR (TA826).

In addition, the pay group also provides the criteria for generation of payment vouchers that is the pay group will determine how the payment vouchers will have be created. For example, the payment vouchers could be created amount wise and a single voucher could be restricted to an amount that does not exceed $10000. In this case, if the total payable amount is $45000 to a single vendor from the same bank, five vouchers will be created - four for $10000 and one for $5000.

3.2.3 Key Features

‣ Date Criteria: Date based retrieval filters can set through three types of pay- through dates i.e. Transaction date, Discount Date and Due Date

‣ Sort Documents: It is possible to sort the result set based on criteria such as maximum discount, minimum penalty etc.

‣ Document Types: It is possible to set filters for the documents of a certain type at a certain billing point.

‣ Voucher Creation Parameters: In addition to defining filters for retrieval of documents, the payment voucher creation parameters can also be specified with conditions such as payment route, mode, and bank cash code.

‣ Restrict by max amount: It is possible to specify the maximum amount in a voucher such a number of vouchers can be generated for the same document.

Click here to know more on pay groups.

4 Transactions / Processing

4.1 Supplier Direct Invoice

4.1.1 Purpose

The process of generating invoices for purchases made from suppliers without a document reference is facilitated through the Supplier Direct Invoice component. In this component, Item/Expense invoices are raised on suppliers for purchases made without a purchase order or goods receipt reference. In normal business practice, an organization is bound to make purchases of items that are regularly consumed. Items that are purchased without a purchase order, may be the following:

▸ Items not frequently purchased at regular intervals

▸ Items that do not directly contribute to the production process.

Also, stock in respect of these items is generally not maintained because of their negligible value.

Examples of such items are stationery items, consumable items, office maintenance items etc. Similarly, expenses such as traveling, courier or other service charges are incurred regularly by any organization and therefore invoices for recording the liability for such expenses need to be captured appropriately. In such a scenario, a business organization cannot afford to go through the entire cycle of purchase request, receipt of quotations, rising of purchase order, etc., because of paucity of time. Therefore, the concept of Supplier Direct Invoice enables the user to record such ad hoc purchases and expenses without delay. This also ensures that payables in respect to these is captured and recorded correctly.

Where, stock items are purchased through Supplier Direct Item Invoice, an unplanned receipt is created manually with reference to this supplier direct invoice to record the receipt of these items into stock. Also, when capital items are purchased through Supplier Direct Invoice, the invoice can be captured in the Asset Capitalization component for capitalization of the asset.

4.1.2 Overview

Supplier Direct Invoice is that flavor of invoice that has no preceding purchase order (PO) or goods receipt (GR) as reference. The invoice received from the supplier for the items or services rendered is recorded in the system to acknowledge the liability. All the information pertaining to the purchase transaction is recorded at the time of invoice generation. Ramco Enterprise Series provides the user the facility to create the following supplier direct invoices - "Item Invoice" and "Expense Invoice".
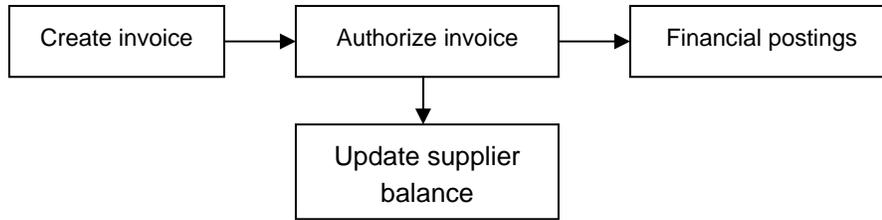
Figure 13: Process of raising a "Supplier Direct Invoice"

4.1.2.1 Item Invoice

This type of invoice is used for the purchase of items that form a part of the inventory. The different types of items like finished goods, raw material, service items, capital item and so on can be purchased with this type of invoice. The unit price of the item will be retrieved from the inventory. The liability is acknowledged based on the invoice received from the supplier and the document is processed for payment.

The movement of these items to inventory by recording the direct invoice number as a reference to the unplanned receipt transaction. These items are recorded in the inventory as "Unplanned Receipts" along with the details of the direct invoice as reference.

4.1.2.2 Expense Invoice

This type of invoice is received for the expenses that have been incurred where liability for payment can be deferred that is a credit period is available. Expenses incurred through the purchase of stationery items, consumables and office maintenance items or through service charges like traveling, courier and so on.

The following information are recorded in every direct invoice:

▸ Invoice Date

▸ Supplier

▸ Pay to Supplier

▸ Supplier Account Code

▸ Supplier Invoice Number

▸ Pay Term

▸ Anchor Date

▸ Currency

▸ Default Payment method, route, and mode

▸ Quantity, UOM and Rate Information

▸ Expense Usage and Amount

▸ TCD Information

4.1.3 Concepts

Anchor date

This is the date from which the Payment schedule is generated for credit purchases. Anchor date can be same as or earlier than the invoice date. But, this date cannot be later than the invoice date. Anchor date also cannot be earlier than the supplier invoice date.

Tax /Charge/Discount

The Tax/Charge/Discount calculation engine calculates the actual value of the taxes charges and discounts. For more details on the TCD calculation engine, refer to the Purchase Set up ARM. Based on the usage selected for Tax /charge / discount, the account posting is made either to the Item/Expense account or to the account code mapped to the Tax/charge/discount.

Level of Tax/Charge/Discount

TCD can be calculated at the document or the line level. If the tax, charge or discount is at document level, then it can be applied on all the lines of the document. On the other hand, if it is at line level, then the specific line against which the same TCD is to be applied can be selected. Document level facilitates ease of data entry if the type of taxes/charges/ discounts applicable on all lines is the same.

Auto Adjust

If the auto adjust option is selected, then the prepayments (prepayment invoice, advance payment voucher and debit notes) of the invoice supplier will be automatically adjusted with the invoice on authorization. The order of adjustment (FIFO or LIFO) is based on a parameter setting in Supplier Balance Adjustment component. On authorization of the invoice, an adjustment voucher is also generated. Supplier balances are also updated accordingly.

Manual adjustment

If adjustment is desired at the time of invoice creation itself, with specific documents (not on LIFO or FIFO basis), then the "Adjustment" link can be used. In this link, the debit documents can be selected. On authorization of the invoice, an adjustment voucher adjusting the invoice and the selected debit documents is also generated. The selected document currency must be the same as that of the invoice.

Fixed Asset Purchase

In case of asset purchase, the Asset purchase proposal reference can be provided. This asset is available for capitalization. The asset proposal information is also updated on authorization of the invoice.

4.1.4 Key Features

4.1.4.1 Commercial

▶ **Multi-currency**: The invoice can be recorded in any of the currencies permitted for the company and agreed upon with the supplier.

▶ **Payment Terms**: The credit policies of the supplier can be modeled as pay terms and attached to the invoices based on which due dates; discount dates, discounts and penalties will be calculated.

▶ The standard prices at which the items are normally procured from the supplier can be retrieved and the user can modify it.

▶ Taxes, charges and trade discounts related to the purchase can be specified at the item level or at the document level.

▶ Codified inventory items, services, assets can be purchased using supplier item invoice.

▶ Invoices for expenses where the supplier is defined can be recorded using the expense invoice.

▶ It is possible to specify the pay to supplier where the payment is to be made to a person other than the supplier.

▶ It is possible to specify the control account to which the entries are to be made where multiple control accounts are defined for the supplier group.

▶ It is possible to adjust an invoice automatically after authorization.

▶ After the direct invoice has been recorded, in the inventory, the invoice number can be recorded as a reference against the unplanned stock receipt.

▶ It is possible to procure a capital asset through a direct invoice and then capitalize the invoice value of the item.

▶ Facility to provide Destination Cost center, destination analysis codes and destination sub analysis codes for the account code mapped to the destination usage.

4.1.4.2 Financial Posting

▶ The system proposes the supplier account based on the default supplier control account code set for the supplier groups from the "Account Rule Definition" component. Where the user specifies the control account code other than the default, the same will be considered for financial posting. Currently Multiple control accounts for the same supplier account group can be specified. Hence the user has the option to select the control account to which entry has to be posted.

▶ The Finance book in which the postings are to be made can be specified.

▶ The system retrieves the account codes in which the expense invoice details must be posted based on the specified usage.

‣ The system retrieves the account codes that have been mapped to the predefined usage "Purchase Suspense" will be retrieved for the item invoices. The system will also retrieve the account codes that have been mapped to the usage "FA Suspense / CWIP" for the capital items. (Based on the existence of interaction with APLAN).

‣ The cost center information for the accounts can be specified for the expense invoice.

‣ The Analysis and sub-analysis codes (sub division of account code) can also be specified if required.

‣ If budgets have been defined for the account codes, then the system ensures that the amount is within the budget amount.

‣ The proposed account posting information can be viewed prior to the authorization of the invoice.

‣ Details of the financial postings can be viewed in the transaction currency, the base currency or the parallel base currency of the company.

4.1.4.3 Services

‣ Automatic generation of invoice numbers. Manual numbering option is also provided.

‣ When the Usage Id in Expense Invoice is InterFB, This invoice will automate the generation of the second JV in the destination Finance Book chosen. This automatic generation of Journal Vouchers in the destination FB will save considerable time spent on data entry in two or more Finance Books. Automatic journal vouchers will get generated based on the parameter in Set Function Defaults. The user can set the parameter as Blank if he doesn't want the automatic creation of Journal Vouchers. Likewise the user can also set the parameter for Status of the Auto JV either as Fresh status or as Authorized status.

‣ When all the required information for the document is provided the document would be created in Fresh status else the status of the document would be 'Draft', the user has to provide all the required information and edit the document to update the status as 'Fresh' so that the document can be authorized.

‣ An invoice can be authorized during the process of creation if the user has permission to do so.

‣ Facility to authorize or delete multiple invoices at a time.

‣ Provision to "Return" the invoice for modifications if required by the user who is to authorize the invoice. The details of this invoice can be modified and authorized subsequently.

‣ Facility to reverse the invoice after authorization provided adjustments have not been made and payments have not been made for the invoice.

‣ Notes can be included to the invoice document at any stage of invoicing.

‣ The summary of the invoice can be viewed during any stage of invoicing. Details like the total item value, Tax, charge and discount value; the amount of invoice that has been paid and/or adjusted and the balance outstanding can be viewed.

4.1.5 Prerequisites

▶ Organization setup modeling must have been completed in Enterprise Setup.

▶ Component Interaction model definition must have been completed.

▶ Finance book information must be available.

▶ Item codes must have been defined in the Item Master component.

▶ Expenses must have been assigned to a usage ID, which should be mapped to an account code in the Account Rule Definition component.

▶ Account Codes for Purchase Suspense and Payables [Supplier Control Account] must have been created in the Accounting Setup component and mapped to the Supplier groups in the Account Rule Definition component.

▶ Supplier Codes must have been defined and included in the Supplier groups in the Supplier Master component.

▶ Currencies must be defined in the Organization Setup component. Base currency for the company and permitted currencies in which the payment shall be made should also be defined.

▶ Numbering Type must have been defined and mapped to the respective activities in the Numbering Type component.

▶ Payment term definitions.

▶ Tax/charge/discount definition.

▶ Exchange Rate definition for foreign currency transactions should be defined in the exchange rate component.

4.1.6 Predefined Values

Field	Predefined Values
Electronic Payment	Yes/No
Auto Adjust	Yes/No
Usage in Item Invoice	Capital/Non Capital
TCD Computation	• Document Level • Item Level
Discount Computation	• Base Amount • Gross Amount
Due Amount Type	• Flat Amount • Percentage
Discount Amount Type	• Flat Amount • Percentage

4.1.7 Functional Parameters

Parameter Description	Value	Implication
Allow Multiple Finance Book Postings	Yes / No	When multiple Finance books are mapped to the login organization unit this parameter determine whether postings can be made to all such mapped finance books are not. If this is set to No, only the default finance book would be available for selection in the Finance Book combo across activities of this component
Default Finance Book	List of finance books from the "Organization Setup" component	Based on the values returned by the "Organization Setup" component, the user can select the finance book to be defaulted in the various activities of the component
Default Supplier Registered at	All the organization units in which the "Supplier" component has been deployed. The system retrieves the list of organization units based on CIM	This Parameter Allows the user to default the organization unit in which "Supplier" has been created based on CIM
Payment Term Number prefix	User defined	In this parameter the user can define the prefix for the "Term Number" attached to a pay term code
Payment Processing Point Mandatory	Yes / No	This parameter determines whether the payment-processing point is mandatory for every transaction done in the component. If it is set as "Yes" then the system won't create an invoice unless the user specifies the payment processing point.
Default Payment Processing Point	All the organization units in which the "Payment Processing" components have been deployed. The system retrieves the list of organization units based on CIM	This parameter allows the user to select the default payment processing point that is the organization unit from where payments have to be made for the voucher

Parameter Description	Value	Implication
Default Receipt Location	All the organization units in which the "Stock Receipt" components have been deployed.	This parameter allows the user to select the default receipt location OU that is the organization unit in which the goods are received.
Status of InterFB Journal Voucher	Blank / Fresh / Authorized	This Parameter allows the user to set whether the Journal Voucher will be generated automatically or not and the status of the Journal voucher if it is auto generated.
Allow Total Invoice Amount less than Supplier Invoice Amount during Invoicing	Yes /NO	This parameter allows the user to specify the Supplier Invoice Amount equal to the Total invoice amount or greater than the total invoice amount.
'Action on unadjusted debit documents'	Yes / NO	It's a company level parameter to warn or to ignore the creation of invoice if any unadjusted prepayments exist for the supplier

4.1.8 Deployment

Supplier direct invoice component may be deployed at single or multiple organization units. Every organization unit where unplanned purchase or regular items or purchase of non-stockable items are made may require this component. The transaction is recorded against the Company that is mapped to the organization unit from where the transaction originates. Financial postings are made into the Finance Book that is selected at the time of transaction. All Financial books mapped to the corresponding company and Organization unit are available for posting.

4.1.9 Component Interaction

Component	Interaction
Account Based Budget (ABB)	N:1
Account Rule Definition (ARD)	N:1
Accounting Setup (AST)	N:1
Bank / Cash Definition (BNKDEF)	N:1

Component	Interaction
Organization Setup (EMOD)	N:1
Exchange Rate (ERATE)	N:1
Finance Book Processing (FBP)	N:1
Financial Calendar Closure (FCC)	N:1
Journal Voucher	N:M
Cost Setup	N:1
TAX Calculation	N:1
Asset Capitalization	N:M
Asset Planning	N:1
Numbering Class	N:1
Item Administration	N:M
Payterm	N:M
Stock Receipt	N:M
Supplier	N:M
TCD	N:N
UOM Administration	N:1
Company Parameter Setup	N:1
Organization Unit Parameter Setup	1:1
Installation Parameter setup	N:1
Supplier Balance Adjustment	N:1
Supplier Inquiry	N:1
Supplier Payment	N:1
Notes	1:1
Reason Code Definition	N:1

4.1.10   Status

Status	Denotes …
Draft	The status once the invoice is created. This status will occur only when there is insufficient information for the document E.g. Electronic payment information is not specified
Fresh	The document is complete in all respects and is available for authorization.
Authorized	The document is authorized appropriately and can be used for all external purposes. Financial postings are made and supplier balances are updated accordingly. All taxes and liabilities to the government are also recorded.
Held	Authorized documents that are held. This is to prevent the Invoice from getting paid / adjusted.
Partly Paid	Invoices for which partial payments or adjustments have been made
Held Partly Paid	The partly paid documents can be held to get this status. This is to prevent the documents from getting paid / adjusted further.
Paid	The invoices that are fully settled
Reversed	A document that has been rendered null or voided. On reversal, all the updating made on authorization are nullified. This includes financial posting and supplier balance updating also. A document that is in "Partly Paid" or "Paid" status cannot be reversed.
Returned	The authorizing person has found a few anomalies in the document and the same is available for editing again. This status results when the authorizer invokes the 'Return' task in the Authorize activity.

4.1.11   Postings

4.1.11.1 Financial Postings - Authorize Invoice

Invoice Type	Account Code	Dr/Cr	Amount
Expense invoice	Account mapped to Usage	Dr	Amount as specified in The multi line
	Tax/Charge account mapped to the Tax/charge code	Dr	Amount of Tax/Charge
	Discount account mapped to the Discount code	Cr	Amount of discount

Invoice Type	Account Code	Dr/Cr	Amount
	Supplier control account	Cr	Amount Payable to the supplier
	If the usage for Tax/Charge/Discount is Usage then the amounts would posted to the account code mapped to the Usage Id given in the main page		
Item invoice	Purchase suspense account	Dr	Item value
	Tax/Charge account mapped to the Tax/charge code	Dr	Amount of Tax/Charge
	Discount account mapped to the Discount code	Cr	Amount of discount
	Supplier control account	Cr	Amount Payable to the supplier
	If the usage for Tax/Charge/Discount is Item then the amounts would posted to the Purchase suspense account		

4.1.11.2 Financial Postings - Reverse invoice

The account postings on authorization will be exactly reversed.

4.1.11.3 Inter component posting

▶ Postings into Supplier Inquiry for the purpose of supplier balance updating.

▶ Postings into Finance Book Processing on authorization or reversal of invoices.

▶ Authorized item based invoices are available for creating stock receipts in Inventory.

▶ If auto adjust is set to yes or if documents are specified for adjustment, then on authorization of invoice, adjustment voucher is also generated.

4.1.12   Online Reports

4.1.12.1 Supplier Direct Invoice (Item Invoice)

Refer the Report Book for the Report Layout.

4.1.12.2 Supplier Direct Invoice (Expense Invoice)

Refer the Report Book for the Report Layout.

4.2 Supplier Order Based Invoice

4.2.1 Purpose

A purchase order is a document that represents the company's intention of purchasing items or services from a supplier. A purchase order is the contract that binds both the parties. The items that are received in the inventory are recorded by means of a goods receipt (GR) and simultaneously, the invoice received from the supplier is recorded in the company's books of accounts. Once the goods are inspected for quality, the invoice is passed for payment provided the quantity and value stated in the invoice are acceptable. An order-based invoice acknowledges and accepts the liability for the value of the items or services and posts the same in the company's books of account.

4.2.2 Overview

The purchasing process in a company usually starts with identifying the need for various materials for production or trading. A request for quotation (RFQ) is then sent to suppliers. A company places a purchase order (PO) on a supplier, based on the received quotation subsequent to the assessment of the supplier on various parameters decided. The order specifies the quantity, rate, delivery schedules, quality specifications and other commercial terms for the ordered materials.

On receipt of the goods from the supplier, a goods receipt note (GR) is recorded in the system for the quantity of the items received and accepted. The invoice received from the supplier is then recorded in the system as a "Supplier Order Based Invoice" that has a PO and GR (optionally) as reference documents. The details of the invoice like the. Item quantity, rate, taxes, charges are verified against the corresponding details in the PO and GR before the invoice is authorized. The payment for the invoice is released once the invoice is authorized.

In the normal business scenario an "Order based Invoice" is recorded based on PO, GR (Materials) and the supplier invoice, but the emerging practices require different terms and conditions like payment on consumption, payment before receipt of materials and so on. These business processes are addressed as different flavors of invoice.

4.2.2.1 Regular Purchases

Purchase Orders are usually raised on the supplier specifying the items to be procured. All the terms and conditions of the purchase namely the item, quantity, rate, delivery schedule etc is stated in the purchase order. The supplier dispatches all the items based on the PO received. The details of the receipt are recorded in Ramco Enterprise Series system as a "Goods Receipt" (GR) document. Subsequently, the invoice from the supplier that accompanied the shipment is also recorded in Ramco Enterprise Series system with reference to the PO and GR. Thereafter, the quantity and the value stated in the invoice are compared with the value in the

purchase order and the quantity received. The invoice is released for payment after it has been matched.
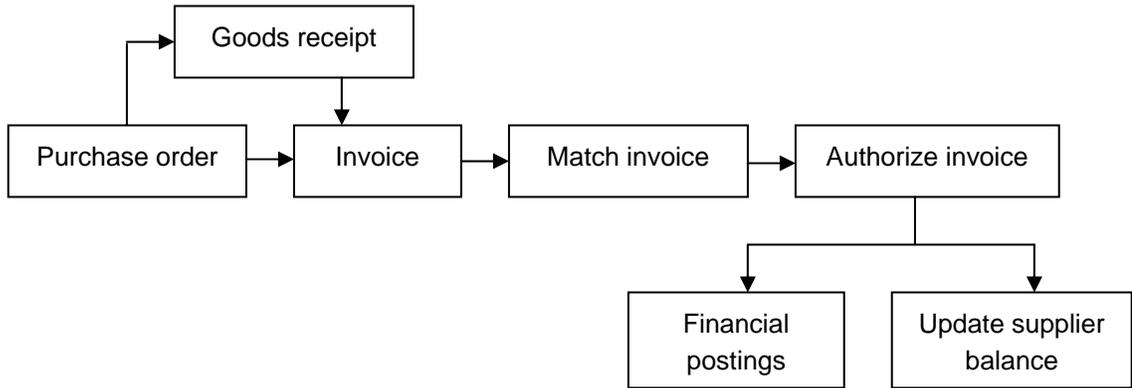
Figure 14: Process of creating a "Regular" Supplier Order-based Invoice

4.2.2.2 Consignment Purchases

Invoices for consignment purchases are usually raised when the items have been consumed, that is the liability towards the supplier is booked in Ramco Enterprise Series system subsequent to the consumption of the items. However, for the taxes and charges incurred, the liability to pay the supplier arises on the receipt of the items that is when the GR is recorded.
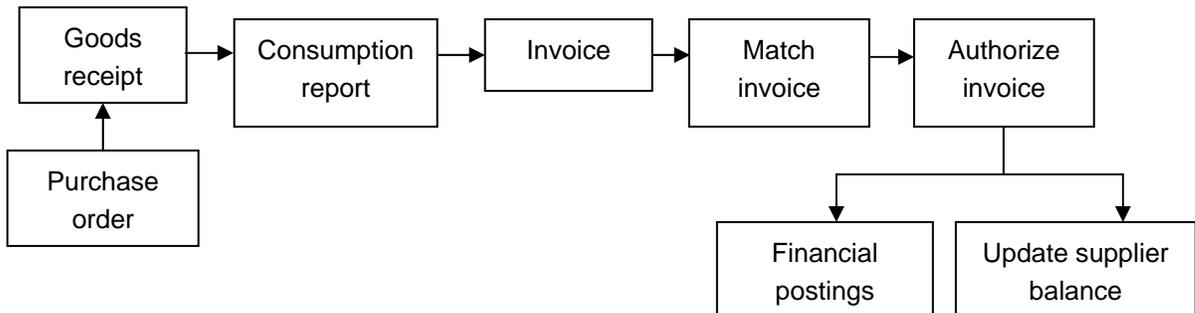
Figure 15: Process for creating a "Consignment Purchases" Supplier Order-based Invoice

