

Account Receivable operating procedures - India - WP1

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2. Objective

This operational procedure (OP) demonstrates processes and procedures to execute Accounts Receivable activities for India legal entities. This OP provides instruction for users to perform recurring activities and reacting expected scenarios.

This operational procedure (OP) applies for Accounts Receivable activities of entities:

Solvay Specialities India Private Ltd (5955)
Rhodia Polymers & Specialties Pte. Ltd (RPSPL) (7154)
Rhodia Specialty Chemicals India Ltd (6059)
Sunshield Chemicals Ltd. (6348)

3. Definitions

- SBS: In the current document, "Solvay Business Services" will be replaced by its abbreviation "SBS".
- AR BO: Accounts Receivable Back Office
- OP: Operating procedure
- CA: Customer Assistant Representative

4. Process Flows

4.1. AR Clearance – Incoming Payment (Domestic)

Scope



APAC

India

ERP

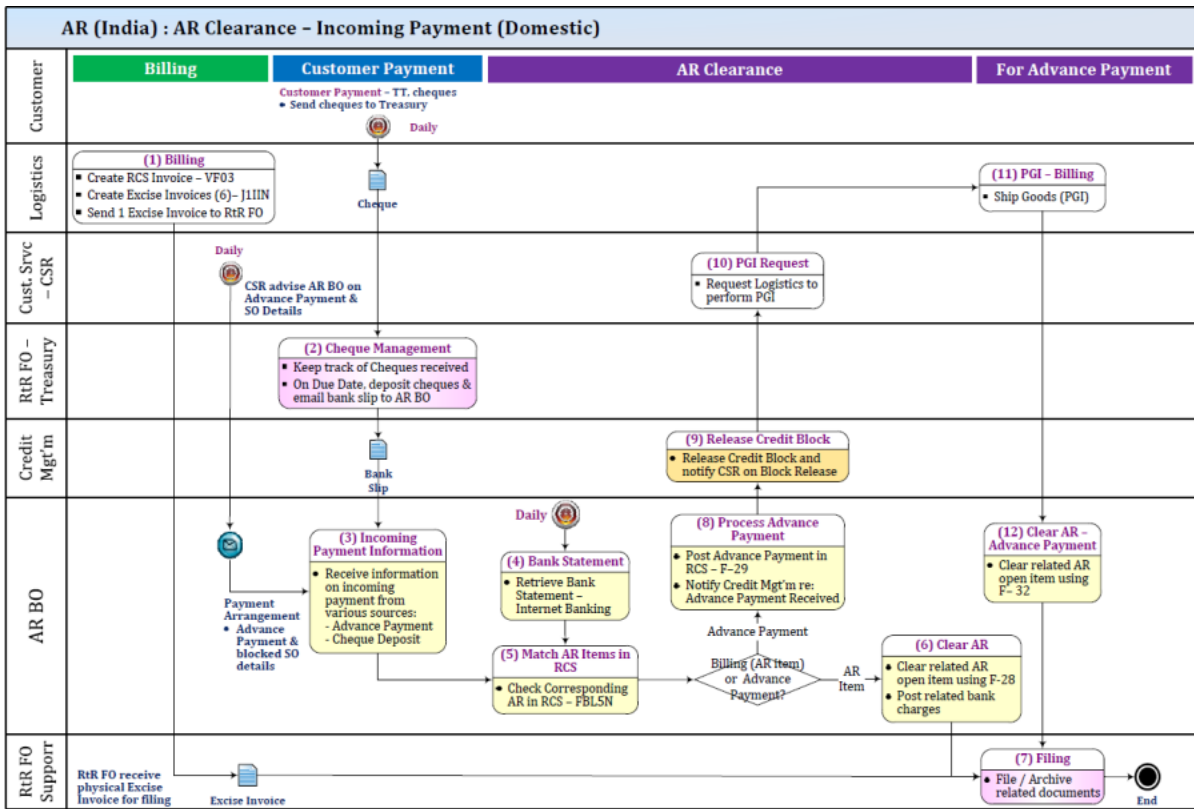


WP1

References

Attachments

Process Flow version (shown in the process)



4.1.1 AR - Clearing (Domestic)

Step:

After retrieving Bank Statement on daily basis

1. Check corresponding AR in RCS by entering transaction FBL5N

Stat	Ret. Key 1	Assignment	DocumentNo	Type	Doc. Date	Ret. Due dt	ID	Amount	In	DC	Curr	Text
			00000499	AR	25.11.2014	25.11.2014		8,800.00			INR	
			10P00089	AR	22.12.2014	20.02.2015		208,895.00			INR	
			10P00197	AR	25.12.2014	28.02.2015		456,885.70			INR	
			10P00143	AR	31.12.2014	01.03.2015		117,516.88			INR	
			10P00154	AR	31.12.2014	01.03.2015		220,527.99			INR	
			10P00229	AR	07.01.2015	08.03.2015		1,070,225.74			INR	
			10P00229	AR	07.01.2015	08.03.2015		684,221.85			INR	
			10P00229	AR	19.01.2015	11.03.2015		950,125.60			INR	
			10P00281	AR	16.01.2015	17.03.2015		113,482.74			INR	
			10P00212	AR	19.01.2015	20.03.2015		250,942.90			INR	
			10P00229	AR	19.01.2015	20.03.2015		241,945.15			INR	
			10P00229	AR	22.01.2015	23.03.2015		1,007,117.90			INR	
			10P00281	AR	27.01.2015	28.03.2015		456,885.70			INR	
			10P00462	AR	30.01.2015	31.03.2015		794,426.40			INR	
			10P00229	AR	29.01.2015	31.03.2015		204,255.64			INR	
			10P00420	AR	31.01.2015	01.04.2015		241,284.40			INR	
			10P00420	AR	31.01.2015	01.04.2015		1,010,131.40			INR	
			10P00440	AR	02.02.2015	02.04.2015		880,741.40			INR	
			10P00445	AR	11.02.2015	12.04.2015		710,228.70			INR	
			10P00461	AR	16.02.2015	17.04.2015		680,741.40			INR	
			10P00571	AR	19.02.2015	20.04.2015		404,465.81			INR	
			10P00564	AR	23.02.2015	23.04.2015		570,028.00			INR	
								11,385,413.70			INR	

2. Use transaction F-28 to clear related open items

Fill in all the details required

- Document date – Payment Receiving Date
- Type – DZ
- Fill in Company code, Period, Currency/Rate, Reference, Doc. Header text, Clearing text
- Bank Data
 - Account -G/L account No. of incoming bank
 - Amount- payment amount in Local / foreign currency
 - Amount in L/C – payment amount in local currency (if any)
 - Bank Charge – amount charged (if any)
 - Value Date – similar as posting date and document date

