

SAP FICO MOCK MINI IMPLEMENTATION PROJECT

*“A Practical Demonstration Of Sap Fi Configuration
And Integration”*

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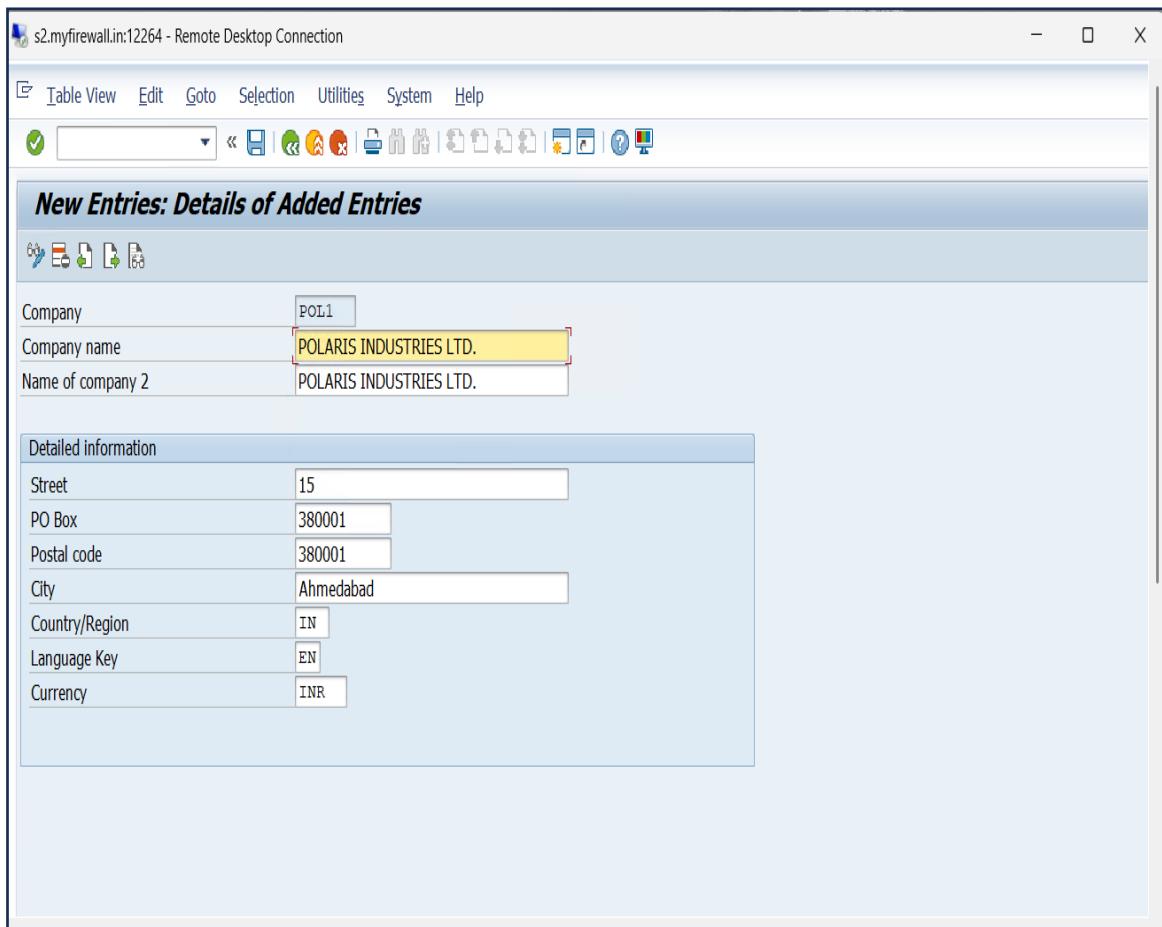
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CHAPTER 1: ENTERPRISE STRUCTURE

1.1 Company & Company Code Creation

1.1.1 Create Company



T-code: OX15

Explanation:

A Company in SAP represents the **highest organizational unit** in Financial Accounting (FI) for which **consolidated financial statements** like balance sheet and profit & loss statements are prepared. It is primarily used for **external reporting purposes** and can include **one or more Company Codes**, which are the operational units where transactions are posted.

1.1.2 Company Code Creation

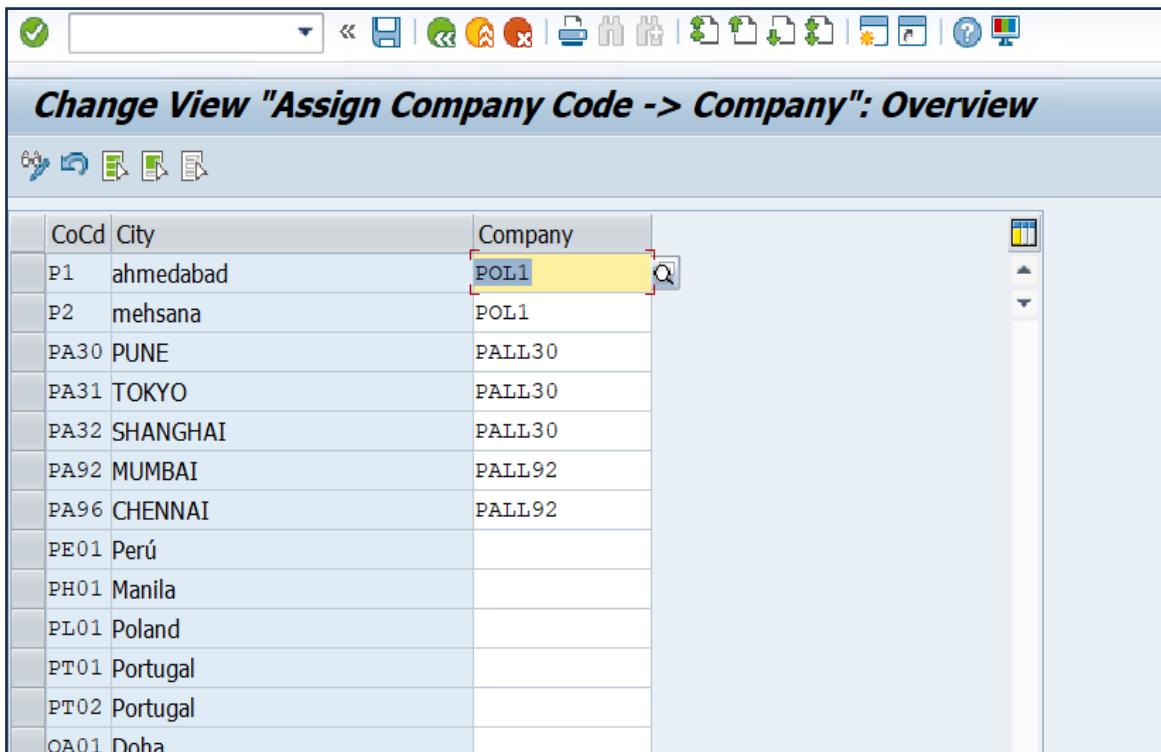
The screenshot shows the SAP Fiori interface for creating a new company code entry. The main title bar reads "New Entries: Details of Added Entries". A sub-header "P1 Edit Address: P1" is visible. On the left, there's a sidebar with sections for "Company Code", "Company Name", and "Additional data" (which includes "City", "Ctry/Reg.", "Currency", and "Language"). The main content area is titled "Name" and contains fields for "Title" (set to "Company") and "Name" (set to "POLARIS INDUSTRIES LTD."). Below this is a "Search Terms" section with a search term of "POLARIS INDUSTRIES". The next section is "Street Address", which includes fields for "Street/House Number" (15), "Postal Code/City" (380001), "Country/Region" (IN), and "Region" (GJ). The following section is "PO Box Address", containing fields for "PO Box" (380001), "Postal Code" (380001), and "Company postal code" (380001). The final section is "Communication", which includes fields for "Language" (English), "Telephone" (12345), "Mobile Phone" (12345), "Fax" (12345), "E-Mail" (TESTMAIL@GMAIL.COM), and "Standard Method" (E-Mail). There are also buttons for "Other Communication..." and file attachments.

T-code: OX02

Explanation:

A Company Code is the fundamental organizational unit in SAP Financial Accounting (FI) where all accounting transactions are recorded and reported. It represents a legal entity or branch of a company that can independently maintain its own set of books, including balance sheet and profit & loss statements. Each Company Code must be assigned to exactly one Company, which serves as the consolidation unit for group reporting.

1.1.3 Assign Company Code To Company



The screenshot shows the SAP GUI interface for the 'Assign Company Code -> Company' overview. The title bar reads 'Change View "Assign Company Code -> Company": Overview'. Below the toolbar, there are several icons for navigation and search. The main area is a table with two columns: 'CoCd' and 'City' on the left, and 'Company' on the right. The 'Company' column contains entries like 'POL1', 'PALL30', etc. The row for 'P1 ahmedabad' has 'POL1' selected and highlighted with a yellow background. A magnifying glass icon is positioned next to the 'Company' column header.

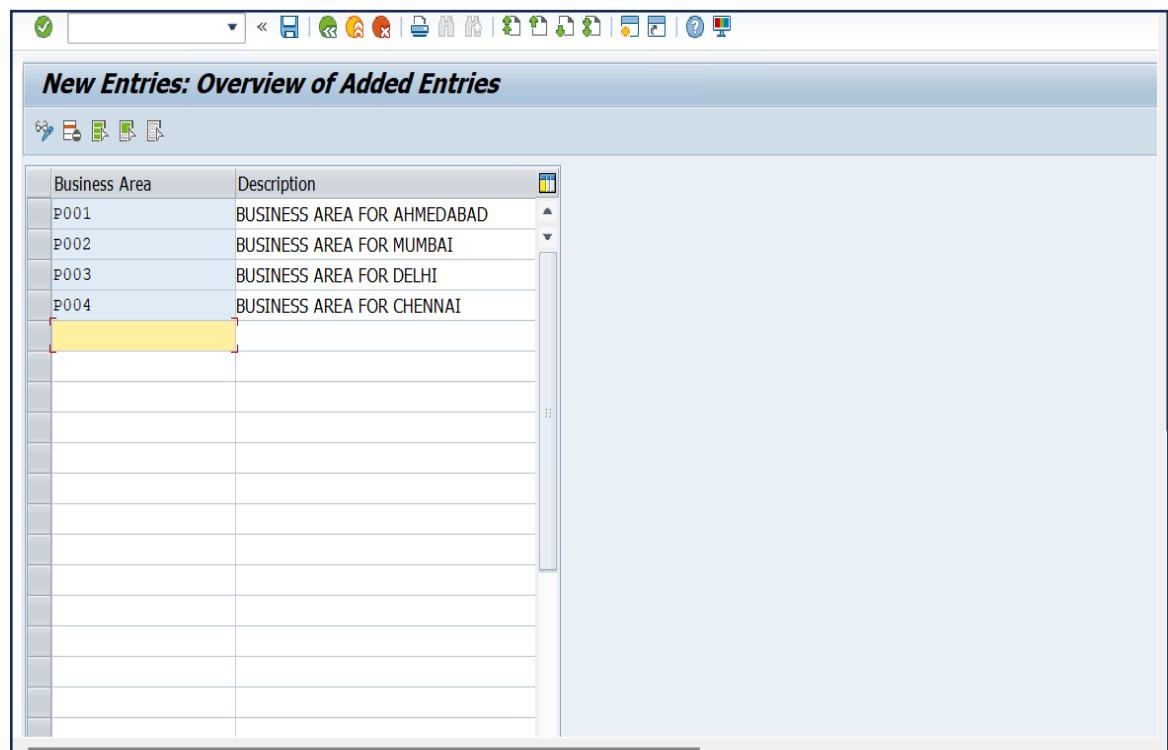
CoCd	City	Company
P1	ahmedabad	POL1
P2	mehsana	POL1
PA30	PUNE	PALL30
PA31	TOKYO	PALL30
PA32	SHANGHAI	PALL30
PA92	MUMBAI	PALL92
PA96	CHENNAI	PALL92
PE01	Perú	
PH01	Manila	
PL01	Poland	
PT01	Portugal	
PT02	Portugal	
QA01	Doha	

T-code: OX16

Explanation:

This step links the **Company Code** with the **Company** you created earlier. It ensures that all postings at the **Company Code level** are rolled up into the **Company** for consolidated reporting. Each Company Code must be assigned to exactly one Company.

1.2 Create Business Area



T-code: OX03

Explanation:

A **Business Area** in SAP represents **independent areas of operations or responsibilities** within a company. It is mainly used for **internal reporting and segment-based financial statements** (e.g., region-wise or product-wise). Business Areas can be across **multiple Company Codes**, unlike Company Codes which are legal entities.

1.3 Credit Control Area

1.3.1 Define Credit Control Area

New Entries: Details of Added Entries

Cred.Contr.Area	PC1	<input type="text"/>	
Currency	INR	<input type="text"/>	
Data for updating SD			
Update	<input type="checkbox"/>	<input type="text"/>	
FY Variant	V3	<input type="text"/>	
Default data for automatically creating new customers			
Risk category	<input type="checkbox"/>	<input type="text"/>	
Credit limit	<input type="text" value="100000"/> 100000		
Rep. group	<input type="checkbox"/>	<input type="text"/>	
Organizational data			
<input type="checkbox"/> All CoCodes			

T-code: OB45

Explanation:

A **Credit Control Area (CCA)** is an organizational unit in SAP that represents an area responsible for **customer credit management**. It is used to set and monitor **credit limits** for customers. One Credit Control Area can be assigned to multiple Company Codes, but one Company Code can be linked to only **one CCA**.

1.3.2 Assign Credit Control Area To Company Code

Change View "Assign company code -> credit control area": Overview					
CoCd	Company Name	City	CCAr	CCAR Can Be Overwritten	
P1	POLARIS INDUSTRIES LTD.	ahmedabad	PC1	<input checked="" type="checkbox"/>	
PA30	PALLAVI INDIA LTD	PUNE		<input type="checkbox"/>	
PE01	Country Template PE	Perú		<input type="checkbox"/>	
PH01	Country Template PH	Manila		<input type="checkbox"/>	
PL01	Country Template PL	Poland		<input type="checkbox"/>	
PT01	Country Template PT	Portugal	0001	<input type="checkbox"/>	
PT02	Country Template PT (SNC)	Portugal	0001	<input type="checkbox"/>	
QA01	Country Template QA	Doha		<input type="checkbox"/>	
QRST	Global India LTD	Delhi		<input type="checkbox"/>	
RECO	Sondereigentum (WEG)	Walldorf	0001	<input checked="" type="checkbox"/>	
REOB	Referenz Objektmandate	Walldorf	0001	<input checked="" type="checkbox"/>	
RERF	WEG Referenzbuchungskreis	Walldorf	0001	<input checked="" type="checkbox"/>	
RMRS	GLOBAL INDIA LTD	NASHIK	RMRS	<input type="checkbox"/>	
RU01	Country Template RU	Russia		<input type="checkbox"/>	
SA21	SACHIN PVT LTD	KALYAN		<input type="checkbox"/>	
SA31	SAMIDHA PVT LTD	MUMBAI		<input type="checkbox"/>	
SAMA	BORADE ACCIDENT HOSPITAL	LASALGAON	SAMA	<input type="checkbox"/>	
SR01	Country Temlate SF	Sweden		<input type="checkbox"/>	

T-code: **OB38**

Explanation:

This step assigns a **Company Code** to a **Credit Control Area (CCA)**. It ensures that all credit management activities for a Company Code are monitored under the designated Credit Control Area. Each Company Code can be linked to **only one Credit Control Area**, but a Credit Control Area can cover **multiple Company Codes**. This setup allows consistent credit monitoring and reporting across the organization.

1.4 Fiscal Year Variant

1.4.1 Create Fiscal Year Variant

T-code: **OB29**

Explanation:

This step defines the **Fiscal Year Variant (FYV)** in SAP, which determines the accounting periods for posting financial transactions. It controls how the year is divided into **posting periods** (usually 12 months) and **special periods** (used for year-end adjustments). Each Company Code must be assigned a Fiscal Year Variant to ensure consistent financial reporting. Different Company Codes can share the same variant if they follow the same accounting calendar.

1.4.2 Assign Fiscal Year Variant To Company Code

Change View "Assign Comp.Code -> Fiscal Year Variant": Overview			
CoCd	Company Name	Fiscal Year Variant	Description
P1	POLARIS INDUSTRIES LTD.	A8	Apr.- March, 4 special periods
P2	POLARIS INDUSTRIES LTD.	HZ	Apr.- March, 4 special periods
PA30	PALLAVI INDIA LTD	PA	Apr.- March, 4 special periods
PA31	PALLAVI JAPAN LTD	PA	Apr.- March, 4 special periods
PA32	PALLAVI CHINA LTD	PD	July - June, 4 special periods
PA92	PALLAVI LTD	PB	Apr.- March, 4 special periods
PA96	PALLAVI PVT LTD	PB	Apr.- March, 4 special periods
PB92	PRATIK BAJAJ INDIA LTD	P9	Apr.- March, 4 special periods
PE01	Country Template PE	K4	FYV FOR RMRS
PH01	Country Template PH	K4	FYV FOR RMRS
PL01	Country Template PL	K4	FYV FOR RMRS
PT01	Country Template PT	K4	FYV FOR RMRS
PT02	Country Template PT (SNC)	K4	FYV FOR RMRS
QA01	Country Template QA	K4	FYV FOR RMRS

T-code: **OB37**

Explanation:

This step assigns a **Fiscal Year Variant** to a **Company Code**. It ensures that all financial postings in the Company Code follow the defined accounting periods of the assigned Fiscal Year Variant. Each Company Code must be assigned **exactly one Fiscal Year Variant**, but the same variant can be assigned to multiple Company Codes to maintain consistency in financial reporting.

1.5 Posting Period Variant

1.5.1 Define Posting Period Variant

Change View "Posting Periods: Define Variants": Overview	
Variant	Name
P1	PPV FOR POLARIS
P2	PPV FOR POLARIS 2
PA30	PPV for PA30
PA31	PPV for PA31
PA32	PPV FOR PA32
PALB	PPV FOR PA92
PALV	PPV FOR PA96
PPB	PPV FOR PB92
RMRS	PPV FOR RMRS
SAMA	PPV FOR SAMA
SAP	PPV FOR SAP
SKR1	PPV FOR SKODA LTD
SNV	PPV FOR SNV
SSR1	PPV for SSR Ltd UPDATED
TANI	PPV FOR TANI
VOL1	
VOL5	PPV FOR VOLVO SWEDEN LTD

T-code: OBBO

Explanation:

This step is used to **create a new Posting Period Variant (PPV)**. A Posting Period Variant defines the accounting periods that can later be opened or closed for posting financial transactions. Each Company Code will be assigned a Posting Period Variant to ensure transactions are posted only in authorized periods

1.5.2 Enter Posting Periods

Posting Period Variant P1											
Posting Periods: Specify Time Intervals											
A	From Acct	To Account	From Per.1	Year	To Per. 1	Year	AuGr	From Per.2	Year	To Per. 2	Year
A	+ [Yellow Box]		1	2025	12	2025	13	2026	16	2026	
A	ZZZZZZZZZZ	ZZZZZZZZZZ	5	2025	6	2025	13	2024	16	2024	
D	ZZZZZZZZZZ	ZZZZZZZZZZ	5	2025	6	2025	13	2024	16	2024	
K	ZZZZZZZZZZ	ZZZZZZZZZZ	5	2025	6	2025	13	2024	16	2024	
M	ZZZZZZZZZZ	ZZZZZZZZZZ	5	2025	6	2025	13	2024	16	2024	
S	ZZZZZZZZZZ	ZZZZZZZZZZ	5	2025	6	2025	13	2024	16	2024	
V			5	2025	6	2025	13	2024	16	2024	

T-code: OB52

Explanation:

After creating a Posting Period Variant in OBBO, use OB52 to define which periods are open or closed for posting. It ensures that postings can occur only in allowed periods, preventing errors and unauthorized backdating. You can define different open/close settings for G/L accounts, Vendor accounts, Customer accounts, and Assets.

1.5.3 Assign Posting Period Variant To Company Code

Change View "Assign Comp.Code -> Posting Period Variants": Overview		
CoCd	City	Variant
P1	ahmedabad	P1
P2	mehsana	P2
PA30	PUNE	PA30
PA31	TOKYO	PA31
PA32	SHANGHAI	PA32
PA92	MUMBAI	PALB
PA96	CHENNAI	PALV
PB92	PUNE	PPB
PE01	Perú	0001
PH01	Manila	0001
PL01	Poland	0001
PT01	Portugal	0001
PT02	Portugal	0001
QA01	Doha	0001
QRST	Delhi	
RECO	Walldorf	0001
REOB	Walldorf	0001

T-code: **OBBP**

Explanation:

This step assigns a **Posting Period Variant (PPV)** to a **Company Code**. It ensures that the Company Code follows the rules of the assigned PPV for opening and closing posting periods. Every Company Code must be linked to exactly one Posting Period Variant, but the same PPV can be assigned to multiple Company Codes for consistency.

1.6 Field Status Variant

1.6.1 Define Field Status Variant

Change View "Field status variants": Overview	
Var.list	
Dialog Structure	FStV Field Status Name
- Field status variants	P1 Field status for polaris
• Field status groups	PA32 Field status for PA32
	PABD Field status for PABD
	PALL Field status for PALL
	PB92 Field status for PB92
	RMRS Field status for RMRS
	SAMA Field status for SAMA
	SAP Field status for SAP
	SK01 Field status SKODA LTD
	SNV Field statu FOR SNV
	SSR1 Field status for SSR Ltd
	TANI Field status for TANI
	VOL4 FSV FOR VOLVO SWEDEN LTD
	VSW field status for vsw
	VWI1
	VWI2
	WIN1 Field status for WIN LTD
	Y001 Field status for Yata

T-code: **OBC4**

Explanation:

This step is used to **create and maintain Field Status Variants**. A Field Status Variant controls the input fields during document entry in SAP. It specifies whether a field is **suppress**, **optional**, **required**, or **display only** when users post transactions. Each Company Code must be assigned to exactly one Field Status Variant, and that variant will consist of multiple **Field Status Groups** used for controlling G/L account field behavior.

1.6.2 Assign Field Status Variant To Company Code

Change View "Assign Company Code -> Field Status Variant": Overview			
CoCd	Company Name	City	Fld stat.var.
P1	POLARIS INDUSTRIES LTD.	ahmedabad	P1
P2	POLARIS INDUSTRIES LTD.	mehsana	P1
PA30	PALLAVI INDIA LTD	PUNE	PALL
PA31	PALLAVI JAPAN LTD	TOKYO	PALL
PA32	PALLAVI CHINA LTD	SHANGHAI	PA32
PA92	PALLAVI LTD	MUMBAI	PABD
PA96	PALLAVI PVT LTD	CHENNAI	PABD
PB92	PRATIK BAJAJ INDIA LTD	PUNE	PB92
PE01	Country Template PE	Perú	0001
PH01	Country Template PH	Manila	0001
PL01	Country Template PL	Poland	0001
PT01	Country Template PT	Portugal	0001
PT02	Country Template PT (SNC)	Portugal	0001
QA01	Country Template QA	Doha	
QRST	Global India LTD	Delhi	
RECO	Sondereigentum (WEG)	Walldorf	0001
REOB	Referenz Objektmandate	Walldorf	0001

T-code: **OBC5**

Explanation:

This step assigns a **Field Status Variant (FSV)** to a **Company Code**. It ensures that the Company Code follows the field control rules defined in the assigned Field Status Variant. Each Company Code must be linked to exactly one Field Status Variant, but the same variant can be assigned to multiple Company Codes for standardization.

1.7 Tolerance For Customer/Vendor

1.7.1 Create Tolerance For Customer/Vendor

Change View "Customer/Vendor Tolerances": Details

<input type="button" value="New Entries"/>	<input type="button" value="Print"/>	<input type="button" value="Save"/>	<input type="button" value="Cancel"/>	<input type="button" value="Help"/>
Company Code	P1	POLARIS INDUSTRIES LTD.	ahmedabad	
Currency	INR			
Tolerance Group	TOLERANCE FOR POLARIS			
Specifications for Clearing Transactions				
Grace Days Due Date	<input type="text"/>	Cash Discount Terms Displayed <input type="checkbox"/>		
Arrears Base Date	<input type="text"/>			
Permitted Payment Differences				
Rev.	Amount 1,000.00	Percent 10.0 %	Adjust Discount By 1,000.00	
Loss	1,000.00	10.0 %	1,000.00	
Permitted Payment Differences for Automatic Write-Off (Function Code AD)				
Rev.	Amount 1,000.00	Percent 10.0 %		
Loss	1,000.00	10.0 %		
Specifications for Posting Residual Items from Payment Differences				
<input type="checkbox"/> Payment Term from Invoice	Fixed Payment Term <input type="text"/>			
<input type="checkbox"/> Only Grant Partial Cash Disc				

T-code: **OBA3**

Explanation:

A **Tolerance Group for Customers and Vendors** defines the maximum permissible differences allowed during **invoice processing or payment clearing** for customer and vendor accounts. It controls the limits for **payment differences, cash discount adjustments, and residual items**, ensuring that only small, acceptable variances are automatically posted while larger differences require manual review. This setup helps maintain accuracy and control in **Accounts Receivable and Accounts Payable** processes by restricting posting amounts within authorized limits.

1.7.2 Create Tolerance For Users

Change View "FI Tolerance Groups For Users": Details

New Entries

Group	
Company code	P1 POLARIS INDUSTRIES LTD. ahmedabad
Currency	INR

Upper limits for posting procedures

Amount per document	10,000,000.00
Amount per open item account item	10,000,000.00
Cash discount per line item	10.000 %

Permitted payment differences

	Amount	Percent	Cash discnt adj.to
Revenue	10,000.00	10.0 %	1,000.00
Expense	10,000.00	10.0 %	1,000.00

T-code: **OBA3**

Explanation:

A Tolerance Group for Users specifies the maximum amount limits that individual users can post in financial transactions. It defines parameters such as the maximum document amount, line item amount, and permitted cash discount a user can enter during postings. These limits ensure that users operate within their authorization levels, preventing errors or unauthorized postings. Once defined in OBA4, tolerance groups are assigned to users through OB57, ensuring controlled and compliant financial operations.

