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Prepared by: ERP Dept.

Approved by: _____

(Mr. Aamir Jamil)


1. Scope / Purpose

This SOP defines the Credit Control System of Nimir Group of Companies and gives end-to-end solution to the related departments as defined in Point-3 of this SOP to perform their functions.

2. Advance Payment Approval Hierarchy

Advance payment request will be generated by the departments mentioned in section (3) and approved by the following authorities:

Sr.	Department	Approver Name
1	Civil	Rizwan Sadiq
2	Dispatch	Rizwan Sadiq
3	HSE	Rizwan Sadiq
4	Instrument	Rizwan Sadiq
5	Production	Rizwan Sadiq
6	QA	Rizwan Sadiq
7	QC	Rizwan Sadiq
8	R&D	Rizwan Sadiq
9	Warehouse	Rizwan Sadiq
10	IT	Aamir Raza
11	Taxation	Muhammad Arshad
12	HR	Fatima Kiran
13	Admin	Imran Pasha
14	Supply Chain - Import	Nadeem Khan
15	Accounts	Sajid Nasim
16	Audit	Sajid Nasim
17	Finance	Sajid Nasim
18	Marketing & Sales	Sajid Nasim
19	MRP	Sajid Nasim
20	Supply Chain - Local	Tariq

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(Mr. Aamir Jamil)

- At the time of new vendor creation, Accounts department will assign authorization group based on the request shared by respective department to show this vendor in SAP to relevant department / Invoice Releaser.
- While creating a Purchase Order (PO), the requester must confirm GL code from **Accounts Department**. This ensures accurate financial tracking and proper allocation of expenses.
- No payment without PO.
- IOU & petty cash will be treated without PO.

3. **ALL Related Departments**

All related departments are given as:

- 3.1 Finance Department
- 3.2 Accounts Department
- 3.3 Procurement Department
- 3.4 Import Department
- 3.5 Admin Department
- 3.6 Warehouse Department
- 3.7 Production Department
- 3.8 Thermal Power Department
- 3.9 QC Department
- 3.10 QA Department
- 3.11 HSE Department
- 3.12 Sales Support Department
- 3.13 Costing Department
- 3.14 Taxation & Payroll Department
- 3.15 MRP Department
- 3.16 Marketing Department
- 3.17 ERP Department
- 3.18 HR Department
- 3.19 Dispatch Department
- 3.20 Audit Department

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(Mr. Aamir Jamil)

4. **Roles & Responsibilities**

All related departments as mentioned above are responsible for performing following actions for making advance payments:

- a) Generating request for advance payment in system using the T-Code **F-47** and perform the transactions as follow:
 - 1) Enter the document date.
 - 2) Enter the Vendor Account No.
 - 3) Select “**A**” in special G/L Indicator
 - 4) Press Enter.

Down Payment Request: Header Data

New Item

Document Date	<input type="text" value="21.03.2024"/>	Type	KA	Company Code	NICL
Posting Date	21.03.2024	Period	9	Currency/Rate	PKR
Document Number	<input type="text"/>	Translation dte	<input type="text"/>		
Reference	<input type="text"/>				
Doc.Header Text	<input type="text"/>				
Trading Part.BA	<input type="text"/>	Tax Reporting D	<input type="text"/>		
Vendor					
Account	<input checked="" type="checkbox"/>	<input type="text" value=""/>			
Trg.Sp.G/L Ind.	<input checked="" type="checkbox"/>	<input type="text" value=""/>			

- 5) Enter Amount in PKR, Tax Code and due date.
- 6) In Pmnt Block select “**B**”
- 7) Enter PO number, line-item number and click on Save.