Post Incoming Payments: Header Data

Process open items

Document Date: 20.02.2015 Type: DZ Company Code: 7154
 Posting Date: 20.02.2015 Period: 2 Currency/Rate: INR
 Document Number: Reference: Translatn Date:
 Doc. Header Text: RC470886 Cross-CC no.:
 Clearing text: JOTHI POLYMERS 107009080 Trading Part.BA:

Bank data

Account: 50050610 Business Area:
 Amount: 208,895.00 Amount in LC:
 Bank charges: LC bank charges:
 Value Date: 20.02.2015 Profit Center:
 Text: RC470886 JOTHI POLYMERS Assignment:

Open item selection

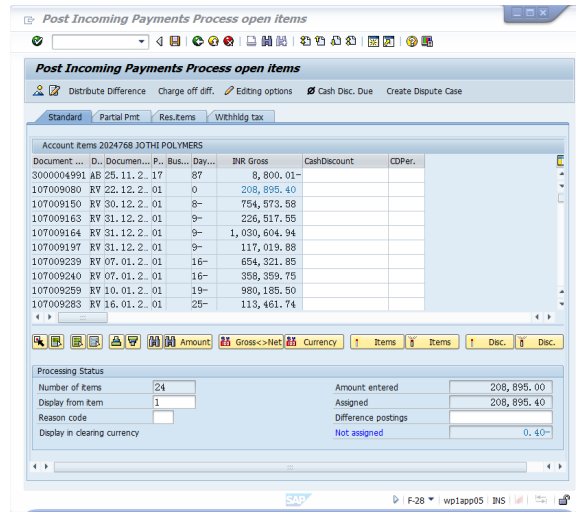
Account: 2024768 Additional selections:
 Account Type: D Other accounts: None
 Special G/L ind: Standard OIs: Amount
 Prmt. advice no.: Document Number
 Distribute by age: Posting Date
 Automatic search: Dunning Area
 Others

Document 140000181 was posted in company code 7154

- Text- similar to clearing text
- Open Item selection
 - Account – customer code
 - Account Type – D (for incoming transaction)


3. Click "Process Open items" after filling in all the details.

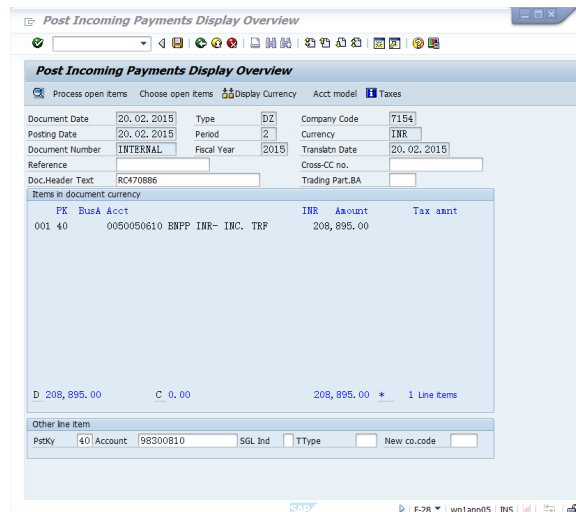
4. Select invoices that match with incoming payment by double clicking on the amount.



5. If transaction contains bank charge or withholding tax, "Not assigned" box will show remaining amount.

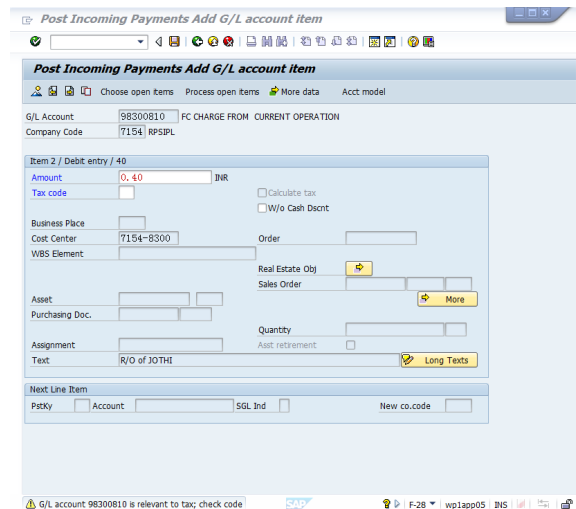
6. To process "Bank charge" or


"Withholding Tax", Click  button. Go to PstKY 40, then Enter G/L account.

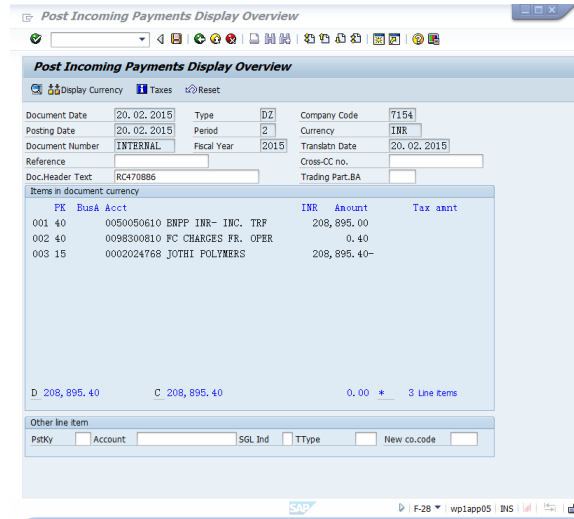


** Bank Charge – GL 98300810

** Cost center – 7154-8300



7. Click  "Save" for verifying and posting [Get the document number]



4.1.2 AR - Advance payment (Domestic)

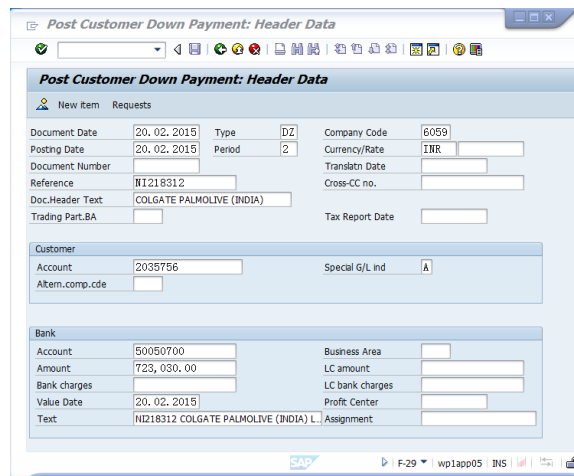
Step:

After receiving Advance payment amount notification from related person, or statement.