CHAPTER 2 : G/L ACCOUNTING

2.1 Chart of Accounts

2.1.1 Create Chart of Accounts

The screenshot shows the SAP GUI interface for creating a new chart of accounts. The title bar reads "Change View 'List of All Charts of Accounts': Details". The main area contains the following fields:

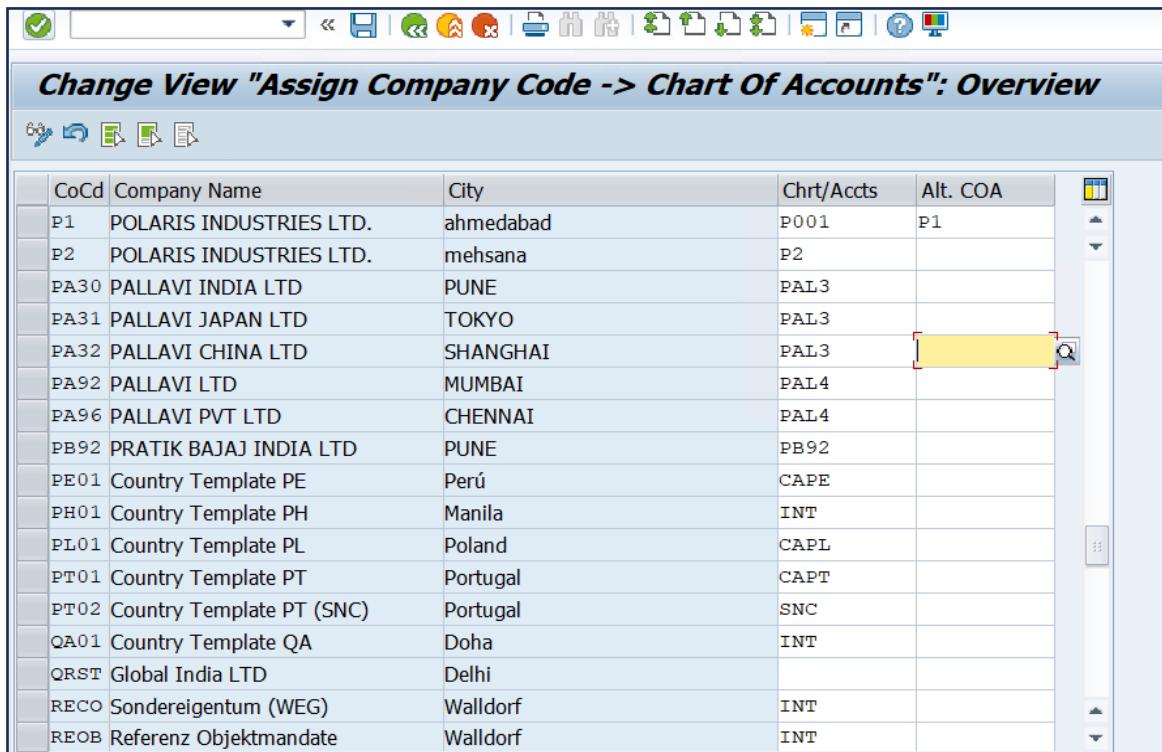
- Chart of Accts:** P1
- Description:** chart of accounts for p1
- Maint. Language:** English (highlighted with a yellow border)
- Length of G/L Account Number:** 6
- Consolidation:** Group Chart of Accts (checkbox)
- Status:** Blocked (checkbox)

T-code: OB13

Explanation:

This step is used to **create and define a Chart of Accounts (CoA)** in SAP. A Chart of Accounts is a structured list of all **General Ledger (G/L) accounts** used by one or more Company Codes. It serves as the foundation for recording all financial transactions and ensures consistency in account classification across the organization. One Chart of Accounts can be assigned to multiple Company Codes, but each Company Code can use only one operational CoA.

2.1.2 Assign Chart of Accounts to Company Code



The screenshot shows a SAP application window titled "Change View 'Assign Company Code -> Chart Of Accounts': Overview". The table lists various company codes and their assigned chart of accounts. A yellow highlight box surrounds the "Chrt/Accts" column for the row where Company Code PA32 is listed.

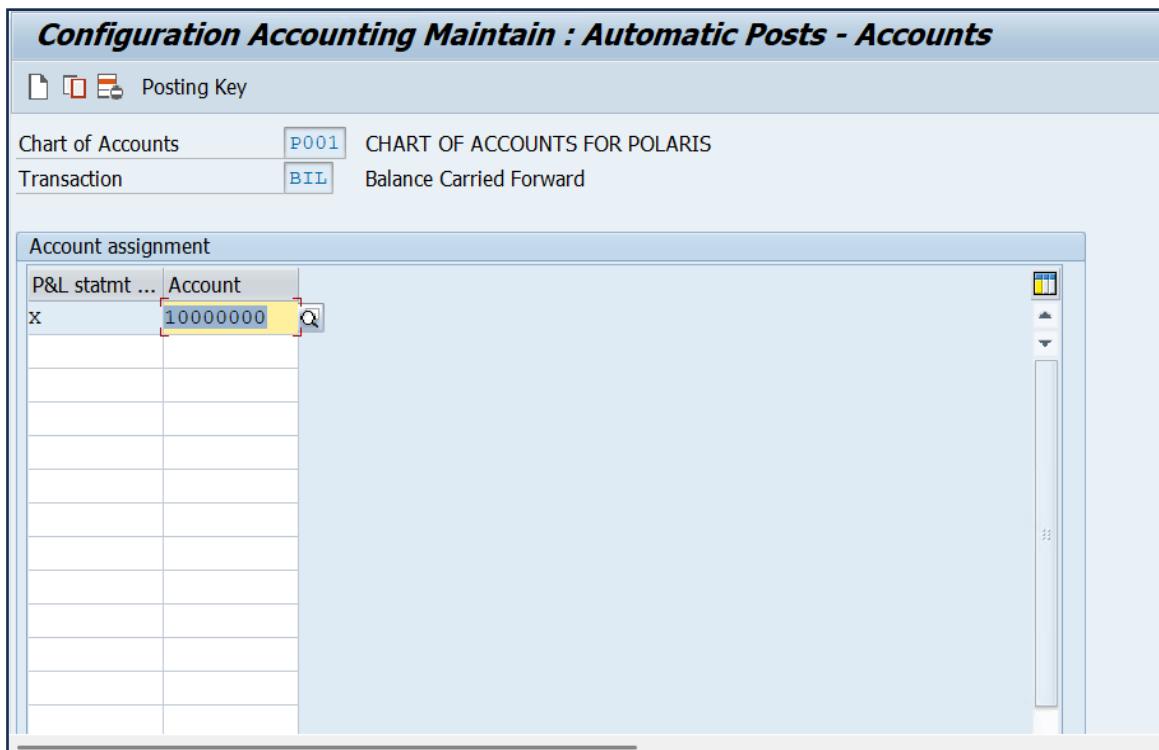
CoCd	Company Name	City	Chrt/Accts	Alt. COA
P1	POLARIS INDUSTRIES LTD.	ahmedabad	P001	P1
P2	POLARIS INDUSTRIES LTD.	mehsana	P2	
PA30	PALLAVI INDIA LTD	PUNE	PAL3	
PA31	PALLAVI JAPAN LTD	TOKYO	PAL3	
PA32	PALLAVI CHINA LTD	SHANGHAI	PAL3	
PA92	PALLAVI LTD	MUMBAI	PAL4	
PA96	PALLAVI PVT LTD	CHENNAI	PAL4	
PB92	PRATIK BAJAJ INDIA LTD	PUNE	PB92	
PE01	Country Template PE	Perú	CAPE	
PH01	Country Template PH	Manila	INT	
PL01	Country Template PL	Poland	CAPL	
PT01	Country Template PT	Portugal	CAPT	
PT02	Country Template PT (SNC)	Portugal	SNC	
QA01	Country Template QA	Doha	INT	
QRST	Global India LTD	Delhi		
RECO	Sondereigentum (WEG)	Walldorf	INT	
REOB	Referenz Objektmandate	Walldorf	INT	

T-code: **OB62**

Explanation:

This step assigns a **Chart of Accounts (CoA)** to a **Company Code**. It ensures that the Company Code uses the correct list of G/L accounts for recording all its financial transactions. Each Company Code must be assigned **exactly one operational Chart of Accounts**, but the same CoA can be used by multiple Company Codes if they follow the same accounting structure.

2.1.3 Define Retained Earnings Account



T-code: **OB53**

Path: SPRO → Financial Accounting → General Ledger Accounting → G/L Accounts → Preparations → Define Retained Earnings Account

Explanation:

This step is used to **define and assign accounts for balance carryforward** during the fiscal year-end closing process. When a new fiscal year begins, the balances of **assets, liabilities, and profit & loss accounts** are carried forward automatically by the system. In this configuration, you specify which accounts the system should use to record retained earnings (profit or loss) from the previous year. Each Company Code must have at least one **Retained Earnings Account** defined to ensure accurate year-end financial statements.

2.1.4 Create Account Groups

Change View "G/L Account Groups": Overview					
		Field status		New entries	Print field status
Chrt/Accts	Acct Group	Name		From Acct	To Account
P001	ASSE	ASSETS		100000	105000
P001	EXPE	EXPENSES		110001	115000
P001	INCO	INCOME		115001	120000
P001	LIAB	LIABILITIES		105001	110000
P2	ASSE	ASSETS		100000	199999
P2	EXPE	EXPENSES		300000	399999
P2	INCO	INCOME		400000	499999
P2	LIAB	LIABILITIES		200000	299999
P2	VEND	VENDOR		500000	599999
PAL3	ASST	ASSET		100000	199999
PAL3	EXPE	EXPENSE		300000	399999
PAL3	INCO	INCOME		400000	499999
PAL3	LIAB	LIABILITY		200000	299999
PAL4	ASST	ASSET		100000	199999
PAL4	EXPE	EXPENSE		300000	399999
PAL4	INCO	INCOME		400000	499999
PAL4	LIAB	LIABILITY		200000	299999

T-code: **OBD4**

Path: SPRO → Financial Accounting → General Ledger Accounting → G/L Accounts → Master Data → Preparations → Define Account Group

Explanation:

This step is used to **create and define Account Groups** within a Chart of Accounts. Account Groups help **classify G/L accounts** into logical categories such as Assets, Liabilities, Income, and Expenses. They also control the **number range assignment** for G/L accounts and determine which fields are **required, optional, suppressed, or displayed** when creating a G/L master record. Every G/L account created in SAP must belong to one Account Group.

2.1.5 Create G/L Accounts

Change G/L Account Centrally

G/L Account 100001 CASH ACCOUNT
Company Code P1 POLARIS INDUSTRIES LTD.

Type/Description Control Data Create/bank/interest Key word/translation Information (C/A)

Control in Chart of Accounts P001 CHART OF ACCOUNTS FOR POLARIS

G/L Account Type	Balance Sheet Account
Account Group	ASSETS

Description

Short Text	cash a/c
G/L Acct Long Text	CASH ACCOUNT

Consolidation Data in Chart of Accounts P001 CHART OF ACCOUNTS FOR POLARIS

Trading Partner No.	
---------------------	--

T-code: **FS00**

Explanation:

This step is used to **create and maintain General Ledger (G/L) accounts** in SAP. A G/L account is the basic element of financial accounting where all business transactions are recorded. Using **FS00**, you can create the G/L account centrally — meaning both the **Chart of Accounts level** and the **Company Code level** data are maintained in a single step. Each G/L account must belong to an **Account Group** (defined in OBD4) and follow the structure of the assigned **Chart of Accounts (OB13/OB62)**.

2.1.6 Create Number Range G/L Documents

T-code: **FBN1**

Explanation:

This step is used to **create and maintain Number Ranges** for financial accounting documents in SAP. Number ranges ensure that every accounting document has a **unique identification number** within a Company Code. Here, we create **Number Range “01”** specifically for **G/L Documents (Document Type SA)**. Each number range defines the **starting and ending numbers** for document posting and can be **internal** (system-assigned) or **external** (user-assigned). Number ranges are maintained **per Company Code** and can be **year-dependent** to reset annually.

2.1.7 Create G/L Documents

Enter G/L Account Document: Company Code P1																																																
<input type="checkbox"/> Tree On <input type="checkbox"/> Company Code <input type="checkbox"/> Hold <input type="checkbox"/> Simulate <input type="checkbox"/> Park <input type="checkbox"/> Editing Options																																																
<input type="radio"/> Basic Data <input type="radio"/> Details																																																
Document Date: 10/05/2025 Currency: INR Posting Date: 10/05/2025 Reference: TEXT Doc.Header Text: Cross-CC Number: Company Code: P1 POLARIS INDUSTRIES LTD. ahmedabad		Amount Information Total Dr.: 10,000,000 Total Cr.: 10,000,000 																																														
2 Items (No entry variant selected)																																																
<table border="1"> <thead> <tr> <th>St...</th> <th>G/L acct</th> <th>Short Text</th> <th>D/C</th> <th>Amount in doc.curr.</th> <th>Local Currency Amt</th> </tr> </thead> <tbody> <tr> <td><input checked="" type="checkbox"/></td> <td>100004</td> <td>PLANT AC</td> <td>Debit ▼</td> <td>10,000,000.00</td> <td>10,000,000.00</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>100001</td> <td>cash a/c</td> <td>Cred... ▼</td> <td>10,000,000.00</td> <td>10,000,000.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>▼</td> <td>0.00</td> </tr> </tbody> </table>							St...	G/L acct	Short Text	D/C	Amount in doc.curr.	Local Currency Amt	<input checked="" type="checkbox"/>	100004	PLANT AC	Debit ▼	10,000,000.00	10,000,000.00	<input checked="" type="checkbox"/>	100001	cash a/c	Cred... ▼	10,000,000.00	10,000,000.00					▼	0.00					▼	0.00					▼	0.00					▼	0.00
St...	G/L acct	Short Text	D/C	Amount in doc.curr.	Local Currency Amt																																											
<input checked="" type="checkbox"/>	100004	PLANT AC	Debit ▼	10,000,000.00	10,000,000.00																																											
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				▼	0.00																																											
Doc.Type : SA (G/L Account Document) Normal document Doc. Number: P1 Company Code: P1 Fiscal Year: 2025 Doc. Date: 10/05/2025 Posting Date: 10/05/2025 Period: 07 Calculate Tax: <input type="checkbox"/> Ref.Doc.: TEXT Doc. Currency: INR																																																
<table border="1"> <thead> <tr> <th>Itm</th> <th>PK</th> <th>Account</th> <th>Account Short Text</th> <th>Assignment</th> <th>Tx</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>40</td> <td>100004</td> <td>PLANT AC</td> <td></td> <td></td> <td>10,000,000.00</td> </tr> <tr> <td>2</td> <td>50</td> <td>100001</td> <td>cash a/c</td> <td></td> <td></td> <td>10,000,000.00-</td> </tr> </tbody> </table>							Itm	PK	Account	Account Short Text	Assignment	Tx	Amount	1	40	100004	PLANT AC			10,000,000.00	2	50	100001	cash a/c			10,000,000.00-																					
Itm	PK	Account	Account Short Text	Assignment	Tx	Amount																																										
1	40	100004	PLANT AC			10,000,000.00																																										
2	50	100001	cash a/c			10,000,000.00-																																										

T-code: **FB50**

Explanation:

FB50 is used to **post G/L entries directly** in SAP. You can record **manual journal entries** like expenses, income, or transfers between accounts. The system ensures that **debit = credit**, and each posting gets a **unique document number** from the number range (like 01 for G/L). It is mainly used for internal adjustments or entries not linked to customers or vendors.

2.1.8 Display G/L Documents

G/L Account Line Item Display

Data Sources

G/L Account Selection

G/L account	100004	to			
Company code	P1	to			

Selection Using Search Help

Search Help ID	
Search String	

Line item selection

Status				
<input checked="" type="radio"/> Open items				
Open at key date	10/05/2025			
<input type="radio"/> Cleared items				
Clearing date		to		
Open at key date				

G/L Account		100004	PLANT ACCOUNT							
Company Code		P1								
St	Assignment	DocumentNo	BusA	Type	Doc. Date	PK	Amount in Local Crcy	LCurr	Tx	
	✓ 20251001	200019		SA	10/01/2025	40	10,000,000.00	INR		
*	✓						10,000,000.00	INR		
** 100004							10,000,000.00	INR		
G/L Account		*	*							
Company Code		*								
St	Assignment	DocumentNo	BusA	Type	Doc. Date	PK	Amount in Local Crcy	LCurr	Tx	
***							10,000,000.00	INR		

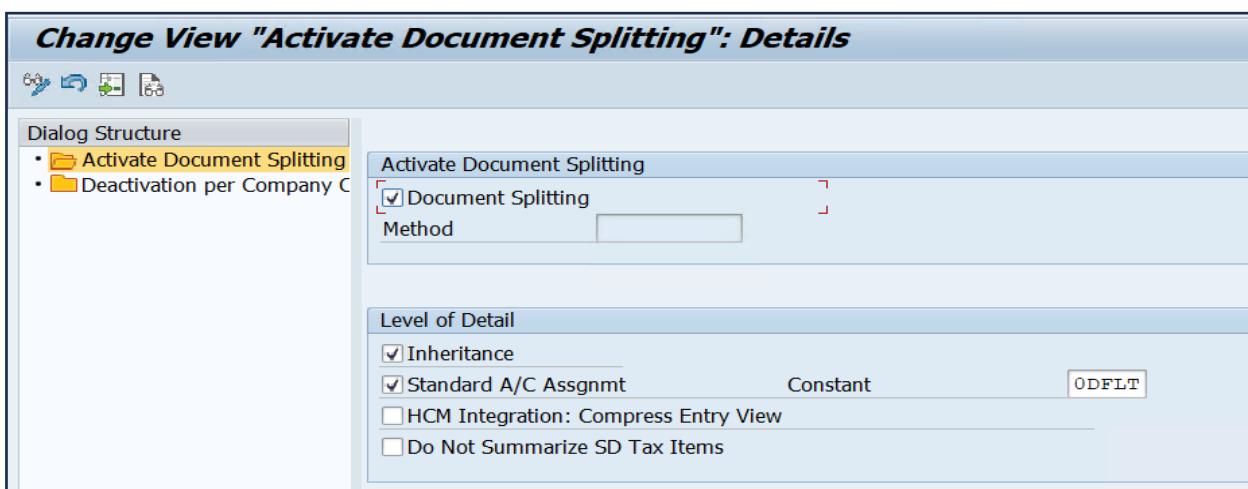
T-code: **FBL3N**

Explanation:

FBL3N is used to view all transactions posted to a particular G/L account. It helps in checking the details of debit and credit entries, balances, and document references for that account. You can use this report to analyze how entries were posted and verify if the balances are correct. It is especially useful for reconciliation and audit purposes.

2.2 Document Splitting

2.2.1 Configure Document Splitting



Change View "Document Splitting Characteristic for Gener..": Overview				
New Entries				
Field Type				
Document Splitting Characteristic for General Ledgers				
Field	Zero Balance	Partner Field	Mandatory Field	
GSBER Business Area	<input type="checkbox"/>	PARGB	<input type="checkbox"/>	
PRCTR Profit Center	<input checked="" type="checkbox"/>	PPRCTR	<input checked="" type="checkbox"/>	
SEGMENT Segment	<input type="checkbox"/>	PSEGMENT	<input type="checkbox"/>	
VNAME	<input type="checkbox"/>	PVNAME	<input type="checkbox"/>	



New Entries		Proposal			
Chart of Accts	P001	CHART OF ACCOUNTS FOR POLARIS			
	Acct From	Account To	Overrd.	Cat.	Description
	100001	100001	<input type="checkbox"/>	04000	Cash Account

Document Splitting is activated in SAP to ensure that financial statements such as the **Balance Sheet** and **Profit & Loss** are accurately reported at dimensions like **Profit Center**, **Segment**, or **Business Area**. During configuration, we enable Document Splitting for the company code and define **Profit Center** as the active splitting characteristic. Next, we classify all relevant **G/L accounts** (such as bank accounts, vendor and customer reconciliation accounts, and expense accounts) as items subject to splitting. This setup allows the system to automatically divide line items according to the assigned profit centers during postings, ensuring every accounting document remains balanced at the profit center level. As a result, it provides greater transparency, accuracy, and detailed financial reporting for management and statutory purposes.

2.2.2 Display Posting With Document Splitting

Enter Vendor Invoice: Company Code P1

Tree On Company Code Hold Simulate Park Editing Options

Transactn: **Invoice** Bal. 0.00

Basic data Payment Details Tax Notes

Supplier	120201	Sp.G/LI						
Invoice date	10/19/2025	Reference						
Posting Date	10/19/2025							
Cross-CC Number								
Amount	25000	INR						
<input type="checkbox"/> Calculate Tax								
Tax Amount								
Bus.Place/Sectn	/							
Text								
0 Items (No entry variant selected)								
St... G/L acct	Short Text	D/C	Amount in doc.curr.	Co...	Trad...	Bu...	Par...	Cost center
100003		Debit ▼	15000	P1				P08
100004		Debit ▼	10000	P1				P09
		Debit ▼		P1				

General Ledger Simulation

Expert Mode Currency Reset

Document Date	10/19/2025	Posting Date	10/19/2025	Fiscal Year	2025
Reference		Cross- Comp.Code No.		Posting Period	7
CoCd	Item L.item	Key SGG/L Account	G/L Account Name	Amount Crcy	Profit C
P1	1 000001	31 105003	BETELGUESE LTD	15,000.00-	INR P05
	1 000002	31 105003	BETELGUESE LTD	10,000.00-	INR P06
	2 000003	40 100003	Building A/C	15,000.00	INR P05
	3 000004	40 100004	PLANT AC	10,000.00	INR P06

In this step, we display the **G/L entry with Document Splitting** to verify how the system has automatically divided the amounts based on the defined **Profit Center** or splitting characteristic. A vendor invoice was posted for a total of **₹25,000**, distributed as **₹15,000** to one G/L account and **₹10,000** to another. When viewing the entry through **FBL3N**, the system shows the document split into two parts corresponding to their respective **Profit Centers**. This demonstrates that document splitting is functioning correctly ensuring each line item and profit center remains balanced and can be reported separately in financial statements.

2.3 Recurring Entry Program

Enter Recurring Entry: Header Data

Fast Entry Account Assignment Model Post with Reference

Company Code P1

Recurring Entry Run

First Run On	10/19/2025
Last Run On	10/19/2026
Interval in Months	01
Run Date	19
Run Schedule	[]
<input type="checkbox"/> Transfer Amounts in Local Currency	
<input type="checkbox"/> Transfer Tax Amounts in Local Currency	

Copy Texts

Document Header Information

Document Type	SA	Currency/Rate	INR
Reference	[]	Translatn Date	10/19/2025
Document Header Text	[]		
Trading Part.BA	[]		

First Line Item

PstKy	40	Account	110009	DL Ind	<input type="checkbox"/> TTType	[]
-------	----	---------	--------	--------	---------------------------------	-----

Change G/L Account Centrally

Edit financial statement version Edit set Time-Dependent Attributes

G/L Account 110009 rent account
Company Code P1 POLARIS INDUSTRIES LTD.

Type/Description Control Data Create/bank/interest Key word/translation Information (C/A)

Control in Chart of Accounts P001 CHART OF ACCOUNTS FOR POLARIS

G/L Account Type	Nonoperating Expense or Income
Account Group	EXPENSES
Description	
Short Text	rent ac
G/L Acct Long Text	rent account
Consolidation Data in Chart of Accounts P001 CHART OF ACCOUNTS FOR POLARIS	
Trading Partner No.	

Create Posting Documents from Recurring Documents

Company Code P1 Document Number 4000002 Fiscal Year 2025

General Selections

Document Type	SA	to []	[]
Posting Date	10/19/2025	to []	[]
Entry Date	[]	to []	[]
Reference Number	[]	to []	[]
Reference Transaction	[]	to []	[]
Reference Key	[]	to []	[]
Logical System	[]	to []	[]

Further Selections

Next Run On	10/19/2025	to []	[]
Run Schedule	[]	to []	[]
User Name	[]	to []	[]

Enter Recurring Entry Add G/L account item

G/L Account 110009 rent account
 Company Code P1 POLARIS INDUSTRIES LTD.

Item 1 / Debit entry / 40

Amount 15000 INR
 Calculate Tax

Business place
 Segment
 Profit Ctrs
 Partner Segment
 Partner PC

Purchasing Doc.
 Assignment
 Text

More

Next Line Item
 PstKy 50 Account 100001

Display Recurring Document: Data Entry View

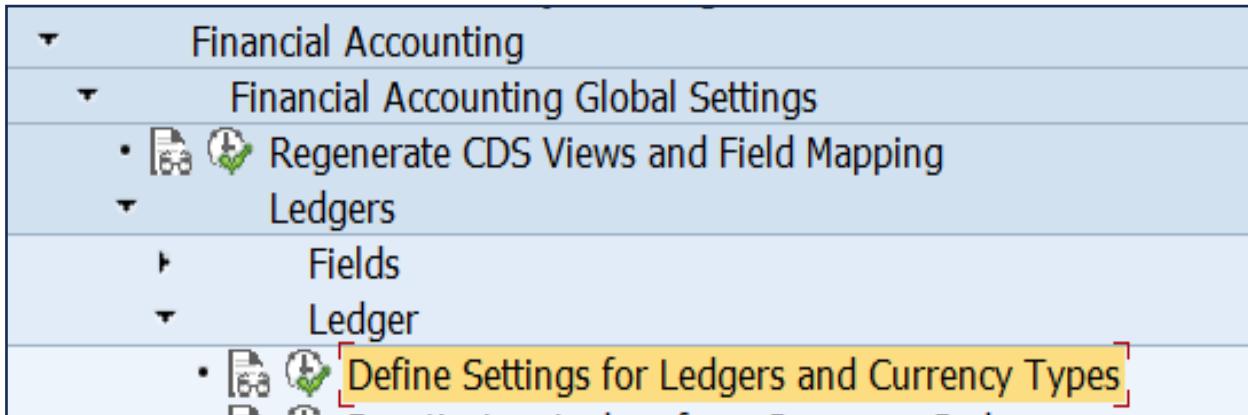
Data Entry View

Document Number 4000002 Company Code P1 Fiscal Year 2025
 Document Date 10/19/2025 Posting Date 10/19/2025 Period 7
 Reference Cross-Comp.No.
 Currency INR Texts Exist Ledger Group

CoCd	Item	Item Key	SGAccount	Description	Amount	Crcy	Tx
P1	1 40	110009	rent ac		15,000.00	INR	
P1	2 50	100001	cash a/c		15,000.00-	INR	
				=	0.00	INR	

In the **Recurring Entry Program**, we automate periodic postings like rent, salaries, or insurance that occur regularly. First, we create a **Recurring Entry Document** using T-code **FBD1**, where we define details such as document type, amount, posting frequency, and accounts involved. Then, we create a **new G/L account** in **FS00** (for example, “Rent Expense Account”) to record these transactions. Once the recurring document is saved, we execute the posting using **T-code F.14**, which automatically posts the entries based on the defined schedule. This process ensures consistency, reduces manual work, and maintains accuracy for repetitive financial transactions.

2.4 Define Group Currency In The Leading Ledger



The screenshot shows the "New Entries: Overview of Added Entries" dialog with the following interface elements:

- Toolbar with icons for search, refresh, and table views, followed by "All Table Views".
- Dialog Structure sidebar:
 - Currency Types
 - Global Currency Conversion
 - Currency Conversion Setting (highlighted in yellow)
 - Ledger
- Main area titled "Currency Conversion Settings for Company Codes":

CoCd	Company Name	Curr./V...	Currency type	Currency
P2	POLARIS INDUSTRIES LTD.	30	Group Currency	USD

The **Leading Ledger (0L)** is the primary ledger in SAP used for financial postings and statutory reporting. To enable consolidated reporting, it is defined with a **group currency** (e.g., **30 – USD**) so that all transactions are posted in both the company code currency and the group currency simultaneously. This ensures that postings in local currency are automatically translated for **group-level reporting**, allowing accurate consolidated financial statements across multiple company codes while maintaining statutory compliance in the local currency.