Down Payment Request Correct Vendor item

More data New Item Withholding Tax


Vendor	1000001802	RAAZIQ INTERNATIONAL Pvt Ltd	G/L Acc	L1160002
Company Code	NICL	The Enterprise, Building 2,		
Nimir Ind. Chemicals Ltd		Lahore		

Item 1 / Down payment request / 39 F

Amount	55,000.00	PKR
Tax Amount	<input type="text"/>	
Tax Code	01	<input type="checkbox"/> Calculate Tax
Due on	15.03.2024	
Pmnt block	B	
Disc.perc.	<input type="text"/>	
Order	<input type="text"/>	
Asset	<input type="text"/>	
Purch.Doc.	4700000037	10
Contract	<input type="text"/>	
Fund	CAPEX	
Funds Ctr	COMMON	
Assignment	<input type="text"/>	
Text	<input type="text"/>	

Payt Method	<input type="text"/>
CD Amount	<input type="text"/>
Network	<input type="text"/>
Cost Center	<input type="text"/>
Profit Ctr	1003
WBS Element	<input type="text"/>
Flow Type	<input type="text"/>
Real Estate	<input type="checkbox"/>
Cmnt item	ASSETS1
Sales Doc.	<input type="text"/>
Funded Program	<input type="text"/>

Long Texts

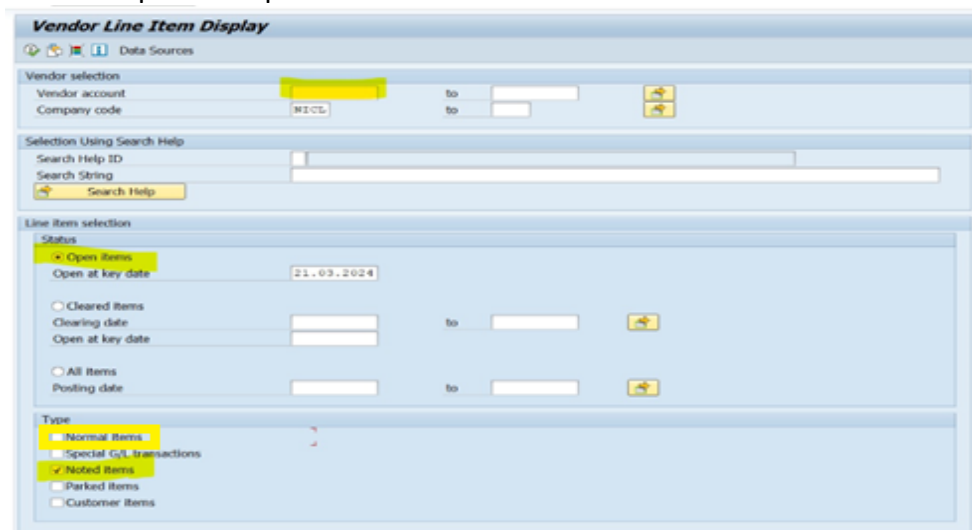
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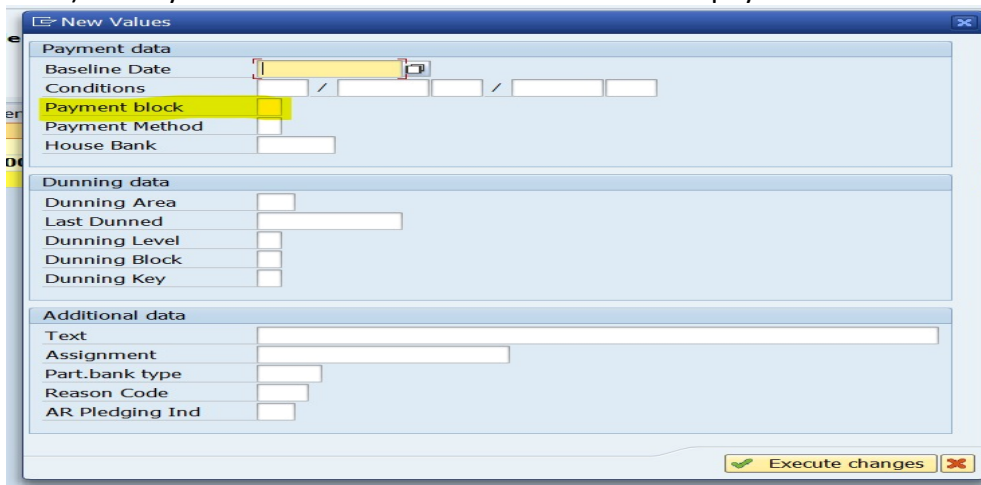
(Mr. Aamir Jamil)