1. Enter transaction F-21 to post incoming advance payment

Fill in all the details required

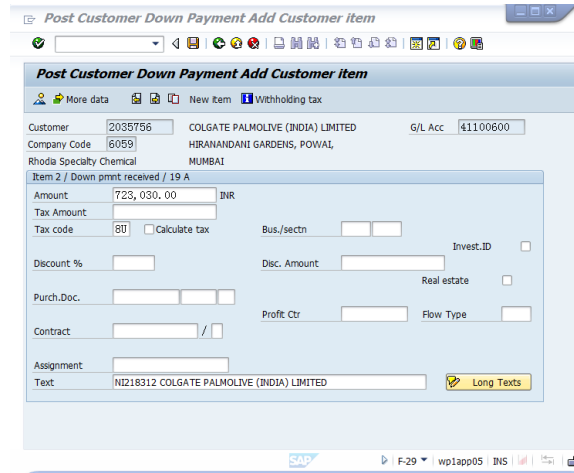
- Document date – Payment Receiving Date
- Type – DZ
- Fill in Company code, Period, Currency/Rate, Reference, Doc. Header text, Clearing text
- Customer
 - Account – customer code
 - Special G/L Ind – Put "A (Down payment)"
- Bank Data
 - Account -G/L account of incoming bank
 - Amount- payment amount in Local /foreign currency
 - Amount in L/C – payment amount in local currency (If any)
 - Bank Charge – amount charged (if any)
 - Value Date – similar as posting date and document date
 - Text- similar to clearing text



2. Click "New Item" 

Fill in all the details required

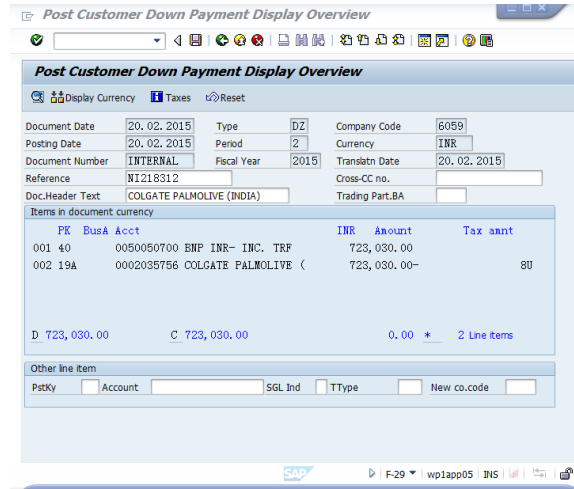
- Amount – Payment Receiving Amount
- Tax code – 8U
- Text - similar to clearing text



3. Click Document Simulate

4. Click "Save" for post [Get the document number]

5. Advise CA about advance payment received to create Sales Order and give feedback to AR on S/O details



4.1.3 Clear AR Advance payment

Step:

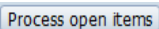
After Billing has been issued for advance incoming payment

1. Use transaction F-32 to clear advance payment received posting with related AR open item.

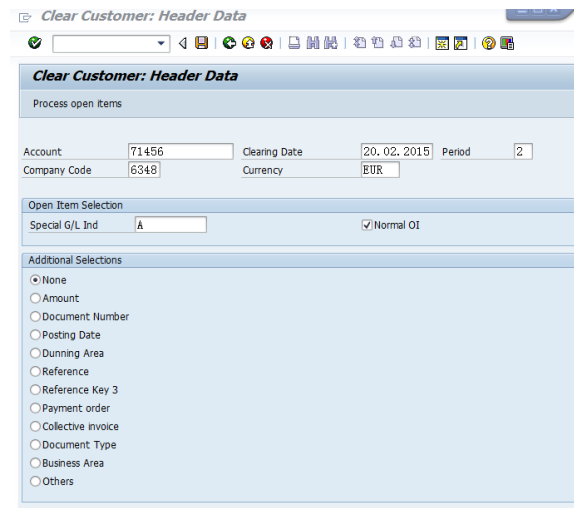
Fill in all the details required

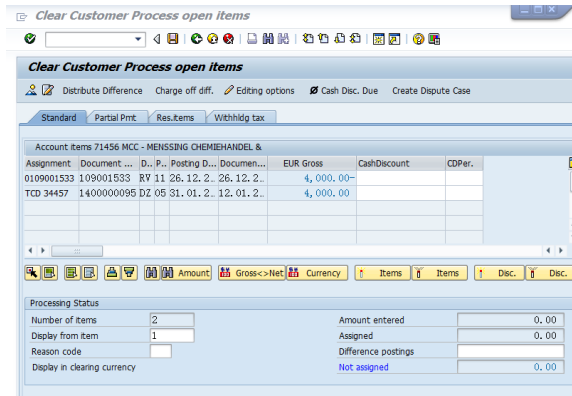
- Account – Customer code
- Clearing date – Payment Receiving Date
- Fill in Company code, Period, Currency/Rate,
- Open item Selection
 - Special G/L Ind – Put "A (Down payment)"

2. Click "Process open item"



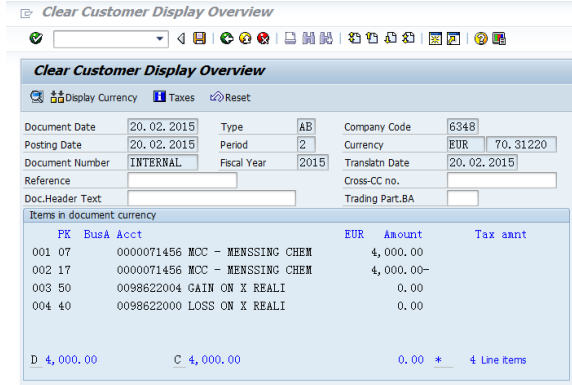
3. Select invoices that match with advance incoming payment by double clicking on the amount.