2.5 Copy/Paste GL Master Data From One Company Code to Another

Copy General Ledger Account Master Data: Send

G/L Account	000000	to	999999	
Company Code	P1			
Selection of areas to be transferred				
<input checked="" type="checkbox"/> Transfer master data <input type="checkbox"/> Transfer blocking indicator <input type="checkbox"/> Transfer deletion flags				
Transfer Selected Data				
Transfer Data Directly				
Target company code	P2		to	
Name of error file				
<input checked="" type="checkbox"/> Check File Only				
Write data to sequential file (only for external SAP systems)				
File name				

Interface for General Ledger Account Master Data

								0		0		0		2	
Typ	Message text														
	File is being checked														
	Session 1 session name \$RFBISA10: No terminations have been found														

Copy G/L Accounts from One Company Code to Another (T-code: FS15)

FS15 is used to **copy G/L master data** from one company code to another in SAP. This is helpful when multiple company codes share the same chart of accounts and G/L structure, saving time by avoiding manual creation of each G/L account in the new company code. During the copy, SAP allows you to select which **G/L accounts** to copy, including their **master data settings** such as account group, currency, and balance sheet/profit & loss classification. This ensures consistency across company codes and reduces errors in financial reporting.

CHAPTER 3: ACCOUNTS PAYABLE

3.1 Vendor Master Data & Business Partner Configuration

3.1.1 Vendor Account Groups Creation

Vendor Account Groups	
Group	Name
DPI	DOMESTIC VENDOR FOR POLARIS
EMPL	Employee as Supplier
F12F	Foreign Vendor for Forest Ltd
FO21	FOREIGN VENDOR FOR 2121
FOAM	FOREIGN VENDOR FOR AMOL
FOAT	FOREIGN VENDOR FOR ATS
FOAV	FOREIGN VENDOR FOR AVSM
FOCO	FOREIGN VENDOR COOL
FODN	FOREIGN VENDOR FOR DNK

Change View "Vendor Account Groups": Details

Expand Field Status New entries      BC Set: Field Value Origin

Account group	<input type="text" value="DPI"/>
General data	
Meaning	<input type="text" value="DOMESTIC VENDOR FOR POLARIS"/>
One-Time Account	<input type="checkbox"/>
Skip Address Check	<input type="checkbox"/>
Field status	
General Data	
Company Code Data	
Purchasing Data	

T-code: OBD3

Explanation:

In this step, we create a **Vendor Account Group** to control **number ranges**, **field status**, and **classification** of vendor master data. It determines which fields are **mandatory**, **optional**, **suppressed**, or **display-only** while creating a vendor. For example, separate account groups can be made for **Domestic Vendors** and **Overseas Vendors**.

3.1.2 Vendor Account Groups Assign Number Range

Edit Intervals: Vendor, Object KREDITOR					
	Number Range No.	From No.	To Number	NR Status	External
	PL	0000120201	0000129999	120205	<input type="checkbox"/>
	PP	0000002001	0000003000	2005	<input type="checkbox"/>
	SK	3100000002	3100000010	3100000006	<input type="checkbox"/>
	WI	0000100000	0000119999	100004	<input type="checkbox"/>
	XX	A	ZZZZZZZZZZ	0	<input checked="" type="checkbox"/>
	YD	0000000021	0000000050	25	<input type="checkbox"/>
	YV	0000130000	0000140000	0	<input type="checkbox"/>

Change View "Assign Vendor Account Groups->Number Range":				
	Group	Name	Number Range	
	DPI	DOMESTIC VENDOR FOR POLARIS	PL	 
	EMPL	Employee as Supplier	BP	
	F12F	Foreign Vendor for Forest Ltd	F1	

T-code: OBAS

Explanation:

In this step, we **create number ranges** for vendor master records and **assign them** to the respective **Vendor Account Groups**. Each vendor group (e.g., domestic, overseas) can have its own number range — **internal** (system-generated) or **external** (user-assigned). This ensures vendors are uniquely identified and properly classified.

3.1.3 Link Vendor Account group with Business Partner

Field Assignment for Vendor Integration

- Assign Keys
 - Define Number Assignment for Direction BP to Vendor
 - Define Number Assignment for Direction Vendor to BP
- Assign Attributes
- Multiple Customer Supplier Assignments

New Entries

Grp.	Short name	Group	Meaning	Same Nos.	Flex. Grp.
DPI	I	DPI	DOMESTIC VENDOR FOR POLARIS	<input type="checkbox"/>	<input type="checkbox"/>
F12F	Foreign Vendor	F12F	Foreign Vendor for Forest Ltd	<input type="checkbox"/>	<input type="checkbox"/>

Path:

SPRO → Cross-Application Components → SAP Business Partner → Business Partner → Basic Settings → Number Ranges and Groupings → Define Number Assignment for Direction BP → Vendor

Explanation:

This step is used to **link Business Partner (BP) numbers with Vendor numbers** so that both share the same number during creation. It ensures synchronization between **BP (Customer/Vendor Integration)** and the **Vendor Master Record** in Financial Accounting. When a Business Partner is created as a Vendor, the system automatically assigns the corresponding Vendor number from this mapping.

3.1.4 Creating Reconciliation G/L To Assign in Vendor Mater

Change G/L Account Centrally

G/L Account: 105003 BETELGUESE ACCOUNT
Company Code: P1 POLARIS INDUSTRIES LTD.

Type/Description **Control Data** **Create/bank/interest** **Key word/translation** **Information (C/A)**

Account control in company code

- Account Currency: INR Indian Rupee
- Balances in Local Crcy Only:
- Exchange Rate Difference Key:
- Valuation Group:
- Tax Category:
- Posting without tax allowed:
- Recon. Account for Acct Type: Vendors
- Alternative Account No.:
- Acct Managed in Ext. System:
- Inflation key:
- Tolerance Group:

Change G/L Account Centrally

G/L Account: 105003 BETELGUESE ACCOUNT
Company Code: P1 POLARIS INDUSTRIES LTD.

Type/Description **Control Data** **Create/bank/interest** **Key word/translation** **Information (C/A)**

Control of document creation in company code

- Field status group: G067 Reconciliation accounts
- Post Automatically Only:
- Supplement Auto. Postings:
- Recon. Acct Ready for Input:

Bank/financial details in company code

- Planning Level:
- Relevant to Cash Flow:
- House Bank:
- Account ID:

T-code: FS00

Explanation:

In this step, we use FS00 to create a G/L account that will act as a Reconciliation Account for Vendors. A reconciliation account automatically updates when vendor transactions are posted no direct entries are made to it. This ensures the sub-ledger (Vendor) and General Ledger remain synchronized.

3.1.5 Creating A Business Partner [Supplier Fin. Accounting] Role

Display Organization: 996, role Supplier (Fin.Accounting)

Business Partner	996	BETELGUESE LTD / 380001
Display in BP role	Supplier (Fin.Accounting)	
<ul style="list-style-type: none"> Address Address Overview Identification Control Payment Transactions Status Where-Used List Legal Data 		
Name	<input type="text"/>	
Title	Company	
Name	BETELGUESE LTD	
Salutation	<input type="text"/>	
Salutation	00	
Search Terms	<input type="text"/> BETELGUESE <input type="text"/> LTD	

Display Organization: 996, role Supplier (Fin.Accounting)

Business Partner	996	BETELGUESE LTD / 380001
Display in BP role	Supplier (Fin.Accounting)	
<ul style="list-style-type: none"> Person Organization Group General Data Company Code Relationships 		
Company Code	<input type="text"/> P1 <input type="button" value="New"/> POLARIS INDUSTRIES LTD.	
Customer		
Supplier		
<ul style="list-style-type: none"> Vendor: Account Management Vendor: Payment Transactions Vendor: Correspondence Vendor: Status Vendor: Withholding Tax 		
Account Management		
Reconciliation acct	105003	BETELGUESE ACCOUNT
Head Office	<input type="text"/>	
Sort key	<input type="text"/>	
Subsidiy Indicator	<input type="text"/>	
Authorization Group	<input type="text"/>	

T-code: **BP**

Explanation:

In this step, we create or extend a Business Partner (BP) with the Supplier (Vendor) role and assign Financial Accounting data. The BP approach integrates Vendor Master Data under one framework, combining General Data, Company Code Data, and Purchasing Data.

3.2 Vendor Invoice Posting

3.2.1 Create Number Range for KR document Type

Edit Intervals: Accounting document, Object RF_BELEG, Subobject P1						
	Number Range No.	Year	From No.	To Number	NR Status	External
	01	2025	0000200001	0000299999	200021	<input type="checkbox"/>
	05	2025	0003000000	0003999999	3000000	<input type="checkbox"/>
	15	2025	0000000001	0000200000	6	<input type="checkbox"/>
	17	2025	0000600000	0000699999	600000	<input type="checkbox"/>
	18	2025	0000700000	0001499999	700001	<input type="checkbox"/>
	19	2025	0000500000	0000599999	500019	<input type="checkbox"/>
	20	2025	0000300000	0000499999	300002	<input type="checkbox"/>
	23	2025	0001500000	0001599999	1500000	<input type="checkbox"/>
	X1	2025	0004000000	0004999999	4000000	<input type="checkbox"/>

Number Range for KR Documents (T-code: FBN1)

In this step, a **Number Range** is created for **KR document type** (Vendor Invoices) using **T-code FBN1**. Number ranges ensure that every financial document posted in SAP has a **unique identification number** for tracking and audit purposes. Here, **Number Range 19** is created specifically for **KR documents**, defining the starting and ending numbers for vendor invoice postings. This setup helps maintain organized document sequencing, improves traceability, and supports accurate financial reporting.

3.2.2 Posting A Vendor Invoice

Transactn		Invoice		Bal.	
Basic data		Payment		Details	
Supplier	120201	Sp.G/LI			
Invoice date	10/06/2025	Reference			
Posting Date	10/06/2025				
Cross-CC Number					
Amount	150000	INR	<input type="checkbox"/> Calculate Tax		
Tax Amount					
Bus.Place/Sectn	/				
Text					
<input type="button" value="New"/> <input type="button" value="Save"/> <input type="button" value="Cancel"/> <input type="button" value="Delete"/> <input type="button" value="Print"/> <input type="button" value="Exit"/>					
0 Items (No entry variant selected)					
St...	G/L acct	Short Text	D/C	Amount in doc.curr.	Local C...
	100004		Debit ▼	150000	
			Debit ▼	.	

Doc.Type : KR (Vendor Invoice) Normal document																																	
Doc. Number	Company Code			P1	Fiscal Year	2025																											
Doc. Date	Posting Date			10/06/2025	Period	07																											
Calculate Tax	<input type="checkbox"/>																																
Doc. Currency	INR																																
<table border="1"> <thead> <tr> <th>Item</th> <th>PK</th> <th>Account</th> <th>Account</th> <th>Short Text</th> <th>Assignment</th> <th>Tx</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>31</td> <td>120201</td> <td>BETELGUESE LTD</td> <td></td> <td></td> <td></td> <td>150,000.00-</td> </tr> <tr> <td>2</td> <td>40</td> <td>100004</td> <td>PLANT AC</td> <td></td> <td></td> <td></td> <td>150,000.00</td> </tr> </tbody> </table>										Item	PK	Account	Account	Short Text	Assignment	Tx	Amount	1	31	120201	BETELGUESE LTD				150,000.00-	2	40	100004	PLANT AC				150,000.00
Item	PK	Account	Account	Short Text	Assignment	Tx	Amount																										
1	31	120201	BETELGUESE LTD				150,000.00-																										
2	40	100004	PLANT AC				150,000.00																										

T-code: **FB60**

FB60 is used to post a vendor invoice for goods or services purchased. Here, we record a purchase of ₹1,50,000 for a plant from the created vendor. The system automatically updates the Vendor Reconciliation Account.

3.2.3 Doing Payment To Vendor

Supplier Company Code	120201 P1
Name City	BETELGUESE LTD
St	Assignment
<input type="checkbox"/>	500016
<input type="checkbox"/>	500017
<input type="checkbox"/>	500018
*	
** 120201	
	Amount in Local Crcy LCurr
	15,000.00- INR
	10,000.00- INR
	15,000.00- INR
	40,000.00- INR
	40,000.00- INR

Post Outgoing Payments: Header Data

Process Open Items					
Document Date	10/07/2025	Type	KZ	Company Code	P1
Posting Date	10/07/2025	Period	7	Currency/Rate	INR
Document Number				Translatn Date	
Reference				Cross-CC Number	
Doc.Header Text				Trading Part.BA	
Clearing Text					
Bank data					
House Bank	/			Business Area	
Account	100001				
Amount	40000				
Amount in LC					
Bank Charges				LC Bank Charges	
Value date				Profit Center	
Text				Assignment	
Open item selection			Additional selections		
Account	120201	<input type="checkbox"/>	<input checked="" type="radio"/> None		
Account type	K	<input type="checkbox"/> Other Accounts	<input type="radio"/> Amount		
Special G/L Ind		<input checked="" type="checkbox"/> Standard OIs	<input type="radio"/> Document Number		

T-code: F-53

Explanation:

F-53 is used to **make manual payments** to vendors through cash or bank. It clears the **outstanding vendor invoice** recorded earlier in FB60. You specify the vendor, bank account, and amount being paid.

3.2.4 Vendor Line Item Display

Vendor Line Item Display

Data Sources

Vendor Selection

Vendor Account	120201	to		<input type="button" value="Search"/>
Company Code	P1	to		<input type="button" value="Search"/>

Selection Using Search Help

Search Help ID	<input type="text"/>
Search String	<input type="text"/>
<input type="button" value="Search Help"/>	

Line item selection

Status

<input type="radio"/> Open items	Open at key date	<input type="text" value="10/07/2025"/>
<input checked="" type="radio"/> Cleared items	Clearing date	<input type="text" value="10/07/2025"/> to <input type="text" value="10/07/2025"/> <input type="button" value="Search"/>
Open at key date		

St	Assignment	DocumentNo	Type	Doc. Date	S	DD	Amount in Local Crcy	LCurr	Clrng
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5	KZ	10/07/2025			40,000.00	INR	5
<input type="checkbox"/>	<input checked="" type="checkbox"/>	500016	KR	09/28/2025			15,000.00-	INR	5
<input type="checkbox"/>	<input checked="" type="checkbox"/>	500017	KR	09/28/2025			10,000.00-	INR	5
<input type="checkbox"/>	<input checked="" type="checkbox"/>	500018	KR	10/01/2025			15,000.00-	INR	5
*	<input checked="" type="checkbox"/>						0.00	INR	
**	120201						0.00	INR	

T-code: FBL1N

Explanation:

FBL1N is used to view all transactions related to a specific vendor account. It displays open items, cleared items, and all items such as invoices and payments. You can double-click on any line item to see full document details.

3.3 Vendor Down Payment

3.3.1 Assign Special G/L Account for down Payment

Maintain Accounting Configuration : Special G/L - List			
Acct type	Sp.G/LInd.	Name	Description
K	A	DP, CA	Down Payments, Current Assets
K	B	DP, FA	Down Payments, Financ'l Assets
K	F	Pmt req	Down Payment Requests
K	I	DP, IA	Down Payments, Intang. Assets
K	J	AdPayRe	Advance Payment Request
K	K	AdPy OC	AP Operating Costs
K	L	DP Offs	Down payment offset
K	M	DP, TA	Down Payments, Tangible Assets
K	O	DP, A	Down Payments, Amortization
K	V	DP, S	Down Payments, Stocks
K	X	DP, WI	Down Payment, Without Invoice

Maintain Accounting Configuration : Special G/L - Accounts			
Properties			
Chart of Accounts	PO01	CHART OF ACCOUNTS FOR POLARIS	
Account type	K	Vendor	
Special G/L Ind.	A	Down Payments, Current Assets	
Account assignment			
Recon. acct	Special G/L account	Planning level	Input tax clearing
105003	100010	<input type="button" value=""/>	<input type="button" value=""/>
		<input type="button" value=""/>	<input type="button" value=""/>
		<input type="button" value=""/>	<input type="button" value=""/>

Maintain Accounting Configuration : Special G/L - Accounts			
Properties			
Chart of Accounts	PO01	CHART OF ACCOUNTS FOR POLARIS	
Account type	K	Vendor	
Special G/L Ind.	F	Down Payment Requests	
Account assignment			
Recon. acct	Special G/L account	Planning level	Input tax clearing
105003	100010	<input type="button" value=""/>	<input type="button" value=""/>
		<input type="button" value=""/>	<input type="button" value=""/>
		<input type="button" value=""/>	<input type="button" value=""/>

Vendor Down Payment Configuration (T-code: OBYR)

This step involves configuring the clearing account for vendor down payments using T-code OBYR. The setup defines the special G/L indicators that determine how down payments made to vendors are recorded and cleared in SAP. By assigning the reconciliation account and special G/L account, the system can automatically post vendor advances separately from regular payables.

3.3.2 Create Vendor Down Payment Request

Down Payment Request: Header Data

New Item					
Document Date	10/09/2025	Type	KA	Company Code	P1
Posting Date	10/09/2025	Period	7	Currency/Rate	INR
Document Number				Translatn Date	
Reference					
Doc.Header Text					
Trading Part.BA				Tax Reporting D	
Vendor					
Account	120201				
Trg.Sp.G/L Ind.	<input type="button" value="A"/> <input type="button" value="Q"/>				

Down Payment Request Add Vendor item

<input type="button" value="A"/> <input type="button" value="F"/> <input type="button" value="D"/> <input type="button" value="P"/> <input type="button" value="C"/> More Data		New Item
Vendor	120201	BETELGUESE LTD
Company Code	P1	AHMEDABAD
POLARIS INDUSTRIES LTD.		
Item 1 / Reverse down payment / 39 A		
Amount	5000	INR
<input type="checkbox"/> Calculate Tax		Bus./Sectn
Bus. Area		
Due on	10/08/2025	<input type="button" value="C"/>
Pmnt block		
CD Perc. 1		
Payt Method		
CD Amount		
Contract		
Assignment		
Text	<input type="button" value="L"/> Long Texts	

Vendor Down Payment Request (T-code: F-47)

F-47 is used to create a vendor down payment request in SAP. This transaction allows a company to record a planned advance payment to a vendor before the actual invoice is received. The down payment request posts a debit to the vendor advance account and a credit to the vendor's reconciliation account, effectively reserving the amount for future payment.

3.3.3 Post Vendor Down Payment

Post Vendor Down Payment: Header Data

Document Date	10/09/2025	Type	KZ	Company Code	P1
Posting Date	10/09/2025	Period	7	Currency/Rate	INR
Document Number				Translatn Date	
Reference				Cross-CC Number	
Doc.Header Text				Tax Reporting D	
Trading Part.BA				TxFulfDte	
Vendor					
Account	120201			Special G/L Ind	A
Altern. CoCode					
Bank					
House Bank	/			Business Area	
Account	100001				
Amount	5000				
LC amount					
Bank Charges				LC Bank Charges	

Post Vendor Down Payment Add Vendor item

More Data	New Item		
Vendor	120201 BETELGUESE LTD	G/L Acc	100010
Company Code	P1 AHMEDABAD		
POLARIS INDUSTRIES LTD.			
Item 2 / Down payment made / 29 A			
Amount	5000 INR	Calculate Tax	<input type="checkbox"/>
Bus. Area		Bus./Sectn	
Due on	10/09/2025		
Pmnt block		Payt Method	
CD Perc. 1		CD Amount	
Contract	/	Real Estate	<input type="checkbox"/>
Assignment		Flow Type	<input type="checkbox"/>
Text			
<input checked="" type="checkbox"/> Long Texts			

Post Vendor Down Payment (T-code: F-48)

F-48 is used to post an actual vendor down payment in SAP based on a previously created down payment request or independently. It records the payment made to the vendor in advance of receiving the invoice. When posting, the system debits the vendor down payment account (special G/L) and credits the bank or cash account, ensuring that advance payments are tracked separately from regular payables.

3.3.4 Clear Vendor Down Payment

Clear Vendor Down Payment: Header Data

Process Down Payments					
Document Date	10/09/2025	Type	KA	Company Code	P1
Posting Date	10/09/2025	Period	7	Currency/Rate	INR
Document Number			Translatn Date		
Reference					
Doc.Header Text					
Trading Part.BA			Tax Reporting D		
Vendor					
Account	120201		Q		
Relevant invoice					
Invoice	500020	Item		Fiscal Year	2025
Transfer posting item(s) details					
Assignment					
Text					

Supplier	120201	Sp.G/LI	
Invoice date	10/09/2025	Reference	
Posting Date	10/09/2025		
Cross-CC Number			
Amount	15,000.00	INR	
Tax Amount		<input type="checkbox"/> Calculate Tax	
Bus.Place/Sectn	/		
Text			
<div style="border: 1px solid #ccc; padding: 5px;"> Information 0 Items (5,000.00 INR) Down Payments, Current Assets exist </div>			

Clear Vendor Down Payment (T-code: F-54)

F-54 is used to clear vendor down payments against the corresponding vendor invoices in SAP. Once the vendor issues the invoice, the previously posted down payment is applied to the invoice, reducing the outstanding liability.

3.4 Vendor Credit Memo

3.4.1 Post Vendor Credit Memo

Enter Vendor Credit Memo: Company Code P1

Tree On Company Code Hold Simulate Park Editing Options

Transactn Credit memo Bal. 0.00

Basic data Payment Details Tax Notes

Supplier	120201	Sp.G/LI			
Document date	10/09/2025	Reference			
Posting Date	10/09/2025				
Cross-CC Number					
Amount	15000	INR			
		<input type="checkbox"/> Calculate Tax			
Tax Amount					
Bus.Place/Sectn	/				
Text					
0 Items (No entry variant selected)					
St... G/L acct	Short Text	D/C	Amount in doc.curr.	Local Currency Amt	T.
100005		Cred..	15000	0.00	
		Cred..		0.00	

Display Document: Line Item 1

Additional Data

Vendor 120201 BETELGUESE LTD
Company Code P1 AHMEDABAD
POLARIS INDUSTRIES LTD. Doc. No. 600004

G/L Acct 105003

Line Item 1 / Credit memo / 21

Amount 15,000.00 INR
Bus.Place/Sectn / /

Additional Data

Bus. Area		CD Base	15,000.00	INR	CD Amount	0.00	INR
CD Base	15,000.00	INR		Days/Percent	0 0.000 % 0	0.000 % 0	
Pyt Terms		Bline Date	10/09/2025	Fixed			
Bline Date	10/09/2025	Fixed		Invoice Ref.	/ / / 0		
Pmnt block		Invoice Ref.					
Payt Method							
Assignment							
Text		Long Text					

Vendor Credit Memo (T-code: FB65)

FB65 is used to post a Vendor Credit Memo in SAP, which records a reduction in the amount payable to a vendor. This may occur due to returned goods, overbilling, or discounts granted by the vendor. When posting, the system credits the expense or asset account and debits the vendor account, thereby decreasing the vendor liability.

3.4.2 Clear Vendor Credit Memo

Post Incoming Payments: Header Data

Process Open Items					
Document Date	10/17/2025	Type	KG	Company Code	P1
Posting Date	10/17/2025	Period	7	Currency/Rate	INR
Document Number		Translatn Date			
Reference		Cross-CC Number			
Doc.Header Text		Trading Part.BA			
Clearing Text					
Bank data					
House Bank	/				
Account	100001	Business Area			
Amount	15000				
Amount in LC					
Bank Charges		LC Bank Charges			
Value date		Profit Center			
Text		Assignment			
Open item selection			Additional selections		
Account	120201	<input checked="" type="radio"/> None			
Account type	<input checked="" type="checkbox"/> Q	<input type="radio"/> Amount			
Special G/L Ind		<input type="radio"/> Document Number			
<input type="checkbox"/> Other Bank Accounts		<input type="radio"/> Posting Date			

Post Incoming Payments Process open items

Distribute Difference
 Charge Off Difference
 Editing Options
 Write Off Difference Automatically (AD)

Standard
 Partial Pmt
 Res.Items
 WH Tax

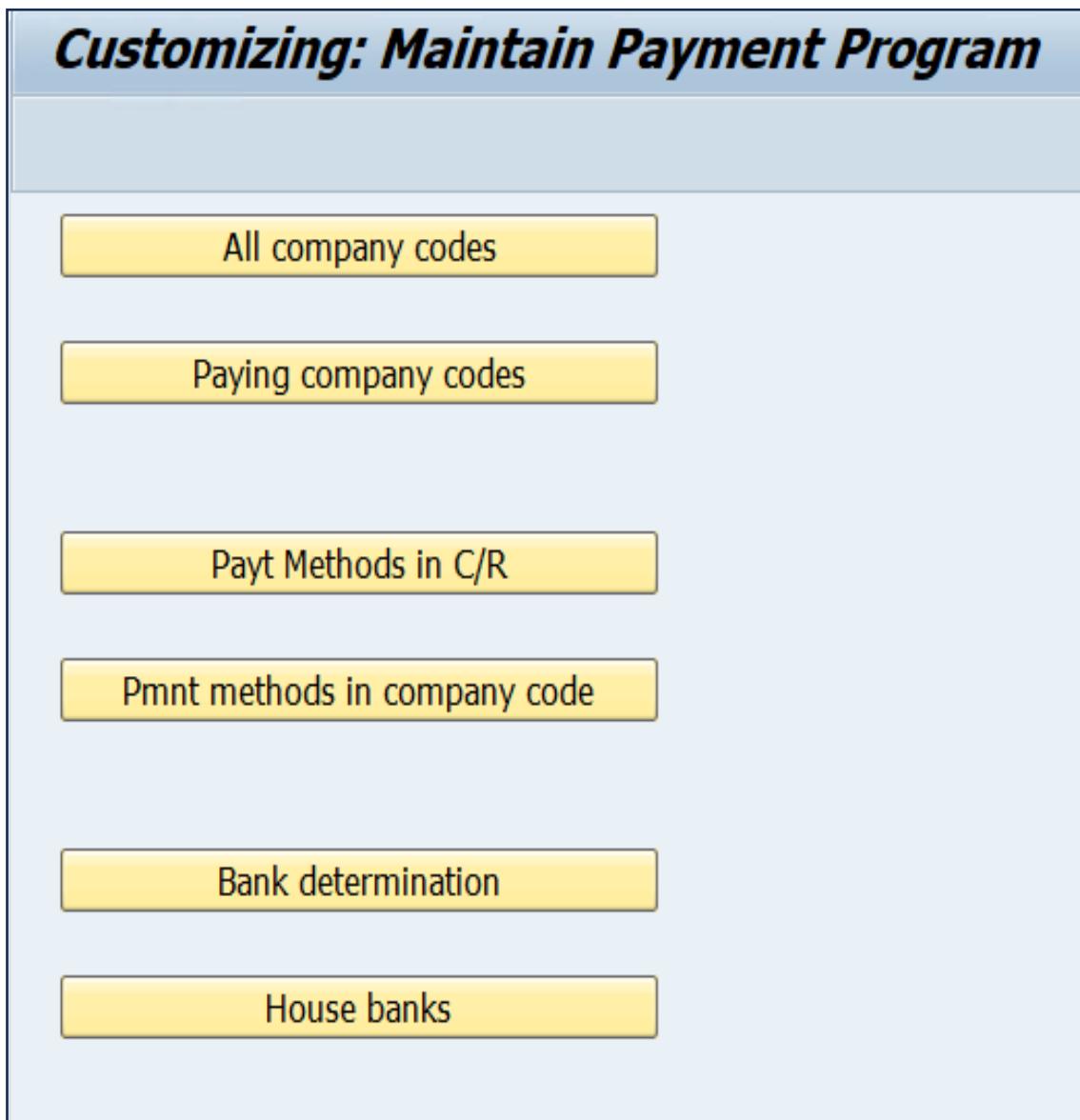
Account items 120201 BETELGUESE LTD						
Document ...	D...	Document ...	P...	Bu...	Da... INR Gross	CashDiscount
600008	KG	10/09/2025	21	8		15,000.00

Supplier Company Code	120201 P1	
Name City	BETELGUESE LTD	
St	Assignment	DocumentNo
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	600008
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	600009
*	<input checked="" type="checkbox"/>	
** 120201		
		Amount in Local Crcy
		INR
		15,000.00
		15,000.00-
		INR
		0.00
		INR
		0.00
		INR

Clear Vendor Credit Memo (T-code: F-28)

Although F-28 is primarily used for incoming payments from customers, it can also be used in certain cases to clear vendor credit memos when the company receives a refund or adjustment from the vendor. In this scenario, the system treats the vendor refund as incoming cash, which is then applied against the open credit memo or payable balance.