4.2.2.3 Invoicing before GR

A PO also contains information regarding the mode of delivery, which could be "FOB", "Ex-works" or that invoice must be raised in the "Pre-GR" mode. If a PO indicates a "Pre-GR" invoice then the invoice can be recorded in the Ramco Enterprise Series system even before the receipt of the goods and the actual GR is raised. The "Pre-GR" invoices are reconciled on a periodic basis with the GRs and the variances are accounted.
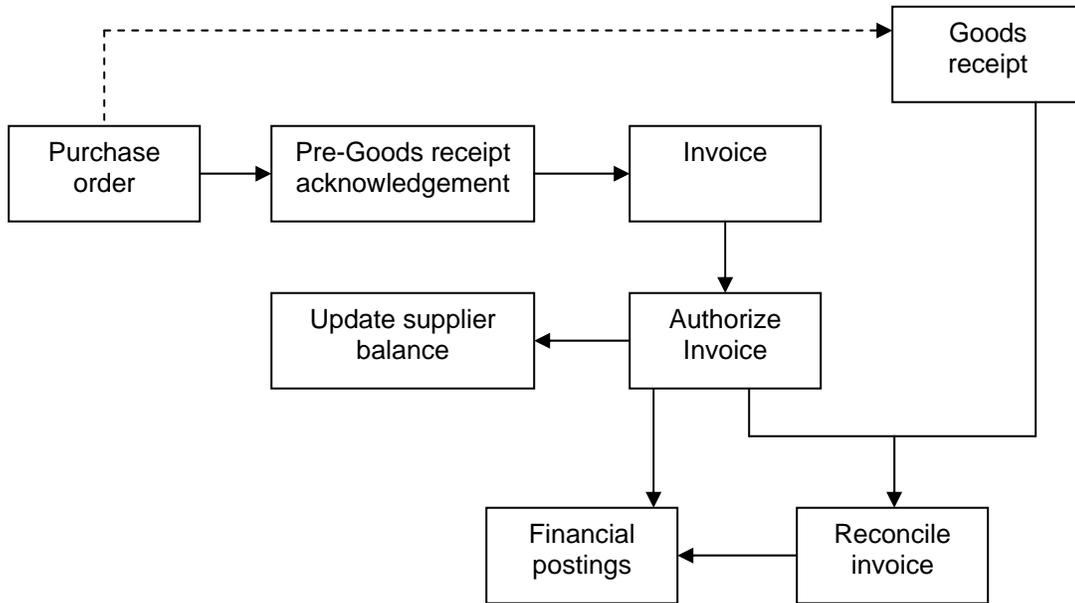
Figure 16: Process of creating a "Pre-GR" Invoice

4.2.2.4 Delivery Charges Invoice

There are situations in which the freight and transportation incurred could be payable to another supplier and not the one who has supplied the material. These details are usually indicated in the quotation and also recorded in the purchase order. In Ramco Enterprise Series, the user can record the expenses that have been so incurred by raising a "Delivery Charges Invoice".
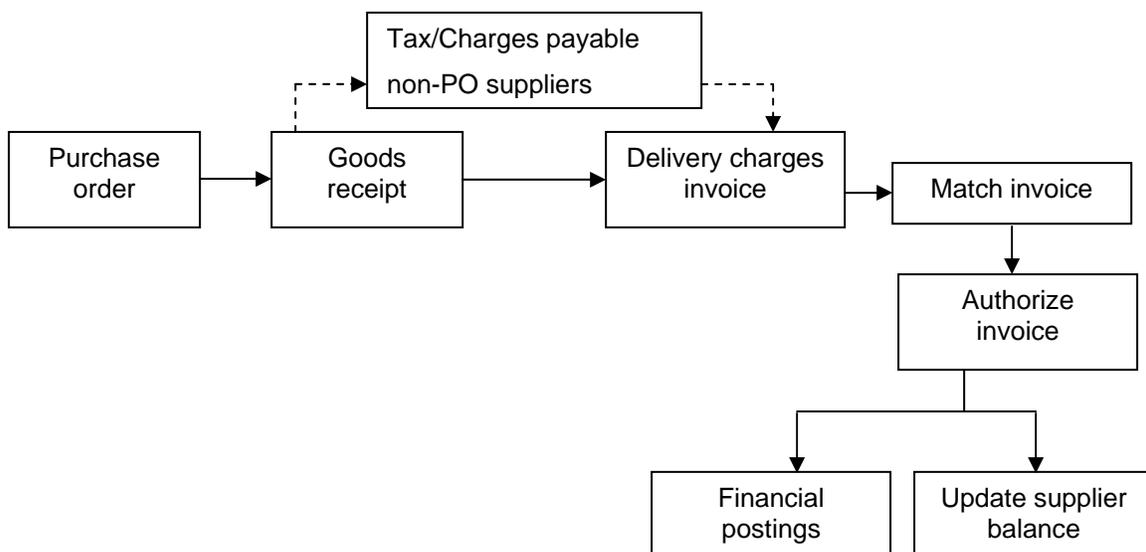
Figure 17: Process for creating a "Delivery Charges" Invoice

4.2.2.5 Drop Ship Invoice

In a trading organization, items are generally purchased from the supplier and shipped directly to the customer. These items do not physically enter the warehouse of the company. The sale order indicates the type of sale to be "Drop-ship". Based on this the "Drop ship" receipt document is generated. In Ramco Enterprise Series the "Drop Ship Invoice" acts as a "Pack Slip" for recording the sales and as a "Goods Receipt" for recording purchase. The process of Drop ship sales can be represented as follows.
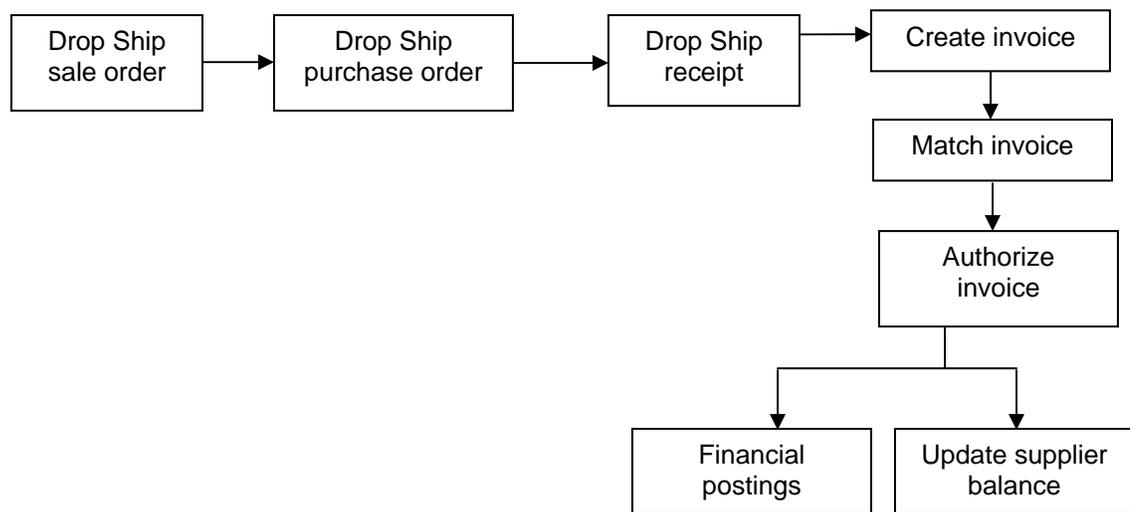
Figure 18: Process for creating a "Drop-ship" Invoice

4.2.2.6 Auto Invoicing

Creation of invoice is automatically based on the purchase order and goods received. This functionality is supported to avoid duplication of data entry. Invoice is created in the "Fresh" status and it has to be authorized in the invoice component. Invoice is created at the default invoice OU specified by PO, for the PO currency and in the default finance book id in invoice. Both Pre GR invoicing and Auto invoicing cannot co-exist. Auto invoicing is not supported for consignment and drop ship cycles.

4.2.2.7 Capital Invoicing

Recording of invoice for purchase of capital items based on capital type Purchase Order is handled by capital invoicing. The account postings for variances and TCDs are posted to capital WIP account (if asset proposal based) or fixed asset suspense account (if non proposal based). In case of pre-GR invoicing, only reconciled invoice lines are allowed to be capitalized.

4.2.2.8 Consignment Invoicing

Invoicing for goods received on consignment is handled through consignment invoicing. This handles two scenarios. Invoicing based on consumption of items and invoicing for TCDs on receipt of goods. Invoicing for items are done based on a mutual agreement between the enterprise and the supplier called consumption report, which is a consolidation of material issued from consignment stock for a period. The assumption is that the supplier will send his invoice based on the consumption only and separate invoice for tax and charges, if any.

4.2.2.9 Subcontractor Invoicing

Recording of invoices received from subcontractor based on Sub contractor order or release slip and the corresponding goods receipt note for the same is handled through sub contractor invoicing. There are two flavors supported in subcontractor procurement cycle i.e. Activity subcontracting and conversion subcontracting. But invoicing does not distinguish between the two. Sub contractor invoicing is covered under the invoice category 'Regular Invoicing'.

4.2.3 Concepts

4.2.3.1 Matching

Matching is the process of comparing and reconciling the quantities and values at various stages of the procurement cycle in order to ensure smooth payment to the supplier. The quantity and value ordered/received/accepted are matched with the invoice quantity/value subject to the tolerances set.

2-way Matching: The process of matching quantity and value between purchase order and invoice without a need of goods receipt is 2 way matching. However goods receipt can happen if the GR option is set to "yes" but this will not have a bearing on the matching, as payment can be made based on matching the invoice with PO.

3-way Matching: The process of matching quantity and value between purchase order and invoice with acknowledgement of goods received through GR. These are sub classified into 3-way at PO and 3-way at GR. For 3-way at PO, individual goods receipt are not considered for matching and quantity/value and tolerances are matched at the PO level. For 3-way at GR, individual goods receipt are considered and tolerance are matched at the GR level.

4-way Matching: The process of matching quantity and value between purchase order and invoice based on acceptance of the received goods through GR. The sub classification of at PO and GR level is supported for 4-way also.

4.2.3.2 Tolerance Options

Tolerance options are specified at Purchase Order line level as a percentage. They are either positive or negative. Positive tolerance implies that the invoice quantity/value is higher than PO line subject to the tolerance specified. Negative tolerance implies that the invoice quantity/value can be lower than PO line.

Tolerance Type at Purchase Order: These tolerance types are specified at the purchase order line level. The types can be Quantity, Value or Both. Quantity signifies matching of purchase order and invoice quantity subject to positive or negative tolerance specified. Value signifies matching of the purchase order and invoice value. Both will match for both quantity and value subject to the tolerances specified.

Tolerance Type at Invoice: These tolerance types are OU level parameters specified in invoice. They are Auto match and Force Match.

Auto match Tolerance: This tolerance is in addition to the tolerance specified at PO and it is only value based. Auto match tolerance is a percentage of the PO value and is taken for both positive and negative. Invoice gets matched even it is beyond the tolerances specified in purchase order but if within the auto match tolerance.

Force match Tolerance: This is a tolerance for force matching an invoice, which has failed in auto matching. This is checked when invoice is done through separate activity and the invoice can be matched if the unmatched percentage is within the force match tolerance.

Based on the above, matching process is executed in invoice as depicted in the flow chart below:
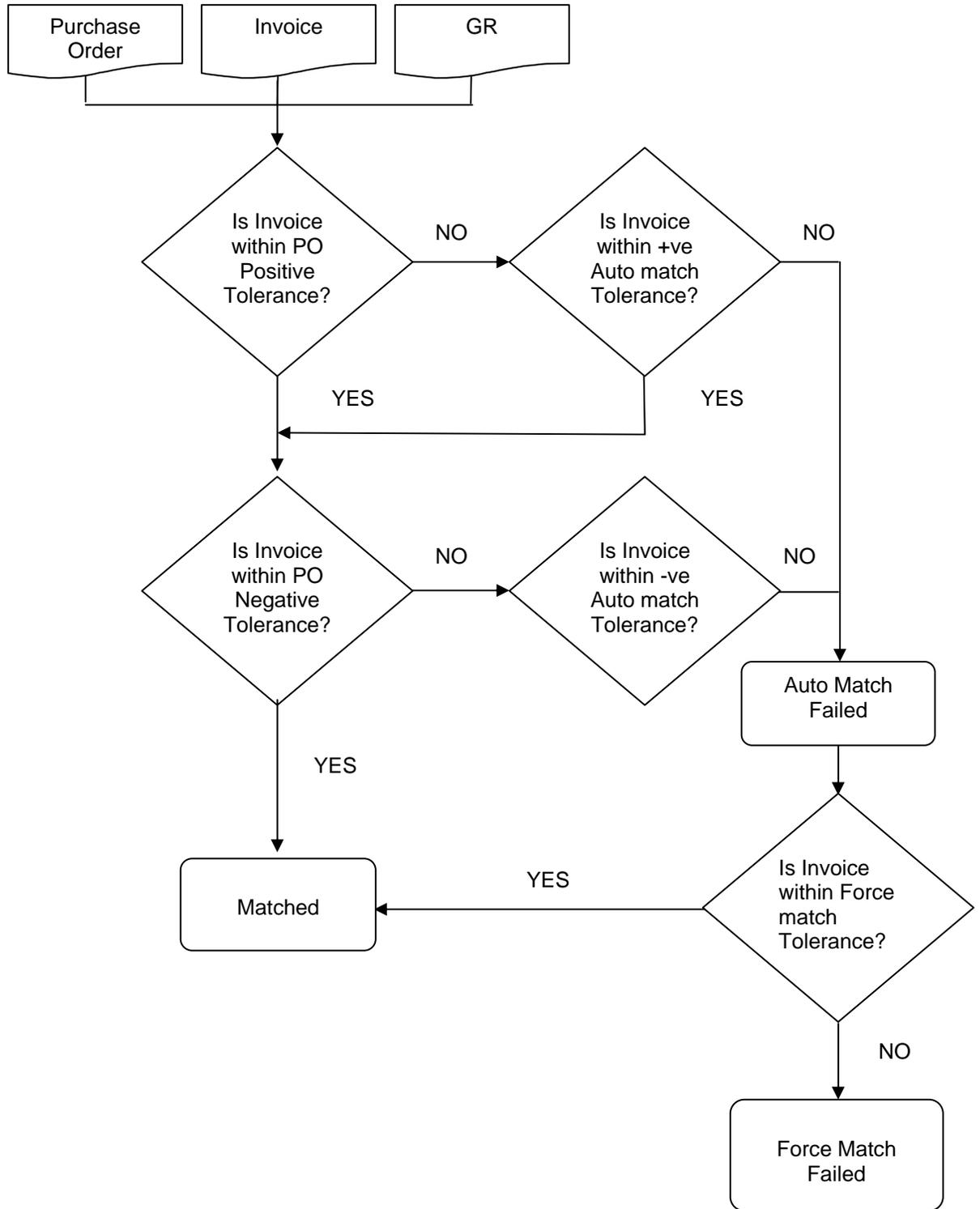
Figure 19 Execution of Matching Process in Invoice

The below examples will explain the above matching logic:

Matching Type		2 Way	Tolerance Type		Value
			Positive Tolerance:		10 %
			Negative Tolerance:		5 %
PO Qty	PO Value	Invoice Qty	Invoice Value	Match Result	Remarks
100	1000	105	1050	Matched	
100	1000	115	1150	Match Failed	Exceeds 10 % +ve Tolerance
100	1000	98	980	Matched	
100	1000	90	900	Match Failed	Below 5 % -ve tolerance

Matching Type	3 Way	At PO	Tolerance Type		Value
			Positive Tolerance:		10 %
			Negative Tolerance:		5 %
PO Qty	PO Value	GR Qty	GR Value	Invoice Qty	Inv Value	Match Result	Remarks

PO Qty	PO Value	GR Qty	GR Value	Invoice Qty	Inv Value	Match Result	Remarks
100	1000	100	1000	100	1050	Matched	
100	1000	105	1050	105	1150	Match Failed	Beyond 10 % +ve tolerance
100	1000	80	800	80	890	Matched	Invoice is within 10% +ve tolerance of PO value - 100
100	1000	80	800	80	950	Match Failed	Beyond 10 % of PO value
100	1000	100	1000	98	980	Matched	
100	1000	80	800	80	755	Matched	Invoice is within 5% -ve tolerance

							of PO value - 50
100	1000	100	1000	90	900	Matched failed	Beyond negative tolerance of 5%

Matching Type		3 Way	At GR	Tolerance Type:		Value	
				Positive Tolerance:		10 %	
				Negative Tolerance:		5 %	
PO Qty	PO Value	GR Qty	GR Value	Invoice Qty	Inv Value	Match Result	Remarks
100	1000	80	800	80	850	Matched	
100	1000	80	800	80	890	Match failed	Invoice is beyond variance of 10% of GR (though this matched at PO)
100	1000	80	800	80	775	Matched	
100	1000	80	800	80	755	Match Failed	Beyond 5 % of GR value

Matching Type		4 Way	At PO	Tolerance Type:		Qty	
				Positive Tolerance:		10 %	
				Negative Tolerance:		5 %	
PO Qty	PO Value	GR Accepted Qty	GR Value	Invoice Qty	Inv Value	Match Result	Remarks
100	1000	100	1000	100	1050	Matched	
100	1000	105	1050	115	1150	Match Failed	Beyond 10 % +ve tolerance
100	1000	80	800	89	890	Matched	Invoice is within 10% +ve tolerance of PO Qty - 10

PO Qty	PO Value	GR Accepted Qty	GR Value	Invoice Qty	Inv Value	Match Result	Remarks
100	1000	80	800	95	950	Match Failed	Beyond 10 % of PO qty
100	1000	100	1000	98	980	Matched	
100	1000	80	800	75	750	Matched	Invoice is within 5% -ve tolerance of PO Qty - 5
100	1000	100	1000	90	900	Matched failed	Beyond negative tolerance of 5%

Matching Type	4 Way	At GR		Tolerance Type:		Value	
				Positive Tolerance:		10 %	
				Negative Tolerance:		5 %	
PO Qty	PO Value	GR Accepted Qty	GR Value	Invoice Qty	Inv Value	Match Result	Remarks
100	1000	80	800	85	850	Matched	
100	1000	80	800	89	890	Match failed	Invoice is beyond variance of 10% of GR (though this matched at PO)
100	1000	80	800	77	770	Matched	
100	1000	80	800	75	750	Match Failed	Beyond 5 % of GR Qty

Above examples assumes auto match tolerance as 0%. In case auto match tolerance set at 10 %, an incremental 10 % will be applied.

Taxes Charge and Discounts: TCDs in an invoice can be from PO or TCDs can be added in invoice. There will be no matching for TCDs added in an invoice. The two levels of TCD possible are Document and Line. If the tax/charge or discount is at the document level, the same will be applied on all the lines of the document. If it is at the line level, then the specific line against which the same is to be applied may be selected by the user. Document level

facilitates ease of data entry, if the type of taxes/charges/ discounts applicable on all lines is the same

Auto Adjust: If Auto Adjust is set as YES in an invoice, the invoice will be automatically adjusted against any unadjusted prepayment voucher or paid prepayment invoice or debit notes of the invoice supplier in the invoice currency.

Variance Accounting: Three types of variances are handled in an invoice. Quantity variance is posted when the proposed quantity (PO/GR quantity) and invoice quantity are different. Rate variance is posted when the proposed rate (PO rate) and invoice rate are different. Exchange rate variance is posted when the PO currency is different from invoice currency or when the exchange rate between the PO/Invoice currency and the base currency are different between the GR date and invoice date.

Multi currency handling: Invoice can be raised in any non-base currency for which supplier payable account is defined in Account Rule definition. Invoice can be in a different currency other than PO currency. The proposed rates are converted into invoice currency based on cross currency exchange rates.

Pay term: The payment terms for the invoice is determined based on the pay term assigned. The anchor date entered in the invoice is taken as the start date for calculating the appropriate due dates for the invoice. The basis of discount computation can be specified as based on base invoice amount, which will not consider TCD or document invoice amount, which will consider the total invoice amount. Pay term can be modified from the PO pay term based on the component OU level parameter.

Pay Mode: The mode of payment for invoice is determined based on the pay mode selected for the invoice. Invoice can be paid through pay Modes like Check, Cash, and Demand Draft as available in the Bank Cash Definition business component. For Supplier Order Based Invoices, Letter of Credit is also available as a Pay Mode for supporting payment of Invoice through Bank LC.

Exchange Rate- The exchange rate of the reference document (if the exchange rate for all the reference document is same) will be defaulted on execution of get details. Otherwise the rate prevailing on the date of the invoice will get defaulted. It can be modified to suit the needs of the customer within the tolerance as on the date of the invoice.

4.2.4 Key Features

4.2.4.1 Commercial

▶ **Multi currency**: The invoice can be generated in the PO currency or any other currency that is permitted for the company and acceptable to the supplier.

▶ **Payment Terms**: The due dates are calculated based on pre-defined pay terms. A pay term is specified in the purchase order. This can be modified at the time of invoice processing. The system calculates multiple due dates and the corresponding due amounts based on the pay term. The start date for the calculation of due dates is the Anchor Date. This anchor date must not be later than the invoice date but could be the invoice date also.

▶ "Cash Discounts" for early payment and "Penalty" for delayed payment can be specified.

▶ The prices of the items and the taxes, charges or discounts to be incurred are retrieved from the purchase order. These details can also be modified if required.

▶ The Order / Delivery Charges invoice can be raised for a part or the whole of the GR. It is also possible to specify a quantity and a value higher or lower than the invoice within a specified tolerance.

▶ Provision to view all the order and reference documents.

4.2.4.2 Financial Posting

▶ The system retrieves the account codes based on the "Account Rule" defined and the defaults set. The account codes determined for the supplier, tax, charge and discount accounts are based on various parameters. Currently Multiple control accounts for the same supplier account group can be specified. Hence the user has the option to select the control account to which entry has to be posted.

▶ The account codes for the "Supplier Suspense Account", "Invoice Quantity Variance" and "Price variance" is retrieved from "Account Rule Definition" component based on predefined usages.

▶ The Finance book in which the postings are to be made can be specified.

▶ Provision to select the finance Book which are mapped to the login user.

▶ The cost center information for the "Expense" accounts can be specified.

▶ The Analysis and Sub-analysis codes (sub division of account code) can also be specified if required.

▶ If budgets have been defined for the account codes, then the system ensures that the amount is within the budget amount.

▶ The proposed account posting information can be viewed prior to the authorization of the invoice.