- b) HOD of relative department is responsible for releasing payment in system using the T-Code **ZFBL1N** and perform the transactions as follow:
- 1) Enter Vendor Account No.
 - 2) Select Open item in Status Section
 - 3) Select Noted item for bank assignment of advance payment request and press Enter.
 - 4) Select Normal items for bank assignment of vendor invoices payment request and press Enter.



- c) Before due date payments will not be released. In exceptional cases Mr. Sajid Nasim is authority.

- 5) In Payment block section select "F" to free the payment and click on Save.



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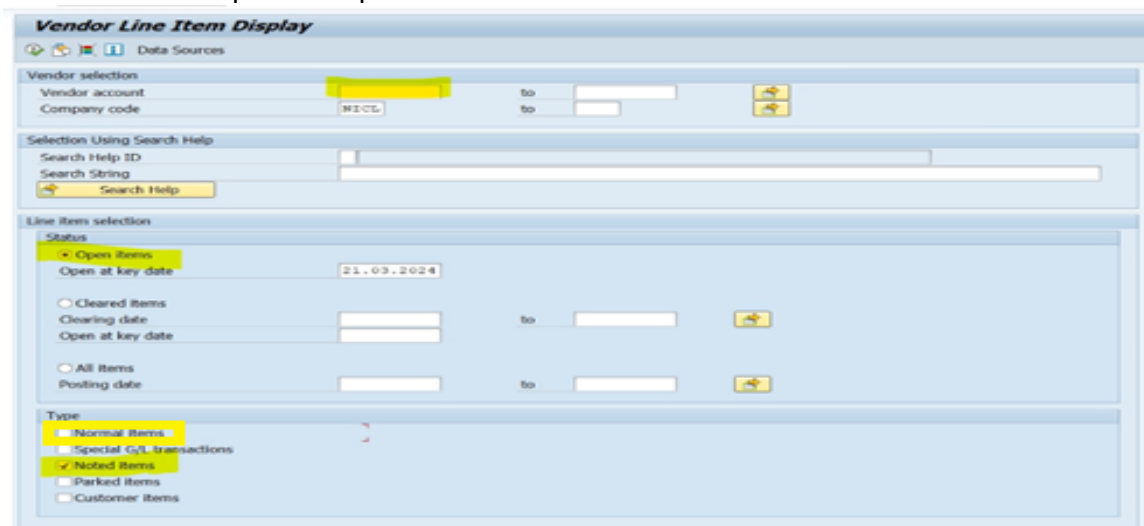
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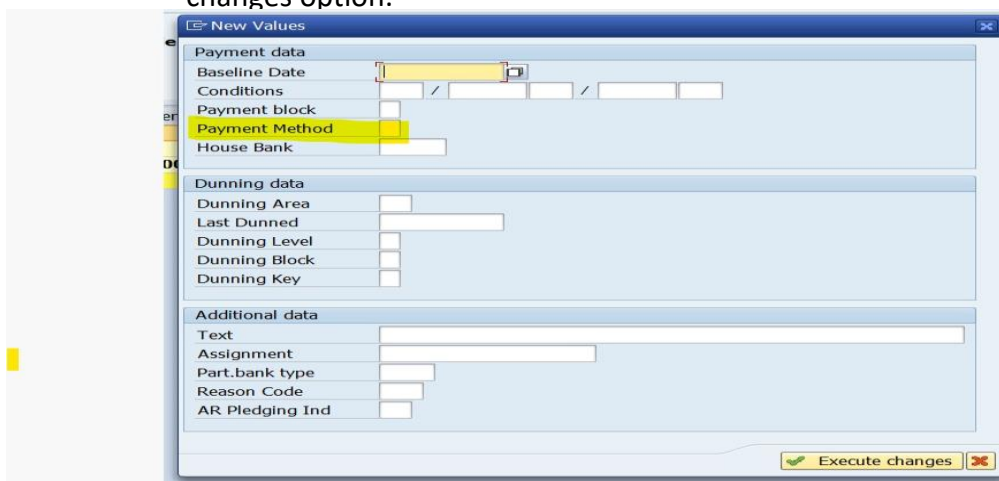
(Mr. Aamir Jamil)