3.5 Automatic Payment Program



Automatic Payment Program Configuration (T-code: FBZP)

FBZP is used to configure the Automatic Payment Program (APP) in SAP, which automates vendor and customer payments. In this step, company codes, payment methods, and bank details are defined to control how and from which accounts payments are made. This setup enables smooth and accurate processing of payments through F110, ensuring timely settlements and reduced manual effort.

3.5.1 All Company Codes & Paying Company Codes

Change View "Company Codes": Details

Company Code P1 POLARIS INDUSTRIES LTD. **Paying company code**

Control Data	
Sending company code	<input type="text"/> P1 <input type="button" value="Q"/>
Paying company code	<input type="text"/> P1 <input type="button" value="I"/>
Separate Payment per Business Area	<input type="checkbox"/>
Pvt Meth Suppl.	<input type="checkbox"/>
Cash discount and tolerances	
Tolerance Days for Payable	<input type="text"/>
Outgoing Pmnt with Cash Disc.From	<input type="text"/> %
Max.Cash Discount	<input type="text"/>
Vendors	
Sp. G/L Transactions to Be Paid	<input type="text"/> AF
Sp. G/L Trans. for Exception List	<input type="text"/>
Customers	
Sp. G/L Transactions to Be Paid	<input type="text"/>
Sp. G/L Trans. for Exception List	<input type="text"/>

Change View "Paying Company Codes": Details

Paying co. code P1 POLARIS INDUSTRIES LTD. **Company Codes**

Control Data	
Minimum Amount for Incoming Payment	<input type="text"/> 1.00 <input type="button" value="INR"/>
Minimum Amount for Outgoing Payment	<input type="text"/> 1.00 <input type="button" value="INR"/>
No Exchange Rate Differences	<input type="checkbox"/>
No Exch.Rate Diffs. (Part Payments)	<input type="checkbox"/>
Separate Payment for Each Ref.	<input type="checkbox"/>
Bill/Exch Pymt	<input type="checkbox"/>
Direct Debit Pre-Notifications	<input type="checkbox"/>
Specifications for SEPA Payments	
Creditor Identification Number	<input type="text"/>

In this configuration, the **All Company Codes** section defines the link between **paying and sending company codes**, while the **Paying Company Codes** section sets payment rules such as **methods, limits, and bank details**. Together, they control how payments are processed across company codes, ensuring smooth and centralized payment handling in the Automatic Payment Program.

3.5.2 Payment Methods in C/R & Company Code

Change View "Payment Method/Country": Overview				
Dialog Structure		Payment Method/Country		
C/R	Country/Reg. Name	Pmt Met...	Description	
IN	India	C	Cheque	
		E	Cash Payment	
		G	g pay	
		M	MPAY	
		N	Net Banking	
		P	phone pay	
		T	Bank Transfer	

Change View "Maintenance of Company Code Data for a Paym..": Overview				
Maintenance of Company Code Data for a Payment Method				
CoCd	Name	City	Pmt ...	Name
P1	POLARIS INDUSTRIES LTD.	ahmedabad	C	Cheque
	POLARIS INDUSTRIES LTD.		P	phone pay

In SAP, **Payment Methods for Vendors** define how a company makes payments to its vendors, such as through bank transfer, cheque, or electronic payment. The configuration is done in **FBZP** under the **Paying Company Code**, specifying allowed currencies, minimum and maximum amounts, bank accounts, and payment medium formats.

These settings control how the **Automatic Payment Program (F110)** selects open vendor items, determines the paying bank, and generates the payment file. By linking the payment method to both the **company code** and **vendor master**, SAP ensures accurate, timely, and automated settlement of vendor liabilities.

3.5.3 Create Bank Key

Display Bank : Detail Screen

Bank Country/Region	IN	India
Bank Key	AXIP	
Address		
Bank Name	AXIS BANK	
Bank Branch	AHMEDABAD	
Street/House Number	S.G HIGHWAY	
Postal Code/City	380001	
Country/Region	IN India	Region GJ Gujarat
Control data		
SWIFT/BIC		
Bank Number		
Bank Group		

Change G/L Account Centrally

G/L Account	100011	axis bank account		
Company Code	P1	POLARIS INDUSTRIES LTD.		
Type/Description	Control Data	Create/bank/interest	Key word/translation	Information (C/A)
Control in Chart of Accounts P001 CHART OF ACCOUNTS FOR POLARIS				
G/L Account Type	Balance Sheet Account			
Account Group	ASSETS			
Description				
Short Text	bank ac			
G/L Acct Long Text	axis bank account			
Consolidation Data in Chart of Accounts P001 CHART OF ACCOUNTS FOR POLARIS				
Trading Partner No.				

T-code: FI01 & FS00

Explanation:

Create a **Bank Key** in SAP using **FI01**, which represents a specific bank branch used for company transactions. The bank key stores details like **bank name, country, and branch**. After creating the bank key, we also create a **GL Account** in **FS00** linked to the bank key. This GL account acts as the **bank account in the general ledger**, allowing all payments and receipts to be posted automatically against it.

3.5.4 House Bank Configuration

Change View "House Banks": Overview

House Banks			
House bank	Bank ctry.	Bank Key	Bank Name
AXIP	IN	AXIP	AXIS BANK
BOB1	IN	BOB1	BANK OF BARODA

SAP Bank Account 123456,

Save	Cancel	Edit	Account Operations	Change History
Opening Date: 09/19/2025				
Entity Details Company Code: P1 POLARIS INDUSTRIES LTD. Company Country/Region: IN India * Account Holder: POLARIS INDUSTRIES LTD.				
Account Details Bank Country/Region: IN India Bank Key: AXIP AXIS BANK Bank Number: SWIFT/BIC: Currency: INR <input type="button" value="Search"/> <input type="button" value="IBAN"/> IBAN: Account Number: 123456 <input type="button" value="Bank Control Key"/>				

Add Manage House Banks

ID Category	Remote System	Company Code	House Bank
Central System: House B...		P1	AXIP

House Bank Account Data Bank Details For Returned Bill Of Exchange Payable Bank Details For Bill Of

Bank Account:	123456
Altern.Bank Acct No.:	
G/L Account:	100011 <input type="button" value="bank ac"/>
DME identification:	
Reference info.:	

A **House Bank** in SAP represents a company's own bank account used for vendor payments and customer receipts. In the Automatic Payment Program (APP), the house bank is linked to a **bank key and GL account**, enabling the system to select the correct bank for processing payments, generate payment files, and post transactions automatically. This ensures accurate and controlled outgoing and incoming payments.

3.5.5 Bank Determination

Change View "Ranking Order": Overview					
Dialog Structure		Paying company code		P1	POLARIS INDUSTRIES LTD.
Bank Selection					
Ranking Order					
PM	Crcy	Rank.Order	House Bk		
C	INR	1	AXIP		
P	INR	2	AXIP		

Change View "Bank Accounts": Overview					
Dialog Structure		Paying company code		P1	POLARIS INDUSTRIES LTD.
Bank Selection					
Bank Accounts					
House ba...	P...	Curr...	Account ID	Bank Subaccount	Charge ind
AXIP	C	INR	AXIP	Q 0011	
AXIP	P	INR	AXIP	100011	

Bank Determination in SAP is a critical step in the **Automatic Payment Program (F110)** that controls **which house bank and bank account** are used for processing vendor payments. It links the **paying company code, payment method, and currency** to a specific house bank, ensuring that payments are routed through the correct account.

During configuration, the system uses **ranking and priority rules** to choose the most appropriate bank if multiple accounts exist for the same currency and payment method. The configuration also includes assigning the **payment medium format**, which determines how the payment file is generated for the bank.

This setup ensures that all vendor payments are **automatically posted, cleared, and transmitted to the bank** without errors. Proper bank determination also enables smooth handling of **multi-company code payments, intercompany settlements, and currency-specific transactions**, maintaining financial control and compliance across the organization.

3.5.6 Add Details in Business Partner [Vendor Master]

The screenshot shows the SAP Fiori interface for Vendor Management. It includes tabs for Account Management, Payment Transactions, and Correspondence. The main area displays payment-related data:

- Payment Data:**
 - Terms of Payment:
 - Credit Memo Pyt Term:
 - Tolerance Group: TOLERANCE FOR POLARIS
 - Check Cashing Time:
 - Payment Reason:
 - Check Double Invoice:
- Automatic Payment Transactions:**
 - Payment Methods: P
 - House Bank: AXIP AXIS BANK
 - Payment Block: Free for payment
 - Grouping key:
 - Alternative payee:
 - Bill/Ex. Limit: 0 . 0 0
 - Clearing w. customer:
 - Single Payment:
 - Pmnt Advice by EDI:

The screenshot shows the SAP Fiori interface for displaying organization details. The title is "Display Organization: 996, role Supplier (Fin.Accounting)". The top navigation bar includes Person, Organization, Group, General Data, Company Code, Relationships, and a search icon.

Business Partner: 996 BETELGUESE LTD / 380001
Display in BP role: Supplier (Fin.Accounting)

The main content area shows the "Bank Details" section with a table:

ID	C/R	Bank Key	Bank acct	Control Key	IBAN	IBAN
0001	IN	123456789	AXIP			

Buttons at the bottom include: Bank Data..., Change History, Validity, Change, and Entry 1 of 1.

In the vendor master, the payment method and bank details (bank name, account number, branch, and bank key) are maintained to ensure correct and automated vendor payments. The payment method determines how the payment is made (cheque, bank transfer, etc.), while the bank details ensure the funds are transferred to the right account during the Automatic Payment Program (F110).

3.6 Run Automatic Payment Program

Run Date	10/09/2025
Identification	p17
<input type="button" value="Status"/> <input type="button" value="Parameter"/> <input type="button" value="Free selection"/> <input type="button" value="Additional Log"/> <input type="button" value="Printout/data medium"/>	
Status No parameters entered as yet	

Run Date	10/09/2025													
Identification	P17													
<input type="button" value="Status"/> <input type="button" value="Parameter"/> <input type="button" value="Free selection"/> <input type="button" value="Additional Log"/> <input type="button" value="Printout/data medium"/>														
Posting Date	10/09/2025	Docs Entered up to	10/09/2025											
		Customer Items Due By	10/09/2025											
Payments Control <table border="1"> <tr> <th>Company Codes</th> <th>Pmt Meths</th> <th>Next PstDate</th> </tr> <tr> <td>P1</td> <td>p</td> <td>10/30/2025</td> </tr> </table>				Company Codes	Pmt Meths	Next PstDate	P1	p	10/30/2025					
Company Codes	Pmt Meths	Next PstDate												
P1	p	10/30/2025												
Accounts <table border="1"> <tr> <td>Supplier</td> <td>120201</td> <td>to</td> <td><input type="text"/></td> <td><input type="button" value="Q"/></td> <td><input type="button" value="New"/></td> </tr> <tr> <td>Customer</td> <td></td> <td>to</td> <td><input type="text"/></td> <td><input type="button" value="New"/></td> </tr> </table>				Supplier	120201	to	<input type="text"/>	<input type="button" value="Q"/>	<input type="button" value="New"/>	Customer		to	<input type="text"/>	<input type="button" value="New"/>
Supplier	120201	to	<input type="text"/>	<input type="button" value="Q"/>	<input type="button" value="New"/>									
Customer		to	<input type="text"/>	<input type="button" value="New"/>										
Foreign Currencies E/R Type for Translat.														

Run Date	10/09/2025										
Identification	P17										
<input type="button" value="Status"/> <input type="button" value="Parameter"/> <input type="button" value="Free selection"/> <input type="button" value="Additional Log"/> <input type="button" value="Printout/data medium"/>											
Required logging type <ul style="list-style-type: none"> <input type="checkbox"/> Due Date Check <input type="checkbox"/> Payment Method Selection in All Cases <input type="checkbox"/> Pmnt Method Selection If Not Successful <input type="checkbox"/> Line Items of the Payment Documents 											
Accounts required <table border="1"> <tr> <th>Vendors (from/to)</th> <th>Customers (from/to)</th> </tr> <tr> <td>120201</td> <td></td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td></td> <td></td> </tr> </table>		Vendors (from/to)	Customers (from/to)	120201							
Vendors (from/to)	Customers (from/to)										
120201											

Automatic Payment Transactions: Status

Status Payment run Edit Proposal Display Proposal Log Display Proposal Log

Run Date Identification

Status Parameter Free selection Additional Log Printout/data medium

Status

- Parameters have been entered
- Payment proposal has been created

Display Payment Proposal: Payments

Choose Display Back from find

Run On P18 Snd. CC

Payments/exceptions

Type	Type Supplier	Customer	Payment Recipient	Payment	AdCry	BusA	BP	Name 1
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> 120201			F110000001	INR			BETELGUESE LTD

Automatic Payment Transactions: Status

Status Payment Display Proposal Log Display Proposal Log Printout

Run Date Identification

Status Parameter Free selection Additional Log Printout/data medium

Status

- Parameters have been entered
- Payment proposal has been created
- Payment run has been carried out

Posting orders: 1 generated, 1 completed

Automatic Payment Program Run (T-code: F110)

F110 is used to **execute the Automatic Payment Program (APP)** in SAP to process vendor payments. In this step, the system selects **due invoices based on payment terms, payment methods, and company code settings**, proposes payments, and generates payment documents. The program also **clears open items** and can create a **payment file** for electronic transfer through the house bank.

3.7 Tax Configuration

3.7.1 GST Configuration For India (New)

The first screenshot shows the 'Condition Element' dialog with 'Condition Types' selected. The second screenshot shows the 'Change View "Conditions: Condition Types": Details' dialog for condition type P1 INPUT 5%, with various control data fields like Condition Class (Taxes), Calculation Type (Percentage), and Access Sequence (Plus/Minus). The third screenshot shows the 'Change View "Procedures - Control Data": Overview' dialog for procedure TAXIND TAX FOR INDIA, displaying a table of reference steps with descriptions like 'INPUT 5%' and 'OUTPUT 5%'.

Condition Element Dialog:

Condition Types
Access sequences
Procedures

Buttons: Choose, Cancel.

Change View "Conditions: Condition Types": Details

Condition Type: P1 INPUT 5%	Access Sequence: Plus/Minus	Tax Classification: MWST
Control Data 1	Records for Access	
Condition Class: Taxes	Plus/Minus	positive and negative
Calculation Type: Percentage		
Condition Category: Tax		
Rounding Rule: Commercial		
Structure Condition: None		
Condition Function:		
Dat.Rec.Source: Condition Technique (SAP S/4HANA)		
Group Condition		
Group Condition:	Group Cond. Routine:	
RoundDiffAdj:		

Change View "Procedures - Control Data": Overview

Procedure: TAXIND TAX FOR INDIA									
Reference Step Overview									
Step...	Co...	Co...	Description	Fro...	To S...	Ma...	R...	Sta...	Print T...
100	0	BASB	base Amount						
200	0	P1	INPUT 5%	100					
300	0	P2	INPUT 18%	100					
400	0	P3	INPUT 40%	100					
500	0	P4	OUTPUT 5%	100					
600	0	P5	OUTPUT 18%	100					
700	0	P6	OUTPUT 40%	100					

Tax Code Configuration (T-code: OBYZ)

OBYZ is used to **define and assign tax codes** in SAP for vendor and customer transactions. A tax code determines the **tax rate, calculation type, and tax accounts** to be used during postings. Proper configuration ensures that **tax amounts are calculated automatically** on invoices, posted to the correct tax GL accounts, and reported accurately for compliance purposes.

3.7.2 Assign Tax Procedure to Country

Change View "Assign Country/Region"			
C/R	Country/Region	Proc.	
IN	India	TAXIND	
IO	Brit.Ind.Oc.Ter		
IQ	Iraq		
IR	Iran		
IS	Iceland		
IT	Italy	TAXIT	
JE	Jersey		

Assign Tax Procedure to Country (T-code: OBBG)

OBBG is used to **assign a tax procedure to a country** in SAP. This step links the **tax calculation rules** (tax procedure) with the country where the company operates, ensuring that all transactions comply with local tax laws. By assigning the tax procedure, SAP knows **which tax codes, rates, and accounts** to apply for vendor and customer postings in that country, enabling accurate tax calculation and reporting.

3.7.3 Define Tax Code

Maintain Tax Code: Initial Screen

Copy	
Country/Region Key	IN India
Tax Code	A1

Properties

Tax Code	A\$ OUTPUT GST 5%
Tax Type	A
CheckID	<input checked="" type="checkbox"/>
EU Code/Code	
Target Tax Code	
Tol.per.rate	
Inactive	
OSS C/R	
OSS Class.	

Maintain Tax Code: Tax Rates

Properties	Tax Accounts	Deactivate Line				
Country/Region Key	IN	India				
Tax Code	A1	OUTPUT GST 5%				
Procedure	TAXIND					
Tax Type	A	Output tax				
Percentage Rates						
Tax Type	Acct	Key	Tax Percent. Rate	Level	From Lvl	Cond. Type
Base Amount				100	0	BASB
INPUT 5%	P4			200	100	P1
INPUT 18%	P5			300	100	P2
INPUT 40%	P6			400	100	P3
OUTPUT 5%	P1		5.000	500	100	P4
OUTPUT 18%	P2			600	100	P5
OUTPUT 40%	P3			700	100	P6

Create Tax Code (T-code: FTXP)

FTXP is used to **create tax codes** in SAP for vendor and customer transactions. A tax code specifies the **tax rate**, **tax type (input/output)**, and **accounts** to post the tax amounts. Once created, the tax code can be assigned to **vendor/customer master data** or used in transactions, enabling **automatic tax calculation and accurate postings** during invoice or payment processing.

3.7.4 Create G/Ls For Tax Postings

Change G/L Account Centrally

G/L Account: 100015 INPUT GST ACCOUNT 5%
 Company Code: P1 POLARIS INDUSTRIES LTD.

Type/Description Control Data Create/bank/interest Key word/translation Information (C/A)

Control in Chart of Accounts P001 CHART OF ACCOUNTS FOR POLARIS

G/L Account Type: Balance Sheet Account
 Account Group: ASSETS

Description
 Short Text: INPUT GST 5%
 G/L Acct Long Text: INPUT GST ACCOUNT 5%

Consolidation Data in Chart of Accounts P001 CHART OF ACCOUNTS FOR POLARIS

Trading Partner No.

Change G/L Account Centrally

G/L Account: 100015 INPUT GST ACCOUNT 5%
 Company Code: P1 POLARIS INDUSTRIES LTD.

Type/Description Control Data Create/bank/interest Key word/translation Information (C/A)

Account control in company code

Account Currency: INR Indian Rupee
 Balances in Local Crcy Only
 Exchange Rate Difference Key
 Valuation Group
 Tax Category: Only input tax allowed
 Posting without tax allowed:
 Recon. Account for Acct Type
 Alternative Account No.
 Acct Managed in Ext. System
 Inflation key
 Tolerance Group

Create GL Accounts for Tax Codes (T-code: FS00)

In this step, we create **GL accounts** in SAP for tax codes using **FS00**. These accounts are used to post **tax amounts automatically** during vendor or customer transactions. While creating the GL, we maintain the **tax category** (Input Tax, Output Tax) and specify whether posting **without tax** is allowed.

For example, the GL created for **Input Tax (IT)** is classified under **Assets**, as it represents recoverable tax paid on purchases. This ensures that input tax is recorded correctly in financial statements and can be offset against output tax liabilities.

3.7.5 Assign G/Ls To Tax Codes

New Entries: Details of Added Entries

Process **P\$**

General details

Description	OUTPUT 5%
Tax Type	<input checked="" type="checkbox"/> Output tax
Not deductible	<input type="checkbox"/>
Posting indic.	<input checked="" type="checkbox"/> Separate line item
Not discnt rel.	<input type="checkbox"/>

Enter Chart of Accounts

Chart of Accounts **P001**

Configuration Accounting Main

Accounts Rules

Transaction **P1** OUTPUT 5%

Posting Key

Debit	40
Credit	50

Configuration Accounting Maintain

Posting Key Procedures Rules

Chart of Accounts P001 CHART OF ACCOUNTS
Transaction P1 OUTPUT 5%

Account assignment

Tax code	Account
A1	105005

Configuration Accounting Maintain : Automatic Posts - Procedures

Group %TX Taxes on sales/purchases

Procedures

Description	Transaction	Account Determ.
OUTPUT IGST	P04	<input checked="" type="checkbox"/>
OUTPUT SGST	P06	<input checked="" type="checkbox"/>
OUTPUT 5%	P1	<input checked="" type="checkbox"/>
OUTPUT 18%	P2	<input checked="" type="checkbox"/>
OUTPUT 40%	P3	<input checked="" type="checkbox"/>
INPUT 5%	P4	<input checked="" type="checkbox"/>
INPUT 18%	P5	<input checked="" type="checkbox"/>
INPUT 40%	P6	<input checked="" type="checkbox"/>

Check & Change Tax Settings (T-code: OBCN) & Assign GL Accounts to Tax Codes (T-code: OB40)

OBCN: This step is used to **check and change tax settings** in SAP. It allows verification of **tax calculation procedures, account determination keys, and posting rules** to ensure that tax amounts are calculated correctly during transactions.

OB40: In this step, **GL accounts are assigned to tax codes**. This links the tax code (Input/Output Tax) with the appropriate GL accounts so that when a transaction is posted, the system **automatically posts tax amounts to the correct accounts**. For example, Input Tax GLs are included under **Assets** for recoverable tax, and Output Tax GLs under **Liabilities**.

3.7.6 Posting Vendor Invoice With GST

The screenshot shows the SAP FB60 Vendor Invoice posting interface. The top section displays basic transaction details: Supplier (120201), Invoice date (10/12/2025), Posting Date (10/12/2025), Amount (15,000.00 INR), and a vendor address for BETELGUESE LTD. The vendor has a bank account (AXIP) and key (123456789) at AXIS BANK, AHMEDABAD. The bottom section shows the item table with one row for the vendor invoice.

St... G/L acct	Short Text	D/C	Amount in doc.curr.	Local Currency Amt	T.
100005		Debit		0.00 V2	
		Debit		0.00 V2	

Doc.Type : KR (Vendor Invoice) Normal document						
Doc. Number		Company Code		P1	Fiscal Year 2025	
Doc. Date 10/12/2025		Posting Date		10/12/2025	Period 07	
Calculate Tax <input checked="" type="checkbox"/>						
Doc. Currency INR						

Item	PK	Account	Account Short Text	Assignment	Tx	Amount
1	31	120201	BETELGUESE LTD		V2	15,000.00-
2	40	100005	STOCK ACCOUNT		V2	12,711.87
3	40	100016	INPUT GST 18%		V2	2,288.13

Post Vendor Invoice with GST (T-code: FB60)

FB60 is used to **post a vendor invoice** in SAP. While posting, you enter the **invoice amount, vendor, and tax code** applicable. The system **automatically calculates the GST** based on the selected tax code and posts it to the **dedicated GL accounts** configured for that specific GST slab (Input Tax GLs for assets).

3.8 Exchange Rates

3.8.1 Maintain Exchange Rate

New Entries: Overview of Added Entries										
ExRt	ValidFrom	Indir.quot	X	Ratio(from)	From	=	Dir.quot.	X	Ratio (to)	To
M	10/05/2025	90.00000	X		100 INR	=		X		1 USD
M	10/12/2025	80.00000	X		100 INR	=		X		1 USD
			X		✓	=		X		✓
			X		✓	=		X		✓

Maintain Exchange Rates (T-code: OB08)

In OB08, we **maintain foreign exchange rates** used for currency conversion between different currencies in SAP. Here, we define the **exchange rate type, valid dates, source currency, and target currency** along with their respective rates. This ensures all **foreign currency transactions** are automatically converted into the company's **local currency** during posting.

In this step, we also **create new entries for two different dates** with varying exchange rates. This allows us to **demonstrate the effect of changing exchange rates** on invoice payment showing how the **gain or loss** due to currency fluctuation is automatically reflected in accounting.

3.8.2 Create G/L Accounts to Post Exchange Gain or Loss

Change G/L Account Centrally

G/L Account	115002	EXCHANGE GAIN ACCOUNT
Company Code	P1	POLARIS INDUSTRIES LTD.
Type/Description		
Control in Chart of Accounts P001 CHART OF ACCOUNTS FOR POLARIS		
G/L Account Type	Nonoperating Expense or Income	
Account Group	INCOME	
Description		
Short Text	EX. GAIN AC	
G/L Acct Long Text	EXCHANGE GAIN ACCOUNT	
Consolidation Data in Chart of Accounts P001 CHART OF ACCOUNTS FOR POLARIS		
Trading Partner No.		

Change G/L Account Centrally

G/L Account	110005	EXCHANGE LOSS ACCOUNT
Company Code	P1	POLARIS INDUSTRIES LTD.
Type/Description		
Control in Chart of Accounts P001 CHART OF ACCOUNTS FOR POLARIS		
G/L Account Type	Nonoperating Expense or Income	
Account Group	EXPENSES	
Description		
Short Text	EX. LOSS AC	
G/L Acct Long Text	EXCHANGE LOSS ACCOUNT	
Consolidation Data in Chart of Accounts P001 CHART OF ACCOUNTS FOR POLARIS		
Trading Partner No.		

Create Exchange Gain and Loss Accounts (T-code: FS00)

In this step, we create two separate G/L accounts — one for Exchange Gain and another for Exchange Loss — to record the impact of currency fluctuations during foreign currency transactions. These accounts are used automatically by the system when there is a difference between the exchange rate at the time of invoice posting and at the time of payment.