▶ Details of the financial postings can be viewed in the transaction currency, the base currency or the parallel base currency of the company.

4.2.4.3 Services

▶ Automatic generation of invoice numbers. Manual numbering option is also provided.

▶ When all the required information for the document is provided the document would be created in Fresh status else the status of the document would be 'Draft', the user has to provide all the required information and edit the document to update the status as 'Fresh' so that the document can be authorized.

▶ An invoice can be authorized during the process of creation if the user has the permission to do so.

▶ Facility to authorize or delete multiple invoices at a time.

▶ Provision to "Return" the invoice for modifications if required by the user who is to authorize the invoice. The details of this invoice can be modified and authorized subsequently

▶ Facility to reverse the invoice after authorization.

▶ Notes can be included to the invoice document at any stage of invoicing.

▶ The summary of the invoice can be viewed during any stage of invoicing. Details like the total item value, taxes, charges and discount values, the amount of invoice that has been collected and the balance overdue can also be viewed.

▶ Auto Adjust facility: There is a facility to automatically adjust the invoice against the debit documents after the invoice has been authorized.

4.2.5 Prerequisites

▶ Completion of the organization set up modeling in Enterprise set up.

▶ Component Interaction model definition.

▶ Availability of Finance book information.

▶ Number generation set up.

▶ Suppliers in Active status.

▶ Purchase Order/Release slip/Subcontract Order.

▶ Goods received note/FOB Acknowledgement/Drop ship receipt.

▶ Consumption report for consignment invoicing.

▶ Charges created in GR for delivery charges invoice.

▶ Account rule definition for the supplier.

▶ Account rule definition for the variance and auto posting accounts.

▶ Exchange rate definition for the transaction date.

▶ Pay term definition.

▶ TCD code and rules.

▶ Financial period /year in open status.

▶ Cost centers, Analysis and sub analysis code defined and mapped to variance accounts.

▶ Number set up for Adjustment voucher in case Auto Adjust option is selected.

▶ Reason code definition for Hold, Release and reverse invoice.

4.2.6 Predefined Values

Field	Predefined Values
Auto Adjust	Yes/No
Invoice Category	Regular/Capital/Dropship/Consumption Report/Consumption Receipt
Electronic Payment	Yes/No
Payment Priority	High/Medium/Low
TCD Computation	Document/Line
Discount Computation	On Base Invoice Amount/On Gross Invoice Amount
Status	All, Fresh, Deleted, Matched, Auto match failed, Authorized, Force match failed, Paid, Partly Paid, Held Authorized, Held Partly Paid, Returned, Reversed
Invoice Type	Order based, Delivery charges
Generate Debit Note	Yes/No
Allow Multiple Finance Book postings	Yes/No
Payment Processing Mandatory	Yes/No
Modify Pay Mode	Yes/No
Modify Pay term	Yes/No

4.2.7 Functional Parameters

Parameter Description	Values	Implication
Allow Multiple Finance Book Postings	Yes / No	When multiple Finance books are mapped to the login organization unit this parameter determine whether postings can be made to all such

Parameter Description	Values	Implication
		mapped finance books are not. If this is set to No, only the default finance book would be available for selection in the Finance Book combo across activities of this component
Default Finance Book	List of finance books from the "Organization Setup" component	Based on the values returned by the "Organization Setup" component, the user can select the finance book to be defaulted in the various activities of the component
Payment Term Number Prefix	User defined	In this parameter the user can define the prefix for the "Term Number" attached to a pay term code
Payment Processing Point mandatory	Yes / No	This parameter determines whether the payment-processing point is mandatory for every transaction done in the component. If it is set as "Yes" then the system won't create an invoice unless the user specifies the payment processing point.
Default Payment Processing Point	All the organization units in which "Payment Processing" components have been deployed. The system retrieves the list of organization units based on CIM	This parameter allows the user to select the default "Payment Processing Point" that is the organization unit from where payments have to be made for the voucher
Invoice tolerance (%) for auto matching	Integer	This parameter, allows the user to set the percentage of tolerance for auto matching. ***Note***: *This auto matching is only for matching the "Value" set in the purchase order. Auto matching is over and above the purchase order*

Parameter Description	Values	Implication
		value.
Invoice tolerance (%) for forced matching	Integer	This parameter allows the user to set the tolerance percentage for "Forced Matching". **_Note_:** *This Forced matching is only for matching the "Value" set in the purchase order. Forced matching is over and above the auto matching tolerance limit.*
Modify Pay Modes	Yes / No	This parameter determines whether pay mode defined for the supplier can be modified while processing a transaction in this component. If this parameter is set as "Yes", the user can modify the pay modes during the transaction.
Modify Pay Term	Yes / No	This parameter allows the user to modify the details of the Pay term at the transaction level,
'Allow Modification of Pay to Supplier'	Yes /No	This parameter allows the user to modify the details of the Pay to supplier at the transaction level,
Allow Total Invoice Amount less than Supplier Invoice Amount during Invoicing	Yes /NO	This parameter allows the user to specify the Supplier Invoice Amount equal to the Total invoice amount or greater than the total invoice amount.
'Action on unadjusted debit documents'	Yes / NO	It's a company level parameter to warn or to ignore the creation of invoice if any unadjusted prepayments exist for the supplier

4.2.8 Deployment

The Supplier Order Based Invoice component may be deployed at multiple organization units. This component may be deployed where the supplier liability is recorded based on contractual agreement and invoice and purchase orders belong to the same business units. Postings are made to the finance book selected in the invoice transaction. All finance books mapped to the corresponding company and organization unit are available for posting. Purchase orders, goods receipt and invoice documents need to be raised within the same business unit.

Component	Interaction
Account Based Budget	N:1
Account Rule Definition	N:1
Accounting Setup	N:1
Bank / Cash Definition	N:1
Organization Setup	N:1
Exchange Rate	N:1
Finance Book Processing	N:1
Financial Calendar Closure	N:1
Cost Setup	N:1
TAX Calculation	N:1
Asset Capitalization	N:M
Asset Planning	N:1
Consignment Inventory	N:M
Consignment Register	N:M
Numbering Class	N:1
Drop ship Receipt	N:M
Pre-GR Acknowledgement	N:M
Receipt Acknowledgement	N:M
Item Administration	N:1
Payterm	N:M
Purchase Order	N:M

Component	Interaction
Purchase Release Slip	N:M
Subcontract Release Slip	N:M
Subcontract Order	N:M
Supplier	N:M
Tax, Charges and Discounts	N:N
Company Parameter Setup	N:1
Organization Unit Parameter Setup	1:1
Installation Parameter Setup	N:1
Supplier Balance Adjustment	N:1
Supplier Inquiry	N:1
Supplier Debit Credit Note	N:1
Supplier Payment	N:1
Notes	1:1
Reason Code Definition	N:1
Supplier Portal	N:1

4.2.9 Status

Status…	Denotes …
Fresh	The document is complete in all respects and is available for authorization.
Deleted	A document that is deleted prior to authorization.
Matched	The status when the invoice is created with automatch flag set as yes and not authorized.
Auto Match failed	The status when auto matching fails for an invoice in the Create / Edit or Authorise Invoice activities.
Authorized	The document is authorized appropriately and can be used for all external purposes. Financial postings are made and supplier balances are updated accordingly. All taxes and liabilities to the government are also recorded.
Reversed	A document that has been rendered null or voided. On reversal, all the updating made on authorization are nullified. This includes financial posting and supplier balance updating also. A document that is in "Partly Paid" or "Paid" status cannot be reversed.
Paid	When the invoice is fully settled.
Partly paid	When the invoice is partly settled.
Held	When an authorized invoice is held.
Returned	When an invoice gets returned in Authorize Invoice activity.
Force Match failed	When invoice is force matched in match invoice and the unmatched percentage is greater than the force match tolerance.

4.2.10   Postings

4.2.10.1 Financial Postings

Authorization of Regular invoice with Goods Receipts option as YES		
Account	Indicator	Amount
Supplier suspense account	Dr	The value of the Goods receipt / Order that is currently invoiced
Supplier control account	Cr	The amount due to be paid to the supplier

Quantity variance account	Dr/Cr	The amount of variance due to differences in quantity received and quantity invoiced
Rate variance account	Dr/Cr	The amount of variance due to differences in Order rate and invoicing rate
Exchange rate variance account	Dr/Cr	The amount of variance due to differences in exchange rate as on order date and invoice date in case of foreign currency invoices
Taxes and charges account	Dr	In case Taxes/charges not specified in order are added in invoice, the amount of these taxes and charges
Discount account	Cr	In case Discount not specified in order are added in invoice, the amount of this discount

Authorization of Regular invoice with Goods Receipts option as NO (2 way matching)		
Account	Indicator	Amount
Usage based account code (as specified by Purchase order)	Dr	The value of the Goods receipt / Order that is currently invoiced
Supplier control account	Cr	The amount due to be paid to the supplier
Taxes and charges account	Dr	In case Taxes/charges not specified in order are added in invoice, the amount of these taxes and charges
Discount account	Cr	In case Discount not specified in order are added in invoice, the amount of this discount

4.2.10.2 Inter-component Postings

▸ Updating of document details in Supplier Inquiry component

▸ Financial postings updated to Finance Book Processing.

▸ Creation of adjustment voucher in case auto adjust is set to "Yes" or documents specified for manual adjustment.

▸ Updating of proposal amount in asset planning in case of capital invoice

4.2.11　　Online Report

4.2.11.1 Supplier Order Based Invoice

Refer the Report book for the Report Layout

4.2.11.2 Supplier Delivery Charges Invoice

Refer the Report book for the Report Layout

4.3　Supplier Debit Credit Note

4.3.1 Purpose

A Debit note and a credit note records adjustments of any kind to the supplier's liability subsequent to invoicing. Typical situations where these notes are raised would be price adjustment due to defective items, erroneous invoicing, price change (with retrospective effect), discounts or rebates offered by the supplier. These notes are generally based on reference documents but at times, it could be independent bearing no reference to any documents.

4.3.2 Overview

A Debit and a Credit note basically supplement the invoicing function. These notes allow the user to record financial information on post invoice changes in quantity, price and tax/charge/discount on procurement of goods and services. A credit note increases the liability towards a supplier and a debit note raised on the supplier decreases the liability of the company recording the transaction. Ramco Enterprise Series provides the user the facility to raise account based and item based "Debit" or "Credit" notes. The following diagram represents the data flow in case of Item based note.
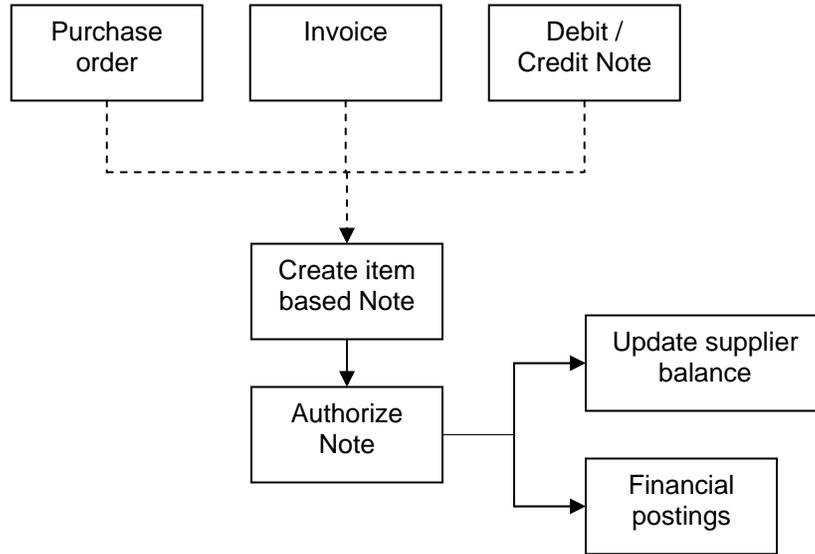
Figure 20: Process for creating an "Item based Note"

The following diagram represents the data flow in case of Account based note.
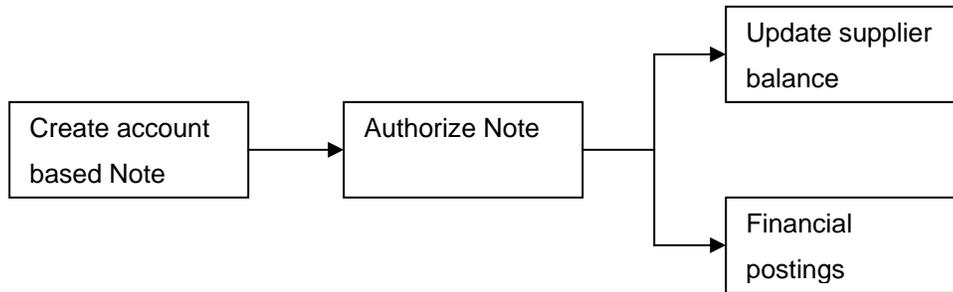
Figure 21: Process for creating an "Account based Note"

4.3.3 Concepts

4.3.3.1 Item Based Note

Item based note is generated with a mandatory reference to a document like order based Invoice, direct Invoice or even another debit/credit note. Here the item reference is mandatory. Item based note is used for codified items in inventory. It can be raised for capital items also.

When a material is returned from inventory, a debit note is automatically created for the supplier with reference to the GRN and PO, provided, the automatic note generation facility is selected.

4.3.3.2 Account Based Note

Account based notes can be generated with or without any reference document. However, in this case, specification of account code is mandatory. The sum of debit credit identifier in the multiline(s) should be credit in case of debit note and vice versa. The net of the multiline total will be the total note amount that will be credited or debited to the supplier control account.

4.3.3.3 Automatic Generation

Both Item based debit notes and account based debit notes can be automatically generated. The item based notes are triggered automatically from GRN. Also a debit note is automatically generated when there is a shortfall in the FOB (Pre GR Invoicing) type of purchase. This note is raised through the Reconciliation activity in Supplier Order Based Invoice component.

4.3.3.4 Tax, Charges and Discount

TCDs can be added at the line and the document level for the item based notes. TCD cannot be added in case of account based notes but TCD accounts can directly be specified.

4.3.3.5 Payment Schedule

Payment schedules are generated only for credit notes (both item and account based). Payment schedules are generated with reference to the default pay term. The term reference may be modified if required. Also the schedule generated by the system can also be modified.

4.3.4 Key Features

4.3.4.1 Commercial

▸ **Multi currency**: A debit note or a credit note can be recorded in any currency permitted for the company and agreed upon with the supplier.

▸ **Payment Terms**: For credit notes, the due dates are calculated based on pre defined pay terms. The default pay term of the supplier can also be used. The start date for the calculation of due dates is the Anchor date. This anchor date must not be later than the invoice date but could also be the invoice date.

▸ "Cash Discounts" for early payment and "Penalty" for delayed payment can be specified.

▸ The taxes, charges and trade discounts required for the transaction can be entered.

▸ The default payment route, method and modes of payment can be recorded for a credit note.

4.3.4.2 Recurring Account Credit Notes

▸ Facility to create Supplier Account based credit notes in fresh status, for the frequency specified.

4.3.4.3 Financial Posting

▸ The system retrieves the account codes for the supplier based on the default supplier control account code set for the supplier groups based on the "Account Rule" defined. Where the user specifies the control account code other than the default, the same will be considered for financial posting.

▸ For an Account based note, the user can also specify the contra account code for which the postings have to be made. The details of the usage can also be specified for an item based note.

▸ The finance book in which the postings have to be made can be specified.

▸ Selection of Finance Books mapped for the login user while creating Notes.

▸ The cost center information for the accounts can be specified.

▸ The Analysis and sub-analysis codes (sub division of account code) can also be specified if required.

▸ If budgets have been defined for the account codes, then the system ensures that the amount is within the budget amount.

▸ The proposed account posting information can be viewed prior to the authorization of the invoice.

▸ Details of the financial postings can be viewed in the transaction currency, the base currency and the parallel base currency of the company.

4.3.4.4 Services

▶ Automatic generation of note numbers. Manual numbering option is also provided.

▶ When all the required information for the document is provided the document would be created in Fresh status else the status of the document would be 'Draft', the user has to provide all the required information and edit the document to update the status as 'Fresh' so that the document can be authorized.

▶ Facility to authorize the debit or credit note during the process of creation if the user has the permission to do so.

▶ Facility to authorize or delete multiple debit or credit notes at a time.

▶ Provision to "Return" the debit or credit note for modifications if required by the user who is to authorize the notes. The details of this note can be modified and authorized subsequently.

▶ Facility to reverse the note after authorization provided the notes have not been partly or fully paid.

▶ Notes can be included to the debit / credit note at any stage of the process.

▶ The summary of the debit / credit note can be viewed during any stage. Details like the total value of the note, taxes, charges or discount values, the note amount that has been adjusted till date and the balances due can also be viewed.

4.3.5 Prerequisites

▶ The organization setup modeling must have been completed in Enterprise set up.

▶ Component Interaction model definition.

▶ Finance book information must be available.

▶ Number generation setup.

▶ Currency must have been defined in the Organization Setup component.

▶ Account Codes must have been created in the Accounting Setup business component.

▶ Usages must have been created for item based notes.

▶ Supplier must be in active status.

▶ Definition of Pay term.

▶ Definition of TCDs.

▶ Account Definition for Supplier in Account Rule Definition.

▶ Reference Documents like invoices in authorized status.

4.3.6 Predefined Values

Entity	Predefined Values
Note Type	Debit, Credit
Note Categories	Item Based and Account Based
TCD Computation	Line, Document
Discount Computation	Gross Amount, Base Amount
Electronic Payment	Yes, No
Payment Priority	High, Medium & Low

4.3.7 Functional Parameters

Parameter Description	Value	Implication
Allow Multiple Finance Book Postings	Yes / No	When multiple Finance books are mapped to the login organization unit this parameter determine whether postings can be made to all such mapped finance books are not. If this is set to No, only the default finance book would be available for selection in the Finance Book combo across activities of this component
Default Finance Book	List of all the finance books from the "Organization Setup" component	Based on the values returned by the "Organization Setup" component, the user can select the finance book to be defaulted in the various activities of the component
Payment Term Number prefix	User defined	In this parameter the user can define the prefix for the "Term Number" attached to a pay term code
Modify Pay Term	Yes / No	This parameter allows the user to modify the details of the pay term at the transaction level.
Default usage for tax calculation	User defined	For account based notes based on the default usage, tax group will be derived for tax computations

4.3.8 Deployment

The Supplier Debit Credit Note component may be deployed at single or multiple organization units. Every invoicing component can be mapped to only one Supplier Debit Credit Note component. The transaction is recorded against the company that is mapped to the organization unit from where the transaction originates. Financial postings are made into the finance book that is selected at the time of transaction. All finance books mapped to the corresponding company and organization unit are available for posting.

4.3.9 Component Interaction

Component	Cardinality
Account Based Budget	N:1
Account Rule Definition	N:1
Accounting Setup	N:1
Bank / Cash Definition	N:1
Organization Setup	N:1
Exchange Rate	N:1
Finance Book Processing	N:1
Financial Calendar Closure	N:1
Cost Setup	N:1
TAX Calculation	N:1
Asset Capitalization	N:M
Asset Planning	N:1
Numbering Class	N:1
Receipt Acknowledgement	N:M
Item Administration	N:1
Pay Term	N:M
Supplier	N:M
Tax, Charge and Discounts	N:N
UOM Administration	N:1
Company Parameter Setup	N:1
Organization Unit Parameter Setup	1:1

Component	Cardinality
Installation Parameter Setup	N:1
Supplier Balance Adjustment	N:1
Supplier Direct Invoice	1:N
Supplier Inquiry	N:1
Supplier Order Invoice	1:N
Supplier Prepayment Invoice	1:N
Supplier Payment	1:N
Notes	1:1
Reason Code Definition	N:1

4.3.10　Status

Status…	Denotes …
Draft	The status once the note is created. This status will occur only when there insufficient information for the document.
Fresh	The document is complete in all respects and is available for authorization.
Authorized	The document is authorized appropriately and can be used for all external purposes. Financial postings are made and supplier balances are updated accordingly. All taxes and liabilities to the government are also recorded.
Held	A document that has been put on hold so that it will not be available for balance adjustment or payment. Once the held document is released, it reverts back to its old status.
Partly Paid	A document for which a part payment has been made This status is applicable only for Credit Notes.
Held Partly Paid	The partly paid documents can be held to get this status. This is to prevent the documents from getting paid / adjusted further.
Paid	A document for which full payment has been made This status is applicable only for Credit Notes.
Requested	The documents, for which Payment Vouchers are generated and authorized, and this is only for Credit Notes.
Adjusted	A note, which has been fully adjusted against an invoice and the adjustment, has been authorized. This status is applicable only for Debit Notes.

4.3.11   Postings

4.3.11.1 Financial Postings – Authorize Invoice

Note Type	Account Code	Dr/Cr	Amount
Item Based Debit Note	Supplier Control Account	Dr	Sum of item and TCD values
	Usage Based Account	Cr	Amount specified in the Item information
	Tax Charges Account	Cr	Amount specified in the TCD link page
Item Based Credit Note	Usage Based Account	Dr	Amount specified in the Item information
	Supplier Control Account	Cr	Sum of item and TCD values
	Tax Charges Account	Dr	Amount specified in the TCD link page
Account Based Debit Note	Supplier Control Account	Dr	Sum of the account wise amounts specified (net of debit and credit values
	Expense/Revenue Account	Dr/Cr	Amount specified for the account
Account Based Credit Note	Supplier Control Account	Cr	Sum of the account wise amounts specified (net of debit and credit values
	Expense/Revenue Account	Dr/Cr	Amount specified for the account

4.3.11.2 Financial Postings – Reverse Invoice

The account postings on authorization will be exactly reversed.

4.3.11.3 Inter-component Postings

▸   Balance and Status updating to supplier inquiry.

▸   Postings to Finance Book Processing.

▸   Updating of document information to GRN on creation of automated debit note.

▸   Generation of adjustment voucher if documents for adjustment are specified.

4.3.12   Online Reports

4.3.12.1 Supplier Credit Note

Refer the Report Book for the Report Layout.

4.3.12.2 Supplier Debit Note

Refer the Report Book for the report Layout.

4.4   Supplier Prepayment invoice

4.4.1 Purpose

It is a common business practice to pay an advance before the dispatch of items. This advance is generally agreed with the supplier as per the terms and conditions of the PO. It is also a prevalent practice in some countries that a separate invoice is raised for requesting this advance payment. Ramco Enterprise Series provides the user the facility to raise invoices of this kind in the "Supplier Prepayment Invoice" component.

4.4.2 Overview

A "Prepayment" invoice is raised to book the prepayment liability towards the supplier with or without reference to a document. Ramco Enterprise Series allows the user to raise two types of prepayment invoices. They are "Supplier Order Based Prepayment Invoice" and "Supplier Direct Prepayment Invoice".