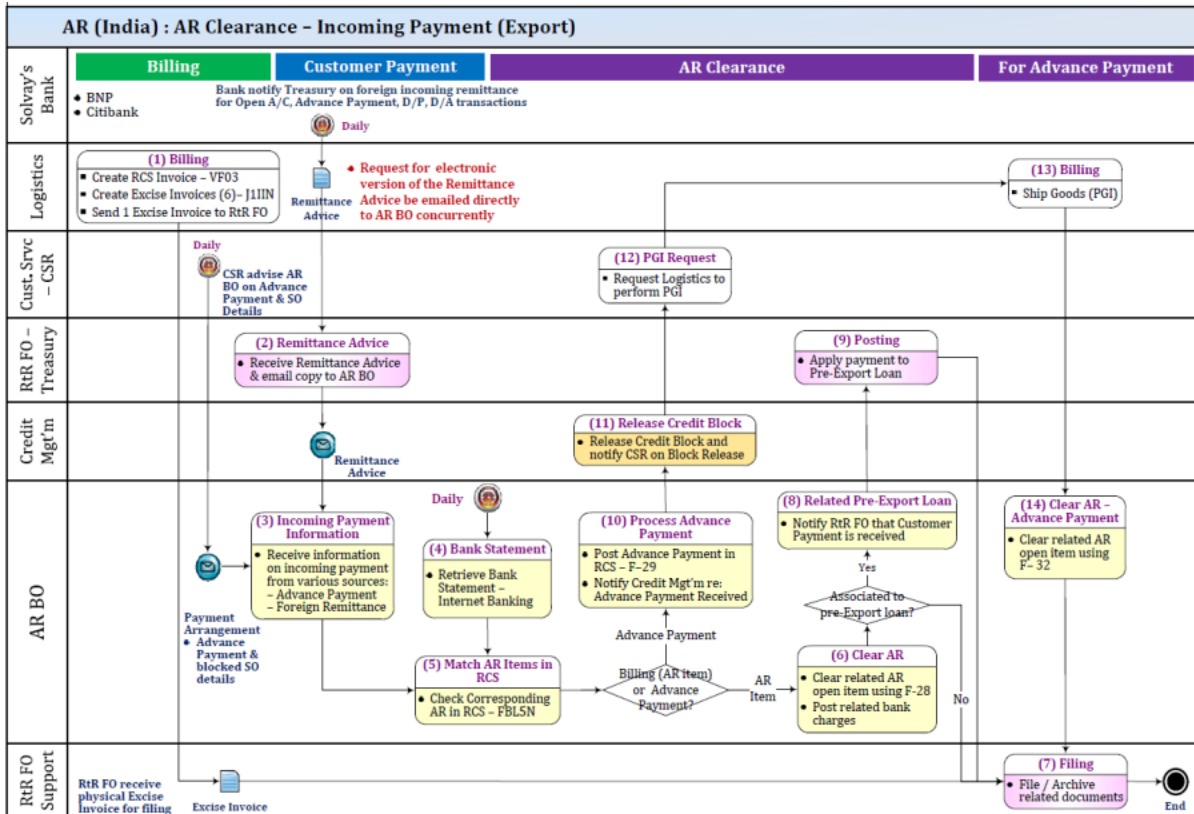


4. Click Document Simulate

5. Click "Save" for post [Get the document number]



4.2 AR Clearance – Incoming Payment (Export)



4.2 AR - Clearing (Overseas)

Step:

After receiving Bank Statement (Internet Banking) on daily basis

1. Check corresponding AR in RCS by entering transaction FBL5N

Date	Ref. Key 1	Assignment	Document#	Type	Doc. Date	Ref. Date	Amount in USD	Curr.	Text
01.02.2015	01809561		10809561	RFV	01.02.2015	01.02.2015	1,207.38	EUR	
06.02.2015	01809569		10809569	RFV	06.02.2015	06.02.2015	1,125.00	USD	
02.02.2015	01809568		10809568	RFV	02.02.2015	02.02.2015	454.40	USD	
02.02.2015	01809567		10809567	RFV	02.02.2015	02.02.2015	776.76	USD	
02.02.2015	01809566		10809566	RFV	02.02.2015	02.02.2015	2,940.00	USD	
02.02.2015	01809565		10809565	RFV	02.02.2015	02.02.2015	141.00	USD	
02.02.2015	01809564		10809564	RFV	02.02.2015	02.02.2015	1,166.14	USD	
27.01.2015	01809560		10809560	RFV	27.01.2015	27.01.2015	1,795.00	EUR	
15.03.2015	01809561		10809561	RFV	15.03.2015	15.03.2015	3,604.00	USD	
10.03.2015	01809562		10809562	RFV	10.03.2015	10.03.2015	4,206.00	EUR	
05.01.2015	01809529		10809529	RFV	05.01.2015	05.01.2015	845.00	USD	
05.01.2015	01809528		10809528	RFV	05.01.2015	05.01.2015	212.00	USD	
05.01.2015	01809527		10809527	RFV	05.01.2015	05.01.2015	1,965.00	USD	
05.01.2015	01809526		10809526	RFV	05.01.2015	05.01.2015	1,200.00	USD	
05.01.2015	01809525		10809525	RFV	05.01.2015	05.01.2015	1,501.00	USD	
05.01.2015	01809524		10809524	RFV	05.01.2015	05.01.2015	389.38	USD	
05.01.2015	01809523		10809523	RFV	05.01.2015	05.01.2015	1,960.00	USD	
07.02.2015	01809515		10809515	RFV	07.02.2015	07.02.2015	1,839.91	USD	
02.01.2015	01809514		10809514	RFV	02.01.2015	02.01.2015	1,701.62	USD	
02.01.2015	01809516		10809516	RFV	02.01.2015	02.01.2015	125.76	EUR	
29.12.2014	01809515		10809515	RFV	29.12.2014	29.12.2014	5,992.00	USD	
29.12.2014	01809509		10809509	RFV	29.12.2014	29.12.2014	650.88	EUR	
29.12.2014	01809507		10809507	RFV	29.12.2014	29.12.2014	249.40	EUR	
29.12.2014	01809506		10809506	RFV	29.12.2014	29.12.2014	159.20	EUR	
29.12.2014	01809505		10809505	RFV	29.12.2014	29.12.2014	22.88	EUR	
29.12.2014	01809504		10809504	RFV	29.12.2014	29.12.2014	252.16	EUR	
29.12.2014	01809503		10809503	RFV	29.12.2014	29.12.2014	71.91	EUR	



INWARD REMITTANCE ADVICE

Infinity Building no. 4,
Unit no. 601, 6th Floor,
off. Finsicity cono, Malad East
Mumbai - 400 097.