3.8.3 Assign GL For Exchange Gain/Loss Posting

New Entries: Details of Added Entries

Chart of Accounts	P001			
G/L Account	105003			
Currency				
Curr./Val. Type				
Exchange rate difference realized				
Loss	110005			
Gain	115002			
Valuation				
Val.Loss 1				
Val.Gain 1				
BS Adjustment 1				
Translation				
Loss				
BS Adjustment Loss				
Gain				
BS Adjustment Gain				

Assign Accounts for Exchange Rate Differences (T-code: OB09)

In this step, we assign the Exchange Gain and Exchange Loss G/L accounts (created in FS00) to the corresponding automatic posting keys in the system. This configuration ensures that whenever there is a difference in exchange rates between the invoice posting date and the payment date, SAP automatically posts the gain to the revenue account and the loss to the expense account. By defining these accounts in OB09, the system handles all foreign currency revaluation differences automatically, maintaining accuracy in financial postings without requiring manual adjustments.

3.8.4 Invoice Posting & Manual Payment

The image contains two screenshots of SAP Fiori applications:

- Enter Vendor Invoice: Company Code P1**: This screen shows the basic data for a vendor invoice. The supplier is 120201, the invoice date is 10/05/2025, and the amount is 100 USD. A table below shows the G/L account 100005 with a debit amount of 100.

St...	G/L acct	Short Text	D/C	Amount in doc.curr.	Local Currency Amt
	100005		Debit		100
			Debit		

- Post Outgoing Payments: Header Data**: This screen shows the header data for an outgoing payment. It includes fields for document date (10/12/2025), posting date (10/12/2025), company code (P1), currency (USD), and bank data (House Bank 100001, Account 100001). An open item selection table shows an account of 120201.

Open item selection	Additional selections
Account: 120201 Account type: K Special G/L Ind:	<input checked="" type="radio"/> None <input type="radio"/> Amount <input type="radio"/> Document Number
<input type="checkbox"/> Other Accounts	
<input checked="" type="checkbox"/> Standard OIs	

Invoice Posting and Payment (T-codes: FB60 & F-53)

In FB60, we post a vendor invoice in a foreign currency to record the purchase of goods or services. The system automatically converts the foreign currency amount into the local currency based on the exchange rate maintained in OB08. Later, in F-53, we make the outgoing payment for that invoice. If the exchange rate on the payment date differs from the rate used at the time of invoice posting, SAP automatically calculates and posts the exchange gain or loss to the respective accounts defined in OB09, ensuring accurate financial reporting.

3.8.5 Display Exchange Loss/Gain Posted To Assigned G/L Account

Data Entry View

Document Number	16	Company Code	P1	Fiscal Year	2025
Document Date	10/12/2025	Posting Date	10/12/2025	Period	7
Reference		Cross-Comp.No.			
Currency	USD	Texts Exist	<input type="checkbox"/>	Ledger Group	

G/L Account Line Item Display

CoCd	Item	Item Key	SG Account	Description	Amount Crcy
P1	1 50	100001	cash a/c	800,000.00- INR	
P1	2 25	120201	BETELGUESE LTD	900,000.00 INR	
P1	3 50	115002	EX. GAIN AC	100,000.00- INR	
					0.00 INR

G/L Account Line Item Display

Data Sources

G/L Account Selection

G/L account	115002	to	
Company code	P1	to	

Selection Using Search Help

Search Help ID	
Search String	
Search Help	

G/L Account		115002 EXCHANGE GAIN ACCOUNT						
Company Code		P1						
St	Assignment	DocumentNo	BusA	Type	Doc. Date	PK	Amount in Local Crcy	LCurr
	✓ 20251009	10		KZ	10/09/2025	50	0.00	INR
	✓ 20251010	300004		ZP	10/10/2025	50	0.00	INR
	✓ 20251012	16		KZ	10/12/2025	50	100,000.00-	INR
*	✓						100,000.00-	INR
** 115002							100,000.00-	INR

Display G/L Account for Exchange Gain or Loss (T-code: FBL3N)

In this step, we use **FBL3N** to **display the line items** of the **Exchange Gain or Exchange Loss G/L accounts**. This allows us to verify that the **foreign currency difference** arising from the invoice posting and payment (in FB60 and F-53) has been correctly posted.

CHAPTER 4: ACCOUNTS RECEIVABLE

4.1 Customer & Business Partner Master Data Configuration

4.1.1 Customer Account Groups Creation

Change View "Customer Account Groups": Overview

Group	Name
P1	DOMESTIC CUSTOMER P1
PAYR	Customer: Payer (only)
SHPT	Customer: Ship to Party (only)
SORM	DOMESTIC CUSTOMER FOR RMRS
SUAV	DOMESTIC CUSTOMER FOR AVSM
SURM	FOREIGN CUSTOMER FOR RMRS
VVD	TR-LO customer
Y021	
YA21	
ZDOM	DOMESTIC VENDOR FOR MERCEDES
ZFOR	FOREIGN VENDOR FOR MERCEDES

Change View "Customer Account Groups": Details

Document last modified: Yesterday at 00:46
Expand Field Status New entries BC Set: Field Value Origin

Account group	P1
General data	
Meaning	<input type="text"/> DOMESTIC CUSTOMER P1
One-Time Account	<input type="checkbox"/>
Skip Address Check	<input type="checkbox"/>
Output Determ.Proc.	<input type="text"/>
Field status	
General Data	
Company Code Data	
Sales Data	

Define Customer Account Groups (T-code: OBD2)

In this step, we create **Customer Account Groups** to classify customers based on their nature or business relationship (e.g., domestic customers, export customers, one-time customers, etc.). The account group controls the **number range assignment**, **field status**, and **partner functions** during customer master creation.

4.1.2 Customer Account Group Assign Number Range

Edit Intervals: Customer, Object DEBITOR

This screenshot shows the SAP interface for editing number range intervals. The title bar reads "Edit Intervals: Customer, Object DEBITOR". Below the title are several icons. The main area is a table with columns: Number Range No., From No., To Number, NR Status, and External.

Number Range No.	From No.	To Number	NR Status	External
29	4300000000	4399999999	4300000004	<input type="checkbox"/>
A1	0000001251	0000001299	1255	<input type="checkbox"/>
BP	0000000001	0000000020	5	<input type="checkbox"/>
CA	4200000000	4299999999	4200000004	<input type="checkbox"/>

Change View "Assign Customer Acct Groups->Number"

This screenshot shows the SAP interface for changing the view of customer account group assignments. The title bar reads "Change View 'Assign Customer Acct Groups->Number'". Below the title are several icons. The main area is a table with columns: Group, Name, and Number Range.

Group	Name	Number Range
P1	DOMESTIC CUSTOMER P1	A1
PAYR	Customer: Payer (only)	BP
SHPT	Customer: Ship to Party (only)	BP

Define and Assign Number Ranges for Customer Accounts (T-codes: XDN1 & OBAR)

In XDN1, we first **create number ranges** for different **Customer Account Groups**, specifying the range limits and whether numbering is **internal** or **external**. This defines how customer master records will be uniquely identified.

4.1.3 Define Business Partner Grouping & Assign Number Range

Edit Intervals: Business partner, Object BU_PARTNER					
	Number Range No.	From No.	To Number	NR Status	External
	31	0003000000	0003999999	3000059	<input type="checkbox"/>
	92	1000000010	1099999999	1000000019	<input type="checkbox"/>
	A\$	0000040000	0000049999	40009	<input type="checkbox"/>
	A1	0000017251	0000017260	0	<input type="checkbox"/>

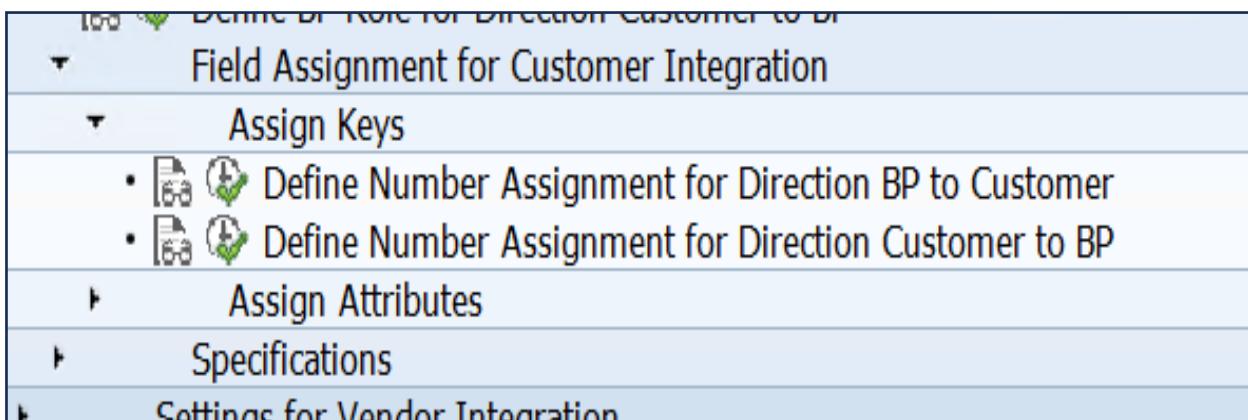
New Entries: Overview of Added Entries				
	Grouping	Short name	Description	Number ra...
	DCP1	DOM. CUS.	DOMESTIC CUSTOMER	A\$

Define and Assign Number Ranges for Business Partners (T-code: BUCF)

In this step, we define number ranges for Business Partners (BP) using BUCF. Here, we specify the intervals and choose whether the BP numbers will be internally generated by the system or externally assigned by the user.

After defining the number ranges, we assign them to the respective BP groupings. This ensures that each type of Business Partner (such as customer, vendor, or employee) follows a unique numbering structure, maintaining clear identification and preventing duplication across the system.

4.1.4 Link the Customer Account Group & BP with Number Range



Change View "Number Assignment for Direction BP to Custo..": Overview						
New Entries 						
Number Assignment for Direction BP to Customer						
Gr...	Short name	Ac...	Name	Same Num...	Flexible Grou...	
P1	P1	P1	DOMESTIC CUSTOMER P1	<input type="checkbox"/>	<input type="checkbox"/>	
S100	Distr. center	0100	Distribution center	<input type="checkbox"/>	<input type="checkbox"/>	
S110	Branches w/o IB	0110	Branch w/o intercomp.billing	<input type="checkbox"/>	<input type="checkbox"/>	

In this step, we assign number ranges defined for Business Partners to the Customer role. This ensures that when a Business Partner is created with the Customer role, the system automatically picks a number from the assigned range, either internal (system-generated) or external (manually entered). This configuration maintains unique identification for all customer accounts linked to Business Partners, ensuring consistency and proper tracking in Accounts Receivable processes.

4.1.5 Creating Reconciliation G/L To Assign in Customer Role of BP

Change G/L Account Centrally

G/L Account: 100018 CUSTOMER RECONCILIATION ACCOUNT
Company Code: P1 POLARIS INDUSTRIES LTD.

Type/Description Control Data Create/bank/interest Key word/translation Information (C/A)

Control in Chart of Accounts P001 CHART OF ACCOUNTS FOR POLARIS

- G/L Account Type: Balance Sheet Account
- Account Group: ASSETS

Description

- Short Text: RECON CUST AC
- G/L Acct Long Text: CUSTOMER RECONCILIATION ACCOUNT

Consolidation Data in Chart of Accounts P001 CHART OF ACCOUNTS FOR POLARIS

Trading Partner No.

Type/Description Control Data Create/bank/interest Key word/translation Information (C/A)

Account control in company code

- Account Currency: INR Indian Rupee
- Balances in Local Crcy Only:
- Exchange Rate Difference Key:
- Valuation Group:
- Tax Category:
- Posting without tax allowed:
- Recon. Account for Acct Type: Customers
- Alternative Account No.:
- Acct Managed in Ext. System:
- Inflation key:
- Tolerance Group:

T-code: FS00

Explanation:

In this step, we use FS00 to create a G/L account that will act as a Reconciliation Account for Customers. A reconciliation account automatically updates when Customer transactions are posted — no direct entries are made to it. This ensures the sub-ledger (Customer) and General Ledger remain synchronized.

4.1.6 Creating A Business Partner [FI Customer] Role

Display Organization : 40000

Business Partner	40000	EDISON WIRE COMPANY LTD. / 123456
Display in BP role	Business Partner (Gen.)	<input type="button" value="Search"/>

Address Address Overview Identification Control Payment Transactions Status Where-Used List

Name
Title: Company
Name: EDISON WIRE COMPANY LTD.

Salutation:

Change Organization: 40000, role FI Customer

Business Partner	40000	EDISON WIRE COMPANY LTD. / 123456
Change in BP role	FI Customer (Maintained)	<input type="button" value="Search"/>

Company Code
Company Code: P1 POLARIS INDUSTRIES LTD.
Customer: 1251
Supplier:

Customer: Account Management Customer: Payment Transactions Customer: Correspondence Customer: Insurance

Account Management
Reconciliation acct: 100018 CUSTOMER RECONCILIATION ACCOUNT

T-code: BP

Explanation:

In this step, we create or extend a Business Partner (BP) with the Customer role and assign Financial Accounting data. The BP approach integrates Customer Master Data under one framework, combining General Data, Company Code Data.

4.2 Customer Invoice Posting

4.2.1 Create Number Range for DR document Type

Change View "Document Types": Details

New Entries	DR	Customer invoice
Properties		
Number Range	18	Number range information
Reverse DocumentType		
Authorization Group		

Edit Intervals: Accounting document, Object RF_BELEG, Subobject P1

Number Range No.	Year	From No.	To Number	NR Status	External
17	2025	0000600000	0000699999	600007	
18	2025	0000700000	0001499999	700001	
19	2025	0000500000	0000599999	500028	
20	2025	0000300000	0000499999	300004	

Number Range for KR Documents (T-code: FBN1)

In this step, a **Number Range** is created for **DR document type** (Vendor Invoices) using **T-code FBN1**. Number ranges ensure that every financial document posted in SAP has a **unique identification number** for tracking and audit purposes.

Here, **Number Range 18** is created specifically for **DR documents**, defining the starting and ending numbers for Customer invoice postings. This setup helps maintain organized document sequencing, improves traceability, and supports accurate financial reporting.

4.2.2 Posting A Customer Invoice

Transactn	Invoice	Bal.	0.00		
<input type="button" value="Basic data"/> <input type="button" value="Payment"/> <input type="button" value="Details"/> <input type="button" value="Tax"/> <input type="button" value="Notes"/>					
Customer	1251	Sp.G/LI	<input type="text"/>		
Invoice date	10/15/2025	Reference	<input type="text"/>		
Posting Date	10/15/2025				
Cross-CC Number	<input type="text"/>				
Amount	25000	INR			
<input type="checkbox"/> Calculate Tax					
Tax Amount	<input type="text"/>	<input type="button" value="▼"/>			
Bus.Place/Sectn	<input type="text"/> / <input type="text"/>				
Text <input type="text"/>					
Company Code	P1 POLARIS INDUSTRIES LTD. ahmedabad				
<input type="button" value=""/>					
0 Items (No entry variant selected)					
St...	G/L acct	Short Text	D/C	Amount in doc.curr.	Local Currency Amt
	115001	<input type="text"/>	Cred... <input type="button" value="▼"/>	25000	
			Cred... <input type="button" value="▼"/>		

Doc.Type : DR (Customer invoice) Normal document																											
Doc. Number	Company Code	P1	Fiscal Year	2025																							
Doc. Date	Posting Date	10/15/2025	Period	07																							
Calculate Tax	<input type="checkbox"/>																										
Doc. Currency	INR																										
<table border="1"> <thead> <tr> <th>Itm</th> <th>PK</th> <th>Account</th> <th>Account Short Text</th> <th>Assignment</th> <th>Tx</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>01</td> <td>1251</td> <td>EDISON WIRE COMPANY</td> <td></td> <td></td> <td>25,000.00</td> </tr> <tr> <td>2</td> <td>50</td> <td>115001</td> <td>SALES AC</td> <td></td> <td></td> <td>25,000.00-</td> </tr> </tbody> </table>							Itm	PK	Account	Account Short Text	Assignment	Tx	Amount	1	01	1251	EDISON WIRE COMPANY			25,000.00	2	50	115001	SALES AC			25,000.00-
Itm	PK	Account	Account Short Text	Assignment	Tx	Amount																					
1	01	1251	EDISON WIRE COMPANY			25,000.00																					
2	50	115001	SALES AC			25,000.00-																					

T-code: **FB70**

FB70 is used to post a Customer invoice for goods or services sold. Here, we record a sales of ₹25,000. The system automatically updates the Customer Reconciliation Account.

4.2.3 Post Received Payments

Customer Company Code	1251 P1										
Name City	EDISON WIRE COMPANY LTD.										
St	Assignment	DocumentNo	Typ	Doc. Date	S	DD	Local Crcy	Amt	LCurr	Clrng	
		700000 700001	DR DR	04/25/2025 05/20/2025				15,000.00 20,000.00	INR INR		
*								35,000.00	INR		
** 1251								35,000.00	INR		

Edit Intervals: Accounting document, Object RF_BELEG, Subobject P1					
Number Range No.	Year	From No.	To Number	NR Status	Ex
14	2025	0005000000	9999999999	0	
15	2025	0000000001	0000200000	14	
17	2025	0000600000	0000699999	600007	

Post Incoming Payments: Header Data											
Process Open Items											
Document Date	10/16/2025	Type	DZ	Company Code	P1	Currency/Rate	INR	Translatn Date		Cross-CC Number	
Posting Date	10/16/2025	Period	7								
Document Number											
Reference											
Doc.Header Text											
Clearing Text											
Bank data											
House Bank	/			Business Area							
Account	100001										
Amount	35000										
Amount in LC											
Bank Charges				LC Bank Charges							
Value date				Profit Center							
Text											
Assignment											
Open item selection						Additional selections					
Account	1251										
<input checked="" type="radio"/> None						<input type="radio"/>					

Post Customer Payment Received (T-code: F-28)

F-28 is used to **post incoming payments from customers** in SAP. During posting, the system clears **open invoices** for the customer and records the receipt in the relevant **bank account**. Before posting, a **number range** (e.g., 14) is created for customer payment documents to ensure **unique identification** of each payment. This helps maintain proper tracking, audit trails, and accurate reconciliation of customer balances.

4.2.4 Partial Payment

Post Incoming Payments: Header Data

Process Open Items													
Document Date	10/19/2025	Type	DZ	Company Code	P1								
Posting Date	10/19/2025	Period	7	Currency/Rate	INR								
Document Number				Translatn Date									
Reference				Cross-CC Number									
Doc.Header Text				Trading Part.BA									
Clearing Text													
Bank data													
House Bank	/												
Account	100001					Business Area							
Amount	25000												
Amount in LC													
Bank Charges						LC Bank Charges							
Value date						Profit Center							
Text					Assignment								
Open item selection						Additional selections							
Account	1251			<input type="checkbox"/>		None							
Account type	D			<input type="checkbox"/> Other Accounts		Amount							
Special G/L Ind				<input checked="" type="checkbox"/> Standard OIs		Document Number							
<input type="checkbox"/> Other Bank Accounts						Posting Date							

Post Incoming Payments Enter partial payments

		Distribute Difference	Charge Off Difference		Editing Options		Write Off Difference Automatically (AD)	Create Disputes	
<input type="radio"/> Standard		<input type="radio"/> Partial Pmt		<input type="radio"/> Res.Items		<input type="radio"/> WH Tax			
Account items 1251 EDISON WIRE COMPANY LTD.									
Document ...	D...	Document ...	P...	Bu...	Da...	Net Amount	Payment Amount		
700019	DR	10/19/2025	01	0		35,000.00	25,000.00		

St	Assignment	DocumentNo	Typ	Doc. Date	S	DD	Local Crcy Amt	LCurr	Clrng doc.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	700019	DR	10/19/2025			35,000.00	INR	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	5000016	DZ	10/19/2025			25,000.00-	INR	
*	<input checked="" type="checkbox"/>						10,000.00	INR	
**	1251						10,000.00	INR	

Partial Payment Posting (T-code: F-28)

In SAP, partial payment posting is used when a customer makes a payment less than the full invoice amount. For example, if a customer owes ₹35,000 but pays only ₹25,000, we record this as a partial payment using T-code F-28. In the entry screen, we enter the customer account, bank details, and the amount received (₹25,000) against the open invoice of ₹35,000. After posting, the system does not clear the invoice completely. Instead, it shows both the original invoice of ₹35,000 and the partial payment of ₹25,000 as separate open items in the customer account. The outstanding balance of ₹10,000 remains open and can be cleared later when the customer pays the remaining amount.

4.2.5 Residual Payment

Post Incoming Payments: Header Data

Process Open Items												
Document Date	10/19/2025	Type	DZ	Company Code	P1							
Posting Date	10/19/2025	Period	7	Currency/Rate	INR							
Document Number				Translatn Date								
Reference				Cross-CC Number								
Doc.Header Text				Trading Part.BA								
Clearing Text												
Bank data												
House Bank	/											
Account	100001					Business Area						
Amount	7000											
Amount in LC												
Bank Charges						LC Bank Charges						
Value date						Profit Center						
Text					Assignment							
Open item selection						Additional selections						
Account	1251			<input checked="" type="radio"/> None								
Account type	D			<input type="checkbox"/> Other Accounts								
Special G/L Ind				<input checked="" type="checkbox"/> Standard OIs								

Post Incoming Payments Create residual items

		Distribute Difference	Charge Off Difference		Editing Options		Write Off Difference Automatically (AD)	Create Dis
<input type="radio"/> Standard <input type="radio"/> Partial Pmt <input type="radio"/> Res.Items <input type="radio"/> WH Tax								
Account items 1251 EDISON WIRE COMPANY LTD.								
Document ...	D..	Document ...	P..	Bu...	Da...	Net Amount	Residual Items	
700019	DR	10/19/2025	01	0		35,000.00		
5000016	DZ	10/19/2025	15	0		25,000.00-		

St	Assignment	DocumentNo	Typ	Doc. Date	S	DD	Local Crcy	Amt	LCurr	Clrng doc.
<input type="checkbox"/>		5000017	DZ	10/19/2025				3,000.00	INR	
*								3,000.00	INR	
**	1251							3,000.00	INR	

Residual Item Posting (T-code: F-28)

In residual item posting, SAP clears the original invoice and automatically creates a new open item for the remaining balance. For example, if an invoice of ₹10,000 exists and the customer pays ₹7,000, you post this payment through F-28 and select the “Residual Item” option. When posted, the system clears the full ₹10,000 invoice and generates a new document for the outstanding ₹3,000. This residual item replaces the original invoice as the new open receivable. Unlike partial payment, which keeps both documents open, residual item posting shows only the new balance due, maintaining a cleaner and more accurate customer account view.

4.2.6 Customer Line Item Display

Customer Line Item Display

Data Sources

Customer Selection

Customer Account	1251	to		
Company Code	P1	to		

Selection Using Search Help

Search Help ID	
Search String	
Search Help	

Line item selection

Status

<input type="radio"/> Open items	Open at key date	10/16/2025
<input type="radio"/> Cleared items	Clearing date	
<input checked="" type="radio"/> All items	Open at key date	
	Posting date	

Customer 1251
Company Code P1

Name EDISON WIRE COMPANY LTD.
City L

St	Assignment	DocumentNo	Typ	Doc. Date	S	DD	Local Crcy Amt	LCurr	Clrng doc.
		700000	DR	04/25/2025			15,000.00	INR	5000000
		700001	DR	05/20/2025			20,000.00	INR	5000000
		5000000	DZ	10/16/2025			35,000.00-	INR	5000000
*							0.00	INR	
**	1251						0.00	INR	

T-code: FBL5N

Explanation:

FBL5N is used to view all transactions related to a specific Customer account. It displays open items, cleared items, and all items such as invoices and payments received. You can double-click on any line item to see full document details.

4.3 Customer Credit Memos

4.3.1 Post Customer Credit Memo

Enter Customer Credit Memo: Company Code P1

Tree On Company Code Hold Simulate Park Editing Options

Transactn: Credit memo Bal.: 0.00

Basic data Payment Details Tax Notes

Customer	1251	Sp.G/LI	
Document date	10/17/2025	Reference	
Posting Date	10/17/2025		
Cross-CC Number			
Amount	15000	INR	
<input type="checkbox"/> Calculate Tax			
Tax Amount			
Bus.Place/Sectn	/		
Text			
Company Code	P1 POLARIS INDUSTRIES LTD. ahmedabad		

0 Items (No entry variant selected)

St...	G/L acct	Short Text	D/C	Amount in doc.curr.	Local Currency Amt
	115001		Debit	15000	

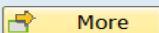
Customer	1251								
Company Code	P1								
Name	EDISON WIRE COMPANY LTD.								
City									
st	Assignment	DocumentNo	Typ	Doc. Date	S	DD	Local Crcy Amt	LCurr	C
		255556	DG	10/17/2025			15,000.00-	INR	
*							15,000.00-	INR	
**	1251						15,000.00-	INR	

Post Customer Credit Memo (T-code: FB75)

FB75 is used to post a customer credit memo in SAP, which reduces the amount receivable from a customer. This may occur due to returns, discounts, or billing corrections. During posting, the system credits the customer account and debits the relevant revenue or expense account, depending on the nature of the transaction.

4.3.2 Clear Customer Credit Memo

Choose Open Items		Account Assignment Model	
Document Date	10/17/2025	Type	<input checked="" type="checkbox"/>
Posting Date	10/17/2025	Period	7
Document Number		Company Code	P1
Reference		Currency/Rate	INR
Doc.Header Text		Translatn Date	
Clearing Text		Cross-CC Number	
Transaction to Be Processed			
<input type="radio"/> Outgoing payment <input type="radio"/> Incoming payment <input checked="" type="radio"/> Credit memo <input type="radio"/> JVA Clearing <input type="radio"/> Transfer posting with clearing			
First Line Item			
PstKy	50	Account	100001
G/L Account	100001	CASH ACCOUNT	
Company Code	P1	POLARIS INDUSTRIES LTD.	

Item 1 / Credit entry / 50			
Amount	15000	INR	<input type="checkbox"/> Calculate Tax
Business place		Partner Segment	
Segment		Partner PC	
Profit Ctrs		 More	
Purchasing Doc.		 Long Texts	
Assignment			
Text			

Post with Clearing Select open items			
Process Open Items			
Open item selection		Additional selections	
Company Code	P1	<input checked="" type="radio"/> None	
Account	1251	<input type="radio"/> Amount	
Account type	D	<input type="radio"/> Document Number	
House Bank	/	<input type="radio"/> Posting Date	
Special G/L Ind		<input type="radio"/> Dunning Area	
Payt Advice No.		<input type="radio"/> Reference	
	<input type="checkbox"/> Normal OI	<input type="radio"/> Payment Order	
	<input type="checkbox"/> Other Accounts	<input type="radio"/> Collective Invoice	
	<input type="checkbox"/> Other Bank Accounts	<input type="radio"/> Document Type	
	<input type="checkbox"/> Distribute by Age	<input type="radio"/> Business Area	
	<input type="checkbox"/> Automatic Search	<input type="radio"/> Tax Code	
		<input type="radio"/> Branch account	

Standard	Partial Pmt	Res.Items	WH Tax							
Account items 1251 EDISON WIRE COMPANY LTD.										
Document ...	D..	Document ...	P..							
255558	DG	10/17/2025	11							
		INR Gross								
		15,000.00-								
Customer Company Code Name City										
1251 P1 EDISON WIRE COMPANY LTD.										
St	Assignment	DocumentNo	Typ	Doc. Date	S	DD	Local Crcy	Amt	LCurr	Clrng do
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	255556	DG	10/17/2025				15,000.00-	INR	255557
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	255557	DG	10/17/2025				15,000.00	INR	255557
*	<input checked="" type="checkbox"/>							0.00	INR	
** 1251								0.00	INR	

Clear Customer Credit Memo (T-code: FB05)

FB05 is used to **manually clear customer credit memos** against open invoices in SAP. When a customer has a credit memo and one or more open invoices, this transaction allows you to select the documents and clear them together, ensuring the **customer account balance is updated accurately**. The system automatically calculates differences if the credit memo does not fully cover the invoice, leaving a residual open item, and posts any adjustments to the specified account. This process maintains **accurate accounts receivable records**, prevents manual errors, and ensures proper tracking of customer payments and outstanding balances.