The account posting is made to the "Supplier Prepayment Account".

The process of prepayment invoice is represented in the following diagram
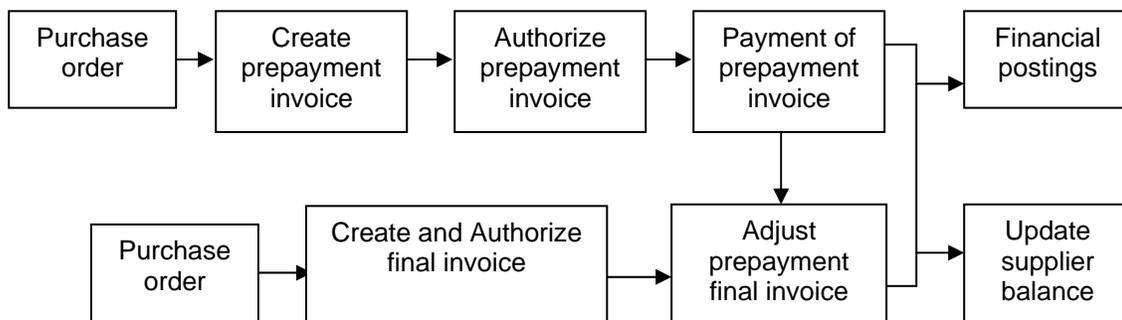
Figure 22: Process for creating a "Prepayment" Invoice

4.4.3 Concepts

4.4.3.1 Direct Prepayment Invoice

A Prepayment invoice that does not refer to any Purchase Order document is called as a Direct Prepayment Invoice.

4.4.3.2 Order-based Prepayment Invoice

An order based prepayment invoice refers to a purchase order document. In this case, the prepayment amount cannot exceed the Advance amount specified in the Purchase order. Purchase order has a facility to specify Advance tolerance percentage. The prepayment invoice amount, if it exceeds the advance amount per order, must be within this tolerance percentage.

Also Prepayment Invoice cannot be if the material is already received, only final invoice can be raised in this case.

4.4.3.3 Advance Percentage

Advance percentage is the percent of the order value that is to be paid as advance. If the user specifies this percentage, then the system automatically calculates the value of the Prepayment invoice.

4.4.3.4 Taxes/Charges/Discounts

Tax, charges and discounts may be added to the invoice. The total amount is calculated by the system based on the Tax /Charge/Discount code specified by the user. If the calculation basis of the TCD is "percentage" or unit rate, the amount calculated by the system cannot be edited. If the calculation basis of the TCD is "flat", the user has a facility to modify the system-calculated amount. Tax/Charge/discount may be calculated for each line item or for the document as a whole. Please refer to the ARM on Purchase Setup for more information on the Tax/Charge/Discount Rule engine.

4.4.3.5 Account Postings

When a prepayment invoice is authorized, liability is booked against the supplier and also prepayment is recorded against him. When the liability is settled, then the supplier liability posting is knocked off. When the prepayment is adjusted against a final invoice then the prepayment account posting is cleared.

4.4.3.6 Multi-currency Invoicing

Prepayment invoice currency can be different from the purchase order currency. The equivalent of the advance amount specified in the purchase order may be released in the invoice currency. Once the invoice is authorized, the purchase order is updated with the advance amount paid in the order currency.

4.4.3.7 Payment Schedule

Based on the pay term specified in the invoice, the payment schedule is generated. This consists of the due dates, discount dates, discount amount, penalty information. The system proposes this information based on the settings of the pay term code. This can be edited by the user subject to a parameter. For a prepayment invoice the pay term associated should be such that no discounts and penalties are allowed since discount and penalty cannot be applied for advance payments.

4.4.4 Key Features

4.4.4.1 Commercial

‣ Prepayment invoices can be generated with or without reference to purchase orders.

‣ It is possible to specify in the purchase order, whether an advance is applicable on the same and if so, what is the amount.

‣ **Multi currency**: The invoice can be recorded in any currency that is permitted for the company and agreed upon with the supplier.

‣ **Payment Terms**: The due dates are calculated based on pre defined pay terms. The default pay term of the supplier can also be used. If the invoice is based on Purchase order, then the pay term per Purchase order is defaulted. This can be edited at the time of invoice processing. For a prepayment invoice the pay term associated should be such that no discounts and penalties are allowed since discount and penalty cannot be applied for advance payments. The start date for due date calculation is the Anchor date. This date may or may not be the invoice date, but cannot be later than the invoice date.

‣ Taxes, charges and trade discounts related to the transaction can be entered.

4.4.4.2 Financial Posting

‣ The system retrieves the account codes for supplier control account and supplier prepayment account based on the default control account codes set for the supplier groups in the Account Rule Defined for the supplier.

‣ Currently Multiple control accounts for the same supplier account group can be specified. Hence the user has the option to select the control account to which entry has to be posted.

‣ The finance book in which the postings are to be made can be specified

▸ The proposed account posting information can be viewed at any stage of invoicing.

▸ Financial Postings information can be viewed in the transaction currency, base currency and the parallel base currency of the company.

4.4.4.3 Services

▸ Automatic generation of invoice numbers. Manual numbering option is also provided.

▸ When all the required information for the document is provided the document would be created in Fresh status else the status of the document would be 'Draft', the user has to provide all the required information and edit the document to update the status as 'Fresh' so that the document can be authorized.

▸ Facility to authorize the invoice during the process of creation if the user has the permission to do so.

▸ Facility to authorize or delete multiple invoices at a time.

▸ Provision to "Return" the invoices for modifications if required by the user who is to authorize the invoice. The details of this invoice can be modified and authorized subsequently.

▸ Facility to reverse the invoice after authorization provided adjustment have not been done

▸ Notes can be included to the invoice document during any stage of invoicing.

▸ The summary of the invoice can be viewed at any stage. Details like the total item value, taxes, charges or discount values, the invoice amount that has been collected, adjusted and the balances due can also be viewed.

4.4.5 Prerequisites

▸ Completion of the organization setup modeling in Enterprise setup

▸ Component Interaction model definition

▸ Availability of Finance book information

▸ Number generation setup

▸ Suppliers in "Active" status

▸ Account rule definition for the Supplier for control and prepayment account

▸ Exchange rate definition for the transaction date

▸ Pay Term definition

▸ Approved purchase orders or equivalent documents like Release Slip, Sub contract order with Advance details specified

▸ Financial period /year in "Open" status

▸ Asset Proposal in case of asset Purchase (if Asset planning is deployed)

▸ Reason Code Definition for Hold, Release and reverse invoice.

4.4.6 Predefined Values

Entity	Predefined Values
Invoice Category	Order Based, Direct
T/C/D computation	Document level, Item level
Discount computation	Base Amount, Gross amount
Due amount type	Flat amount, Percentage
Discount amount type	Flat amount, Percentage

4.4.7 Functional Parameters

Parameter Description	Value	Implication
Allow Multiple Finance Book Postings	Yes / No	When multiple Finance books are mapped to the login organization unit this parameter determine whether postings can be made to all such mapped finance books are not. If this is set to No, only the default finance book would be available for selection in the Finance Book combo across activities of this component
Default Finance Book	List of finance books from the "Organization Setup" component	Based on the values returned by the "Organization Setup" component, the user can select the finance book to be defaulted in the various activities of the component
Default Supplier Registered at	All the organization units in which the "Supplier" component has been deployed. The system retrieves the list of organization units based on	This parameter allows the user to default the organization unit in which "Supplier" has been created based on CIM

Parameter Description	Value	Implication
	CIM	
Payment Processing Point mandatory	Yes / No	This parameter determines whether the payment-processing point is mandatory for every transaction done in the component. If it is set as "Yes" then the system won't create an invoice unless the user specifies the payment processing point.
Default Payment Processing Point	All the organization units in which "Payment Processing" components have been deployed. The system retrieves the list of organization units based on CIM	This parameter allows the user to select the default "Payment Processing Point" that is the organization unit from where payments have to be made for the voucher
Modify Pay Modes	Yes / No	This parameter determines whether pay mode defined for the supplier can be modified while processing a transaction in this component. If this parameter is set as "Yes", the user can modify the pay modes during the transaction.
Payment Term Number prefixes	User Defined	This parameter allows the user to define the prefix for the "Term Number" attached to a pay term code

4.4.8 Deployment

Supplier prepayment invoice may be deployed at one or many organization unit instances. It may be deployed where accounting of advances payable to suppliers is performed. Purchase orders and invoices must belong to the same Business Unit and deployment must be accordingly made. Postings are made to the finance book selected in the invoice transaction. All

finance books mapped to the corresponding company and organization unit are available for posting.

4.4.9 Component Interaction

Component	Cardinality
Account Based Budget	N:1
Account Rule Definition	N:1
Accounting Setup	N:1
Bank / Cash Definition	N:1
Organization Setup	N:1
Exchange Rate	N:1
Finance Book Processing	N:1
Financial Calendar Closure	N:1
Cost Setup	N:1
TAX Calculation	N:1
Asset Planning	N:1
Numbering Class	N:1
Receipt Acknowledgement	N:M
Item Administration	N:1
UOM Administration	N:1
Pay Term	N:M
Purchase Order	N:M
Purchase Release Slip	N:M
Subcontract Release Slip	N:M
Subcontract Order	N:M
Blanket Purchase Order	N:M
Blanket Sub Contract Order	N:M
Supplier	N:M
Tax, Charge and Discounts	N:N
Company Parameter Setup	N:1

Component	Cardinality
Organization Unit Parameter Setup	1:1
Installation Parameter Setup	N:1
Supplier Balance Adjustment	N:1
Supplier Inquiry	N:1
Supplier Payment	N:1
Notes	1:1
Reason Code Definition	N:1

4.4.10   Status

Status…	Denotes …
Draft	The status of invoices on creation when information related to electronic payment is required, but not available. This document is not available for Authorization. When the incomplete information is provided, the document moves to Fresh status.
Fresh	The document is complete in all respects and is available for authorization
Deleted	A document that is deleted prior to authorization is in 'Deleted' status
Returned	The authorizing person has found a few anomalies in the document and the same is available for editing again. This status results when the authorizer invokes the 'Return' task in the Authorize activity
Authorized	The document is Authorized appropriately and can be used for all external purposes. Financial postings are made and Supplier balance updated accordingly. All taxes and such liabilities to the government are also recorded
Held	Any authorized document may be held. A held document is not available for Payment or adjustment. When the document is 'Held' in the 'Hold/Release' activity, this status is updated. When the document is 'Released', it reverts to the status the document was prior to its being 'Held'.
Partly Paid	The status of the document when part payment has been made against the document and balance adjustment has been authorized. Prepayment invoice can be adjusted against the final invoice only to the extent that it is paid
Paid	The status of the document When full payment has been made against the document and balance adjustment has been authorized. A paid prepayment

Status…	Denotes …
	invoice can be adjusted fully against a final invoice
Reversed	The status when an authorized document is reversed. When any authorized document is to be rendered null and void, the same can be reversed. On reversal, all the updating made on authorization are reversed too. This includes financial posting and Supplier balance updating. A document that is partly paid or fully paid cannot be reversed.
Partly Adjusted	A Prepayment invoice that is partly adjusted against a final invoice moves to this status.
Adjusted	A prepayment invoice that is fully adjusted against a final invoice moves to this status

4.4.11   Postings

4.4.11.1 Financial Postings

4.4.11.1.1 On Prepayment Invoice Authorization

Account	Indicator	Amount
Supplier control account	Cr	The total invoice amount including taxes and charges and net of discounts
Supplier prepayment account	Dr	The total invoice amount including taxes and charges and net of discounts

4.4.11.1.2 On Payment Of Prepayment Invoice

Account	Indicator	Amount
Supplier control account	Dr	The amount of invoice that is paid
Bank / Cash account	Cr	The amount of invoice that is paid

4.4.11.1.3 Adjustment of Paid Prepayment Invoice Against Final Invoice

Account	Indicator	Amount
Supplier control account (Final invoice)	Dr	The amount of prepayment that is adjusted against the final invoice
Supplier prepayment account	Cr	The amount of prepayment that is adjusted against the final invoice

4.4.11.2 Inter-component Postings

‣ Updating of supplier balance due in the Supplier inquiry component, which shall be reflected in all Supplier related reports like Supplier statement, Supplier inquiry

‣ In the case of Order Based Prepayment, relevant Advance Amount is updated In the PO

‣ The prepayment invoice on authorization is available for payment

‣ The prepayment invoice on payment is available for adjustment against final invoice.

4.4.12   Online Reports

4.4.12.1 Supplier Prepayment Invoice Report

Refer the Report Book for the Report Layout.

4.5   Customs Invoice

4.5.1 Purpose

Import purchases usually involve payment of customs duty to the customs authorities at the time of landing of such goods in the local port. The goods can be brought into the local warehouse of the company only after the dues have been paid to the Government. The supplier from whom the goods are imported shall supply an invoice giving the details of the various items imported and their corresponding value. This supplier invoice shall form the basis for calculation of Customs Duty by the customs authorities, who will issue a separate invoice, indicating the amount of customs duty payable by the organization. This component facilitates the recording of such invoices received from the customs authorities as a separate transaction in the system through the process of customs invoicing. This Invoice would be enabled if the Tax Type Vat with tax community as Swiss or EU is set On in Company Parameter Setup.

Customs Invoice can be raised in 2 forms –

    A)   With Reference

    B)   Without Reference

The invoice received from the supplier from whom the goods are imported is recorded in the system as a direct/Order based invoice, as the case may be and shall not include any amount towards VAT on the value of the goods received. Such direct/order-based invoices received from various Suppliers are referred and the Customs Invoice of the Type 'With Reference' can be created. The item details are taken from the supplier's invoice by default and are not allowed to be modified. However in certain countries like Swiss, the Invoice from the Customs Authorities do not bear reference to the original invoice but is given as a consolidated Invoice

for all the Import Invoices raised over a period of time. Such consolidated Invoices can be booked as Customs Invoice 'Without Reference'

Since the invoice records only the customs VAT on those items which have been imported, if a supplier supplies a few of the items from the local branch (National Purchase) and the remaining items from a foreign branch (Import Goods), the customs invoice shall refer to only those items which are imported and the corresponding taxable charges/discounts charged by the supplier. In case of document level taxes/charges/discounts, which are taxable the system shall allow only the portion, which corresponds to the goods imported to be recorded in the customs invoice.

On authorizing the invoice, the account postings shall be made only with respect to customs VAT amount as the item value is already booked in the direct/Order-based invoice. Further, the system creates a payable in the books of accounts against the supplier and updates Vat Registers

Once the details of the invoice have been entered and the invoice has been authorized, payments and adjustments can be made against it. The invoice can also be reversed in case it was authorized inadvertently. The authorized invoice, however, cannot be referred in any debit/credit note and as such, can only be subject to manual adjust involving user intervention and not auto adjust by the system.

4.5.2 Overview

Customs Invoice is that flavor of invoice that is used to book the Customs Duty Liability on Imports made by the company. The invoice received from the supplier (Customs Authority) is recorded in the system to acknowledge the liability.
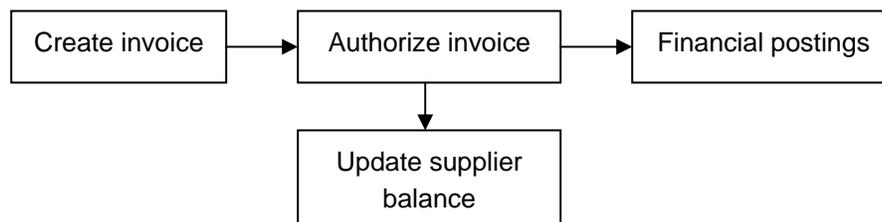
Figure 23: Process of raising a "Customs Invoice"

The following information is recorded in every customs invoice:

‣ Invoice Type

‣ Invoice Date

‣ Invoice Number

‣ Supplier

‣ Supplier Invoice Number

‣ Supplier Account Code

- Tax Amount
- Tax information (Tax Type, Tax Class etc.)
- Pay Term
- Anchor Date
- Currency
- Default Payment method, route, and mode

4.5.3 Concepts

4.5.3.1 Invoice Type

Customs invoice can be of type 'With Reference' or 'Without Reference'.

With Reference – This type would enable the user to specify the reference documents (Expense invoice, Item Invoice, Supplier Order based invoice and Delivery charges invoice) for which the customs liability is booked.

Without Reference – This type would facilitate the user to create the customs invoice without specifying the reference documents for which liability is being booked.

4.5.3.2 Anchor date

This is the date from which the Payment schedule is generated for credit sales. Anchor date can be same as or less than the invoice date. But, this date cannot be later than the invoice date. Anchor date also cannot be earlier than the supplier invoice date.

4.5.4 Key Features

4.5.4.1 Commercial

- **Payment Terms**: The credit policies of the supplier can be modeled as pay terms and attached to the invoices based on which due dates, discount dates, discounts and penalties will be calculated.

4.5.4.2 Financial Posting

- The system proposes the supplier account based on the default supplier control account code set for the supplier groups from the "Account Rule Definition" component.
- The Finance book in which the postings are to be made can be specified.
- The system retrieves the account codes in which the Customs invoice details must be posted based on Tax Region & Usage Id. Currently Multiple control accounts for the same supplier account group can be specified. Hence the user has the option to select the control account to which entry has to be posted.

- The cost center information for the accounts can be specified for the Customs invoice.

- The Analysis and sub-analysis codes (sub division of account code) can also be specified if required.

- The proposed account posting information can be viewed prior to the authorization of the invoice.

- Details of the financial postings can be viewed in the transaction currency, the base currency and the parallel base currency of the company.

4.5.4.3 Services

- Automatic generation of invoice numbers. Manual numbering option is also provided.

- When all the required information for the document is provided the document would be created in Fresh status else the status of the document would be 'Draft', the user has to provide all the required information and edit the document to update the status as 'Fresh' so that the document can be authorized.

- An invoice can be authorized during the process of creation if the user has permission to do so.

- Facility to authorize or delete multiple invoices at a time.

- Provision to "Return" the invoice for modifications if required by the user who is to authorize the invoice. The details of this invoice can be modified and authorized subsequently.

- Facility to reverse the invoice after authorization provided adjustments have not been made and payments have not been received for the invoice.

- Notes can be included to the invoice document at any stage of invoicing.

4.5.5 Prerequisites

- Organization setup modeling must have been completed in Enterprise Setup.

- Component Interaction model definition must have been completed.

- Finance book information must be available.

- Tax Information must be available in Tax Masters

- Account Codes for Usage Id (Cinvinptax) and Payables [Supplier Control Account] must have been created in the Accounting Setup component and default supplier control account codes set for the supplier groups in the Account Rule definition component.

- Supplier Codes must have been defined and included in the supplier group in the Supplier Master component.

- Currencies must be defined in the Organization Setup component. Base currency for the company and permitted currencies in which the payment shall be made should also be defined.

‣ Numbering Type must have been defined and mapped to the respective activities in the Numbering Type component.

‣ Payment term definitions.

‣ Exchange Rate definition for foreign currency transactions should be defined in the exchange rate component.

4.5.6 Predefined Values

Field	Predefined Values
Electronic Payment	Yes/No
Discount Computation	• Base Amount • Gross Amount
Due Amount Type	• Flat Amount • Percentage
Discount Amount Type	• Flat Amount • Percentage

4.5.7 Deployment

Customs invoice component may be deployed at single or multiple organization units. The transaction is recorded against the Company that is mapped to the organization unit from where the transaction originates. Financial postings are made into the Finance Book that is selected at the time of transaction. All Financial books mapped to the corresponding company and organization unit are available for posting.

4.5.8 Component Interaction

Component	Interaction
Account Rule Definition (ARD)	N:1
Account Based Budget (ABB)	N:1
Accounting Setup (AST)	N:1
Bank / Cash Definition (BNKDEF)	N:1
Organization Setup (EMOD)	N:1
Exchange Rate (ERATE)	N:1
Finance Book Processing (FBP)	N:1
Financial Calendar Closure (FCC)	N:1
Cost Setup	N:1
TAX Calculation	N:1

Component	Interaction
TAX Setup	N:1
Numbering Class	N:1
Pay term	N:M
Supplier	N:M
Company Parameter Setup	N:1
Organization Unit Parameter Setup	1:1
Installation Parameter setup	N:1
Supplier Inquiry	N:1
Supplier Payment	N:1
Account Based Budget	N:1
Notes	1:1
Reason Code Definition	N:1

4.5.9 Status

Status	Denotes …
Draft	The status once the invoice is created. This status will occur only when there insufficient information for the document E.g. Electronic payment information is not specified
Fresh	The document is complete in all respects and is available for authorization.
Authorized	The document is authorized appropriately and can be used for all external purposes. Financial postings are made and supplier balances are updated accordingly. All taxes and liabilities to the government are also recorded.
Held Authorized	Authorized documents that are held. This is to prevent the Invoice from getting paid/adjusted.
Partly Paid	Invoices for which partial payments or adjustments have been made
Held Partly Paid	The partly paid documents can be held to get this status. This is to prevent the documents from getting paid / adjusted further.
Requested	The documents, for which Payment Vouchers are generated and authorized, but payment is not released.
Paid	The invoices that are fully settled

Status	Denotes …
Reversed	A document that has been rendered null or voided. On reversal, all the updating made on authorization are nullified. This includes financial posting and supplier balance updating also. A document that is in "Partly Paid" or "Paid" status cannot be reversed.
Returned	The authorizing person has found a few anomalies in the document and the same is available for editing again. This status results when the authorizer invokes the 'Return' task in the Authorize activity.

4.5.10   Postings

4.5.10.1 Financial Postings - Authorize Invoice

Account Code	Dr/Cr	Amount
Account mapped to Usage	Dr	Amount as specified in the multi line
Supplier control account	Cr	Amount Payable to the supplier

4.5.10.2 Financial Postings - Reverse invoice

The account postings on authorization will be exactly reversed.

4.5.10.3 Inter component posting

‣ Postings into Supplier Inquiry for the purpose of supplier balance updating

‣ Postings into Finance Book Processing on authorization or reversal of invoices.

4.5.11   Online Reports

There are no online Reports for this transaction

4.6   Supplier Payments

4.6.1 Purpose

An important function of Payables Management system is to make prompt payments to suppliers and other creditors on the desired date. Since the company deals with a number of suppliers offering various credit terms, an effective payables system must be able to appropriately track the payments that are due and ensure timely discharge of the same and wherever possible avail the discounts for early payment.

4.6.2 Overview

In Ramco Enterprise Series, the "Supplier Payment" component enables the user to retrieve credit documents and raise payment requests to the "Release Payment" component for the issue of payment instruments through the specified payment channel. This component allows the user to discharge the liabilities towards the creditor or advance payments. However, the printing of checks, disbursement of cash or electronic payment is performed by the "Release Payment" component.