 RHODIA SPECIALTY CHEMICALS INDIA | Our Ref : RIS 78879 Date : 20/02/2015
 LIMITED | Remitter : SOLVAY-CICCO SA/PAIEMTIERS
 PHOENIX HOUSE, 'A' WING, 4TH FLOOR, | Through : BNP PARIBAS, NEWYORK
 402, 3,BAPAT MARG, LOWER PAREL,
400 013 MUMBAI INDIA

We are pleased to advise that we have received a Foreign remittance in your favour, the proceeds of which have been credited to your Account in BNP PARIBAS - MUMBAI as per details mentioned below:

Amount Received : USD 1 168.14
 Amount credited to INR A/c : USD 1 168.14 @ 62.120000
 A/c No 111747 001 INR 72 564.86
 CONV CHARGE : INR 10.00
 SERV TAX - FX : INR 89.69
 TRANSFER COMMISSIO : INR 10.00
 SERVICE TAX : INR 2.48

 NET AMOUNT : INR 72 452.69

BNP PARIBAS

2. Use transaction F-28 to clear related AR open items.

Fill in all the details required

- Document date – Payment Receiving Date
- Type – DZ
- Fill in Company code, Period, Currency/Rate, Reference, Doc. Header text, Clearing text
- Bank Data
 - Account -G/L account No. of incoming bank
 - Exchange rate – as in the credit advice
 - Amount- payment amount in foreign currency
 - Amount in L/C – payment amount in local currency
 - Bank Charge – amount charged (if any)
 - Value Date – similar as posting date and document date
 - Text- similar to clearing text
- Open Item selection
 - Account – customer code
 - Account Type – D (for incoming transaction)

Post Incoming Payments: Header Data

Process open items

Document Date 20.02.2015 Type DZ Company Code 6059
 Posting Date 20.02.2015 Period 2 Currency/Rate USD 62.12
 Document Number
 Reference
 Doc.Header Text RIS78879
 Clearing text SOLVAY-CICCO SA/PAIEMTIERS

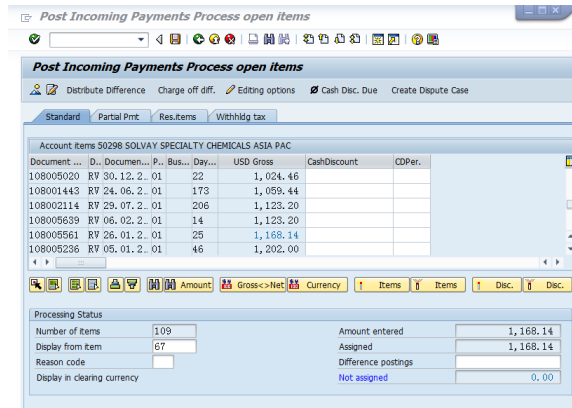
Bank data
 Account 50050700 Business Area
 Amount 1168.14 Amount in LC 72,452.69
 Bank charges LC bank charges
 Value Date 20.02.2015 Profit Center
 Text RIS78879 SOLVAY-CICCO SA/PAIEMTIERS Assignment

Open item selection
 Account 50298
 Account Type D Other accounts
 Special G/L ind Standard OIs
 Print advice no.
 Distribute by age
 Automatic search

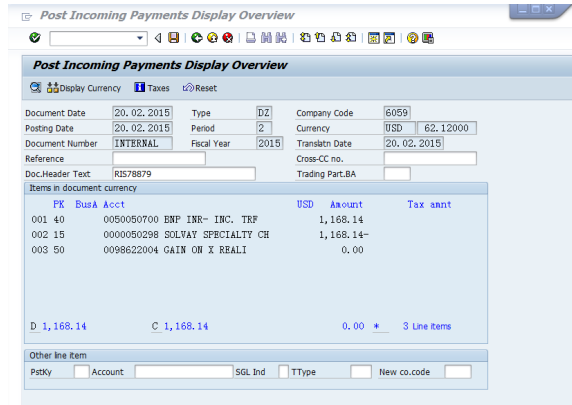
Additional selections
 None
 Amount
 Document Number
 Posting Date
 Dunning Area
 Others

3. Click "Process Open items" after filling in all the details.

4. Select invoices that match with incoming payment by double clicking on the amount.



5. Click "Save" for post [Get the document number]



4.2.2 AR - Advance payment (Overseas)

Step:
After receiving Bank Statement (Internet Banking).

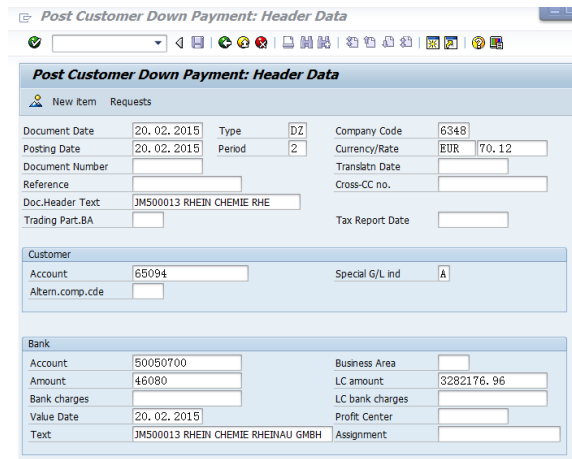
1. Check corresponding AR in RCS by entering transaction FBL5N (No open item)

- Advice CA about advance payment received to create Sales Order and give feedback to AR on S/O details

2. Use transaction F-21 to post advance payment

Fill in all the details required

- Document date – Payment Receiving Date
- Type – DZ
- Fill in Company code, Period, Currency/Rate, Reference, Doc. Header text, Clearing text
- Customer
 - Account – customer code
 - Special G/L Ind – Put "A (Down payment)"
- Bank Data
 - Account -G/L account of incoming bank
 - Amount- payment amount in foreign currency
 - Exchange rate- as in credit advice.
 - Amount in L/C – payment amount in local currency



- o Bank Charge – amount charged (if any)
- o Value Date – similar as posting date and document date
- o Text- similar to clearing text

3. Click "New Item"

New item

Fill in all the details required

- Amount – Payment Receiving Amount
- Text - similar to clearing text

Post Customer Down Payment Add Customer item

Customer 65094 RHEIN CHEMIE RHEINAU GMBH G/L Acc 41100600
 Company Code 6348 DUESSELDORFER STRASSE 23-27
 Sunshield Chemicals Ltd MANNHEIM

Item 2 / Down pmnt received / 19 A

Amount 46080 EUR Amount in LC INR
 Tax Amount LC tax
 Tax code 8U Calculate tax Bus./sectn
 Discount % Disc. Amount EUR Invest.ID
 Purch.Doc. Real estate
 Contract Profit Ctr Flow Type
 Assignment ADV.
 Text JM500013 RHEIN CHEMIE RHEINAU GMBH Long Texts