4.4 Customer Down Payment

4.4.1 Assign Special G/L Account for Down Payment

Maintain Accounting Configuration : Special G/L - List			
Acct type	Sp.G/LInd.	Name	Description
D	A	Dwn pmt	Down Payment
D	C	SecDep.	Rent deposit
D	F	Pmt req	Down Payment Request
D	G	Guaran.	Guarantees Given
D	J	AdPayRe	Advance Payment Request
D	K	AdPy OC	AP Operating Costs
D	L	DP Offs	Down payment offset
D	T	Dwn Pmt	Down Payment
D	U	AdP.SBR	AP sales-based rent

Maintain Accounting Configuration : Special G/L - Accounts			
Properties			
Chart of Accounts	P001	CHART OF ACCOUNTS FOR POLARIS	
Account type	D	Customer	
Special G/L Ind.	A	Down Payment	
Account assignment			
Recon. acct	Special G/L account	Planning level	Output tax clearing
100018	105009		

Assign GL Accounts for Customer Down Payments (T-code: OBXR)

OBXR is used to assign GL accounts for Customer Down Payments in SAP. In this configuration, you link the down payment transaction to specific asset or liability GL accounts depending on the nature of the payment. This ensures that when a customer makes a down payment, the amount is posted automatically to the correct account, separate from regular receivables, allowing proper tracking of advance payments and accurate financial reporting.

4.4.2 Post Customer Down Payment

Post Customer Down Payment: Header Data

New Item Requests	Document Date 10/17/2025	Type DZ	Company Code P1
	Posting Date 10/17/2025	Period 7	Currency/Rate INR
	Document Number Reference Doc.Header Text Trading Part.BA		Translatn Date Cross-CC Number
			Tax Reporting D TxFulfDte
Customer	Account 1251	Special G/L Ind <input checked="" type="checkbox"/>	
	Altern. CoCode		
Bank	House Bank /	Business Area	
	Account 100001		
	Amount		

Post Customer Down Payment Correct Customer item

More Data	New Item	
Customer 1251	EDISON WIRE COMPANY LTD.	G/L Acc 105009
Company Code P1	MUMBAI	
POLARIS INDUSTRIES LTD.		
Item 2 / Down pmnt received / 19 A		
Amount 10,000.00	INR	
<input type="checkbox"/> Calculate Tax	Bus./Sectn	
Bus. Area	Dunning Area	
CD Perc. 1	CD Amount	
Contract /	Real Estate	
Assignment	Flow Type	
Text	Long Texts	

St	Assignment	DocumentNo	Typ	Doc. Date	S	DD	Local Crcy	Amt	LCurr
<input type="checkbox"/>	<input checked="" type="radio"/>	5000001	DZ	10/17/2025	A			10,000.00-	INR
*	<input checked="" type="radio"/>							10,000.00-	INR
**	1251							10,000.00-	INR

Post Customer Down Payment (T-code: F-29)

F-29 is used to **post a customer down payment** in SAP. When a customer pays an advance before the invoice is issued, this transaction records the payment and posts it to the **GL account assigned for customer down payments** (configured in OBXR).

4.4.3 Clear Customer Down Payment

Enter Customer Invoice: Company Code P1

Transactn: Invoice Bal.: 0.00

Basic data Payment Details Tax Notes

Customer	1251	Sp.G/LI	
Invoice date	10/17/2025	Reference	
Posting Date	10/17/2025		
Cross-CC Number			
Amount	10000	INR	
<input type="checkbox"/> Calculate Tax			
Tax Amount			
Bus.Place/Sectn	/		
Text			
Company Code P1			

Information
i 10,000.00- INR
 Down Payment exist

Clear Customer: Header Data

Process Open Items

Account	1251	Clearing Date	10/17/2025	Period	7
Company Code	P1	Currency	INR		

Open Item Selection

Special G/L Ind:

Normal OI

Additional Selections

None
 Amount

Clear Customer Process open items

Distribute Difference Charge Off Difference Editing Options Write Off Difference Automatically (AD) Cash Discount

Standard Partial Pmt Res.Items WH Tax

Account items 1251 EDISON WIRE COMPANY LTD.

Assignment	Document ...	D.. P..	Posting Date	Document ...	INR Gross	CashDiscount
	700003	DR 01	10/17/2025	10/17/2025	10,000.00	
	5000002	DZ 19	10/17/2025	10/17/2025	10,000.00-	

Customer Company Code	1251 P1									
Name City	EDISON WIRE COMPANY LTD.									
St	Assignment	DocumentNo	Typ	Doc. Date	S	DD	Local Crcy	Amt	LCurr	Clrng doc.
<input checked="" type="checkbox"/>		200022	SU	10/17/2025				10,000.00-	INR	200022
<input type="checkbox"/>		200022	SU	10/17/2025	A			10,000.00	INR	200022
<input type="checkbox"/>		700002	DR	10/17/2025				10,000.00	INR	200022
<input type="checkbox"/>		5000001	DZ	10/17/2025	A			10,000.00-	INR	200022
<input type="checkbox"/>		200023	SU	10/17/2025	A			10,000.00-	INR	200023
<input type="checkbox"/>		200023	SU	10/17/2025	A			10,000.00	INR	200023
<input type="checkbox"/>		700003	DR	10/17/2025				10,000.00	INR	200023
<input type="checkbox"/>		5000002	DZ	10/17/2025	A			10,000.00-	INR	200023
<input type="checkbox"/>		255556	DG	10/17/2025				15,000.00-	INR	255557
<input type="checkbox"/>		255557	DG	10/17/2025				15,000.00	INR	255557
<input type="checkbox"/>		255558	DG	10/17/2025				15,000.00-	INR	255559
<input type="checkbox"/>		255559	DG	10/17/2025				15,000.00	INR	255559
*	<input checked="" type="checkbox"/>							0.00	INR	
** 1251								0.00	INR	

Clear Customer with Down Payment (T-code: F-32)

F-32 is used to **clear a customer's open items manually**, including invoices and advance payments. In a typical scenario, we first **create a customer invoice** using **FB70**, posting the amount receivable to the customer. Separately, a **down payment received** from the customer is posted using **F-29** to the designated down payment GL account (configured in OBXR).

During clearing in F-32, the system allows you to **select both the invoice and the down payment**, and it automatically offsets the advance against the invoice. This reduces the **outstanding receivable**, updates the customer account accurately, and posts any remaining balance or difference to the appropriate accounts.

4.5 Payment Terms

4.5.1 Create Payment Terms

Change View "Terms of Payment": Overview

<input type="checkbox"/> 01	2/10,1/20,0/30 2% within 10 days, 1% within 10-20 days
<input type="checkbox"/> 0	
<input type="checkbox"/> 1	
<input type="checkbox"/> 2	
<input type="checkbox"/> 3	
<input type="checkbox"/> 4	
<input type="checkbox"/> 5	
<input type="checkbox"/> 6	
<input type="checkbox"/> 7	
<input type="checkbox"/> 8	
<input type="checkbox"/> 9	
<input type="checkbox"/> 10	
<input type="checkbox"/> 11	
<input type="checkbox"/> 12	
<input type="checkbox"/> 13	
<input type="checkbox"/> 14	
<input type="checkbox"/> 15	
<input type="checkbox"/> 16	
<input type="checkbox"/> 17	
<input type="checkbox"/> 18	
<input type="checkbox"/> 19	
<input type="checkbox"/> 20	
<input type="checkbox"/> 21	
<input type="checkbox"/> 22	
<input type="checkbox"/> 23	
<input type="checkbox"/> 24	
<input type="checkbox"/> 25	
<input type="checkbox"/> 26	
<input type="checkbox"/> 27	
<input type="checkbox"/> 28	
<input type="checkbox"/> 29	
<input type="checkbox"/> 30	
<input type="checkbox"/> 31	
<input type="checkbox"/> 32	
<input type="checkbox"/> 33	
<input type="checkbox"/> 34	
<input type="checkbox"/> 35	
<input type="checkbox"/> 36	
<input type="checkbox"/> 37	
<input type="checkbox"/> 38	
<input type="checkbox"/> 39	
<input type="checkbox"/> 40	
<input type="checkbox"/> 41	
<input type="checkbox"/> 42	
<input type="checkbox"/> 43	
<input type="checkbox"/> 44	
<input type="checkbox"/> 45	
<input type="checkbox"/> 46	
<input type="checkbox"/> 47	
<input type="checkbox"/> 48	
<input type="checkbox"/> 49	
<input type="checkbox"/> 50	
<input type="checkbox"/> 51	
<input type="checkbox"/> 52	
<input type="checkbox"/> 53	
<input type="checkbox"/> 54	
<input type="checkbox"/> 55	
<input type="checkbox"/> 56	
<input type="checkbox"/> 57	
<input type="checkbox"/> 58	
<input type="checkbox"/> 59	
<input type="checkbox"/> 60	
<input type="checkbox"/> 61	
<input type="checkbox"/> 62	
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<input type="checkbox"/> 64	
<input type="checkbox"/> 65	
<input type="checkbox"/> 66	
<input type="checkbox"/> 67	
<input type="checkbox"/> 68	
<input type="checkbox"/> 69	
<input type="checkbox"/> 70	
<input type="checkbox"/> 71	
<input type="checkbox"/> 72	
<input type="checkbox"/> 73	
<input type="checkbox"/> 74	
<input type="checkbox"/> 75	
<input type="checkbox"/> 76	
<input type="checkbox"/> 77	
<input type="checkbox"/> 78	
<input type="checkbox"/> 79	
<input type="checkbox"/> 80	
<input type="checkbox"/> 81	
<input type="checkbox"/> 82	
<input type="checkbox"/> 83	
<input type="checkbox"/> 84	
<input type="checkbox"/> 85	
<input type="checkbox"/> 86	
<input type="checkbox"/> 87	
<input type="checkbox"/> 88	
<input type="checkbox"/> 89	
<input type="checkbox"/> 90	
<input type="checkbox"/> 91	
<input type="checkbox"/> 92	
<input type="checkbox"/> 93	
<input type="checkbox"/> 94	
<input type="checkbox"/> 95	
<input type="checkbox"/> 96	
<input type="checkbox"/> 97	
<input type="checkbox"/> 98	
<input type="checkbox"/> 99	
<input type="checkbox"/> 100	

New Entries: Details of Added Entries

Pyt Terms	01	Sales text	2/10,1/20,0/30	
Day Limit	<input type="text"/>	Own Explanation	2% within 10 days, 1% within 10-20 days	
Account type		Baseline date calculation		
<input checked="" type="checkbox"/> Customer		Fixed Day	<input type="text"/>	
<input checked="" type="checkbox"/> Supplier		Additional Months	<input type="text"/>	
Pmnt block/pmnt method default		Default for baseline date		
Block Key		<input type="radio"/> No Default	<input type="radio"/> Posting Date	
Payment Method		<input type="radio"/> Document Date	<input type="radio"/> Entry Date	
Payment terms				
<input type="checkbox"/> Installment Payments <input type="checkbox"/> Rec. Entries: Supplement fm Master				
Term	Percentage	No. of Days	/ Fixed Day	Additional Months
1.	2 %	10	<input type="text"/>	<input type="text"/>
2.	1 %	20	<input type="text"/>	<input type="text"/>
3.		30	<input type="text"/>	<input type="text"/>
		30	<input type="text"/>	<input type="text"/>

Create Payment Terms (T-code: OBB8)

OBB8 is used to define payment terms in SAP, which determine how due dates and cash discounts are calculated for vendors and customers. Payment terms specify the number of days until payment is due, any early payment discounts, and the baseline date from which the due date is calculated (e.g., invoice date or posting date).

4.5.2 Create & Assign G/L Account To Post Customer Discount

Create G/L Account Centrally

Configuration Accounting Maintain : Automatic Posts - Accounts

Create GL Account for Cash Discount and Assign to CD Expenses (T-codes: FS00 & OBXI)

In FS00, we create a GL account to post cash discounts allowed to customers or received from vendors. This account captures the discount amounts separately, ensuring proper tracking of discount-related financial activity. Then, in OBXI, we assign this GL account to the relevant payment terms. When a payment is posted within the discount period, SAP automatically posts the discount amount to the assigned GL account, maintaining accurate accounting and financial reporting.

4.5.3 Post Customer Invoice With Payment Terms & Clear It

Enter Customer Invoice: Company Code P1

Tree On Company Code Hold Simulate Park Editing Options

Transactn: Invoice Bal.: 0.00

Basic data		Payment		Details		Tax		Notes		Local Currency	
Bline Date	10/17/2025	Pyt Terms	01	10 Days	2.000	CD		20 Days	1.000	CD Base	30 Days net
Amt to be calculated											
Payt Meth.		Pmnt block	Free for payment								
Inv. Ref.		House Bank	/								
Part. bank											
Reason Cde											

1 Items (No entry variant selected)

St...	G/L acct	Short Text	D/C	Amount in doc.curr.	Co...	Tradi...	Bu...	Par...	Cost center
	115001	SALES AC	Cred... ▾	15,000.00	P1		P001		P08
			Cred... ▾		P1				

Post Incoming Payments: Header Data

Process Open Items

Document Date	10/18/2025	Type	DZ	Company Code	P1
Posting Date	10/18/2025	Period	7	Currency/Rate	INR
Document Number				Translatn Date	
Reference				Cross-CC Number	
Doc.Header Text				Trading Part.BA	
Clearing Text					
Bank data					
House Bank	/			Business Area	
Account	100001			LC Bank Charges	
Amount	14700			Profit Center	
Amount in LC				Assignment	
Bank Charges					
Value date					
Text					
Open item selection				Additional selections	
Account	1251			None	

Incoming Payments Process open items									
Attribute Difference		Charge Off Difference		Editing Options		Write Off Difference Automatically (AD)		Cash Disc. Due	
Partial Pmt		Res.Items		WH Tax					
Items 1251 EDISON WIRE COMPANY LTD.									
..	D.. Document ...	P.. Bu...	Da...	INR Gross		CashDiscount		CDPer.	
DR	10/18/2025	01	10-		15,000.00		300.00	2.000	

Post Customer Invoice and Payment with Cash Discount (T-codes: FB70 & F-28)

In SAP, **FB70** is used to post a **customer invoice**, specifying the invoice amount, customer, and the **payment terms** set up in OBB8, which may include cash discount conditions. When posting, SAP records the total receivable in the customer account and keeps the **cash discount** as a potential reduction if the payment is made within the stipulated period.

Later, in **F-28**, the customer makes the payment. If the payment is received **within the discount period**, SAP automatically calculates the discount and posts it to the **GL account assigned for cash discounts** in OBXI. The payment entry splits the total invoice amount between the actual bank receipt and the cash discount.

4.6 Document Reversal

4.6.1 Reversal of Single Documents

Reverse Document: Header Data

Display Before Reversal Document List Mass Reversal

Document Details

Document Number	700006
Company Code	P1
Fiscal Year	2025

Specifications for Reverse Posting

Reversal Reason	05 <input type="button" value="Q"/>
Posting Date	<input type="text"/>
Posting Period	<input type="text"/>
Tax Reporting Date	<input type="text"/>

Check management specifications

Void reason code	<input type="text"/>
------------------	----------------------

Customer	1251								
Company Code	P1								
Name	EDISON WIRE COMPANY LTD.								
City									
<hr/>									
St	Assignment	DocumentNo	Typ	Doc. Date	S	DD	Local Crcy Amt	LCurr	Clrng doc.
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	700006	DR	10/18/2025			30,000.00	INR	700007
<input type="checkbox"/>	<input checked="" type="checkbox"/>	700007	DR	10/18/2025			30,000.00-	INR	700007

Reversal of Customer Documents (T-code: FB08)

FB08 is generally used in SAP for the reversal of any posted financial document, including vendor invoices, customer invoices, payments, or journal entries. In broader terms, it helps correct any accounting postings by creating a reversal document linked to the original. In this context, we use FB08 specifically for reversing customer invoices in Accounts Receivable.

4.6.2 Mass Reversal of Documents

Mass Reversal of Documents: Initial Screen

Company Code	P1	to		
Document Number	700008	to	700009	
Fiscal Year		to		
Ledger	OL	to		
General Selections				
Document Type		to		
Posting Date		to		
Entry Date		to		
Reference Number		to		
Reference Transaction		to		
Reference Key		to		
Logical System		to		
Reverse posting details				
Reason for reversal	05			
Posting Date				
Posting Period				
Tax Reporting Date				
<input checked="" type="checkbox"/> Test Run				

OLARIS INDUSTRIES LTD. Ahmedabad		Mass Reversal of Documents			Time 00:51:1 SAPF080/VACSF
Reversed documents					
Document Number	Company Code	Fiscal Year	Document Type	Posting Date	Document Date
Message					
700008	P1	2025	DR	10/18/2025	10/18/2025
	reversed with document 700010				
700009	P1	2025	DR	10/18/2025	10/18/2025
	reversed with document 700011				

Mass Reversal of Documents (T-code: F.80)

F.80 is used in SAP for the **mass reversal of posted accounting documents**, allowing multiple documents to be reversed in a single run rather than individually. This is particularly useful when **several customer or vendor invoices, payments, or credit memos** need to be corrected at once due to errors in posting or period-end adjustments.

4.6.3 Reversal of Cleared Documents

Reset Cleared Items

Accounts	Items	Accompanying Correspondence
Clearing Document	5000005	
Company Code	P1	
Fiscal Year	2025	

Reversal of clearing entry

As well as resetting cleared items, it is also possible to reverse the clearing entry.

Only Reset **Reset and Reverse** **Cancel**

Reversal Data

Reversal Reason	05
Posting Date	10/18/2025
Posting Period	I

Information

i Clearing 5000005 reset

Reset and Reverse Cleared Documents (T-code: FBRA)

FBRA is used in SAP to **reset and reverse previously cleared documents** in Accounts Receivable or Accounts Payable. When an invoice or payment has been cleared (fully or partially) and needs correction, FBRA **unclears the document first** and then allows it to be **reversed**.

4.7 Accounting Principles

4.7.1 Create Non Leading Ledger & Define Accounting Principles

The screenshot shows the SAP Fiori Launchpad interface with several cards displayed:

- Financial Accounting** card:
 - Financial Accounting Global Settings
 - Regenerate CDS Views and Field Mapping
 - Ledgers
 - Fields
 - Ledger
 - Define Settings for Ledgers and Currency Types
- New Entries: Overview of Added Entries** card (under Financial Accounting):
 - All Table Views
 - Dialog Structure:
 - Currency Types
 - Global Currency Conversion
 - Currency Conversion Setting
 - Ledger
 - Company Code Settings
 - Accounting Principles
 - Ledger table:

Ld	Ledger Name	Leading	Ldgr Type	ExtLdgrTy
PZ	NON LEADING LEDGER - P1	<input type="checkbox"/>	Standard Ledger	Standard
		<input type="checkbox"/>	Standard Ledger	Standard
		<input type="checkbox"/>	Standard Ledger	Standard
		<input type="checkbox"/>	Standard Ledger	Standard
- Financial Accounting Global Settings** card:
 - Regenerate CDS Views and Field Mapping
 - Ledgers
 - Fields
 - Ledger
 - Define Settings for Ledgers and Currency Types
 - Deactivate a Ledger for a Company Code
 - Define Ledger Group
 - Move and Merge
 - Number Range Maintenance for ADB Move and Merge
 - Fiscal Year and Posting Periods
 - Parallel Valuation Approaches
 - Parallel Accounting
 - Define Accounting Principles
 - Assign Accounting Principle to Ledger Groups
- New Entries: Overview of Added Entries** card (under Financial Accounting):
 - All Table Views
 - Accounting Principles table:

Accou...	Name of Accounting Principle
GAP1	GAAP FOR P1
IFP1	IFRS FOR P1

Creation of Non-Leading Ledger and Defining Accounting Principles (GAAP & IFRS)

In SAP S/4HANA, the **Ledger Concept** allows organizations to maintain multiple accounting ledgers simultaneously under different accounting principles such as **GAAP (Generally Accepted Accounting Principles)** and **IFRS (International Financial Reporting Standards)**. The leading ledger (**0L**) follows the primary accounting principle, while **non-leading ledgers** are created to record transactions based on alternate reporting standards.

4.7.2 Assign Accounting Principles with Ledger

The first screenshot shows the assignment of accounting principles to target ledger groups for a ledger group named 'OL'. The second screenshot shows the assignment for a ledger group named 'PZ'.

Accounting ...	Target Ledger Group	Description
GAP1	OL	Ledger OL
GAPA	OL	Ledger OL
GAPB	OL	Ledger OL

Accounting ...	Target Ledger Group	Description
IFP1	PZ	NON LEADING LEDGER - P1
IFPA	PA	NON LEADING LEDGER
IFPB	PB	NONLEADING LEDGER

Change View "Accounting Principles for Ledger and Compan..": Overview

New Entries All Table Views

Dialog Structure

- Currency Types
- Global Currency Conversion
- Currency Conversion Setting
- Ledger
 - Company Code Settings for...
 - Accounting Principles for...

Ledger: OL Company Code: P1 POLARIS INDUSTRIES LTD.

Accounting Principles for Ledger and Company Code

Accounting Principle	Name of Accounting Principle
GAP1	GAAP FOR P1

Change View "Accounting Principles for Ledger and Compan..": Overview

New Entries All Table Views

Dialog Structure

- Currency Types
- Global Currency Conversion
- Currency Conversion Setting
- Ledger
 - Company Code Settings for...
 - Accounting Principles for...

Ledger: PZ Company Code: P1 NON LEADING LEDGER - P1 (Legal Valuation) POLARIS INDUSTRIES LTD.

Accounting Principles for Ledger and Company Code

Accounting Principle	Name of Accounting Principle
IFP1	IFRS FOR P1

Assign Accounting Principles to Ledgers

After defining the accounting principles (such as **GAAP** and **IFRS**) and creating the **non-leading ledger**, the next essential configuration step is to **assign each accounting principle to its respective ledger**. This ensures that the correct accounting standards are applied automatically during postings in each ledger.

4.8 Dunning Procedure

4.8.1 Configure Dunning Procedure

Maintain Dunning Procedure: List	
Procedure	Name
0001	Four-level dunning notice, every two weeks
0003	Payment reminder, every two weeks
0005	Four-level dunning notice, every two weeks, RE forms
1001	Four-level dunning notice, every two weeks
1002	One-level dunning notice, every 30 days
21DU	Dunning for 2121
AMOL	DUNNING FOR AMOL
AND5	
ANDD	DUNNING FOR AND2
AVDU	DUNNING FOR AVSM

Maintain Dunning Procedure: Overview																										
Dunning levels	Charges	Minimum amounts	Dunning texts	Sp. G/L indicator																						
Dunn.Procedure	p01																									
Name	dunning for p1																									
General Data <table border="1"> <tr> <td>Dunning Interval in Days</td> <td>7</td> </tr> <tr> <td>Number of Dunning Levels</td> <td>4</td> </tr> <tr> <td>Total due items from dunning level</td> <td>1</td> </tr> <tr> <td>Min.Days in Arrears (Acct)</td> <td>1</td> </tr> <tr> <td>Line Item Grace Periods</td> <td>1</td> </tr> <tr> <td>Interest indicator</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Ignore Interest Ind. in Master Record</td> <td></td> </tr> <tr> <td>Public hol.cal.ID</td> <td></td> </tr> <tr> <td><input checked="" type="checkbox"/> Standard Transaction Dunning</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Dun Special G/L Transactions</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Dunning Even for Credit Account Balance</td> <td></td> </tr> </table>					Dunning Interval in Days	7	Number of Dunning Levels	4	Total due items from dunning level	1	Min.Days in Arrears (Acct)	1	Line Item Grace Periods	1	Interest indicator		<input type="checkbox"/> Ignore Interest Ind. in Master Record		Public hol.cal.ID		<input checked="" type="checkbox"/> Standard Transaction Dunning		<input type="checkbox"/> Dun Special G/L Transactions		<input type="checkbox"/> Dunning Even for Credit Account Balance	
Dunning Interval in Days	7																									
Number of Dunning Levels	4																									
Total due items from dunning level	1																									
Min.Days in Arrears (Acct)	1																									
Line Item Grace Periods	1																									
Interest indicator																										
<input type="checkbox"/> Ignore Interest Ind. in Master Record																										
Public hol.cal.ID																										
<input checked="" type="checkbox"/> Standard Transaction Dunning																										
<input type="checkbox"/> Dun Special G/L Transactions																										
<input type="checkbox"/> Dunning Even for Credit Account Balance																										
Reference data <table border="1"> <tr> <td>Ref. Dunning Procedure for Texts</td> <td>p01</td> </tr> </table>					Ref. Dunning Procedure for Texts	p01																				
Ref. Dunning Procedure for Texts	p01																									

Maintain Dunning Procedure: Dunning levels																	
Charges	Minimum amounts	Dunning texts															
Dunn.Procedure	p01																
Name	dunning for p1																
Dunning Level	1 2 3 4																
Days in arrears/interest <table border="1"> <tr> <td>Days in Arrears</td> <td>1</td> <td>8</td> <td>15</td> <td>23</td> </tr> <tr> <td>Calculate Interest?</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>			Days in Arrears	1	8	15	23	Calculate Interest?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Days in Arrears	1	8	15	23													
Calculate Interest?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>													
Print parameters <table border="1"> <tr> <td>Always Dun?</td> <td><input checked="" type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Print All Items</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Payment Deadline</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/> 22</td> </tr> </table>			Always Dun?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Print All Items	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Payment Deadline	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> 22
Always Dun?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>													
Print All Items	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>													
Payment Deadline	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> 22													
Legal dunning procedure <table border="1"> <tr> <td><input type="checkbox"/> Always Dun in Legal Dunning Proc.</td> </tr> </table>			<input type="checkbox"/> Always Dun in Legal Dunning Proc.														
<input type="checkbox"/> Always Dun in Legal Dunning Proc.																	