Multiple invoices and credit notes can be selected and processed for payment in a batch. The payment batch will result in the generation of one or more payment vouchers. The execution of each payment batch will also post payment requests to the "Release Payment" component.

Apart from payments post receipt of goods, this component also supports advance payments. Prepayments / Advances can be ad hoc or with reference to purchase orders. It is not mandatory to record a prepayment invoice before paying an advance. In Ramco Enterprise Series, payment processing allocates the bank from which the payment must be made while creating payment batch. A user can prioritize the payment depending on the funds available in the bank. The payment execution function merely creates the payment instrument. Ramco Enterprise Series provides facility for both centralized and decentralized payment processing. Payment currency could be different from the credit document currency.

This component also supports definition of Pay Groups to facilitate document retrieval. A pay Group has a set of predefined standard filter conditions, which are utilized for retrieving credit documents like invoices, credit notes etc. The Pay group definition also includes criteria for voucher generation, which can be utilized while creating a pay batch.

Generation of Pay Batch with the Pay Date later than the system date is also supported when the payment is made with the pay mode as 'Check'. The user can generate a batch for a future date and a 'check' for the same can be issued in the "Release Payment" component.

Payment through Letter of credit is also supported by creation of Regular Pay Batch. The user can fetch the documents with pay mode as LC and can release generate a batch for the same. Payments can be made for sight LC as well as Usance LC.

4.6.3 Concepts

4.6.3.1 Pay Group

Pay groups are defined to facilitate easy document retrieval. A pay group has a set of predefined filter conditions, which are utilized for retrieving credit documents like invoices, credit notes etc. Pay group definition optionally includes voucher generation criteria, which can be utilized while creating a pay batch. A reference to the pay group during pay batch creation can accomplish this.

4.6.3.2 Pay Batch

Pay batches can be defined to generate multiple payment vouchers and thus make payments in a batch. Multiple credit documents like invoices and credit notes can be referred to while creating a pay batch. Based on the currency of the credit documents, pay batches can be of two types.

4.6.3.2.1 Regular Pay Batch

A regular pay batch can be created with multiple credit documents of the same document currency. Thus the payment vouchers are generated in the same currency as that of the credit document. The bank details for payment allocation can be specified along with the pay batch details and the pay currency can also be arranged. Payment can be made in the invoice currency.

4.6.3.2.2 Advanced Pay Batch

An advanced pay batch is created with credit documents with different document currencies. Thus the payment vouchers are generated in different currencies. Unlike a regular pay batch that can be generated only for a single pay currency and bank cash code, the advanced pay batches can be generated with multiple pay currencies and multiple bank cash codes. Here the bank details for payment allocation are specified individually for every pay currency. However, if the payment is made in a different currency then the cross-currency rate between the invoice currency and pay currency will be applied.

The vouchers that are generated on authorization of a pay batch can be paid through multiple banks. The bank details can be specified for every pay currency. Before authorization of pay batch, a confirmation on whether bank balances are sufficient for payment is also done.

While creating a Pay batch (Regular or Advanced) if the Action on Unadjusted Prepayments is set as Hold and if there are any unadjusted prepayments for the supplier, then the Pay batch will not be created until all the prepayments made to the supplier are adjusted. If the Action is set as Warn and if there are any unadjusted prepayments for the supplier then the pay batch will be created with a warning that unadjusted prepayments exists for the supplier. If the action is set as Ignore then the pay batch will be created without any warning even though unadjusted prepayments exist for the supplier.

4.6.3.3 Prepayment Voucher

A prepayment voucher is raised on a supplier for the advances to be paid to the supplier before the actual supply of goods or services is made.. In such a case, prepayment voucher can be created with reference to a purchase order for the advance amount specified in the Purchase Order. However, for ad hoc advance payments, a direct prepayment voucher can be created without a document reference also.

Ramco Enterprise Series also supports creation of prepayment vouchers for releasing payment against a Sight LC which has not expired. Regular Prepayment Voucher with reference to a purchase order (having Pay Mode as Letter of Credit) can be created with the pay mode 'Letter of Credit'. However for LC payments, the prepayment voucher can be created for the LC ceiling Amount available for the Purchase Order and advance amount in PO need not be mentioned.

It is a typical business situation where a supplier could expect some deposit amount before supply of goods. In such cases, deposit vouchers, of the nature prepayments, are created to pay deposits to the supplier. These vouchers are once again sent to the Release Payment component on authorization.

4.6.3.4 Supplier Receipt Information

A supplier receipt is issued by a supplier on receipt of payment. These receipt information can be used for future reference. The supplier receipt information is recorded based on the voucher details and the details of the supplier to whom the payment is made. The recorded supplier receipt information can also be retrieved and viewed based on the voucher and payment details.

4.6.3.5 Penalty / Discount Calculation

While creating payment vouchers through a pay batch, facility to calculate penalty (in case of late payment) and add the penalty amount to the voucher amount is available. The penalty amount is calculated based on the clauses specified in the Pay Term that has been set during pay batch creation.

Similar to making payment with the penalty amount (if applicable), facility to prevent payment without discount claiming is also available. The proposed discount amounts are again retrieved based on the pay term set for the pay batch.

4.6.4 Key Features

4.6.4.1 Commercial

▶ **Cross currency payments**: Provides the facility to record an invoice in one currency and the payment in another currency

▶ Facility to view the balances available in various bank accounts and allocate pay amounts.

▶ Facility to specify the date of payment and the point at which the payment is to be released.

▶ Facility to specify Future Payment Dates for Checks

▶ Facility to specify Future Advance Payment Dates for Checks

▶ Facility to specify the exchange rate in which the payment must be made. This exchange can be modified in the transaction within the tolerance specified in the "Exchange Rate" component.

▶ Facility to indicate in the payment voucher whether the bank charges, for the DD will be borne by the payee or by the company.

▶ Facility to retrieve documents belonging to multiple finance books and creating pay batch in single finance Book

▶ Facility to make electronic payments

▶ Facility to warn if there are Prepayments pending for adjustment for the supplier.

4.6.4.2 Financial Posting

▶ The system retrieves the account code for the "Prepayment Account" based on account rule defined for the supplier. Currently Multiple control accounts for the same supplier account group can be specified. Hence the user has the option to select the control account to which entry has to be posted.

▶ The system retrieves the account code for "Bank / Cash" account based on the account rule defined.

▶ The finance book in which the postings have to be made can be specified.

▶ The system retrieves the "Bank Charges" account code in which the charges must be posted based on the account rule defined.

4.6.4.3 Services

▶ Automatic generation of invoice numbers. Manual numbering option is also provided.

▶ Facility to authorize the payment voucher during the process of creation if the user has the permission to do so.

▶ Provision to specify a payment priority for the payment voucher.

▶ Facility to reverse a payment voucher before payment for the same has been released

▶ Provision to record and view receipt details given by the supplier.

▶ Facility to view the details of the various documents participating in the payment voucher.

▶ Facility to view the individual payment vouchers created in an authorized pay batch.

▶ Facilitates multi level authorization of Prepayment voucher based on workflow configuration.

4.6.5 Prerequisites

▶ Completion of the organization set up modeling in Enterprise set up

▶ Component Interaction model definition

▶ Availability of Finance book information

▶ Number generation set up

▶ Suppliers in Active status

‣ Account rule definition for the Supplier, Discount, Penalty

‣ Account rule definition for the Items, usage and sale parameters

‣ Exchange rate definition for the transaction date

‣ Financial period /year in open status

‣ Reason code definition for Hold, Release and reverse invoice.

‣ Purchase orders or equivalent documents like Release Slip, SCO etc in the relevant Status for reference in prepayment

‣ Relevant Credit documents due for payment with relevant pay term information to calculate penalty and discounts

‣ Definitions in the Bank Cash Master-Payment Route, Pay Mode, and Bank Cash Code

‣ Definition of Payment Release Point

‣ Definition of banks in the Bank Cash Master capable of handling multiple Currencies

4.6.6 Predefined Values

Entity	Predefined Values
Document Type	Account Based and Item Based Credit Notes, Customs Invoice, Delivery Charges Invoice, Expense Invoice, Item Invoice, Order Based Invoice, Prepayment Invoice, Receipt, Transfer Credit Note
Pay Charges By	By Company, By Payee
Date Option	Date Range, Financial Period, Financial Year, Fortnight, Month, Week
Pay Through Date	Discount Date, Due Date, Transaction Date
Ref Doc Type	Purchase Order, Blanket Purchase Order, Release Slip, Sub Contract Order, Blanket Subcontract Order, Sub Contract Release Slip
Voucher Type	Deposit, Payment and Prepayment
Action On Unadjusted Prepayments	Hold, Ignore and Warn

4.6.7 Functional Parameters

Parameter Description	Value	Implication
Allow Multiple Finance Book Postings	Yes / No	When multiple Finance books are mapped to the login organization unit

Parameter Description	Value	Implication
		this parameter determine whether postings can be made to all such mapped finance books are not. If this is set to No, only the default finance book would be available for selection in the Finance Book combo across activities of this component
Default Finance Book	List of finance books from the "Organization Setup" component	Based on the values returned by the "Organization Setup" component, the user can select the finance book to be defaulted in the various activities of the component
Default Release Payment From	All the organization units in which the "Release Payment" component has been deployed. The system retrieves the list of organization units based on CIM	This Parameter determines the organization unit to be defaulted during the transactions
Action on Debit Document check	Hold / Ignore	This parameter allows the user to hold or ignore payments if an unadjusted debit document exists for the supplier
Action on Debit Balance check	Hold / Ignore	This parameter allows the user to hold or ignore payments if a debit balance already exists for the supplier
Action on Credit Limit check	Hold / Ignore	This parameter allows the user to set whether the payment processing must be executed even if the credit limit of the bank has been exceeded
Default Action on Unadjusted Prepayments	Hold / Ignore /	This parameter allows the user to select the action to be performed

Parameter Description	Value	Implication
Check	Warn	when unadjusted prepayment exists.
Allow Modification of Discount	Yes / No	This parameter allows the user to determine whether the "Proposed Discount" set in the Invoicing Components for a transaction can be modified in this payment component,
Stub Printing Option	No stub / Truncate / Overflow	This parameter allows the user to determine the options for printing check stubs along with the check. If the user selects "No Stub", then the system will not print a check stub along with the check. If the user selects "Truncate", then the system will truncate the number of lines to be printed in the check stub based on the number of lines specified in the "No of Lines in Stub" parameter. If the user selects "Overflow", then the system will print all the voucher information in the check stub irrespective of the number of lines specified in the "No of Lines in Stub" parameter.
No. Of Lines In Stub	User Defined	This parameter allows the user to set the number of lines to be printed in the check stub. This stub will be printed along with the check in the "Release Payment" component.
Cost Center for Discount	User Defined	This parameter allows the user to specify the cost center for which the discount amount must be booked.
Cost Center for Penalty	User Defined	This parameter allows the user to specify the cost center for which the penalty amount must be booked.

Parameter Description	Value	Implication
Analysis Code for Discount	User Defined	This parameter allows the user to specify the analysis code for which the discount amount must be booked.
Analysis Code for Penalty	User Defined	This parameter allows the user to specify the analysis code for which the penalty amount must be booked.
Sub analysis Code for Discount	User Defined	This parameter allows the user to specify the sub-analysis code for which the discount amount must be booked
Sub analysis Code for Penalty	User Defined	This parameter allows the user to specify the sub-analysis code for which the penalty amount must be booked
Allow future dated instruments in Supplier Prepayments	Yes / NO	This parameter indicates whether post dated check prepayments can be made or not.
Allow future dated instruments in Supplier Payments	Yes / NO	This parameter indicates whether post dated check payments can be made or not.

4.6.8 Deployment

Supplier Payment component may be deployed at single or multiple organization units. This component may be deployed at those organization units where the function of making payments to supplier is performed. The transaction is recorded against the company that is mapped to the organization unit from where the transaction originates. Financial postings are made into the finance book that is selected at the time of transaction. All financial books mapped to the corresponding company and organization unit are available for posting.

4.6.9 Component Interaction

Component	Cardinality
Account Based Budget	N:1
Account Rule Definition	N:1
Accounting Setup	N:1

Component	Cardinality
Bank / Cash Definition	N:M
Organization Setup	N:1
Exchange Rate	N:1
Finance Book Processing	N:1
Financial Calendar Closure	N:1
Cost Setup	N:1
TAX Calculation	N:1
Numbering Class	N:1
Receipt Acknowledgement	N:M
Blanket Purchase Order	N:M
Blanket Subcontract Order	N:M
Purchase Order	N:M
Purchase Release Slip	N:M
Subcontract Release Slip	N:M
Subcontract Order	N:M
Supplier	N:M
Company Parameter Setup	N:1
Organization Unit Parameter Setup	1:1
Installation Parameter Setup	N:1
Supplier Debit Credit Note	N:M
Supplier Direct Invoice	N:M
Supplier Inquiry	N:1
Supplier Order Invoice	N:M
Supplier Prepayment Invoice	N:M
Supplier Receipt	N:M
Supplier Balance Transfer	N:M
Release Payment	N:M
Customer Inquiry	N:1

Component	Cardinality
Notes	1:1
Reason Code Definition	N:1
Quick Code Definition	N:1

4.6.10   Status

Status…	Denotes …
Active-Pay Group	Pay Group that can be used in a transaction
Inactive-Pay Group	Pay Group that cannot be used in a transaction
Draft	The information provided is either not complete or correct. This document shall not be available for authorization.
Fresh	The document is complete in all respects and is available for authorization
Deleted	A document that is deleted prior to authorization will be in the 'Deleted' status
Requested	A document that is authorized and available for payment
Returned	The authorizing person has found a few anomalies in the document and the same is available for editing again. This status results when the authorizer invokes the 'Return' task in the Authorize activity.
Reversed	When any authorized document is to be rendered null and void, the same can be reversed. On reversal, all the updating made on authorization are reversed too. A document that is fully paid cannot be reversed.
Held	Any authorized document may be held. A held document is not available for Payment release. When the document is 'Held' in the 'Hold/Release' activity, this status is updated. When the document is 'Released', it reverts to the status the document was prior to its being 'Held'.
Void	When the instrument against which the payment request is made is voided, then the request status moves to Void. The request needs to be regenerated in order to release payment again.

4.6.11 Postings

4.6.11.1 Financial Postings

Account postings are made on Payment Release only. The following are the account postings generated by the Supplier Payment component, actually posted by Release Payments on Print Check or Pay cash.

Account	Indicator	Amount
Supplier Control Account	Dr	Amount of Invoice/Credit note being settled
Discount Account	Cr	Amount of discount availed
Penalty	Dr	Amount of penalty levied
Bank/Cash Account	Cr	Amount of Payment actually made out of the bank
Exchange Rate variance account	Dr/Cr	Variance arising due to exchange rate differences or differences due to cross currency settlements

4.6.11.2 Inter-component Postings

‣ In the case of Prepayment Voucher, relevant Advance Amount is updated In the PO.

‣ The payment request is available in Release payment component for payment.

4.6.12 Online Reports

4.6.12.1 Supplier Payment Voucher

Refer the Report Book for the Report Layout.

4.6.12.2 Supplier Pre Payment Voucher

Refer the Report Book for the Report Layout.

4.7   Sundry Payments

4.7.1 Purpose

Payables Management system in an organization has to cater to a wide range of payments like supplier payments, sundry payments, asset maintenance related payments, employee payments, statutory payments, customer payments Intra-bank , Inter-Bank/Cash Transfers etc. All such payments are predominantly for discharging already booked liabilities. Sundry payments refer to those, where a previous liability does not exist. Some examples are payment of miscellaneous expenses, statutory charges, sundry advances, payments for conveyance expenses, entertainment expenses, insurance payments etc. Unlike regular suppliers, the payees of such transactions are often one-time payees, or at the most, occasional, whose details are not maintained in the records of the organization. In sundry payments, payment and recording expense happen together (when the payment is finally released). The payment categories supported here are:

▶   Sundry Payments – For making miscellaneous payments

▶   Tax Payments – For making tax-related payments like TDS

▶   Bank Cash Transfer – For making inter-bank intra-bank/cash fund transfers

In this component, it is possible to record a payment without any preceding reference document. The usage or the account code, to which the expenditure is to be booked, can be specified. The payment date, currency, exchange rate, amount, payment route, method, mode, payee name etc can also be specified in the voucher. This payment request will be sent to the payment release point as mentioned in the voucher.

4.7.2 Concepts

4.7.2.1 Generating Sundry Payment Voucher

While generating sundry payment requests in form of payment vouchers, payment details like the payment method (bank or cash), payment mode (check, demand draft, pay order, direct debit), pay amount, pay date, etc have to be specified. Accounting information like accounts to be debited and expenses to be paid must also be stated.

4.7.2.2 Recording Payee Details

As already mentioned, sundry payments are often made to one-time suppliers. Since these suppliers' details are not available in the Supplier master, it can be recorded for future reference.

4.7.2.3 Payment Requests

The Sundry Payment component is used to generate payment requests only. Forwarding this payment request along with the relevant information to the Release Payment component makes the actual payment. All the relevant financial entries are posted subsequent to the payment release.

4.7.2.4 Payment for Multiple Expenses

A single payment voucher created can request payment from only one bank or cash account that is, only one bank/cash account can be credited in a transaction. Also, the payment through a voucher can be made to only one payee. However, it is possible to club several expenses in one voucher and debit multiple accounts in a single payment voucher. But in this case also the payee must be the same.

4.7.2.5 Account Budget and Credit Limit Check

This component also provides a facility for the user to keep track of the account budget and credit limit while creating a voucher. While debiting an expense account, the component would perform an account budget check, thereby not allowing the user to exceed the limits set on that account, if any. Similarly, a credit limit check is also supported to ensure that sufficient balance exists in the bank account chosen for making the payment.

4.7.2.6 Currency

Payments can be made in any currency, provided the bank / cash account to be credited and the accounts to be debited are of the same currency or the base currency.

4.7.2.7 Recurring Voucher Template

Generation of recurring vouchers based on a template is supported in this component. The frequency in which the vouchers must be generated can be specified in the template. Vouchers created from a template can be in Fresh or Requested (authorized) status.

4.7.3 Key Features

4.7.3.1 Commercial

‣ Multi currency: The voucher can be recorded in any of the permitted currencies of the company. It is possible to raise payment vouchers in the base currency of the company as well as any other permitted foreign currency through a base currency bank account.

‣ It is possible to make payments through electronic payment methods.

‣ The expenditure of a single payment voucher can be booked across account codes, cost centers, analysis and sub-analysis codes. If the user is not familiar with the account codes,

the usage can be specified alternatively based on which the accounts will be automatically retrieved.

▸ Entering account usage codes, which are mapped to Tax groups, supports Tax calculation.

▸ Payments can be made with respect to an asset proposal and these expenses can be capitalized.

▸ For recurring payments, which have a definite pay frequency – daily, weekly, fortnightly or monthly, it is possible to define a voucher template. The generated vouchers will be automatically posted in the "Fresh" or "Requested" status. Voucher templates are typically created for making monthly rental payments, insurance payments etc.

4.7.3.2 Financial Posting

▸ The system retrieves the account code for bank / cash based on the bank / cash code set in the "Account Rule Definition" component for bank / cash.

▸ The account codes to which the expenditure is to be booked can be manually entered or can be retrieved by the system based on the specified usage.

▸ The finance book in which the postings are to be made can be selected.

▸ Provision to select the finance book mapped to the login user.

▸ The cost center information for the accounts can also be specified.

▸ The analysis and sub-analysis codes (sub division of account code) can be specified if required.

▸ If budgets are defined for the account codes, then the system validates to ensure that the amount is within the budget amount.

▸ The proposed account posting information can be viewed prior to the authorization of the voucher.

▸ Financial postings information can be viewed in the transaction currency, the base currency and the parallel base currency of the company.

4.7.3.3 Services

▸ Automatic generation of payment voucher numbers. Manual numbering option is also provided.

▸ If payments are to be made through pay order or demand drafts, it is possible to specify whether the bank charges will be borne by the payee or by the company.

▸ Facility to authorize the invoice during the creation process, if the user has the permission to do so. The newly created voucher would be updated to the "Requested" status.

▸ Facility to authorize or delete multiple vouchers at a time.

▸ Facility to reverse the payment voucher after authorization provided the same has not yet been released for payment.

▸ Facility for Automatic Generation of Sundry Receipt Vouchers for Inter-Bank Cash Transfers across OUs.

▸ Notes can be included to the voucher at any stage.

4.7.4 Prerequisites

▸ Organization setup modeling in Enterprise Setup must have been completed.

▸ Component Interaction Model (CIM) must have been defined.

▸ Availability of finance book information must be ensured.

▸ Currencies must have been defined in the Organization Setup component.

▸ Voucher related accounts and bank charges account codes must have been defined in the Accounting Setup component.

▸ Bank and cash codes must have been defined in the Bank Cash Definition component.

▸ Account codes for specific usages must have been defined in Account Rule Definition component.

4.7.5 Predefined Values

S No	Entity	Pre-defined Values
1	Payment Category	• Sundry Payment • Tax Payment • Bank Cash Transfer
2	Instrument Charges	• By Company • By Payee
3.	Payment Priority	• High • Medium • Low

4.7.6 Functional Parameters

Parameter Description	Value	Implication
Allow multiple Finance Book Postings	Yes / No	When multiple Finance books are mapped to the login organization unit this parameter determine whether postings can be made to all such mapped finance books are not. If this is set to No, only the default finance book would be available for selection in the Finance Book combo across activities of this component
Default Finance Book	List of all the finance books from the	Based on the values returned by the "Organization Setup" component, the user

Parameter Description	Value	Implication
	"Organization Setup" component	can select the finance book to be defaulted in the various activities of the component
Default Release Payment From	All the organization units in which the "Release Payment" component has been deployed. The system retrieves the list of organization units based on CIM.	This parameter determines the organization unit to be defaulted during the transactions
Default Usage for Tax Calculation	Usage ID	This Usage Id will be taken for tax calculation when account usages are not specified in the transaction and only account codes are specified.
Number of lines to be printed in Check Stub	Integer	This parameter determines the number of lines to be printed in the check stub. This stub will be printed along with the check in the "Release Payment" component.

4.7.7 Deployment

Sundry Payment component can be deployed at one or more organization unit where the function of miscellaneous payment is carried out. The financial postings are made to the finance book selected while creating the voucher. All finance books mapped to the organization unit and the company will be available for posting. Payment release can also be centralized or decentralized.