4. Click Document Simulate

5. Click "Save" for post [Get the document number]

Post Customer Down Payment Display Overview

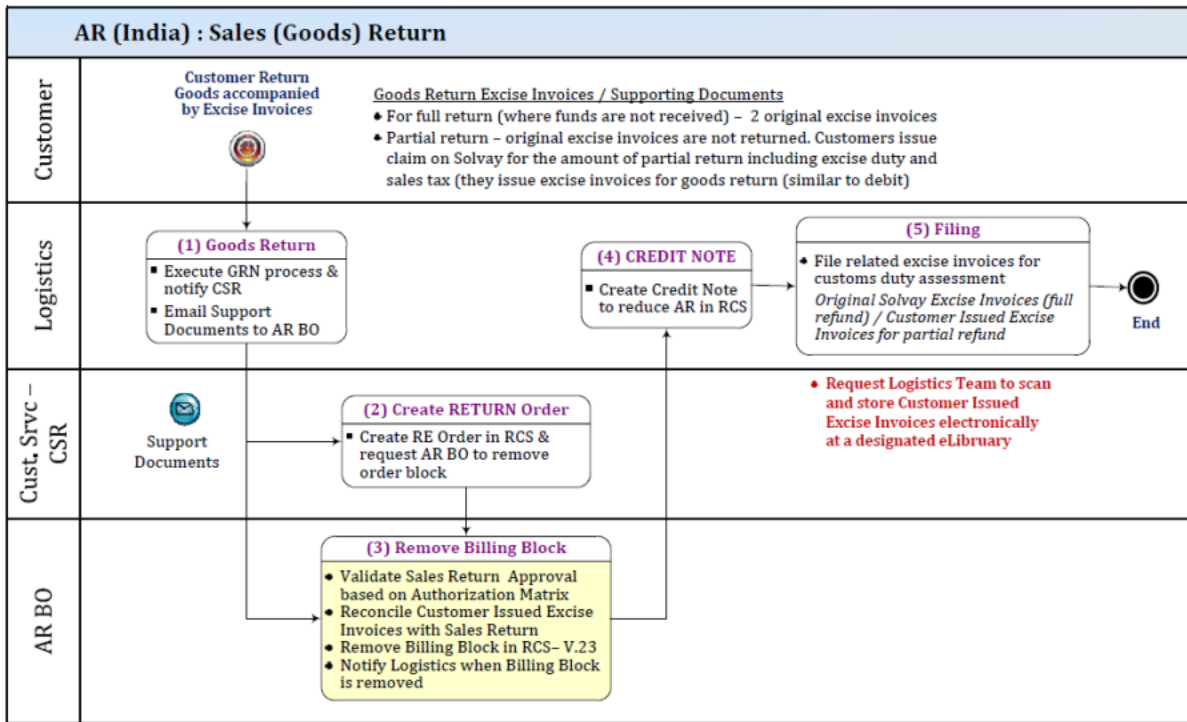
Document Date 20.02.2015 Type DZ Company Code 6348
 Posting Date 20.02.2015 Period 2 Currency EUR 70,31220
 Document Number INTERNAL Fiscal Year 2015 Transletn Date 20.02.2015
 Reference Cross-CC no.
 Doc.Header Text JM500013 RHEIN CHEMIE RHE Trading Part.BA

Items in document currency

PK	BusA	Acct	EUR	Amount	Tax amt
001	40	0050050700 ENP INR- INC. TRF		46,080.00	
002	19A	0000065094 RHEIN CHEMIE RHEINA		46,080.00-	8U

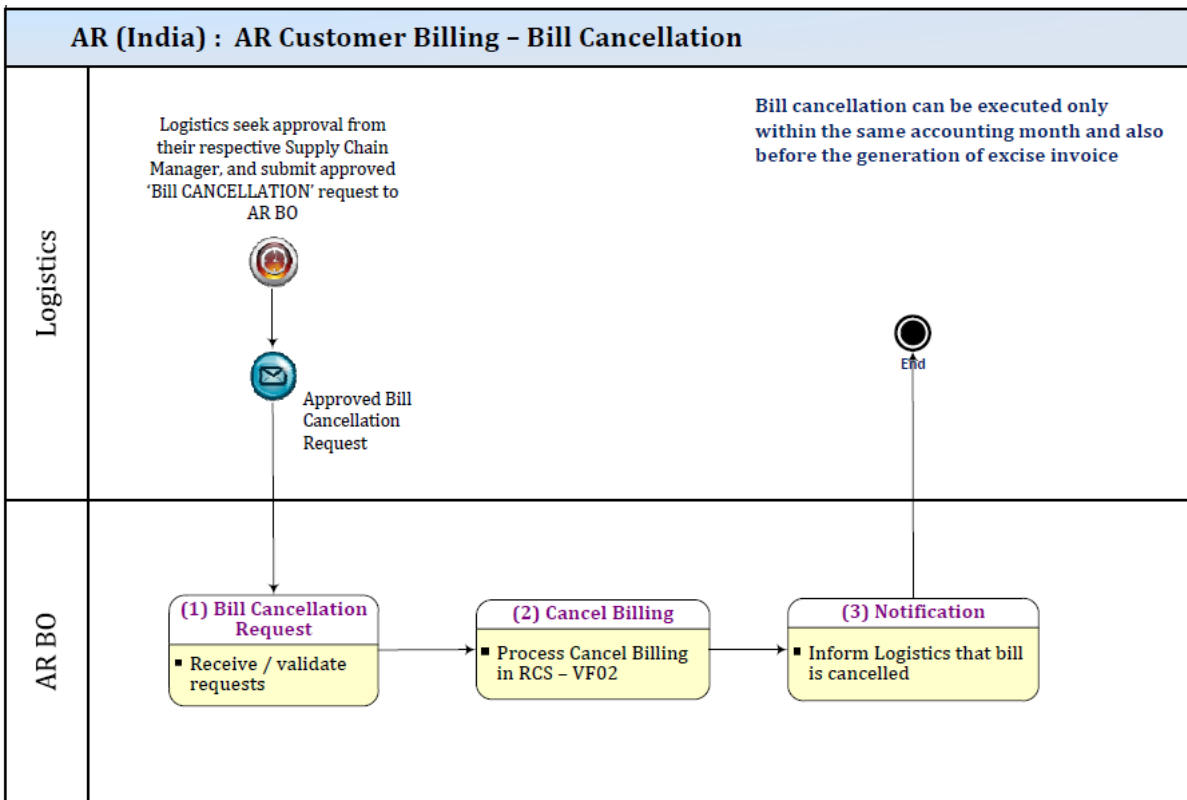
D 46,080.00 C 46,080.00 0.00 * 2 Line Items

4.3 Sales (Goods) Return




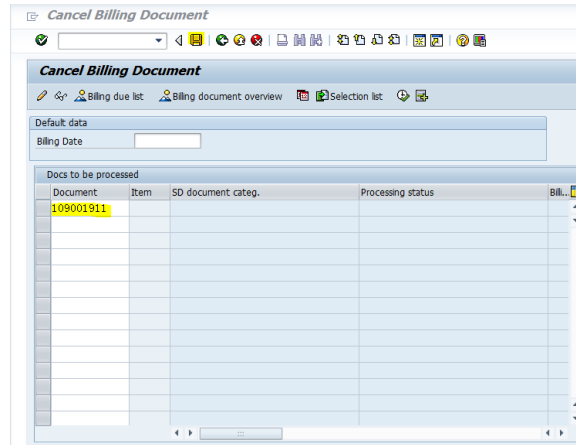
No real case occur since migration operated.