Maintain Dunning Procedure: Minimum amounts

Dunning levels	Charges	Dunning texts	Export																																										
Dunn.Procedure	P01																																												
Name	dunning for p1																																												
<table border="1"> <thead> <tr> <th colspan="6">Minimum amounts</th> </tr> <tr> <th>Dun</th> <th>Minimum amnt</th> <th>Min.Percent.</th> <th>NoRed.</th> <th>Min.Amt for Interest</th> <th>Currency</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>100</td> <td></td> <td><input type="checkbox"/></td> <td></td> <td></td> </tr> <tr> <td>2</td> <td>100</td> <td></td> <td><input type="checkbox"/></td> <td></td> <td></td> </tr> <tr> <td>3</td> <td>100</td> <td></td> <td><input type="checkbox"/></td> <td></td> <td></td> </tr> <tr> <td>4</td> <td>100</td> <td></td> <td><input type="checkbox"/></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				Minimum amounts						Dun	Minimum amnt	Min.Percent.	NoRed.	Min.Amt for Interest	Currency	1	100		<input type="checkbox"/>			2	100		<input type="checkbox"/>			3	100		<input type="checkbox"/>			4	100		<input type="checkbox"/>								
Minimum amounts																																													
Dun	Minimum amnt	Min.Percent.	NoRed.	Min.Amt for Interest	Currency																																								
1	100		<input type="checkbox"/>																																										
2	100		<input type="checkbox"/>																																										
3	100		<input type="checkbox"/>																																										
4	100		<input type="checkbox"/>																																										

Maintain Dunning Procedure: Charges

Dunning levels Minimum amounts Dunning texts

Dunn.Procedure	P01				
Name	dunning for p1				
Charges					
Dunn.Level	From Dunn. Amt	Dunn.charge	Dunn.chrge %	Cry	INR
1		50			
2		50			
3		50			
4		50			

Company Code/Account Type

Company code	<input type="text" value="P1"/> 
Account type	<input checked="" type="radio"/> Customer <input type="radio"/> Supplier

Maintain Dunning Procedure: Dunning texts

Dunning levels	Charges	Minimum amounts	Print		
Dunn.Procedure	P01				
Name	dunning for p1				
Company Code	P1	POLARIS INDUSTRIES LTD.			
Account type	D	Customer			
Dun	Area	Form	List Name	Adv.	Form ID
Normal dunning procedure					
1		F150_BE_DUNN_01			
2		F150_BE_DUNN_01			
3		F150_BE_DUNN_01			
4		F150_BE_DUNN_01			

T-code: FBMP

The **dunning procedure** in SAP is used to manage overdue customer payments by sending automated reminders in a structured way. It is configured with multiple **dunning levels**, each defining the number of days past due before a reminder is sent, the applicable **interest or dunning charges**, and the number of letters or notifications for that level. **Dunning charges** can be fixed amounts or a percentage of the overdue invoice and are posted to a designated GL account. The procedure also includes settings for **dunning letter formats**, which contain customer details, overdue amounts, charges, and payment instructions, as well as a **minimum amount threshold** to avoid sending reminders for very small balances. Additional configuration allows for **blocking certain invoices** from dunning, defining the **interval between dunning runs**, tracking the last dunning date, and assigning the procedure to specific **currencies or company codes**. When the dunning run is executed (F150), SAP automatically selects overdue items, calculates the appropriate dunning level, applies charges, generates letters, and posts the entries to the customer and GL accounts, ensuring **systematic, consistent, and auditable management of receivables** while improving cash flow and compliance with credit policies.

4.8.2 Run Dunning Procedure

Dunning: Parameters

Indiv.dunn.notice Dunn.history

Run On: 10/19/2025
Identification: PD1

Status Parameter Free selection Additional Log

Date
Dunning Date: 10/19/2025
Docmnts Posted up To: 10/19/2025

Company Code
Company Code: P1 to []

Account Restrictions
Customer: 1251 to []
Supplier: [] to []

Dunning

Sample printout Indiv.dunn.notice Log Print Log Dunning list Exception List

Run On: 10/19/2025
Identification: PD1

Status Parameter Free selection Additional Log

Status
Parameters were maintained
Dun.selection scheduled for 10/19/25 at 11:14:54
Dun.selection is complete
1 dunning notices generated, of which 1 are to be sent
Dun.printout scheduled for 10/19/25 at 11:15:12
Dun.printout is complete
1 dunning notices printed (cust. 1, vendor 0)
Dunning run completed

The screenshot shows the SAP Dunning application interface. At the top, there are several menu items: Sample printout, Indiv.dunn.notice, Log, Print Log, Dunning list, and Exception List. Below these, the 'Run On' date is set to 10/19/2025 and the 'Identification' is PD1. A navigation bar at the bottom of the screen includes Status, Parameter, Free selection, and Additional Log tabs. The main area displays a 'Status' section with a list of log entries. These entries include: 'Parameters were maintained', 'Dun.selection scheduled for 10/19/25 at 11:14:54', 'Dun.selection is complete', '1 dunning notices generated, of which 1 are to be sent', 'Dun.printout scheduled for 10/19/25 at 11:15:12', 'Dun.printout is complete', '1 dunning notices printed (cust. 1, vendor 0)', and 'Dunning run completed'. Each entry is preceded by a small blue square icon.

Dunning Run (T-code: F150)

The **dunning run** in SAP is the process of executing a previously defined **dunning procedure** to identify and manage **overdue customer invoices**. During the run, the system selects all eligible open items based on the configured **dunning levels, minimum amounts, and customer master settings**, calculates any applicable **dunning charges or interest**, and determines the **dunning level** for each customer.

4.8.3 Display Dunning Letter

Output Controller: List of Spool Requests

Spool no.	Type	Date	Time	Status	Pages	Title
22916	DOC	10/19/2025	04:15	Waiting	1	LIST1S LP01 PD1251019

1 Spool request displayed
=====
1 Spool req. being proc.

Company
EDISON WIRE COMPANY LTD.
PO Box 123456
123456

Page 1
Date 19.10.2025
Accounting clerk
Your account no. with us 1251
Our account no. with you

This setting takes into consideration postings up to and including 19.10.2025

1st dunning letter

Dear Sir/Madam,

The invoices listed below are due for payment.

If you have paid the amounts due in the meantime, please disregard this letter.

Sincerely,

Doc. Number	Doc. Date	Curr ency	Amount	Due Date	- Arrears	D
700015	10.05.2025	INR	25,000.00	10.05.2025	162	1
Dunning charge		INR	100.00			
Total of due items		INR	25,100.00			
Balance of account		INR	25,000.00			

Display Dunning Letter (T-code: SP01)

After executing the **dunning run (F150)**, SAP generates **dunning letters** as spool requests. These letters can be displayed or printed using **T-code SP01**, which is the **SAP spool request monitor**.

4.9 Customer Correspondence

Correspondence	
Accounting Clerk	<input type="checkbox"/>
Account at customer	<input type="checkbox"/>
User at customer	<input type="checkbox"/>
Acct.clerks tel.no.	<input type="checkbox"/>
Acctg clerk's fax	<input type="checkbox"/>
Clrk's internet add.	<input type="checkbox"/>
Local Processing	<input type="checkbox"/>
Bank Statement	<input checked="" type="checkbox"/> 2
Coll.Invoice Variant	<input type="checkbox"/>
Account Memo	<input type="checkbox"/>

Periodic Account Statements

General Selections	
Company code	<input type="text"/> P1 <input type="button" value="Q"/>
Account type	<input type="checkbox"/>
Account	<input type="text"/> 1251 <input type="checkbox"/>
Indicator in master record	<input type="checkbox"/> 2
Key dates for acct statement	<input type="text"/> 10/01/2025 <input type="checkbox"/>
Accounting clerks	<input type="checkbox"/> <input type="checkbox"/>

Output Control	
Correspondence	<input type="text"/> SAP06
<input type="checkbox"/> Individual request	

Program Control	
Delete if finished since	<input type="text"/> 8

Print Control	
Log to printer	<input type="checkbox"/> Print Immediately

Periodic Account Statements

Demo client US & DE		Periodic Account Statements Log				
Palo Alto						
CoCd	Correspondence Type	Spool no.	Name	Suf1	Suffix 2	Pages
P1	Account statement	1,595	SAP06	LP01	P1	1



IDES Holding AG, Postfach 16 05 29, D-60070 Frankfurt/M
Company
EDISON WIRE COMPANY LTD.
PO Box 123456
123456

Account statement

Date
23.10.2025
Our clerk

Telephone

Fax

Your account with us
1251

Account statement from 01.10.2025 to 01.10.2025

Doc. Number	Doc. Date	Trans- action ency	Curr- ency	Amount	Clearing
Balance carried forward 01.10.2025: No postings in account statement period.			INR	60,000.00	
Final balance 01.10.2025:			INR	60,000.00	

Customer Correspondence (T-code: F.27)

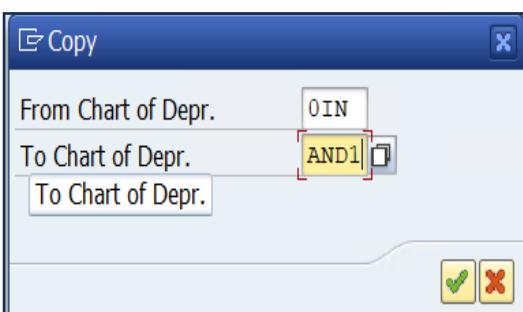
In SAP Financial Accounting, F.27 is used to generate customer correspondence documents, such as statements, reminders, or dunning notices. This transaction allows you to select the customer, company code, and period for which correspondence is to be generated. The system compiles all relevant open and cleared items for the selected customer and produces a formal document that can be printed or sent electronically. This ensures that customers are informed of their outstanding balances, payments received, and due invoices, helping maintain transparency, improve collections, and support effective Accounts Receivable management.

CHAPTER 5: ASSET ACCOUNTING

5.1 Chart of depreciation

5.1.1 Create Chart of Depreciation & Define Depreciation Areas

Activities	
Per...	Name of Activity
<input checked="" type="checkbox"/>	Copy Reference Chart of Depreciation
	Specify Description of Chart of Depreciation
	Copy/Delete Depreciation Areas



Change View "Chart of depreciation: Specify name": Overview	
ChDep	Description
AND1	ART OF DEPRECIATION FOR AND1
AND2	Sample chart of depreciation: India
AVSM	Sample chart of depreciation FOR AVSM

Define Depreciation Areas					
Ar.	Name of Depreciation Area	Real	Trgt Group	Acc.Princ.	G/L
1	BOOK DEP. FOR GAAP AND1	<input checked="" type="checkbox"/>	0L	GAA\$	Area Posts in Real T...
2	BOOK DEP. FOR IFRS AND1	<input checked="" type="checkbox"/>	A\$	IFA\$	Area Posts in Real T...
3	BOOK DEP. FOR GAAP AND1	<input checked="" type="checkbox"/>	0L	GAA\$	Area Does Not Post
4	BOOK DEP. FOR IFRS AND1	<input checked="" type="checkbox"/>	A\$	IFA\$	Area Does Not Post

Change View "Define Depreciation Areas": Details

Deprec. Area	1	BOOK DEP. FOR GAAP AND1
GAAP		

Define Depreciation Areas

Real Depreciation Area

Accounting Principle	GAAS	GAAP FOR AND1
Target Ledger Group	0L	Ledger 0L
Alternative Depreciation Area		
Cross-Syst. Dep.Area		

Posting in the General Ledger

- Area Does Not Post
- Area Posts in Real Time
- Area Posts Depreciation Only
- Area Posts APC Immediately, Depreciation Periodically

Chart of Depreciation and Depreciation Areas (T-code: EC08)

In SAP, the Chart of Depreciation (CoD) is used to manage the depreciation of fixed assets and serves as a template for posting asset transactions consistently across company codes. Using EC08, a CoD is created to define depreciation terms, number ranges for assets, and assignment to company codes. Within the CoD, multiple depreciation areas are configured to support different accounting purposes, such as statutory accounting for GAAP (leading ledger 0L), parallel valuation for IFRS (non-leading ledger L1), tax depreciation, or group reporting. Each depreciation area specifies the depreciation method, posting rules, and GL accounts, and can be linked to one or more ledgers to enable parallel accounting, ensuring that the same asset transaction posts simultaneously under different accounting principles. For example, monthly depreciation of ₹10,000 can post in ledger 0L for GAAP according to local rules and in ledger L1 for IFRS with adjusted fair value. Assigning the CoD and its depreciation areas to company codes and asset classes ensures accurate, automated depreciation posting, maintaining separate valuations for multiple standards while supporting audit-ready reporting and simplifying fixed asset management.

5.1.2 Parallel Currency Setup & Assign Exempt Tax Codes

The top part shows the SAP menu path under 'Integration with General Ledger Accounting' for 'General Valuation'. The path includes 'Set Chart of Depreciation', 'Depreciation Areas', 'Determine Depreciation Areas in the Asset Class', 'Deactivate Asset Class for Chart of Depreciation', 'Amount Specifications (Company Code/Depreciation Area)', 'Fiscal Year Specifications', 'Fiscal Year Variants', 'Shortened Fiscal Years', 'Use of Half Months in the Company Code', 'Define Weighting of Periods', and 'Currencies'. Under 'Currencies', there are two items: 'Define Depreciation Areas for Foreign Currencies' and 'Specify the Use of Parallel Currencies', with the latter highlighted by a yellow box.

The bottom part shows a table titled 'Set Up Parallel Currencies' with the following data:

Ar.	Dep. Area	Currency/Valuation T	ValAd	IdAPC	TTr	IdntTrm
1	GAAP		0	<input type="checkbox"/>	0	<input type="checkbox"/>
2	IFRS		0	<input type="checkbox"/>	0	<input type="checkbox"/>
3	GAAP	30 Group Currency	1	<input checked="" type="checkbox"/>	1	<input checked="" type="checkbox"/>
4	IFRS	30 Group Currency	2	<input checked="" type="checkbox"/>	2	<input checked="" type="checkbox"/>

The bottom section is a screenshot of the 'Change View "Allocate Co.Cd. -> Non-Taxable Transactions": Overview' screen. It shows two rows of company codes and their details:

CoCd	Company Name	City	Input T...	Output ...	Jurisdic. C...
AND1	DROMEDA CORPORATION	AHMEDABAD	A0	V0	
AND2	ANDROMEDA CORPORATION	delhi	V0	A0	

In SAP, **parallel currency** allows postings to be recorded simultaneously in both the **company code currency** and a **group currency** to support **parallel accounting** for standards like GAAP and IFRS. Using the given setup path, you first assign **depreciation areas** to the respective ledgers: for example, GAAP depreciation areas to the **leading ledger 0L** and IFRS depreciation areas to a **non-leading ledger L1**. Each area is configured to post depreciation in both the **local currency** and the **group currency (30)**, ensuring that consolidated reporting can be done in the corporate currency while maintaining statutory reporting in local currency. In addition, for tax handling, you configure **tax codes for exempt transactions** in OBCL. These tax codes are assigned to the appropriate GL accounts so that any exempt transactions are properly posted without affecting tax liability, while still reflecting correctly in both GAAP and IFRS ledgers and the group currency. This setup ensures that depreciation, tax, and other financial postings comply with multiple accounting principles while supporting accurate **parallel reporting and consolidation**.

5.1.3 Assign Chart of Depreciation with Company Code

Change View "Maintain company code in Asset Accounting": Overview			
CoCd	Company Name	Chrt dep	Description
AND1	DROMEDA CORPORATION	AND1	CHART OF DEPRECIATION FOR AND1
AND2	ANDROMEDA CORPORATION		

Tcode: OAOB

In SAP Asset Accounting, the **chart of depreciation** is assigned to a **company code** through **T-code OAOB**. This step is crucial because it links the asset accounting structure with the company's financial accounting environment. In **OAOB**, you select the relevant company code and specify the **chart of depreciation** that contains all predefined **depreciation areas**, methods, keys, and posting rules. This ensures that when assets are created or depreciated, the system knows which rules and areas to apply for both **book depreciation** and **tax or IFRS reporting**. Once the assignment is done, all asset-related postings within that company code will follow the configuration of the assigned chart of depreciation, enabling consistency in accounting across ledgers such as **GAAP and IFRS** for **parallel accounting** purposes.

5.2 Account Determination Configuration

5.2.1 Account Determination & Create Number Range

SAP Asset Accounting - Migration: Asset Accounting (New)

- Check Country Settings/Region Settings
- Copy Reference Chart of Depreciation/Depreciation Areas
- Assign Chart of Depreciation to Company Code
- Specify Number Assignment Across Company Codes
- Specify Account Determination**
- Create Screen Layout Rules
- Define Number Range Interval

New Entries: Overview of Added Entries

Acct. determ.	Name of Account Determination
BUAND1	BUILDING FOR AND1

Edit Intervals: Asset Number, Object ANLAGENNR

Number Range Object	ANLAGENNR	Asset Number Ranges
Company Code	AND1	

Edit Intervals: Asset Number, Object ANLAGENNR, Subobject AND1

Number Range No.	From No.	To Number	NR Status	External
01	000000001000	000000001999	1000	<input type="checkbox"/>
02	000000002000	000000002999	2000	<input type="checkbox"/>

Tcode: AS08

In SAP Asset Accounting, after assigning the chart of depreciation to the company code, the next step is to **create account determination** and **define number ranges** using T-code AS08. Account determination in SAP links asset transactions such as acquisition, depreciation, retirement, and transfer to their corresponding **G/L accounts** in Financial Accounting. Each asset class is assigned an account determination key that tells the system which accounts to use during postings. This ensures automatic and correct postings to the General Ledger without manual intervention.

5.2.2 Define Asset Class

Change View "Asset classes": Details

New Entries

Asset Class	BUAND1	BUILDING FOR AND1
Short Text	BUILDING AND1	

Asset type

Account Determ.	BUILDING	BUAND1
Scr.layout rule	1100	Buildings
Base Unit	<input type="checkbox"/>	

Number assignment

Number Range	02
External sub-no	<input type="checkbox"/>

Inventory data

<input type="checkbox"/> Include Asset
--

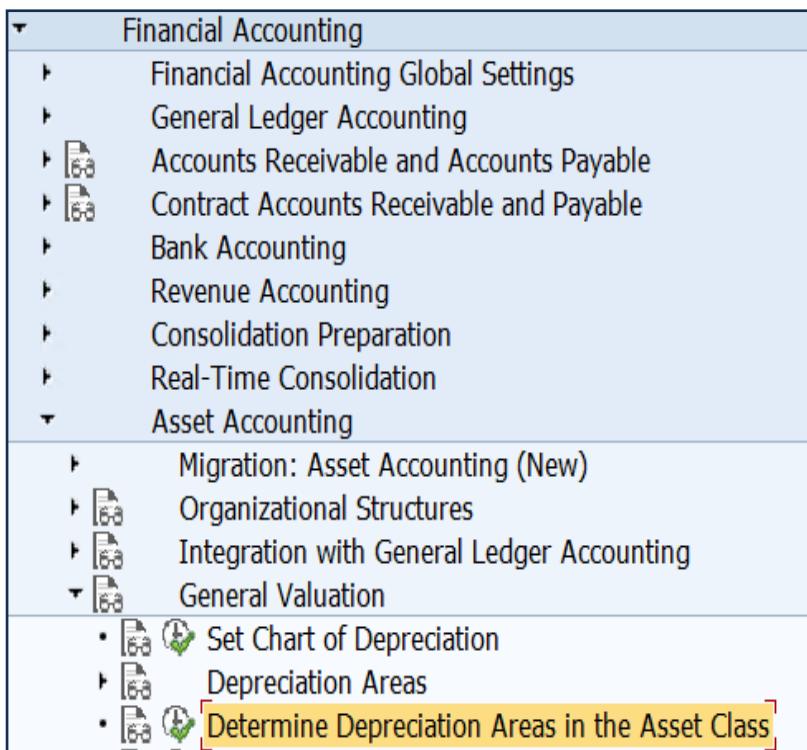
Status of AuC

<input checked="" type="radio"/> No AuC or Summary Management of AuC
<input type="radio"/> Line item settlement
<input type="radio"/> Investment Measure

Tcode: OAOA

In SAP Asset Accounting, **T-code OAOA** is used to **define Asset Classes**, which serve as the main grouping structure for fixed assets. An **Asset Class** determines the control parameters, account determination, number range, and default values for asset master data. Each asset in SAP must belong to an asset class, and this classification helps in organizing assets based on their nature for example, **Machinery**, **Buildings**, **Furniture**, **Vehicles**, or **Computers**. Defining asset classes properly ensures that financial postings are accurate and categorized correctly according to accounting standards such as **IFRS** and **GAAP**, while also simplifying asset reporting and reconciliation.

5.2.3 Activate Depreciation Areas For Asset Class



The screenshot shows the 'Change View "Depreciation areas": Overview' screen. The 'Depreciation areas' node in the dialog structure is selected. The main area displays an asset class chart of depreciation for BUAND1, AND1, titled 'BUILDING FOR AND1' and 'CHART OF DEPRECIATION FOR AND1'. The table lists four entries:

Ar.	Dep. Area	Deact	DepKy	Use	Per	Index	Layou
01	GAAP	<input checked="" type="checkbox"/>	LINK	5			1000
02	IFRS	<input type="checkbox"/>	LINK	6			1000
03	GAAP	<input type="checkbox"/>	LINK	5	0		1000
04	IFRS	<input type="checkbox"/>	LINK	6	0		1000

In SAP Asset Accounting, after defining the depreciation areas in your Chart of Depreciation, the next step is to **activate the depreciation areas** so they can post values to the general ledger and function properly in asset transactions. Activation ensures that each depreciation area such as **Book Depreciation (01)** for **GAAP** and **Parallel Depreciation (30)** for **IFRS** is recognized and actively calculates and posts depreciation values.

5.2.4 Map GL Accounts With Account Determination

- Define Number Range Interval
- Define Asset Classes
- Specify Chart-of-Dep.-Dependent Screen Layout/Acct Assignment
- Country-/Region-Specific Functions
- Integration with General Ledger Accounting
 - Define How Depreciation Areas Post to General Ledger
 - **Assign G/L Accounts**
 - Technical Clearing Account for Integrated Asset Acquisition
 - Integrated Transactions: Alternative Doc. Type for Acctg-Princpl-Spec. Docs
 - Specify Drafting Key for Asset Drafting

Change G/L Account Centrally

G/L Account: 100016 BUILDING ACCOUNT
 Company Code: AND1 ANDROMEDA CORPORATION

Type/Description	Control Data	Create/bank/interest	Key word/translation	Information (C/A)
Control in Chart of Accounts A001 CHARTS OF ACCOUNTS FOR ANDROMEDA				
G/L Account Type	Balance Sheet Account			
Account Group	ASSETS			
Description				
Short Text	BUILDING AC			
G/L Acct Long Text	BUILDING ACCOUNT			
Consolidation Data in Chart of Accounts A001 CHARTS OF ACCOUNTS FOR ANDROMEDA				
Trading Partner No.				

Change G/L Account Centrally

G/L Account: 110009 DEPRECIATION ACCOUNT
 Company Code: AND1 ANDROMEDA CORPORATION

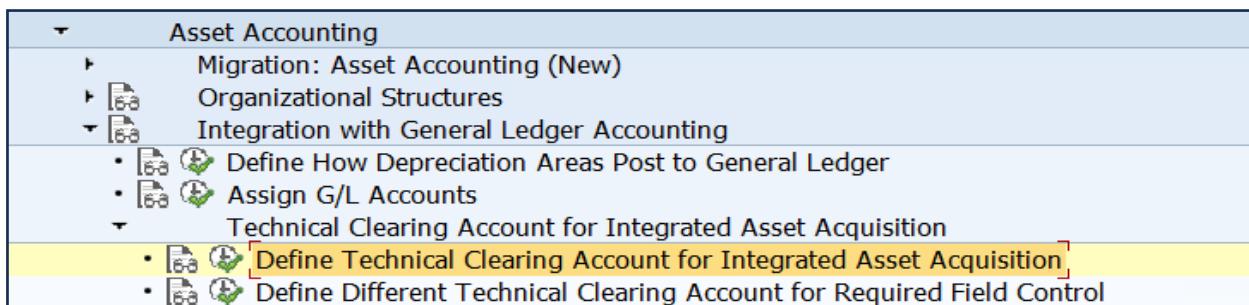
Type/Description	Control Data	Create/bank/interest	Key word/translation	Information (C/A)
Control in Chart of Accounts A001 CHARTS OF ACCOUNTS FOR ANDROMEDA				
G/L Account Type	Nonoperating Expense or Income			
Account Group	EXPENSES			
Description				
Short Text	DEPRECIATION AC			
G/L Acct Long Text	DEPRECIATION ACCOUNT			
Consolidation Data in Chart of Accounts A001 CHARTS OF ACCOUNTS FOR ANDROMEDA				
Trading Partner No.				

Chart of Accts	A001	CHARTS OF ACCOUNTS FOR ANDROMEDA
Account Determ.	BUILDING	BUAND1
Deprec. area	1	BOOK DEP. FOR GAAP AND1
Ordinary depreciation account assignment		
Acc.dep. acnt.for ordinary depreciation	100016	BUILDING AC
Expense account for ordinary depreciat.	110009	DEPRECIATION AC
Expense account for ord. dep. below zero		
Revenue from write-up on ord.deprec.		

Tcode: AO90

In **AO90**, we perform the configuration for **Account Determination** in Asset Accounting. This step links each type of asset transaction to its respective **G/L accounts**, ensuring correct automatic postings in the general ledger. We assign accounts for various purposes such as **asset acquisition, depreciation expense, accumulated depreciation, asset retirement, and clearing accounts**. By doing this, the system knows which G/L account to post to whenever a transaction occurs for a specific asset class. This configuration acts as the bridge between **Asset Accounting (FI-AA)** and **General Ledger (FI)**, ensuring accurate financial reporting and smooth integration between sub-ledger and main ledger.

5.2.5 Create and Assign Technical Clearing Account with Chart of Accounts



Change G/L Account Centrally

G/L Account	100017	TECHNICAL CLEARING ACCOUNT
Company Code	AND1	ANDROMEDA CORPORATION
<input type="button"/> <input type="button"/> <input type="button"/> <input type="button"/> Edit financial statement version <input type="button"/> Edit set Time-Dependent Attributes <input type="button"/> <input type="button"/> <input type="button"/> <input type="button"/> <input type="button"/> <input type="button"/> With Template <input type="button"/> <input type="button"/>		
<input type="button"/> Type/Description <input type="button"/> Control Data <input type="button"/> Create/bank/interest <input type="button"/> Key word/translation <input type="button"/> Information (C/A)		
Control in Chart of Accounts A001 CHARTS OF ACCOUNTS FOR ANDROMEDA		
G/L Account Type	Balance Sheet Account	
Account Group	ASSETS	
Description		
Short Text	TECHNICAL CLEARING A	
G/L Acct Long Text	TECHNICAL CLEARING ACCOUNT	
Consolidation Data in Chart of Accounts A001 CHARTS OF ACCOUNTS FOR ANDROMEDA		
Trading Partner No.		