4.7.8 Component Interaction

Component Name	Cardinality
Account Based Budget	N:1
Account Rule Definition	N:1
Accounting Setup	N:1
Bank Cash Definition	N:M
Finance Book Processing	N:1
Financial Calendar Closure	N:1

Component Name	Cardinality
Organization Setup	N:1
Exchange Rate	N:1
Cost Setup	N:1
Tax Calculation	N:1
Tax Settlement	N:1
Asset Capitalization	N:M
Asset Insurance	N:M
Asset Planning	N:1
Numbering Class	N:1
Company Parameter Setup	N:1
Organization Unit Parameter Setup	1:1
Installation Parameter Setup	N:1
Supplier Inquiry	N:1
Release Payment	N:M
Notes	1:1
Reason Code Definition	N:1
Sundry Receipt	N:M

4.7.9 Status

Status…	Denotes…
Fresh	A newly created voucher that is available for authorization
Requested	A voucher that has been authorized and is available for payment release.
Paid	A voucher for which payment has been released.
Held	A voucher whose payment has been held for some reason.
Reversed	An authorized voucher that has been reversed due to some erroneous entry.

4.7.10   Postings

4.7.10.1 Financial Postings

Account	Dr / Cr	Amount
Usage based account code	Dr/Cr	The line amount of the voucher
Bank/Cash account	Cr	The voucher amount

This component will not make any postings to Finance Book Processing component. Entries are posted to Supplier Inquiry component only. When the payment vouchers are retrieved in the Release Payment component and the instruments are released, then the postings are made in finance books.

4.7.10.2 Inter-component Postings

‣ Postings and status updation to Supplier Inquiry component.

‣ Updation to Release Payments component.

‣ Updation to sundry Receipt Component on Inter Bank/cash transfers

‣ Status updation to payment vouchers while printing as well as voiding checks.

4.8   Release Payment

4.8.1 Purpose

The various departments of a company can raise payment requests. These could be payments to suppliers, customers, employees and so on. The payment vouchers will specify payment details like payee, pay amount, currency, pay mode, pay date etc. Subsequently, the payment must be released to the payee. This component performs the function of discharging payments as specified in the payment vouchers. Various payments supported are: supplier payments, sundry payments (like fixed assets insurance premium payments, statutory payments etc) and customer payments.

Based on the nature of payment, the payment voucher is authorized before being forwarded to the "Release Payment" component. For example, the "Accounts Payable" function authorizes all payments that must be made to suppliers. Similarly, payments related to assets are authorized by the same function based on inputs received from the "Fixed Asset Management function. Customer related payments are also handled by this component.

Payments can be released by issuing automated or manual checks, cash payments, direct debit, Letter of Credit or through electronic file transfer. Financial postings are posted in the finance books on the date on which the instrument has been issued. The status of the payment

voucher is also updated as "Paid". If a payment has been declared as "Void", the details regarding the voiding can also be recorded. Based on the recorded details, the status of the voucher and the account postings are also updated.

4.8.2 Concepts

4.8.2.1 Bank Payments

Payment modes supported in bank payments are check, demand draft, direct debit, Letter of Credit and pay order. All the payment modes, other than direct debit and Letter of Credit are handled through checks only. For example in case of a payment through demand draft, a check will be printed in the name of "Your Self" and the bank in the specified payee name will issue a demand draft. However Letter of credit as a Pay Mode is available only for Supplier Payments and Prepayment Vouchers.

4.8.2.2 Check Series

Financial Operations function supports two types of check series namely, Manual and Automatic. As the name suggests, checks belonging to manual check series can be issued manually and automatic checks can only be printed.

Both manual and automatic check series have two types of stationery: Preprinted and Normal. Preprinted stationery is the one where the check number is preprinted. However, in normal stationery, check numbers will be blank and is printed along with the other payment information.

4.8.2.3 Check Printing

As already mentioned, checks can be issued manually or can be printed. In case of any errors while printing payment information, normal checks can be reprinted whenever required. These check numbers, which are damaged while printing can be marked as "Damaged" and can be reused while reprinting. However, this process is not mandatory as checks in "Printed" status are also retrieved during reprinting. On marking check as damaged or on re-printing of check, account postings are not made.

In case of preprinted checks, if such error occurs, then on reprinting a new check number would be printed and updated to the payment voucher and Release payment details.

In case the pay mode is demand draft, there is a facility to combine multiple pay vouchers into a single check issued manually in favor of self to the bank. Instructions may be given to the bank for specific demand drafts to be drawn.

4.8.2.4 Stub Information

The stub details can be printed as specified in the vouchers. The printing can be controlled by the "Stub Printing Option" ("Truncate", "Overflow" or "None") parameters defined in the check printing activity. If "Truncate" option has been selected then the stub information will be truncated to the available space in the stub. If "Overflow" is chosen then, the information will be printed in the subsequent stubs without printing on the subsequent checks. However this is possible only in case of normal stationery. If the stub printing option has been set to "None", then the stub will be printed subsequent to the checks.

4.8.2.5 Direct Debit

Direct debit is the process by which a bank will automatically debit the relevant bank account based on the company reference. Company reference is the instruction provided for payments.

4.8.2.6 Letter of Credit

Letter of Credit is a guarantee given be the bank for making payment to the supplier. The bank will directly make the payment to the supplier for the goods based on the terms and conditions of the Letter of Credit and the payment needs to be made to the bank for the same.

4.8.2.7 Other Pay Modes

As far as the other pay modes are concerned, they are similar to check printing. However the payee name will be printed as "Yourself" which will be issued to the relevant banks, which in turn will issue the respective instruments like DD, Pay Order etc.

4.8.2.8 Electronic Payments

In addition to the bank and cash payments, Swiss and German electronic payments are facilitated in the Financial Operations system. Some such modes supported are: ESR, ESR+, LSV etc. The relevant file format for each payment method will be generated by the system and can be mailed to the banks for further action. Output file format generated will differ for each pay mode as specified by the regulatory authorities and banks.

4.8.2.9 Cash Payments

Cash payments with a facility to specify the denomination are also supported. Multiple pay vouchers can be paid in one instance.

4.8.2.10 Capturing Instrument Details

In case of payment through instruments like demand draft or pay order the charges made by the bank after issuing the check can be recorded here.

4.8.2.11 Bank Charges

The bank charges can be recorded at the time of issuing checks or even after receiving the instruments. If it is recorded before printing checks, then depending upon the parameter "Pay Charges borne by" (Company or Payee), the Bank Charges Account will be debited or the debit will be passed on to the payee.

4.8.2.12 Common

If a check belonging to a check series is printed, the check series cannot be deleted. Check series deletion is possible only prior to the printing. Check series can be inactivated and the status of the series gets updated to "Inactive". Such series cannot be issued for payment. We can also inactivate a check series by reducing the number of checks to the last printed checks. In these situations, the status of the check series will remain as "Active", but still the checks will not be available for printing. The same method can be used to increase the number of checks in the series.

4.8.3 Key Features

4.8.3.1 Commercial

▶ Facility to print checks along with the stub details. Details regarding the number of lines in a stub, whether they can overflow or must be truncated can also be specified.

▶ Facility to specify the payment date as the date on which the payment was requested for or the date on which the payment is released.

▶ Facility to modify the payee's name while printing the check.

▶ Facility to indicate whether the pay charges for payment modes like demand draft would be borne by the company or the payee. The account postings for these payment charges will also be made.

▶ Facility to issue a single check for multiple payment vouchers of the same person.

▶ Facility to record pay charges after the check has been issued through the "Record Instrument Information" activity.

▶ Facility to revert the status of the reference documents based on which the payment voucher has been raised if the instrument has been declared as "Void".

▶ Facility to issue Future dated checks.

4.8.3.2 Financial Posting

▶ The entries for account postings are determined by the individual payment components, which are effected on the instrument date / date of disbursement.

▶ If pay charges are recorded, the system retrieves the account code in which the bank charges must be updated from the "Account Rule Definition" component.

▸ If budgets have been defined for account codes, then the system ensures that the amount is within the set budget amount.

▸ The details of the account postings can be viewed once the payment is released.

▸ Financial postings information can be viewed in the transaction currency, the base currency or the parallel base currency of the company.

▸ For a Future dated Checks Financial Postings will get updated on processing the check in the Process post dated instruments activity instead of print check in the Print check activity.

4.8.3.3 Services

▸ Facility to reprint checks, any number of times, if it has been damaged during printing.

▸ Facility to specify a template for the check report.

▸ Facility to record the denominations in which the cash payment are made.

▸ Facility to specify the different check formats for different bank codes for Printing the Checks

▸ Provision to modify the payee name during check printing, Based on the Company Parameter Setup Payables parameter "Allow modification of Payee name"

▸ Facility to specify new check series during reprinting the check if the old check series is exhausted.

4.8.4 Prerequisites

▸ Currencies must have been defined in the Organization Setup component.

▸ Voucher related and bank charges account codes must have been defined in the Accounting Setup component

▸ Bank, cash and PTT codes must have been defined in the Bank Cash Definition component.

▸ Account rules must have been defined in Account Rule Definition component.

▸ Payment Vouchers must be authorized and should be in "Requested" status.

4.8.5 Predefined Values

S No	Entity	Predefined Values
1.	Check Series Type	• Manual • Automatic
2.	Stub Printing Option	• Overflow • Truncate • None
3.	Number of Check Digits	• 4 to 14

S No	Entity	Predefined Values
4.	Payment Category	• Supplier Payments • Sundry Payments • Asset Payment • Customer Payments • Bank Cash Transfers

4.8.6 Deployment

This component can be deployed at the company level or the OU level.

4.8.7 Component Interaction

Cardinality → RP: Other Components

Component Name	Cardinality
Account Based Budget	N:1
Account Rule Definition	N:1
Accounting Setup	N:1
Bank Cash Definition	N:M
Bank Reconciliation	N:M
Finance Book Processing	N:1
Financial Calendar Closure	N:1
Organization Setup	N:1
Cost Setup	N:1
Company Parameter Setup	N:1
Organization Unit Parameter Setup	1:1
Installation Parameter Setup	N:1
Supplier Inquiry	N:1
Sundry Payments	N:M
Supplier Payment Processing	N:M
Customer Inquiry	N:1
Customer Payment	N:1

Component Name	Cardinality
Sundry Receipt	N:1
Reason Code Definition	N:1
Asset Planning	N:1

4.8.8 Status

Status…	Denotes…
Active	A newly created check series that can be issued for payment. This is the status of check series and is not applicable for checks.
Inactive	A check series that cannot be issued for payment. This status is also applicable only for check series.
Printed	Checks that have been printed. *Note: that this value denotes the status of a check and not a check series.*
Damaged	Checks that are damaged while printing or if any errors have occurred while writing checks manually.
Deleted	Checks that have not been issued and have been deleted.

4.8.9 Postings

Release Payment will not generate any postings other than the bank charges postings by itself. This component retrieves the account posting information from the relevant payment vouchers and updates Finance Book Processing and Supplier Inquiry components.

4.8.9.1 Inter-component Postings

▶ Postings and status updation to Supplier Inquiry component.

▶ Postings to Finance Book Processing component.

▶ Status updation to payment vouchers while printing as well as voiding checks.

4.8.10   Reports

4.8.10.1 Check

Refer the Report Book for the Report Layout.

4.8.10.2 Check Stub

Refer the Report Book for the Report Layout.

4.9   Supplier Balance Adjustment

4.9.1 Purpose

Usually, the advance payments of a supplier and liability documents are booked at various stages. Also, post invoice corrections are effected by raising debit and credit notes. If these are not set off or matched against the other, then the supplier account will show an un-reconciled debit and credit balances. For example, a supplier raises an invoice of USD 5000/- towards which an advance of USD 2500/- has already been paid. If the advance is not set off against the invoice, the supplier's control account and prepayment account would be reflecting an amount of 5000/- credit and 2500/- debit respectively. Also, the invoice will be reflecting an unadjusted amount to the tune of 5000/- and when retrieved for payment, will be for an amount of 5000/-.

In order to reflect the correct adjusted balances of the supplier, there is a need to carry out a process of adjustment.

4.9.2 Overview

Supplier Balance Adjustment is a process of adjusting the various debit and credit documents of a supplier. The following types of credit / debit documents can be adjusted using the adjustment process:

CREDIT	DEBIT
Expense Invoice	Direct Prepayment Invoice
Item Invoice	Order Based Prepayment Invoice
Miscellaneous invoice	Item based Debit Note
Order Based Invoice	Account Based Debit Note
Account Based Credit Note	Prepayment Voucher
Item Based Credit Note	Transfer Debit Note
Receipt Vouchers	Deposit Voucher
Transfer Credit Note	

The outstanding / unadjusted amounts of the credit documents will be set off against the debit documents to update the outstanding amounts of the documents. Please refer the diagram depicting the process of adjustment.

DEBIT DOCUMENTS	CREDIT DOCUMENTS
Account Based Debit Notes	Account Based Credit Notes
Item Based Debit Notes	Item Based Credit Notes
Prepayment Invoice (Paid)	Direct Invoice
Transfer Debit Notes	Packslip Invoice
Deposit Vouchers	Receipt Voucher
	Transfer Credit Notes
	Order Based Invoice

Create adjustment voucher

Authorize adjustment voucher → Update supplier balance

Financial postings

Figure 24: Process for adjustment

In Ramco Enterprise Series, the user can opt for two different types of adjustment. They are:

‣ Automatic – in which the system does the adjustment automatically without user intervention. This is usually done when the credit documents are authorized and the sequence of adjustment is determined by the system.

‣ Manual – in which the user selects the debit and the credit documents that must be adjusted. However, document for which LC details are available and the LC has not expired on the adjustment date can be selected for manual adjustment based on the CPS parameter 'Allow Valid LC Documents for manual Adjustment'.

4.9.3 Concepts

4.9.3.1 Adjustment Sequence

Multiple credit and debit document can be selected simultaneously for adjustment. The system adjusts the documents in a sequential manner. The two options available for sequencing are FIFO and LIFO. In FIFO method, the document with the earliest date / due date will be first taken up. In case of LIFO method, the document with the latest date / due date will first be taken up for adjustment. The document date is considered for debit notes and prepayment vouchers. The due date is considered for invoices and credit notes.

However for documents with pay mode as 'Letter of credit', the documents for which the Letter of Credit has not expired are not considered for auto adjustment and the documents with Expired LC are considered for auto adjustment based on the CPS Parameter "Allow Expired LC Documents for Auto Adjustment".

4.9.3.2 Propose Adjustment

After selecting the Supplier, the adjustment sequence and the debit and credit documents for adjustment, the user may invoke the Propose Adjustment task. The system simulates the adjustment process and displays the amount of adjustment against each document and the corresponding discount or penalty calculation. The proposal is based on document dates for debit documents, due dates for the credit documents.

4.9.3.3 Computation of Exchange gain / loss

Invoice value: 100 USD

Exchange rate between invoice currency and base currency as on invoice booking date= 0.8

Invoice value in base currency: 80 (100* 0.8)

Advance value: 100 USD

Exchange rate between advance payment currency and base currency as on receipt date = 0.75

Receipt value in base currency: 75 (100*0.75)

Exchange gain = 5 (Invoice value in base currency – receipt value in base currency)

4.9.4 Key Features

4.9.4.1 Commercial

‣ Facility to adjust multiple debit and credit documents at the same time as a part of a single adjustment voucher batch.

‣ Facility to adjust the debit and credit documents of different currencies through the "Multi-currency Adjustment Voucher" activity.

‣ Facility to calculate the "Discounts" for early payments and "Penalty" for delayed payments based on the payment schedule and the settlement dates. This information can also be modified.

‣ Facility to calculate and book the variances in the exchange rates for the base currency and the parallel base currency when the adjustment voucher is authorized.

4.9.4.2 Financial Posting

‣ The system retrieves the account codes for the supplier based on the account code specified in the respective debit / credit documents.

‣ The system retrieves the account codes for the variance, discount, penalty accounts from the account rule defined for the additional usage.

‣ The exchange rate that will be considered will be the one, with which the participating documents were originally recorded.

‣ When adjustments are made across finance books in the "Inter FB" accounts are debited / credited as the case may be.

4.9.4.3 Facilities

‣ Facility to propose an adjustment through a FIFO / LIFO sequence and allowing modification to the proposed values.

‣ Facility to view account postings.

‣ Facility to view the details of the various documents being adjusted.

‣ Facility to record notes during any stage of the adjustment process.

4.9.4.4 Supplier – Customer Adjustment

‣ Facility to do Single Currency adjustment of Supplier Balance and Customer Balance provided the customer code associated for the Supplier. (This instances arises when the same party is the supplier and customer for us.)

4.9.5 Prerequisites

▶ Completion of the organization set up modeling in Enterprise set up

▶ Component Interaction model definition

▶ Availability of Finance book information

▶ Number generation set up

▶ Suppliers in Active status

▶ Account rule definition for the Supplier

▶ Account rule definition for discount and penalty accounts

▶ Exchange rate definition for the transaction date

▶ Financial period /year in open status

▶ Reason code definition for reverse

▶ System parameter and function default setting

▶ Customer code association to supplier for Supplier Customer Adjustment

4.9.6 Predefined Values

Entity	Predefined Values
Adjustment sequence	LIFO, FIFO

4.9.7 Functional Parameters

Parameter Description	Value	Level of Applicability	Implication
Allow Multiple Finance Book Postings	Yes / No	OU Level	When multiple Finance books are mapped to the login organization unit this parameter determine whether postings can be made to all such mapped finance books are not. If this is set to No, only the default finance book would be available for selection in the Finance Book combo across activities of this component
Default Finance	List of all the finance books	OU Level	Based on the values returned by the

Parameter Description	Value	Level of Applicability	Implication
Book	from the "Organization Setup" component		"Organization Setup" component, the user can select the finance book to be defaulted in the various activities of the component
Default Numbering Type	Values from the "Numbering Class" component	OU Level	Based on the values returned by the "Numbering Type" component, the user can determine the numbering type to be defaulted in the various activities of the component
Cost Centre for Discount	User Defined	OU Level	The user can specify the cost center to which the discount will be associated.
Analysis Code for Discount	User Defined	OU Level	The user can specify the Analysis Code associated with the discount.
Sub-Analysis Code for Discount	User Defined	OU Level	The user can specify the Sub Analysis Code associated with the Analysis Code for discount.
Allow Valid LC Documents for manual Adjustment	Debit Documents Only", "Credit Documents Only", "Both Debit and Credit Documents" and "No	Company Level	The user can specify whether the documents with LC details for which the LC has not expired can be used for manual adjustment or not.
Allow Expired LC Documents for Auto Adjustment	"Yes" and " No"	Company Level	The user can specify whether the documents with LC details for which the LC has expired can be used for auto adjustment or not.

4.9.8 Deployment

Supplier Balance Adjustment component may be deployed at single or multiple organization units. This component may be deployed at those organization units where the function of matching Supplier collections to invoice document and adjustment of debit / credit notes is performed. The transaction is recorded against the Company that is mapped to the organization unit from where the transaction originates. Financial postings are made into the Finance Book that is selected at the time of transaction. All Financial books mapped to the corresponding company and organization unit are available for posting.

4.9.9 Component Interaction

Component	Cardinality
Account Based Budget	N:1
Account Rule Definition	N:1
Accounting Setup	N:1
Organization Setup	N:1
Exchange Rate	N:1
Finance Book Processing	N:1
Financial Calendar Closure	N:1
Cost Setup	N:1
TAX Calculation	N:1
Numbering Class	N:1
Company Parameter Setup	N:1
Organization Unit Parameter Setup	1:1
Installation Parameter Setup	N:1
Supplier	N:1
Supplier Debit Credit Note	N:N
Supplier Direct Invoice	N:N
Supplier Inquiry	N:1
Supplier Order Invoice	N:N
Supplier Prepayment Invoice	N:N
Supplier Payment Processing	N:N

Component	Cardinality
Supplier Receipt	N:N
Supplier Balance Transfer	N:N
Notes	1:1
Reason Code Definition	N:1

4.9.10　Status

Status…	Denotes …
Fresh	The document is complete in all respects and is available for authorization
Deleted	A document that is deleted prior to authorization is in 'Deleted' status
Returned	The authorizing person has found a few anomalies in the document and the same is available for editing again. This status results when the authorizer invokes the 'Return' task in the Authorize activity
Authorize d	The document is Authorized appropriately and can be used for all external purposes. Financial postings are made and Supplier balance updated accordingly.
Reversed	The status of any authorized document is to be rendered null and void, the same can be reversed. On reversal, all the updating made on authorization are reversed too. This includes financial posting and Supplier balance updating.

4.9.11　Postings

4.9.11.1　Financial posting

▸ All account codes are fetched as based on the Definitions in the Account Rule Definition component for the selected Finance Book.

▸ In case of reversal, the account postings made on authorize are reversed exactly.

Authorization of Adjustment Voucher		
Account	Indicator	Amount
Supplier control account (for credit document)	Dr	Amount of invoice/ credit note amount adjusted
Discount account	Cr	Amount of discount availed
Supplier control account (for debit document)	Cr	Amount of debit note /advance amount adjusted
Exchange rate variance account	Dr/Cr	Variance arising due to exchange rate differences or differences due to cross

		currency settlements

4.9.11.2 Inter-component Postings

▶ Updating of Supplier information in the Supplier inquiry component, which shall be reflected in all Supplier related reports like Supplier inquiry, Supplier ledger.

▶ Updating the adjusted amount against individual document, so that the due/ outstanding amount for each document is reflected correctly.

▶ Generation of Supplier Account Based Debit Note, Customer Account Based Credit Note, Supplier Balance Adjustment Voucher and Customer Balance Adjustment Voucher on Supplier Customer Adjustment.

Note: *All postings and updates are made on authorize of the adjustment voucher document.*

4.9.12   Online Reports

4.9.12.1 Supplier Balance Adjustment Report

Refer the Report Book for the Report Layout.

4.10 Supplier Receipt

4.10.1   Purpose

There are business scenarios when a purchasing company receives money from its supplier. Some examples of such situations are suppliers having to keep some security deposit with the customers, payment of initial amount against tenders, refund on account of returns and so on. These transactions are made by cash or check payment.