3.1 FINANCE DEPARTMENT

- Finance department is responsible for assigning bank to the released payment in the system.
- Finance department will only assign banks to payments that are marked as Free for Payment (with the indicator "F")
- Finance department will use the T-Code **ZFBL1N** and perform the transactions as follow:
 - 1) Enter Vendor Account No.
 - 2) Select Open item in Status Section
 - 3) Select Noted item for bank assignment of advance payment request and press Enter.
 - 4) Select Normal items for bank assignment of vendor invoices payment request and press Enter.



- 5) In payment Method tab select the relevant bank and click on execute changes option.



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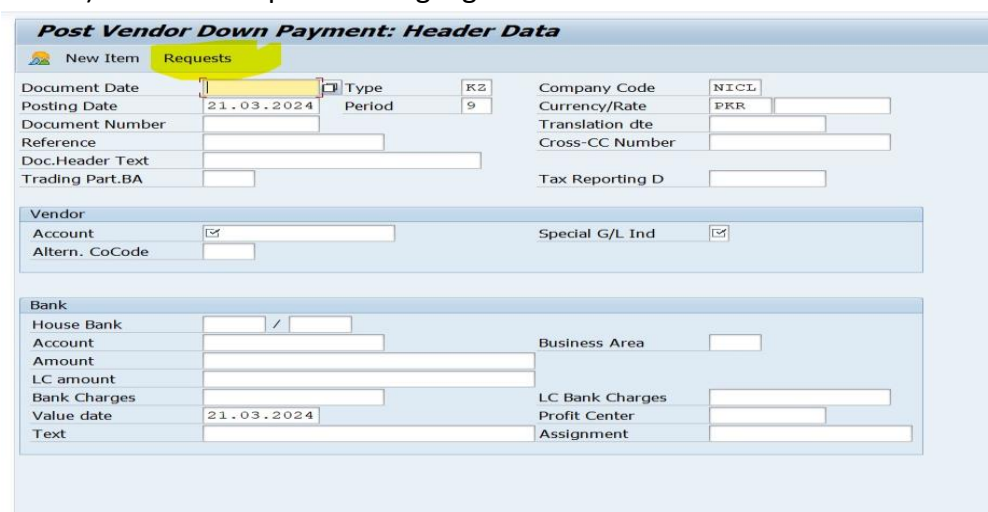
Prepared by: ERP Dept.

Approved by: _____

(Mr. Aamir Jamil)

Accounts department is responsible for making payments and keeping the record of all payments by using T-Code **F-48** and perform the transactions as follow:

- 1) Enter Document Date.
- 2) Enter Posting Date.
- 3) Enter Vendor Information.
- 4) Enter Bank Information.
- 5) Click on Request tab Highlighted above.



- 6) Make the required payment and click on Save.

3.17 ERP Department

ERP Department will support all related departments as mentioned in section (3)

5. Ownership


Ownership of this SOP is with ERP Department.

6. Attachments

- Process Work Flow

7. Reference(s)

Initial SOP Review Meeting Dated: 19-Jan-2024 at Head Office Meeting Room with respective departments, participants were Aamir Jamil, Sajid Nasim, Aamir Raza, Shaheen Abbas.

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(Mr. Aamir Jamil)

8. Reason for Revision

Current Revision	Revision Date	Reason of Revision	Revised By
Ver 1.0	August 08, 2024	Updated Section C for invoice release	ERP Dept