4.4 AR Customer Billing – Bill Cancellation

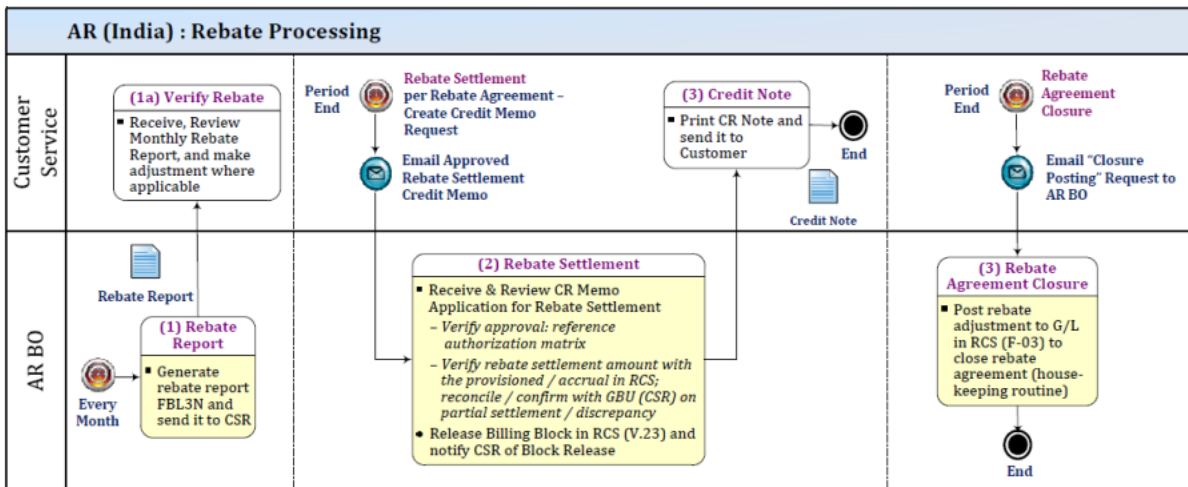


Step:
 After receiving approved Billing Cancellation request from Customer Service with line manager approval, validate the request and follow below steps:

1. Process cancellation by entering transaction VF11
2. Input Billing document number and press "Enter"
3. Check details and information of the billing
4. Click "Cancel" in Billing document button.
5. Click "Save" 

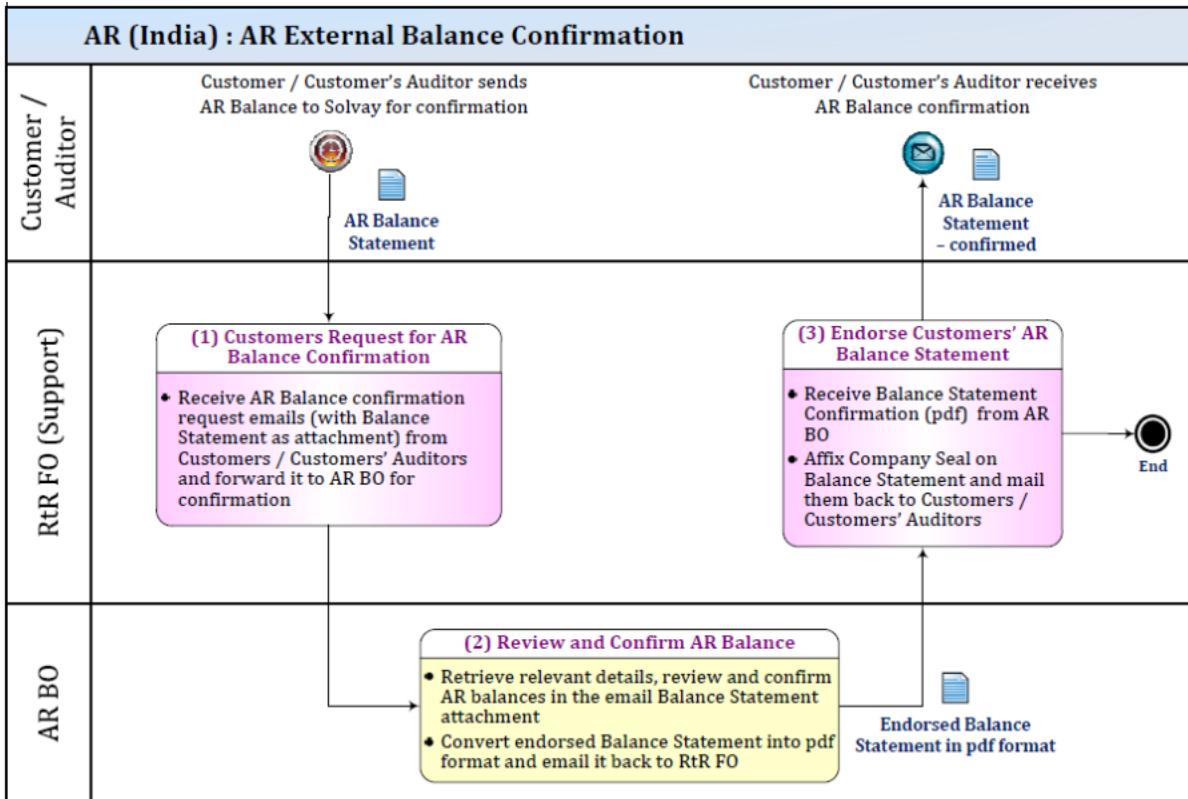


4.5 Rebate Processing



No real case occur since migration operated.

4.6 AR External Balance Confirmation



Step:
After receiving balance confirmation file, AR will check customer balance at that specific date in FBL5N and fill total amount in the file, then send back to FO for stamp and signature.