4.10.2   Overview

In Ramco Enterprise Series, the "Supplier Receipt" component allows the user to record the receipts from suppliers. A receipt can be through the bank or by cash. Details of the currency, exchange rate, mode of receipt and the instrument details can be recorded for every receipt. It is possible to specify whether the receipt will be used for adjustment or whether it needs to be paid back to the supplier at a future date.
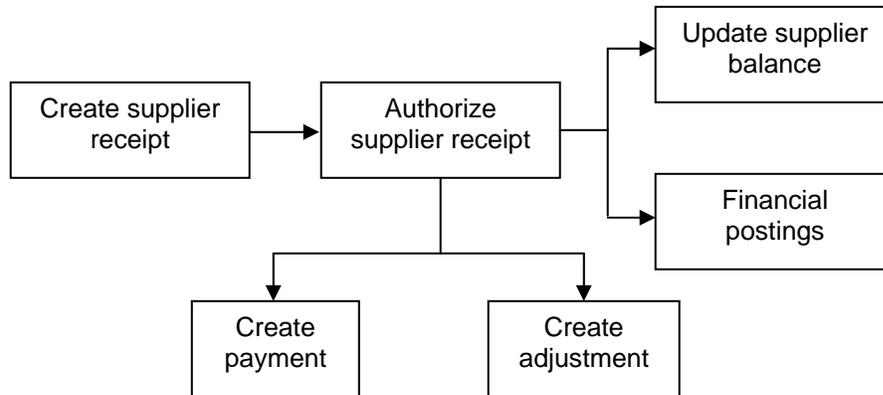
Figure 25: Process of "Supplier Receipt"

4.10.3   Concepts

4.10.3.1 Receipt Type

The Type in which the payment is received from the supplier, that is Regular or Deposit Receipt.

4.10.3.2 Receipt Mode

The mode in which the payment is received from the supplier, namely, check, demand draft, pay order and cash.

4.10.3.3 Receipt Method

The receipt method in which the payment is received from the supplier like Regular or electronic methods.

4.10.3.4 Receipt Route

The route in which the payment is received from the supplier, namely; cash or bank.

4.10.3.5 Apply

This indicated the manner in which the receipt is to be applied. If the receipt is in the nature of a refundable security or tender deposit, it would be available for re-payment to the supplier in the supplier payment component. If the receipt is against goods returned or settlement of dues, it shall be available for adjustment in the supplier balance adjustment component. If at the time of receipt the mode of application is not certain, then this can be left blank. This receipt would be available for both payment and adjustment

4.10.4 Key Features

4.10.4.1 Commercial

▶ Facility to receive payment from the supplier either as cash or through bank.

▶ Facility to select the finance book in which the receipt voucher must be accounted.

▶ The receipts will be automatically deemed to be in "Realized" status.

▶ Provision to specify whether the receipt will be used in the process of adjustment or will be taken up for payment.

▶ Facility to deposit the receipts in a bank through the "Realize Receipts" component.

4.10.4.2 Financial Posting

▶ The system retrieves the account codes for posting the supplier based on the default account code set for the supplier groups and bank or cash details based on the account rule defined for bank or cash in the Account Rule definition.

▶ Currently Multiple control accounts for the same supplier account group can be specified. Hence the user has the option to select the control account to which entry has to be posted.

▶ Facility to reverse the financial postings if the receipt is reversed.

4.10.4.3 Services

▶ Automatic numbering of receipt vouchers. Manual numbering option is also provided.

▶ Facility to reverse a receipt till the receipt is not realized.

▶ Facility to authorize the receipt voucher during the creation process, if the user creating it has the rights to do so.

▶ The details of the account posting information can be viewed at any point of time.

4.10.5 Prerequisites

▶ Completion of the organization set up modeling in Enterprise set up

▶ Component Interaction model definition

▶ Availability of Finance book information

▶ Number generation set up

▶ Supplier in Active status

▶ Account rule definition for the Supplier

▶ Exchange rate definition for the transaction date

▶ Bank Definition

▶ Financial period /year in open status

4.10.6   Predefined Values

Entity	Predefined Values
Allow Multiple Finance Book	Yes, No
Apply	Blank, Payment and Adjustment.

4.10.7   Functional Parameters

Parameter Description	Value	Implication
Allow Multiple Finance Book Postings	Yes / No	When multiple Finance books are mapped to the login organization unit this parameter determine whether postings can be made to all such mapped finance books are not. If this is set to No, only the default finance book would be available for selection in the Finance Book combo across activities of this component
Default Finance Book	List of finance books from the "Organization Setup" component	Based on the values returned by the "Organization Setup" component, the user can select the finance book to be defaulted in the various activities of the component

4.10.8   Deployment

Supplier receipts component may be deployed at single or multiple organization units. The transaction is recorded against the company that is mapped to the organization unit from where the transaction originates. Financial postings are made into the finance book that is selected at the time of transaction. All financial books mapped to the corresponding company and organization unit are available for posting.

4.10.9   Status

Status…	Denotes …
Draft	A newly created receipt that cannot be picked up for authorization.
Fresh	The receipt can be authorized.

Status…	Denotes …
Deleted	The Receipt Voucher is deleted.
Authorized	The receipt has been authorized and postings have been made in the corresponding books of accounts, and the same can be picked by the realize receipt component to create the pay in slip.
Held	A receipt that is not used for adjustment.
Reversed	The receipt voucher if the instrument is bounced in the Realize Receipt component. (If the automatic reversal on bouncing parameter is set to yes). Also receipts in To be reversed status, move to reversed status after reversal task is performed
Returned	A receipt for which the authorizing person encounters a problem and returns it. Returned documents can be edited and resubmitted for authorization.
To be reversed	The Instrument is bounced in the Realize receipt component. (if the automatic reversal on bouncing parameter is set to no). This document is not available for adjustments. This document is available only for reversal.

4.10.10   Component Interaction

Component	Cardinality
Account Based Budget	N:1
Account Rule Definition	N:1
Accounting Setup	N:1
Bank / Cash Definition	N:M
Organization Setup	N:1
Exchange Rate	N:1
Finance Book Processing	N:1
Financial Calendar Closure	N:1
Cost Setup	N:1
Numbering Class	N:1
Supplier	N:1
Company Parameter Setup	N:1
Organization Unit Parameter Setup	1:1

Component	Cardinality
Installation Parameter Setup	N:1
Supplier Inquiry	N:1
Realize Receipt	N:M
Notes	1:1
Reason Code Definition	N:1

4.10.11   Postings

4.10.11.1   Financial Postings – Authorize Receipt

Account	Indicator	Amount
Supplier Payable Account	Cr	The amount that is received
Cash /Bank	Dr	The amount that is received

4.10.11.2   Financial Postings – Reverse Receipt

Account	Indicator	Amount
Supplier Payable Account	Dr	The amount that is received
Cash/Bank	Cr	The amount that is received

4.10.11.3   Inter-component Postings

When a supplier receipt is authorized, it can be fetched by the realize receipt component and pay in slip can be created .The same pay in slip can further be deposited into bank. When the Instrument bounces, the supplier receipt is reversed automatically.

The supplier receipt that is in the "Authorized" status can also be picked by the Supplier Adjustment component for adjusting the debit and the credit document of the supplier.

The supplier receipt that is in the "Authorized" status can also be picked by the Supplier Payment component for repayment to the supplier.

The receipt from the supplier in turn will also affect the balances in the "Supplier Inquiry" component.

4.11 Supplier Balance Transfer

4.11.1 Purpose

In a company, there are situations, when an amount or balance needs to be transferred from one supplier to another or between two different accounts of the same supplier. Such transfers can take place when a supplier goes out of business or when the business of the supplier is taken over by a new person. On take over the supplier may assign the receivable to another supplier. Transfer could also take place to rectify any errors that have occurred due to the wrong posting of invoices in any of a supplier's multiple control accounts.

4.11.2 Overview

In Ramco Enterprise Series, the transfer of balance from one supplier to another is handled by the "Supplier Balance Transfer" component and the types of balance that can be transferred are payables / prepayments and deposits. This component allows the user to transfer balances from one supplier account to another. Balances in "Payables", "Prepayments" or "Deposits" accounts can be transferred.

Transfer debit / credit notes will be automatically raised for the transferor / transferee depending on the type of balance, which is being transferred. It is possible to do a partial or a complete transfer of the supplier's balance. For a partial balance transfer , it is necessary to specify the break-up of the documents.

However if for a supplier, documents with LC details exist and the LC for the document has not expired on the date of transfer, it is not possible to transfer such document. Also, in such a case, full balance transfer for the supplier can not be made.

4.11.3 Concepts

4.11.3.1 Transferor Supplier

Supplier whose balance is being transferred.

4.11.3.2 Transferee Supplier

The supplier to whom the balance is transferred.

4.11.3.3 Credit Balance Transfer:

When a credit balance is transferred, a transfer debit note is created for the transferor supplier and transfer credit note is generated for the transferee supplier

4.11.3.4 Debit Balance Transfer:

In case of a debit balance transfer a transfer credit note is created for the transferor supplier and a transfer debit note is created for the transferee supplier

4.11.3.5 Prepayment Transfers:

In case of a prepayment transfer a transfer credit note is generated for the transferor supplier and a transfer debit note is generated for the transferee supplier.

4.11.3.6 Transfer Account Type:

The account type with which the balances are to be transferred. The transfer account types are Prepayment, Payable and deposit accounts.

4.11.3.7 Exchange rate variance:

Exchange rate variance is posted only in case of cross currency transfer. In this case the transfer amount suggested by the system may be edited by the user. The exchange rate variance arising on account of this is posted to the variance account. In case of transfer of balance within same currency, no exchange variance is realized.

4.11.4   Key Features

4.11.4.1 Commercial

‣ Facility to transfer payables, deposits and prepayment balances.

‣ Facility to transfer balances within as well as across finance books.

‣ Facility to transfer the balance completely or partially from the transferor.

‣ Facility to transfer balances in different currencies that is the balances in a customer's DEM account can be transferred to another customer by stating its equivalent in EURO taking the exchange rate applicable on the date of transfer. The loss / gain due to exchange rate variance can be accounted.

‣ Facility to record the reason for the transfer.

‣ Facility to record the breakup of the transferred amount during partial transfer

‣ Facility to settle the transferor's account by auto-adjusting the debit note / credit note with the documents under transfer.

‣ Facility to modify the payment schedule information for the transferee based on a system parameter.

‣ Facility to amend the payment information on the details of the transferee.

4.11.4.2 Financial Posting

▶ The system would retrieve the "Inter Supplier Account" codes based on the account rule defined for the Supplier and the additional usage.

▶ If balances have to be transferred from one currency to another, the loss / gain due to exchange rate variance will be booked to the Exchange Rate Variance account retrieved by the system based on the account rule defined for the cost center and analysis information.

▶ Any variance on account of this transfer will be booked in the transferor's document.

▶ Inter FB accounts will be debited / credited if it is a case of transfer across finance books.

4.11.4.3 Services

▶ Automatic generation of debit notes/credit notes

▶ Facility to auto-adjust the note with the documents of the transferor.

▶ Facility to view account postings information.

▶ Facility to post accounting entries in multiple finance books.

▶ Facility to view the details of various documents based on which the transfer is to take place.

▶ Provision to delete the Transfer debit / credit notes in draft /fresh status.

4.11.5 Prerequisites

▶ Completion of the organization set up modeling in Enterprise set up

▶ Component Interaction model definition

▶ Availability of Finance book information

▶ Number generation set up

▶ Transferee Supplier in Active status

▶ Account rule definition for the Supplier

▶ Balance in the account of the transferor supplier

▶ Reference documents for transfer.

▶ Exchange rate definition for the transaction date

▶ Pay term definition

▶ Financial period /year in open status

▶ Reason code definition for Hold / Release the document

4.11.6   Predefined Values

Entity	Predefined Values
Inter Supplier Transfer Account	Intermediary Account for Supplier Transfer.
Document Type	Direct Invoice, Order Based Invoice, Debit Note, Credit Note, and All.

4.11.7   Deployment

Supplier Balance transfer component may be deployed at single or multiple organization units. This component may be deployed at those organization units where the function of balance transfer is required. The transaction is recorded against the Company that is mapped to the organization unit from where the transaction originates. Financial postings are made into the Finance Book that is selected at the time of transaction. All Financial books mapped to the corresponding company are available for posting.

4.11.8   Component Interaction

Component	Cardinality
Account Based Budget	N:1
Account Rule Definition	N:1
Accounting Setup	N:1
Bank / Cash Definition	N:1
Organization Setup	N:1
Exchange Rate	N:1
Finance Book Processing	N:1
Financial Calendar Closure	N:1
Cost Setup	N:1
Numbering Class	N:1
Payterm	N:M
Supplier	N:M
Company Parameter Setup	N:1
Organization Unit Parameter Setup	1:1

Component	Cardinality
Installation Parameter Setup	N:1
Supplier Balance Adjustment	N:1
Supplier Inquiry	N:1
Supplier Debit Credit Note	N:N
Supplier Direct Invoice	N:N
Supplier Order Based Invoice	N:N
Supplier Prepayment invoice	N:N
Supplier Payment	N:N
Reason Code Definition	N:1

4.11.9   Status

Status…	Denotes …
Draft	Debit and Credit Documents which are not complete with the required information and cannot be authorized.
Fresh	The pay tem is attached to the Credit note, and both the debit and credit notes are available for authorization
Held	Any authorized document that is held. A held document is not available for balance adjustment. When the document is 'Held' in the 'Hold/Release' activity, this status is updated. When the document is 'Released', it reverts to the status the document was prior to its being 'Held'.

4.11.10   Postings

4.11.10.1   Financial Postings

In case auto generate is set to yes, then generation of automatic adjustment voucher on authorization of the transfer notes. The adjustment voucher is raised for the transferor supplier.

Business Scenario	Document	Account	Indicator
Supplier Balance Transfer (Credit Balance) between two Supplier control accounts with in a finance	Transfer Debit Note	Supplier control account (Transferor)	Dr
		Inter Supplier Transfer Account	Cr
	Transfer	Inter Supplier Transfer Account	Dr

book	Credit Note	Supplier control account (Transferee)	Cr
Supplier Balance Transfer (Credit Balance) between two Supplier control accounts of different finance books	Transfer Debit Note	Supplier control account (Transferor)	Dr
		Inter FB account	Cr
	Transfer Credit Note	Inter FB account	Dr
		Supplier control account (Transferee)	Cr
Supplier Balance Transfer (Debit Balance) Between two Supplier Control Accounts with in a same Finance Book.	Transfer Credit Note	Inter Supplier Transfer Account	Dr
		Supplier Control Account (Transferor)	Cr
	Transfer Debit Note	Supplier Control Account (Transferee)	Dr
		Inter Supplier Transfer Account	Cr
Supplier Balance Transfer (Debit Balance) between two Supplier Control Accounts mapped to two different Finance Books.	Transfer Credit Note	Inter FB Account	Dr
		Supplier Control Account (Transferor)	Cr
	Transfer Debit Note	Supplier Control Account (Transferee)	Dr
		Inter FB Account.	Cr
Supplier Balance Transfer between two Prepayment accounts with in a finance book.	Transfer Credit Note	Inter Supplier Transfer Account	Dr
		Supplier Prepayment account (Transferor).	Cr
	Prepayment Voucher	Supplier Prepayment account (Transferee)	Dr
		Inter Supplier Transfer Account	Cr
Supplier Balance Transfer between two Prepayment accounts in different finance books.	Transfer Credit Note	Inter FB account	Dr
		Supplier Prepayment Account	Cr
	Prepayment Voucher	Supplier Prepayment account (Transferee)	Dr
		Inter FB account.	Cr

4.11.10.2   Inter-component Postings

Once the transferor supplier transfers the balance to transferee supplier, the balance in the suppliers account will get affected. The transferor's balance will be reduced by the transferred amount and vice versa for the transferee. The impact after the transfer can be viewed in supplier inquiry component.

4.11.11   Online Reports

4.11.11.1   Supplier Balance Transfer Report

Refer the Report book for the Report Layout.

4.12 Supplier Inquiry

4.12.1   Purpose

The Supplier Inquiry component is central to the Business Process Chain of Payables Management. It is in this component that the Supplier balances information reside. The vital information for reports for this Business Process Chain viz. Supplier Ledger, Supplier Statement of Accounts are provided in this component. Hence this component is designated to function as the Controlling component for the Payables management Business Process chain. This component is deployed at one instance for every company.

4.12.2   Concepts

4.12.2.1 Control function

This component is intended to perform the function of data repository for the Payables management function. All components post data to this component. Data required by components for further processing or reporting is available here. The main details posted to this component are:

▶ Document information: Supplier name, document type, document number, amount etc.

▶ Proposed payment information: The due date, amount, discount and penalty terms for invoices

▶ Actual payment and adjustment information against each document

▶ Account posting details

▶ Supplier balance due updating.

4.12.3   Supplier Initial Balance

Account balances are of various types -Supplier balances, and general account balances like Share Capital, Cash etc. These balances are captured in Finance Book Processing Component in Book Keeping BPC. Book Keeping BPC maintains the balances at the account level and the individual balances of the suppliers are tracked in Payables Management BPC. The suppliers are grouped based on the accounting needs (Supplier account group) and the consolidated sum of the supplier group balances in each currency is maintained as a control account in FBP component.

When an existing company migrates to Ramco E- application solution, the existing balances of all the accounts needs to be transferred into the new system. For this purpose, the Finance Book Processing component of Book Keeping BPC provides a facility through the initial balances of the company-Finance book (i.e.) balances of the company as existing on the date of migration can be entered/uploaded into the system. This results in balances getting updated as the opening balance of the first financial period of the first financial year created in the financial calendar for all the asset/liability accounts defined for the Finance Book.

Since FBP maintains the balances of Suppliers only in the form of control accounts for different currencies, the initial balance entry in FBP results in the balance updation only at control account level.

The individual breakup of the control account for each supplier also needs to be maintained in the system as the balances against these account codes represent the amount payable to the Supplier. Hence these balances should be identified against the documents, which actually recognize the liability, to enable completion of the business process (settlement) by way of payment/adjustment.

For this purpose, a facility to enter the individual transactions of the suppliers in excel for each finance book and upload the same into the payables management BPC to update the supplier balance is provided. This facility shall transfer the data entered in the excel. The same shall be fetched in the front-end provided in supplier inquiry component for this purpose, where all the validations with respect to the data entered shall be done using. Once the validation is complete, the data given shall be used to generate necessary documents against the supplier. These documents shall be created with dates before the first financial period of the financial calendar to signify the legacy data. The sum total of the documents shall match the control account balances entered in FBP.

4.12.4   Prerequisites

▸   Initial balance entry must be completed for at least one Finance Book in BK BPC

▸   Supplier control account balance must be greater than 0 for at least one control account in the finance book

▸   Suppliers for whom balances are to be entered must be mapped to the supplier account group and control accounts must have been defined in Account Rule Definition

▸   Pay Terms must have been defined and mapped for default values of the supplier.

▸   Account codes (expense/revenue) must have been defined in Additional Account definition for providing contra accounts.

▸   BPC Installation date should have been defined for PM BPC as equal to or later than the first date of the first fin period/year in Installation Parameter Setup.

4.12.5   Overview

Supplier Initial Balance can be uploaded through Direct Entry in the Screen, or through an excel tool which is provided with the mandatory fields for generating specific documents for the Supplier.

The relevant data would be entered by the user in excel, which will be uploaded into the system. The data can be entered for one/multiple finance books at a time. However, it is expected that the user shall enter the complete data (for all control accounts of the Supplier) for a finance book at any point of time. Incomplete/partial data upload within a finance book is not handled by the system.

On successful upload, the uploaded data can be seen in Create Initial balance activity of Supplier Inquiry component. The data can be seen for one/more finance books for which the data is uploaded, by executing the get details task. Each record would be identified by line number, which is generated by the system automatically. The records should be validated using the 'Validate' task. It shall validate the Supplier details, document details and the availability of mandatory information for generating the documents. Only the following document types are considered for initial balance. Only these documents can be generated by the system.

- Supplier Expense Invoice

- Supplier Account Based Cr. Note

- Supplier Account Based Dr. Note

- Supplier Receipt Voucher

- Supplier Prepayment Voucher

The user shall enter the amount for each document in transaction currency and Base Currency. (Also in Parallel Base Currency if applicable). The exchange rate shall be derived by dividing the base currency with the transaction currency amount. The user can enter the due date for

each outstanding document or leave the field blank. If the due date is entered, a single payment schedule for the due date entered will be generated. If the due date is not entered, the payment schedule will be automatically generated based on the default pay term defined for the Supplier.

The system provides the facility of entering a fully outstanding document or a document, which is partially outstanding on the date of migration. If the transaction amount is equal to the outstanding amount, it is treated as fully outstanding. If the transaction amount is greater than the outstanding amount, it is treated as partially outstanding.

Once the data validation for each record is complete, the sum total of the documents (subject to finance book, currency and doc type) shall be compared against the balances captured in FBP. Any difference between the BK and PM balance would again be recorded as an error. The differences, if any, for each finance book + control account combination can be seen by clicking the link ''Complete Initial Balance" The validation process will be executed for all the records completely and all the errors encountered in the process shall be recorded in an error log file against the line number. The file can be viewed by clicking 'View error log' link in this screen.

Once the validation process is successful with no errors, the Complete Initial balance task can be executed to generate the documents and record the Supplier Initial Balance. This task shall result in creating the documents of the types mentioned above in authorized status for the dates earlier to the BPC Installation date. The details for these documents can be viewed in the respective components and fetched for payment/further adjustment as the case may be.

4.12.6   Deployment

Supplier Inquiry component is deployed at a single Organization Unit for a Company.

4.12.7   Component Interaction

Component	Interaction
Account Rule Definition	N:1
Accounting Setup	1:N
Organization Setup	1:N
Finance Book Processing	1:N
Financial Calendar Closure	1:N
Company Parameter Setup	1:1
Installation Parameter Setup	N:1
Organization Unit Parameter Setup	1:N
Supplier	1:N

Component	Interaction
Supplier Direct Invoice	1:N
Supplier Order Based Invoice	1:N
Supplier Debit Credit Note	1:N
Supplier Prepayment Invoice	1:N
Supplier Receipt	1:N
Supplier Payment	1:N
Customs Invoice	1:N
Release Payment	1:N
Supplier Balance Adjustment	1:N
Sundry Payment	1:N
Supplier Balance Transfer	1:N

4.12.8   Postings

4.12.8.1 Financial Postings

Inquiry per se makes no account postings for itself.

4.12.8.2 Inter-component Postings

Posting to finance book on authorization or reversal of transactions are routed through Supplier Inquiry.

5 Reports – Payables Management

5.1 Functionality

The essential ingredients of an effective payables management system is a prompt accounting of the company's liability and a timely payment of these liabilities, and deriving benefits from the terms of credit offered by its suppliers. In Ramco Enterprise Series, payables management handles a series of functions associated with creating and settling the liability for goods and services purchased for production, trading or for day-to-day administration. The Reports component gives relevant information that can be interpreted, analyzed and used for various decision-making processes in the business. In addition to ensuring the accuracy, consistency and easy retrieval of information, the Reports component aims to present the information in an understandable and readable pre–defined format.

In the Ramco Enterprise Series, the Reports – Payables Management component provides the facility to view the reports using the Crystal reports software.

Following is the list of reports available in Payables Management.

▸ Report on Supplier Ageing

▸ Report on Supplier Ledger

▸ Report on Supplier Statement

▸ Print Vouchers

▸ Print Supplier Receipts

▸ Print Invoice

▸ Print Note

5.2 Deployment

Reports – Payables Management component can be deployed in multiple organization units of a company. This is typically done when the company decentralizes the process of reporting data. However, if the company wants to centralize this process, then one instance of the component can be deployment at the company level.

5.3   Component Interaction

Component Name	Interaction
Organization Setup	N:1
Supplier	1:N
Supplier Inquiry	1:1
Financial Calendar Closure	1:1
Currency Revaluation	1:1
Receipt Acknowledgement	1:N
Supplier Receipt	1:N
Supplier Direct Invoice	1:N
Supplier Prepayment Invoice	1:N
Supplier Order Based Invoice	1:N
Supplier Debit Credit Note	1:N
Supplier Balance Transfer	1:N
Supplier Payment	1:N
Supplier Balance Adjustment	1:N
Sundry payment	1:N
Customs Invoice	1:N

5.4 Offline Reports

5.4.1 Report on Supplier Ageing

5.4.1.1 Business Functionality

Most companies deal with multiple suppliers offering multiple credit terms. In view of the huge volume of transactions, it is important for the company to be able to consolidate its' payables in a report to forecast and plan its cash flows and analyze the dues to its' suppliers. It is also critical for the company to monitor payments that are long over-due to suppliers' to avoid payment of penalty. This is also to avoid the situation in which relationships have to be severed with its suppliers. The aging report allows dynamic definition of slabs / buckets in terms of which the suppliers' outstanding can be viewed and the balances in each time range can be viewed in the transaction currency, base currency as well as the parallel base currency. The report also gives a facility to include / exclude the effect of prepayments The report also provides the facility to include the unprocessed overdue transactions in supplier ageing and to view the value of Post Dated Transactions for which the Pay Date has not reached the system date.

This page allows you to carry out a search by selecting the company and the corresponding finance book for which you want to view the ageing report. You can also search by specifying the group and a range of codes identifying the suppliers for whom you want to view the ageing report. You can also select the currency option in which you want to view the ageing report. You can also select the option to include/exclude the deposits/prepayments in the report. The option 'Include Post dated Payments' can also be selected for including Post Dated Transactions in the Report. You can also enter the bucket range, the days from and days to.

A drill down from the selected bucket value would display the transaction details in the form of a sub-report (For Date Options: Transaction Date and Due Date).

The system retrieves the ageing report based on the search criteria entered.

5.4.1.2 Input Parameter

#	Input Parameter	Mandatory	Usage
1.	Company Code	Yes	The code identifying the company in which the supplier has been defined.
2.	Finance Book	Yes	The code identifying the finance book in which you want to view the report.
3.	Currency Option	Yes	The type of currency in which you want to view the supplier ageing report.

#	Input Parameter	Mandatory	Usage
4.	Supplier Group	Yes	The supplier group for which you want to view the supplier ageing report.
5.	Supplier Code From / To	No	Represents a range of supplier codes for which the report is to be generated.
6.	As on Date	No	Represents a date for which the report is to be viewed.
7.	Include Prepayments	Yes	Represents a specification of whether prepayments must be included as part of the report.
8.	Report Option	Yes	Represents the Option for generation of Report i.e. Due Date / Transaction Date
9.	Bucket Range	No	A unique code identifying the bucket range to which the supplier ageing belongs
10.	Days From / To	No	The range of days for which you want to view the supplier ageing report
11	Include Post Dated Transactions	No	Check Box for retrieving the Post dated transactions
12	Include Deposits	No	Check box for retrieving Deposits transaction or not
13	Detailed	No	Check Box to retrieve Detailed Aging Report

5.4.1.3 Report Layout

Refer the Report Book for the Report Layout.

5.4.2 Report on Supplier Ledger

5.4.2.1 Business Functionality

The Supplier Ledger is an operational report usually required at the end of every financial period. This report lists all the individual debits and credits in any supplier account. This report can be generated in a detailed and summary format also for a supplier or a supplier account which is the Control Account / Prepayment Account / Deposit Account for a time period. In the detail report, it is possible to view the individual debits and credits date wise. The details such as transaction type, date, debit/credit, currency, amount, etc are also displayed. However, the summary report classifies the transactions under opening balance, debits, credits and closing balance.

You can search by selecting the company, the corresponding business unit and the corresponding finance book for which you want to view the ledger report. You can search by specifying the group and a range of codes identifying the suppliers for whom you want to view the ledger report. You can also select the currency option and the currency in which you want to view the ledger report. You can also select a particular date option where you can select a specific financial year, financial period, calendar and month to view the ledger report. You can also select the reporting basis to view the report. The system retrieves the ledger report based on the search criteria entered.

5.4.2.2 Input Parameter

#	Input Parameter	Mandatory	Usage
1.	Company Code	Yes	The code identifying the company for which you want to view the supplier ledger report.
2.	Finance Book	Yes	The code identifying the finance book for which you want to view the supplier ledger report.
3.	Currency Option	Yes	The type of currency in which you want to view the supplier ledger report.
4.	Supplier Group	Yes	The supplier group for which you want to view the supplier ledger report.
5.	Supplier Code From / To	No	The range of supplier codes for which you want to view the supplier ledger.
6.	Date Option	Yes	The time duration for which you want to view the supplier ledger

#	Input Parameter	Mandatory	Usage
			report.
7.	Financial Year	Yes	Represents the financial year for which the report is to be viewed.
8.	Financial Period	Yes	Represents the financial period for which the report is to be viewed.
9.	Calendar Year	Yes	Represents the calendar year for which the report is to be viewed.
10.	Month	Yes	Represents the month for which the report is to be viewed.
11.	Report Type	Yes	The type of report that you want to print.
12.	Date	No	Represents a date range for which the report is to be viewed.
13.	Reporting Basis	No	The type of reporting basis of the supplier ledger report. You can select from "Supplier" or "Account".
14.	Control Account Types	Yes	Select the control account type as Payables / Deposit / Prepayment from the drop-down list box
15	Include Post Dated Transactions	No	Check Box for retrieving the Post dated transactions

5.4.2.3 Report Layout

Refer the Report Book for the Report Layout.

5.4.3 Report on Supplier Statement

5.4.3.1 Business Functionality

This report details the transaction between the supplier and the company for a defined time period. This report is usually sent to the supplier on his request at periodic time intervals. This report can be printed in a summary and a detailed format for a date range, calendar month and financial period. The summarized report classifies the transactions under opening balance, billing, payment and advance, closing balance, unadjusted prepayment invoices and supplier deposit amounts. The detailed report displays all the individual transactions date-wise. Details like transaction type, date, currency, amount, etc are also displayed.

You can search by selecting the company and the corresponding business unit ID for which you want to view the supplier statement report. You can also search by specifying a range of groups

and codes identifying the suppliers for whom you want to view the supplier statement report. You can select the purpose and the status of the statement report. You can also select the currency in which you want to view the supplier statement report. You can also select a particular date option where you can select a specific financial year, financial period, calendar and month to view the report. You can also specify a range of dates identifying the date of the report. You can also select the transaction type and the report type for which you want to view the report. The system retrieves the statement report based on the search criteria entered.

5.4.3.2 Input Parameter

#	Input Parameter	Mandatory	Usage
1.	Company Code	Yes	The code identifying the company for which you want to view the supplier statement.
2	Finance Book	Yes	The code identifying the finance book for which you want to view the supplier statement report.
3.	Supplier Group	Yes	The supplier group for which you want to view the supplier statement.
4.	Supplier Code	No	Represents a range of supplier codes for which the report is to be viewed.
5	Report Type	Yes	The type of report that you want to print.
6	Currency Option	Yes	The type of currency in which you want to view the supplier ledger report.
7.	As on Date	No	Represents a date range for which the report is to be viewed.
8	Include Post Dated Transactions	No	Check Box for retrieving the Post dated transactions
9	Include Deposits	No	Check box for retrieving Deposits transaction or not
10	Include Prepayments	Yes	Represents a specification of whether prepayments must be included as part of the report.

5.4.3.3 Report Layout

Refer the Report Book for the Report Layout.

5.4.4 Print Vouchers

5.4.4.1 Business Functionality

This is a bulk printing facility for vouchers like "Supplier Payment Voucher", "Supplier Prepayment Voucher", and "Sundry Payment Voucher" and "Supplier Adjustment Voucher".

You can search by selecting the company, the corresponding business unit and the corresponding finance book for which you want to print the vouchers. You can also select the voucher type, the finance book and the status. You can also search by specifying the name and a range of codes identifying the suppliers for whom you want to print the vouchers. You can also select the currency in which you want print the vouchers. The system retrieves the report based on the search criteria entered.

5.4.4.2 Input Parameter

#	Input Parameter	Mandatory	Usage
1.	Company Code	Yes	The code identifying the company for which you want to view the transaction listing report.
2.	BU	Yes	The code identifying the business unit in which the vouchers have been raised.
3.	OU	Yes	The code identifying the organization from which the vouchers have been raised.
4.	Print Voucher Type	Yes	The voucher type to be printed – Supplier Payment voucher / Supplier Prepayment voucher / Sundry Payment / Supplier Balance Adjustment
5.	Finance Book	Yes	The code identifying the finance book for which the vouchers have been raised.
6.	Status	Yes	The status of the vouchers that are to be printed.
7.	Supplier Code	No	Represents a range of supplier codes for which the report is to be viewed.
8.	Supplier Name	No	The name of the supplier on whom the vouchers that are to be printed have been raised
9.	Pay Batch No. From / To	No	The range of numbers identifying the pay batch in which the vouchers that are to be printed have been raised

#	Input Parameter	Mandatory	Usage
10.	Ref Doc Type	No	The type of reference document in which the vouchers that are to be printed have been raised.
11.	Voucher No From / To	No	The range of voucher numbers that you want to retrieve.
12.	Voucher Type	Yes	The type of voucher you want to print.
13.	Pay Amount From / To	No	The range of pay amounts for which the vouchers that are to be printed have been raised
14.	Currency	Yes	The code identifying the currency in which the vouchers that are to be printed have been raised.
15.	Document Date From / To	No	The date range during which the vouchers that are to be printed have been raised
16.	Payee	No	A unique name identifying the payee for whom the vouchers that are to be printed have been raised.
17.	Pay Date	No	The range of pay dates during which the vouchers that are to be printed were raised
18.	Pay Mode	Yes	The mode in which the payment has been made.
19.	Request Date From / To	No	The date range during which the request for payment has been raised
20.	Payment Category	Yes	The payment category of the voucher that are to be printed.
21.	Bank/ Cash Code	Yes	The code identifying the bank / cash in which the payment has been made.
22.	Payment Route	Yes	The code identifying the route in which the payment has been made.
23.	User ID	No	The login ID of the user who raised the vouchers that are to be printed
24.	Entry Point Page	No	Select the check box to print the entry point page on the first page of the report

5.4.4.3 Report Layout

Refer the Report Book for the Report Layout.

5.4.5 Print Supplier Receipts

5.4.5.1 Business Functionality

This is a bulk printing facility for receipt vouchers. Based on the selection criteria opted by the user, the receipt documents can be printed along with the company logo and status.

You can search by selecting the company and the corresponding business unit for which you want to view the report. You can also search by selecting the receipt route, the receipt mode and the bank cash code. You can specify a range of codes identifying the suppliers for whom you want to view the report. You can specify a range of numbers, amounts and dates identifying the receipts for which you want to view the report. You can also select the currency in which you want to view the report. You can also select the statuses identifying the document and the instrument to view the report. The system retrieves the report based on the search criteria entered.

5.4.5.2 Input Parameter

#	Input Parameter	Mandatory	Usage
1.	Company Code	Yes	The code identifying the company in which the receipts that are to be printed have been raised.
2.	Business Unit	Yes	The code identifying the business unit in which the receipts that are to be printed have been raised.
3.	Created At	Yes	The organization unit in which the supplier documents has been created.
4.	Receipt Route	Yes	The code identifying the route in which the receipt that are to be printed has been raised.
5.	Receipt Mode	Yes	The mode in which the receipt that is to be printed has been raised.
6.	Bank/Cash Code	Yes	The code identifying the bank / cash in which the receipt that is to be printed has been raised.
7.	Supplier Code From / To	No	The range of codes identifying the suppliers for whom the receipts that are to be printed have been raised

#	Input Parameter	Mandatory	Usage
8.	Currency	Yes	The code identifying the currency in which the receipts that are to be printed have been raised.
9.	Receipt No. From / To	No	The range of numbers identifying the receipts that are to be printed has been raised
10.	Finance Book	Yes	The code identifying the finance book for which the receipts that are to be printed have been raised.
11.	Receipt Amount From / To	No	The range of amounts for which the receipts that are to be printed have been raised
12.	User ID	Yes	The user who raised the receipts to be printed.
13.	Receipt Date From / To	No	The date range during which the receipts that are to be printed have been raised
14.	Status	Yes	The status of the receipts that are to be printed.
15.	Document Status	Yes	The status of the document for which the receipts to be printed have been raised.
16.	Instrument Status	Yes	The status of the instrument for which the receipts that are to be printed have been raised.
17.	Entry Point Page	No	Select the check box to print the entry point page on the first page of the report.

5.4.5.3 Report Layout

Refer the Report Book for the Report Layout.

5.4.6 Print Invoice

5.4.6.1 Business Functionality

This is a bulk printing facility for invoices like "Supplier Item based Invoice", "Supplier Expense Invoice", "Supplier Order-based Invoice", "Supplier Prepayment Invoice" and "Supplier Delivery Charges Invoice".

You can search by selecting the company, the corresponding business unit and the corresponding finance book for which you want to view invoice report. You can select the invoice type, the invoice category and the finance book for which you want to view the invoice report. You can also search by specifying a range of codes identifying the suppliers for whom you want to view the invoice report. You can also specify a range of numbers and dates identifying the invoices that you want to print. You can also specify the supplier name, the total invoice amount and the user ID who raised the invoice. You can also select the currency in which you want to view the invoice report. The system retrieves the invoice report based on the search criteria entered.

5.4.6.2 Input Parameter

#	Input Parameter	Mandatory	Usage
1.	Company Code	Yes	The code identifying the company in which the invoices have been raised.
2.	Business Unit	Yes	The code identifying the business unit in which the invoices have been raised.
3.	Organization Unit	Yes	The code identifying the organization unit from which the invoices have been raised.
4.	Invoice Type	Yes	The type of invoice to be printed.
5.	Invoice Category	Yes	The drop-down list box to select the category to which the invoices to be printed belong.
6.	Finance Book	Yes	The code identifying the finance book in which the invoices to be printed have been posted.
7.	Supplier Code From / To	No	The range of codes identifying the suppliers for whom the invoices to be printed have been raised
8.	Status	Yes	The status of the invoices that you want to print.
9.	Invoice No. From	No	The range of invoice numbers that you

#	Input Parameter	Mandatory	Usage
	/ To		want to print
10.	Supplier Name	No	The name identifying the supplier
11.	Invoice Date From / To	No	The date range during which the invoices to be printed have been created
12.	Supplier Invoice No.	No	The supplier for whom the invoice to be printed has been raised
13.	Total Invoice Amount From / To	No	The range of invoice amounts for which the invoices to be printed have been raised
14.	Currency	Yes	The code identifying the currency in which the invoices to be printed have been raised.
15.	PO No. From / To	No	The range of purchase order numbers for which the invoices to be printed have been raised
16.	User ID	No	The login ID of the user who raised the invoices that you want to print
17.	Entry Point Page	No	Select the check box to print the entry point page once in the report.

5.4.6.3 Report Layout

Refer the Report Book for the Report Layout.

5.4.7 Print Note

5.4.7.1 Business Functionality

This is a bulk printing facility for notes like "Supplier Item-based Note", "Supplier Account-based Note" and "Supplier Transfer Notes". You can search by selecting the company, the corresponding business unit and the corresponding finance book for which you want to view note. You can select the print note type, the note type and the finance book for which you want to view the note. You can also search by specifying a range of codes identifying the suppliers for whom you want to view the note. You can also specify a range of numbers, dates and amounts identifying the note that you want to print. You can also specify the supplier name and select the transaction type for which you want to view the note. The system retrieves the note based on the search criteria entered.

5.4.7.2 Input Parameter

#	Input Parameter	Mandatory	Usage
1.	Company Code	Yes	The code identifying the company in which the notes have been raised.
2.	Business Unit	Yes	The code identifying the business unit in which the notes have been raised.
3.	OU	Yes	The code identifying the organization from which the notes have been raised.
4.	Print Note type	Yes	The type of note that you want to print.
5.	Note Type	Yes	The type of note that you want to print.
6.	Finance Book	Yes	The code identifying the finance book in which the notes that you want to print have been posted.
7.	Note No.	No	The range of note numbers that you want to print
8.	Status	Yes	The status of the notes that you want to print.
9.	Note Date	No	The date range during which the notes that you want to print have been created
10.	Currency	Yes	The code identifying the currency in which the notes that you want to print have been raised.
11.	Note Amount	No	The range of note amounts for which the notes that you want to print have been raised.
12.	Supplier Name	No	The name identifying the supplier.
13.	Supplier Code	No	The range of codes identifying the suppliers for whom you want to print notes
.14.	Entry Point Page	No	Select the check box to print the entry point page once in the report.

5.4.7.3 Report Layout

Refer the Report Book for the Report Layout.

5.4.8 Unmatured LC Liability

5.4.8.1 Business Functionality

This report generates the details of transactions with LC details for which LC has not expired and the payment has not been released. The user can select the criteria for which the report can be generated. You can select the Company and Finance Book for which you want to generate the report. The range of LC number for which the report can be generated can also be mentioned. The report can be sorted either based on Supplier or Bank code. The system retrieves the transactions based on the search criteria entered.

When the Sort By Option is selected as Bank, the report is launched for the Bank code Currency. However if the Sort By option is selected as Supplier, the report is launched supplier wise in transaction currency.

5.4.8.2 Input Parameter

#	Input Parameter	Mandatory	Usage
1.	Company Code	Yes	The code identifying the company in which transactions are created
2.	Organisation Unit	Yes	The code identifying the organisation unit in which transactions are created
3.	Finance Book	Yes	The code identifying the Finance Book for which transactions are created
4.	LC No From	No	The starting number in the range of LC for which transactions needs to be considered
5.	LC No To	No	The sending number in the range of LC for which transactions needs to be considered
6.	Currency	Yes	The code identifying the currency in which transactions are created
7	Sort By	Yes	Sorting Option for the report
8	Supplier Code From	No	The starting supplier in the range of supplier codes for which transactions needs to be considered
9	Supplier Code To	No	The ending supplier in the range of supplier codes for which transactions needs to be considered
10	Bank Code From	No	The starting bank code in the range of bank codes for which transactions

#	Input Parameter	Mandatory	Usage
			needs to be considered
11.	Bank Code To	No	The ending bank code in the range of bank codes for which transactions needs to be considered

5.4.8.3 Report Layout

Refer the Report Book for the Report Layout.
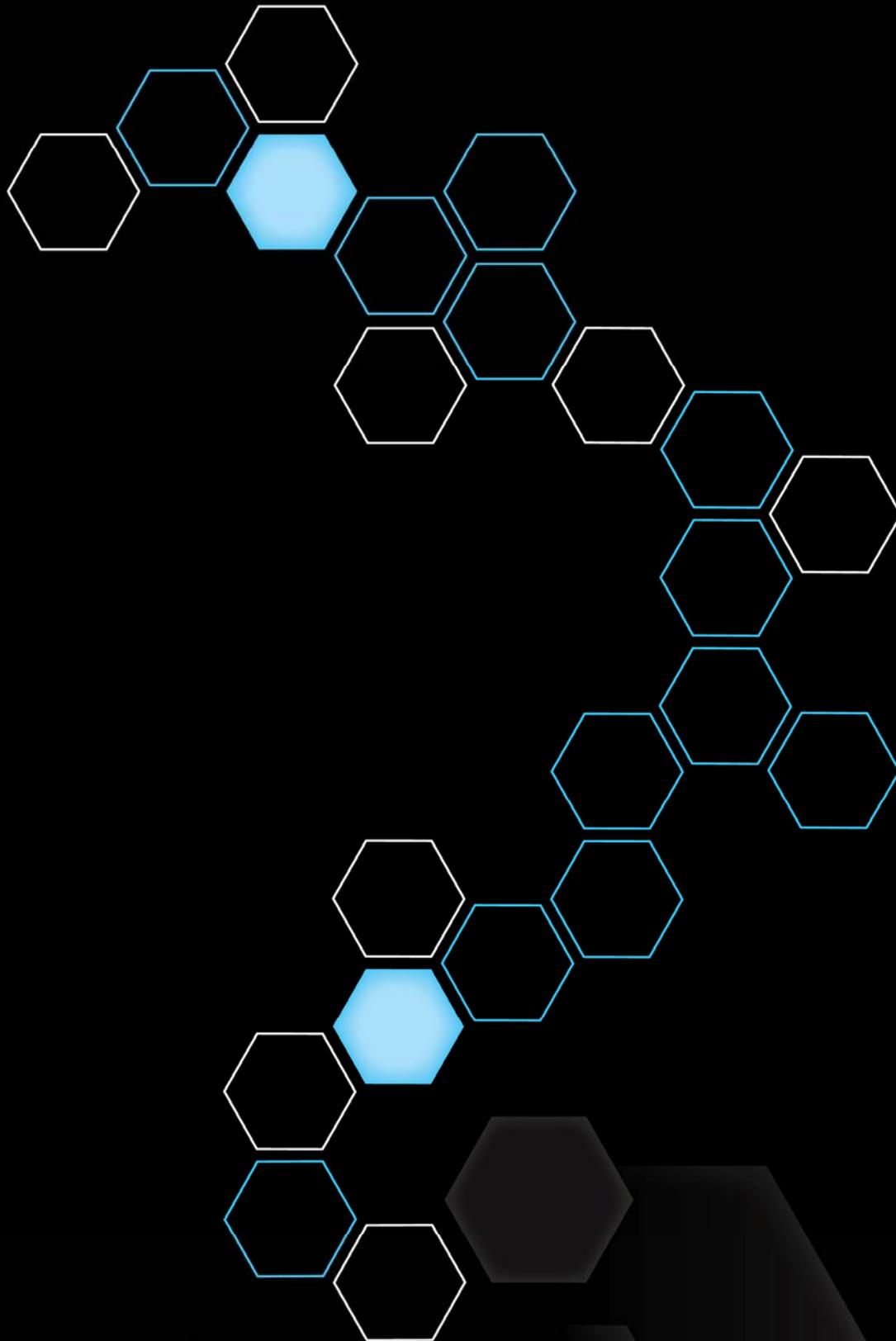
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