Customer Line Item Display

Customer: 2035426
Company Code: 6348
Name: ASTAR PAINTS LTD.
City: KARCHEEPURAM

Stat	Ref. Key 1	Account	Assignment	DocumentNo	Posting Date	Type	Net due dt	ID	S	Amount In DC	Curr.
	0100001156	2035426	0109001269	109001269	13.11.2014	RF	12.01.2015			2,356,315.99	INR
	0100001221	2035426	0109001322	109001322	26.11.2014	RF	25.01.2015			2,388,262.19	INR
	0100001304	2035426	0109001415	109001415	12.12.2014	RF	10.02.2015			2,304,071.89	INR
		2035426	109000462	140000772	04.09.2014	DZ	29.06.2014			4,297.01	INR
		2035426	109000639	140000925	07.10.2014	DZ	24.09.2014			4,246.01	INR
		2035426	0109001084	140001280	16.12.2014	DZ	09.12.2014			7,486.71	INR
		2035426								7,066,679.77	INR
**		2035426								7,066,679.77	INR

asianpaints

Asian Paints Limited
Shared Services Center,
Plot No. 5, Gawadi Industrial Estate,
S.V. Road, Goregaon (West),
Mumbai - 400 062.
T: (022) 6198 8000
www.asianpaints.com

3638 RSU315
SUNSHIELD CHEMICALS LTD
Phoenix House, A wing, 4th Floor,
462, Senapati Bapat Marg, Lower Panel
Mumbai 400013.
400013

Dear Sir / Madam,

Sub: Balance Confirmation as on 31.12.2014

Please return the attached slip direct to Asian Paints Limited, Shared Service Centre, Plot No. 5, Gawadi Indl. Estate, Near Kamal Club, S V Road, Goregaon (West), Mumbai 400062, indicating whether or not you agree with the balance shown below within 30 days from receipt of this letter. In the event of disagreement, please record the balance shown by your records and provide us with details of the difference alongwith your Statement of Accounts for the period April 2014 to Dec 2014. You may also scan and email your response to Shri Amit Bhanghi at amit.bhanghi@asianpaints.com.

If the confirmation is not received with 30 days, we shall assume that the balance is correct.

A reply paid envelope is enclosed for your convenience.

Yours faithfully,
For Asian Paints Limited

Sd/-

Authorised Signatory
This is auto generated letter and does not require signature

To: Amit Bhanghi
Asian Paints Limited
Shared Service Centre Plot No.5
Gawadi Indl Estate Near Kamal Club
S V Road Goregaon W Mumbai 400062

From: SUNSHIELD CHEMICALS LTD
RSU315

3638

Ref: Balance Confirmation as on 31.12.2014

A: We confirm that the balance due to us (indicated by negative sign) / payable to you on the above date was INR -13771922

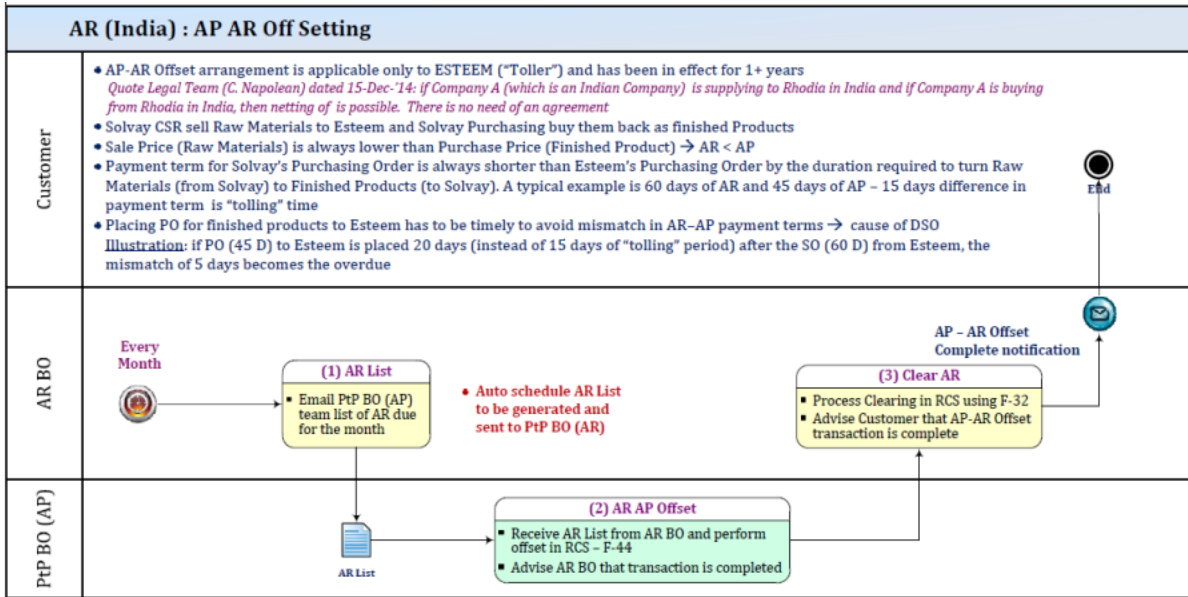
B: According to our records, the amount due to us / payable to you on the above date was INR _____
see details of difference attached/overleaf
(Please strike out either A or B)

Yours faithfully,

Signature : _____
Position : _____

Corporate Identification Number (CIN): L24228MH1945PLC004598
 For more information, email us at investor_relations@asianpaints.com

4.7 AP AR Offsetting



Step:
 Every month-end, AR have to check Offset balance in FBL5N of customer (2035489) ESTEEM INDUSTRIES PVT. LTD. If there is payable amount in that month, AP will transfer that amount into customer account. AR will clear by T-code F-32.

Display Document: Line Item 002

Customer: 2035489 ESTEEM INDUSTRIES PVT. LTD. G/L Acc: 41100100
 CoCode: 6059 VILL-ALONDE, TAL: VIKRAMGAD
 Rhoda Specialty Chemical WADA Doc. No.: 3000002524

Line Item 2 / Other clearing / 17
 Amount: 4,611,558.35 INR Bus.plc/sectn: 6059 / 6059

Additional Data

Blnc Date: 31.03.2015 Disc. Amount: 0.00 INR
 Prmnt Block: Dunning Key:
 Dunn. Block: Last Dunned: /
 Contract: / Flow Type:
 Clearing: 31.03.2015 / 3000002536
 Assignment: CUST A/C CLEARIN
 Text: CUSTOMER A/C CLEAR WITH VENDOR A/C AS ON 31.03.15 Long text

Document Overview - Display

Doc. Type: AB (Accounting document) Normal document
 Doc. Number: 3000002536 Company Code: 6059 Fiscal Year: 2015
 Doc. Date: 31.03.2015 Posting Date: 31.03.2015 Period: 03
 Calculate Tax:
 Doc. Currency: INR
 Doc. Bst Text: Clear AR/AP offset

Itm	PK	BS	Vendor	Account short text	G/L acct	Cost Ctr	Croy	Amount	Amount in LC	Text
1	17		ESTEEM INDUSTRIES PV		41100100		INR	4,611,558.35-	4,611,558.35-	
2	07		ESTEEM INDUSTRIES PV		41100100		INR	4,611,558.35	4,611,558.35	