Change View "Technical Clearing Account for Integrated A..": Overview

<input type="button"/> New Entries	<input type="button"/>					
Technical Clearing Account...						
Ch...	Account					
A001	100017					
AKON	100010					
AMOL	100005					

In this step, we assign the **Technical Clearing Account** with the **Chart of Accounts** to handle asset transactions that involve both the general ledger and asset sub-ledger. The technical clearing account acts as a temporary account used during **asset acquisition with integrated postings**, ensuring that the debit and credit entries between **Asset Accounting (AA)** and **General Ledger (FI)** remain balanced. This assignment helps manage the transfer of values correctly, especially when assets are capitalized through purchase or internal transfers. It ensures smooth posting of entries without discrepancies during real-time integration between FI and AA.

5.3 Closing The Fiscal Year

5.3.1 Create & assign GL For Balance Carry Forward

Change G/L Account Centrally

G/L Account	105006	BALANCE CARRY FORWARD ACCOUNT
Company Code	AND1	ANDROMEDA CORPORATION

Type/Description Control Data Create/bank/interest Key word/translation Information (C/A)

Control in Chart of Accounts A001 CHARTS OF ACCOUNTS FOR ANDROMEDA

G/L Account Type	Balance Sheet Account
Account Group	LIABILITIES

Description

Short Text	BAL CARRY FOR AC
G/L Acct Long Text	BALANCE CARRY FORWARD ACCOUNT

Consolidation Data in Chart of Accounts A001 CHARTS OF ACCOUNTS FOR ANDROMEDA

Trading Partner No.	
---------------------	--

Configuration Accounting Maintain : Automatic Posts - Accounts

Chart of Accounts	A001	CHARTS OF ACCOUNTS FOR ANDROMEDA
Transaction	BIL	Balance Carried Forward

Account assignment

P&L statmt ...	Account
x	105006

In this step, a **G/L account for Balance Carry Forward** is created in FS00 to record the balances carried forward from the previous fiscal year to the new one. This account ensures that closing balances of all asset, liability, and equity accounts are correctly transferred into the next accounting period. After creating the account, it is **assigned in transaction OB53**, which links the company code to this balance carry forward account. This setup is crucial for accurate year-end closing and financial reporting, ensuring continuity of balances across fiscal years.

5.3.2 Configure Year End Closing

General Settings		Legacy Data Transfer																													
<p>Current Settings for Legacy Data Transfer</p> <table border="1"> <tr> <td>Sequence Number</td> <td>1</td> </tr> <tr> <td>Transfer Date</td> <td>03/31/2025</td> </tr> <tr> <td>Legacy Data Transfer Status</td> <td>In Preparation</td> </tr> <tr> <td>Document Type</td> <td></td> </tr> <tr> <td>Comment for Segment</td> <td></td> </tr> <tr> <td>Suppress Depreciation Calculation</td> <td><input type="checkbox"/></td> </tr> </table> <p>History of Legacy Data Transfers</p> <table border="1"> <thead> <tr> <th>Seq.No.</th> <th>Transfer Date</th> <th>Legacy Transfer Status</th> <th>Document Type</th> <th>No Dep.Cal</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>03/31/2025</td> <td>In Preparation</td> <td></td> <td></td> </tr> </tbody> </table>				Sequence Number	1	Transfer Date	03/31/2025	Legacy Data Transfer Status	In Preparation	Document Type		Comment for Segment		Suppress Depreciation Calculation	<input type="checkbox"/>	Seq.No.	Transfer Date	Legacy Transfer Status	Document Type	No Dep.Cal	1	03/31/2025	In Preparation								
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Ledger	01	Ledger 0L	Fiscal Year Variant																												
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	2		Name of Depreciation Area: BOOK DEP. FOR IFRS AND1																												
			Cl.FY: 2024																												
			Last Day in Cl. FY: 03/31/2025																												

In SAP Asset Accounting, **year-end closing** is performed using T-code **FAA_CMP**. This process finalizes all asset-related postings for a fiscal year and prepares the system for the new year. During year-end closing, SAP calculates and posts **depreciation for the final period**, carries forward asset balances, updates **accumulated depreciation**, and ensures that all asset transactions are reflected correctly in the **general ledger**. The program also checks for any inconsistencies or open items that need adjustment before closing. Executing **FAA_CMP** ensures that asset values, depreciation, and accumulated amounts are correctly rolled over, maintaining accurate financial reporting and enabling smooth postings in the new fiscal year.

5.3.3 Run Balance Carry Forward

Balance Carryforward

Check Parameter Result lists Documentation History

Selection

Ledger	<input type="button" value=""/>	to	<input type="button" value=""/>
Company Code	AND1	to	<input type="button" value=""/>
Carry Forward to Fiscal Year	2025	<input type="button" value=""/>	

Options

Test Run: Aggregated Detailed
 Reset Central Balance Carryfwd
 Reset Asset Acct.-Specific BCF

Layout

Layout

Performance Options

Max. Num. Parallel UPD Tasks

Fiscal Year: 2025
Company Code: AND1 ANDROMEDA CORPORATION
Ledger: Multiple
BCF Run ID: 112 (Test Run)

Layout:  Compare

Display of Balances for Run 112 (#0)

Ledger	Company Code	Account Number	Account Description	Original Account	Profit Center	Amnt in Comp Cd Crcy Co
						= = = = = 0.00

Tcode: FAGLGVTR

In SAP, the **Balance Carry Forward** for the general ledger is executed using **T-code FAGLGVTR**. This program transfers the **closing balances of all G/L accounts** from the previous fiscal year to the new fiscal year, ensuring continuity in accounting. During the run, SAP posts the balances of asset, liability, and equity accounts to the **opening balances** of the new year while keeping the previous year's data intact for reporting and audit purposes. This step is essential for accurate **financial statements**, as it ensures that all account balances are correctly brought forward and ready for new-year postings.

5.4 Create Asset Master Data

Display Asset: Master data

Asset values Recalculate values

Asset	2000	0	BUILDING
Class	BUAND1	BUILDING AND1	Company Code
AND1			

General Time-Dependent Assignments Origin Leasing Deprec. Areas

General Data

Description	BUILDING	
Asset Main No. Text	BUILDING	
Account Determ.	BUILDING	BUAND1
Serial number		
Inventory Number		
Quantity	0.000	<input type="checkbox"/>
<input type="checkbox"/> Manage historically		

Display Asset: Master data

Asset values Recalculate values

Asset	2000	0	BUILDING
Class	BUAND1	BUILDING AND1	Company Code
AND1			

General Time-Dependent Assignments Origin Leasing Deprec. Areas

Interval from 01/01/1900 to 12/31/9999

Business Area	A002	MANUFACTURING BUSINESS
Cost Center	AND0	MARKETING
Maintenance Order		
Location		
Room		
Profit Center	AND5	it
Segment	A0001	MACHINERY EXPORTS

More Intervals

Display Asset: Master data

Asset values Recalculate values

Asset	2000	0	BUILDING
Class	BUAND1	BUILDING AND1	Company Code AND1

General Time-Dependent Assignments Origin Leasing Deprec. Areas

Valuation

Deact	A..	Depreciation area	DKey	UseLife	Prd	ODep Start
<input type="checkbox"/>	01	GAAP	LINK	5	004/01/2025	
<input type="checkbox"/>	02	IFRS	LINK	6	004/01/2025	
<input type="checkbox"/>	03	GAAP	LINK	5	004/01/2025	
<input type="checkbox"/>	04	IFRS	LINK	6	004/01/2025	

Create Asset Master Data (T-code: AS01)

In SAP Asset Accounting, **AS01** is used to **create asset master records**, which store all essential information about a fixed asset, such as asset class, company code, cost center, location, and capitalization date. When creating an asset master, you also specify the **acquisition value, useful life, depreciation key, and depreciation areas** (e.g., GAAP and IFRS) so that SAP can calculate and post depreciation automatically.

5.5 Aquisition From Purchase of Asset

5.5.1 Enter Vendor Invoice & Aquisition

Acquisition from Purchase w. Vendor: Header Data

Held Document	Account Assignment Model	Fast Entry	<input checked="" type="checkbox"/> Post with Reference	<input checked="" type="checkbox"/> Editing Options
Document Date 04/01/2025	Type KR	Company Code AND1		
Posting Date 04/01/2025	Period 7	Currency/Rate INR		
Document Number	Translatn Date			
Reference	Cross-CC Number			
Doc.Header Text				
Trading Part.BA				

Enter Vendor Invoice: Add Vendor item

Supplier 2100000006	CYGNUS INDUSTRIES LTD	G/L Acc 105005
Company Code AND1	MEHSANA	
Item 1 / Invoice / 31		
Amount 250000	INR	
<input type="checkbox"/> Calculate Tax	BusPlace/Sectn	/
Bus. Area		
Pvt Terms		
Bline Date 04/01/2025	Days/Percent	/
CD Base	Fixed	/
Pmnt block	CD Amount	/
Assignment	Invoice Ref.	/
Text	Payt Method	/
Next Line Item		
PstKy 70	Account 2000-0	SGL Ind
<input type="checkbox"/> TType 100		<input checked="" type="checkbox"/> New Co.Code

Enter Vendor Invoice: Add Asset item

G/L Account 100017	TECHNICAL CLEARING ACCOUNT	Trans.type 920
Company Code AND1	ANDROMEDA CORPORATION	<input type="checkbox"/>
Asset 2000	BUILDING	
Item 2 Debit asset / 70 External asset acqui / 100		
Amount 250000	INR	
<input type="checkbox"/> Calculate Tax	Bus.Place/Sectn	/
Business Area A002	<input type="checkbox"/> W/o CashDsc.	
Cost Center		
Profit Center AND5	it	
Assignment	<input checked="" type="checkbox"/> More	
Text	<input checked="" type="checkbox"/> Long Texts	

Asset Acquisition from Purchase (T-code: F-90)

In SAP Asset Accounting, **F-90** is used to post the **acquisition of an asset from an external purchase**. This transaction integrates **Asset Accounting (AA)** with **Accounts Payable (FI-AP)** and the **General Ledger (FI)**. During the posting, you select the asset master, company code, acquisition value, and the vendor from whom the asset is purchased.

5.5.2 Display Acquisition In Asset Explorer

The screenshot shows the SAP Asset Explorer interface for asset AND1-2000/0000. The top right displays company code AND1, asset 2000, and building information for ANDROMEDA CORPORATION. The left sidebar shows depreciation areas (GAAP and IFRS) and objects related to the asset (Vendor, Cost Center, G/L Account, Profit Center). The main area is titled 'Planned values BOOK DEP. FOR GAAP AND1' and shows a table of financial data:

Value	Fiscal year start	Change	Year-end	Crcy
APC transactions		400,000.00	400,000.00	INR
Investment support				INR
Acquisition value		400,000.00	400,000.00	INR
Ordinary deprec.	80,000.00-	80,000.00-		INR
Unplanned dep.				INR
Write-ups				INR
Value adjustment				INR
Net book value		320,000.00	320,000.00	INR

Below this is a 'Transactions' section with a table:

Asset Val. Date	Amount	TType	Transaction Type Name	Crcy
04/01/2025	150,000.00	100	External asset acquisition	INR
04/01/2025	250,000.00	100	External asset acquisition	INR

Display Asset Acquisition in Asset Explorer (T-code: AW01N)

After posting an asset acquisition, AW01N is used to **display detailed information about an asset** in the **Asset Explorer**. This tool shows all transactions related to the asset, including acquisition value, depreciation posted, accumulated depreciation, and net book value.

By entering the asset master number and company code, you can view a **complete overview of the asset's financial data**, including historical transactions, planned depreciation, and assigned depreciation areas for parallel accounting (e.g., GAAP and IFRS). Asset Explorer helps in **tracking asset value, verifying postings, and ensuring accurate reporting** in both the asset sub-ledger and the general ledger.

5.6 Post Depreciation

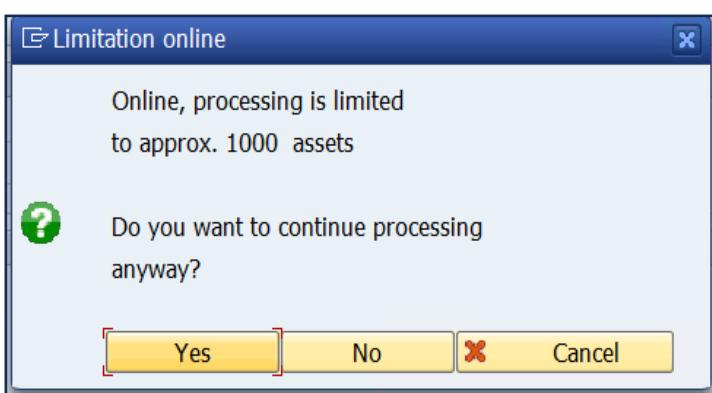
5.6.1 Run Depreciation Posting

Company Code	AND1	ANDROMEDA CORPORATION			
Deprec. Area	1	GAAP			
Account Assignment Objects					
AcctAsgnOb	Acct Asgnmt Obj. Name	Tra	Transact. Type Text	Account Assignment Type	AcctAssgnt
KOSTL	Cost Center	*	Generic Trans. Type	APC Values Posting	<input checked="" type="checkbox"/>
KOSTL	Cost Center	*	Generic Trans. Type	Depreciation Run	<input checked="" type="checkbox"/>

Depreciation Posting Run

Info for Posting Parameters

Posting Parameters		
Company Code AND1	to []	[]
Accounting Principle []	to []	[]
Fiscal Year 2025		
Posting Period 6		
Parallel Processing		
Server Group []		
Number of Parallel Processes 10		
Output Options		
<input checked="" type="radio"/> Totals Log		
<input type="radio"/> Detailed Log		
<input type="radio"/> No Output Log		
Layout []		
Test Run Parameters		
<input checked="" type="checkbox"/> Test Run		
Asset []	to []	[]
Sub-number []	to []	[]



TEST RUN						
Company Code:	AND1					
Processed Fixed Assets:	1					
Fixed Assets Without Errors:	1					
Fixed Assets with Errors in at Least One Area:	0					
Run Date:	10/20/2025					
S... Acc...	DocumentNo	Description	Period	Amount in Company Code	Currency	Comp...
GAA\$	\$ 2	Ordinary Depreciat.	1	4,166.67-	INR	
GAA\$	\$ 2		2	4,166.66-	INR	
GAA\$	\$ 2		3	4,166.67-	INR	
GAA\$	\$ 2		4	4,166.67-	INR	
GAA\$	\$ 2		5	4,166.66-	INR	
GAA\$	\$ 2		6	4,166.67-	INR	
Ordinary Depreciat.				25,000.00-	INR	
Depreciation area 1				25,000.00-	INR	
IFA\$	\$ 1	Ordinary Depreciat.	1	3,472.23-	INR	
IFA\$	\$ 1		2	3,472.21-	INR	
IFA\$	\$ 1		3	3,472.23-	INR	
IFA\$	\$ 1		4	3,472.22-	INR	
IFA\$			5	3,472.22-	INR	
IFA\$			6	3,472.22-	INR	
Ordinary Depreciat.				20,833.33-	INR	
Depreciation area 2				20,833.33-	INR	
Company Code AND1				45,833.33-	INR	
				45,833.33-	INR	

Post Depreciation (T-code: AFAB & ACSET)

In SAP Asset Accounting, **AFAB** is used to **post depreciation for assets** for a given fiscal period. This transaction calculates depreciation based on the **depreciation key, useful life, and depreciation areas** defined in the asset master and chart of depreciation.

In **ACSET**, while executing the depreciation run, SAP allows you to define **account assignment objects** such as **cost centers, profit centers, or internal orders** for each depreciation area. This is especially important in systems with **parallel accounting** (GAAP and IFRS), because depreciation postings are made to **different ledgers** simultaneously.

5.6.2 Display Posted Depreciation for GAAP

Depreciation posted/planned									
	Status	Status	Per	Ord. Dep.	TBP	Uplnd Dep.	Reserves	Revaluat.	Crcy
■	Posted	Posted	6	40,000.00-		0.00	0.00	0.00	INR
▲	Planned	Planned	7	6,666.67-		0.00	0.00	0.00	INR
▲	Planned	Planned	8	6,666.66-		0.00	0.00	0.00	INR
▲	Planned	Planned	9	6,666.67-		0.00	0.00	0.00	INR
▲	Planned	Planned	10	6,666.67-		0.00	0.00	0.00	INR
▲	Planned	Planned	11	6,666.66-		0.00	0.00	0.00	INR
▲	Planned	Planned	12	6,666.67-		0.00	0.00	0.00	INR
				■ 80,000.00-		■ 0.00	■ 0.00	■ 0.00	INR

	Status	Status	Per	Ord. Dep.	TBP	Uplnd Dep.	Reserves	Revaluat.	Crcy
■	Posted	Posted	6	8.57-		0.00	0.00	0.00	USD
▲	Planned	Planned	7	1.42-		0.00	0.00	0.00	USD
▲	Planned	Planned	8	1.43-		0.00	0.00	0.00	USD
▲	Planned	Planned	9	1.43-		0.00	0.00	0.00	USD
▲	Planned	Planned	10	1.43-		0.00	0.00	0.00	USD
▲	Planned	Planned	11	1.43-		0.00	0.00	0.00	USD
▲	Planned	Planned	12	1.42-		0.00	0.00	0.00	USD
				■ 17.13-		■ 0.00	■ 0.00	■ 0.00	USD

Display Depreciation in Asset Explorer (AW01N) – GAAP Posting

After posting depreciation using AFAB, AW01N can be used to display detailed depreciation information for each asset. For **GAAP**, depreciation is posted in the **leading ledger (0L)**, reflecting both the **company code currency (INR)** and the **group currency (USD)** if parallel currency is configured. The system debits the **depreciation expense account** and credits the **accumulated depreciation account**, updating both the asset sub-ledger and the general ledger in both currencies. This ensures that statutory reporting and consolidation reporting are aligned, providing accurate financial information in **local and group reporting currencies**.

5.6.3 Display Posted Depreciation for IFRS

Status	Status	Per	Ord.Dep.	TBP	Uplnd Dep.	Reserves	Revaluat.	Crcy
Posted	Posted	6	33,333.33-		0.00	0.00	0.00	INR
Planned	Planned	7	5,555.56-		0.00	0.00	0.00	INR
Planned	Planned	8	5,555.55-		0.00	0.00	0.00	INR
Planned	Planned	9	5,555.56-		0.00	0.00	0.00	INR
Planned	Planned	10	5,555.56-		0.00	0.00	0.00	INR
Planned	Planned	11	5,555.55-		0.00	0.00	0.00	INR
Planned	Planned	12	5,555.56-		0.00	0.00	0.00	INR
▪ 66,666.67- ▪				0.00	0.00	0.00	0.00	INR

Status	Status	Per	Ord. Dep.	Uplnd Dep.	Reserves	Revaluat.	Crcy
Posted	Posted	6	7.14-	0.00	0.00	0.00	USD
Planned	Planned	7	1.19-	0.00	0.00	0.00	USD
Planned	Planned	8	1.19-	0.00	0.00	0.00	USD
Planned	Planned	9	1.19-	0.00	0.00	0.00	USD
Planned	Planned	10	1.19-	0.00	0.00	0.00	USD
Planned	Planned	11	1.19-	0.00	0.00	0.00	USD
Planned	Planned	12	1.19-	0.00	0.00	0.00	USD
▪ 14.28- ▪				0.00	0.00	0.00	0.00 USD

Display Depreciation in Asset Explorer (AW01N) – IFRS Posting

For IFRS, depreciation is posted in a **non-leading ledger (A\$)**, following IFRS-specific valuation rules. Similar to GAAP, the depreciation posting is reflected in both **local currency (INR)** and **group currency (USD)** when parallel currency is configured. AW01N shows the depreciation expense, accumulated depreciation, and net book value under IFRS separately from GAAP postings. This parallel setup allows organizations to maintain **dual accounting**, ensuring that IFRS-compliant financial statements are accurately updated while keeping GAAP reporting intact.

5.7 Display Tables

ACDOCA: Display of Entries Found																															
		Universal Journal Entry Line Items																													
Search in Table		Universal Journal Entry Line Items																													
Number of Hits		144																													
Runtime		0 Maximum No. of Hits 500																													
Insert Column																															
Ld	CoCode	Year	DocumentNo	LineI	GLFY	DocNOLD	R	TTy	TrTy	BTran	BusTranCat	BusTranTyp	ClosngStp	Ref. proc.	Log.System	Ref.O															
OL	AND1	2025	1	000001	2025		0	RFBU		RFPO	RFPO			BKPF		AND1															
OL	AND1	2025	1	000002	2025		0	RFBU		RFPO	RFPO			BKPF		AND1															
OL	AND1	2025	1	000003	2025		0	RFBU		RFPO	RFPO			BKPF		AND1															
OL	AND1	2025	2	000001	2025		0	RFBU		RFPO	RFPO			BKPF		AND1															
OL	AND1	2025	2	000002	2025		0	RFBU		RFPO	RFPO			BKPF		AND1															
OL	AND1	2025	2	000003	2025		0	RFBU		RFPO	RFPO			BKPF		AND1															
OL	AND1	2025	3	000001	2025		0	RFBU		RFPO	RFPO			BKPF		AND1															

Tcode: SE16N

In SAP, **SE16N** is used to display and analyze database tables for financial and asset accounting. Key tables include **ACDOCA**, which stores all line-item postings in the Universal Journal for FI, CO, and Asset Accounting, providing details like document number, posting date, amount, currency, ledger, and account assignments. **SKA1** contains G/L account master data at the chart of accounts level, including account numbers, account groups, and account types, while **BSIS** lists open items for G/L accounts, showing debit/credit amounts, posting dates, and document references. Using SE16N, users can enter the table name, apply selection criteria such as company code, fiscal year, or account, and display relevant records, enabling verification of postings, analysis of balances, and troubleshooting of financial data for both Asset Accounting and General Ledger.

5.8 Financial Statement Version

5.8.1 Financial Statement Version Configuration

New Entries: Details of Added Entries

Financial Statement Items				
FS Version	AND1			
Name	FSV FOR AND1			

General Specifications

Maintenance Language	EN
Auto. Item Keys	<input checked="" type="checkbox"/>
Chart of Accounts	A001
Group Account Number	A001
Fun.Area Perm.	CHARTS OF ACCOUNTS FOR ANDROMEDA

Change Financial Statement Version

- CURRENT LIABILITIES
 - ACCOUNTS PAYABLE
 - A0010000105005 - 0000105005 x|x reconciliation vendor account
- ASSETS
 - NON CURRENT ASSETS
 - BUILDING ACCOUNT
 - A0010000100003 - 0000100003 x|x BUILDING ACCOUNT
 - MACHINERY ACCOUNT
 - A0010000100002 - 0000100002 x|x machinery account
 - PLANT ACCOUNT
 - A0010000100001 - 0000100001 x|x BANK ACCOUNT
 - CURRENT ASSETS
 - CASH ACCOUNT
 - A0010000100000 - 0000100000 x|x CASH ACCOUNT
 - INVENTORIES ACCOUNT
 - A0010000100009 - 0000100009 x|x stock of wire cables account
 - ACCOUNTS RECEIVABLES
 - A0010000100015 - 0000100015 x|x CUSTOMER RECONCILIATION ACCOUNT

T-code: OB58

In SAP, a **Financial Statement Version (FSV)** defines the structure and hierarchy for reporting financial statements such as the **Balance Sheet** and **Profit & Loss Statement**. Using **T-code OB58**, you can create or modify an FSV by grouping G/L accounts into **nodes** and **sub-nodes** that represent line items in financial reports. Each node can include one or more G/L accounts, and the hierarchy determines how accounts are totaled and displayed in reports.

5.8.2 Display Financial Statement Version

Financial Statements						
ANDROMEDA CORPORATION Ledger 0L				FSV FOR AND1		Time 02:48:41 Dat RFBILA00/VACSFIN219 Pag
Company code AND1 Business area ****				Amounts in INR		
G	CoCd	BusA	Texts	Reporting periods (2025.01-2025.16)	Comparison periods (2024.01-2024.16)	Abs. Difference
			EQUITY AND LIABILITIES			
			RESERVES AND SURPLUS			
			LIABILITIES			
			ACCOUNTS PAYABLE			
	AND1		0000105005 reconciliation vendor account	450,000.00-	0.00	450,000.00-
				450,000.00-	0.00	450,000.00-
				450,000.00-	0.00	450,000.00-
				450,000.00-	0.00	450,000.00-
ANDROMEDA CORPORATION Ledger 0L				FSV FOR AND1		Time 02:48:41 Dat RFBILA00/VACSFIN219 Pag
Company code AND1 Business area ****				Amounts in INR		
G	CoCd	BusA	Texts	Reporting periods (2025.01-2025.16)	Comparison periods (2024.01-2024.16)	Abs. Difference
			NON CURRENT ASSETS			
			CURRENT ASSETS			
	AND1		0000100001 BANK ACCOUNT	32,500.00-	0.00	32,500.00-
				32,500.00-	0.00	32,500.00-
				32,500.00-	0.00	32,500.00-
	AND1		0000100009 stock of wire cables account	114,000.00	0.00	114,000.00
				114,000.00	0.00	114,000.00
				114,000.00	0.00	114,000.00
				81,500.00	0.00	81,500.00

T-code: F.01

After configuring the Financial Statement Version (FSV) in OB58, you can display the financial statements using T-code F.01. This report generates Balance Sheet and Profit & Loss statements based on the FSV hierarchy and includes all assigned G/L accounts. You can select the company code, fiscal year, period, and ledger to view the statements in both local currency (e.g., INR) and group currency (e.g., USD) if parallel currency is configured.

CHAPTER 6: FI-CO INTEGRATION

6.1 Define Controlling Area

6.1.1 Configure Controlling Area

Change View "Basic data": Details

Controlling Area	CoCd	Company Name
P1	POLARIS INDUSTRIES LTD.	

T-code: **OKKP**

Explanation:

This step is used to **create and define the Controlling Area (CO Area)**, which is the **central organizational unit** in Controlling (CO) that manages cost accounting. A Controlling Area groups together one or more Company Codes for **internal reporting and cost control** purposes. It helps in analyzing costs, revenues, and profitability across the organization.

6.1.2 Define Number Range For Controlling Area

Edit Intervals: CO Document, Object RK_BELEG

Number Range Object	RK_BELEG	Number Ranges for CO Document
CO Area	P01	
Intervals		NR Status

Edit Intervals: CO Document, Object RK_BELEG, Subobject P01

Number Range No.	From No.	To Number	NR Status	External
01	0100000000	0199999999	0	<input type="checkbox"/>
02	0200000000	0299999999	200000099	<input type="checkbox"/>
03	0300000000	0399999999	0	<input type="checkbox"/>
04	0400000000	0499999999	0	<input type="checkbox"/>

Define Number Range for Controlling Area (T-code: KANK)

KANK is used to define number ranges for controlling area objects such as cost centers and profit centers. Each controlling area requires a unique number range to ensure that all master data and transactions within CO are uniquely identified.

In this step, you specify the interval of numbers (from minimum to maximum) and whether numbers are internal (system-assigned) or external (user-assigned). This ensures proper tracking, prevents duplication, and maintains consistency across all controlling objects within the controlling area.

6.2 Profit Center

6.2.1 Configure Profit Center

Create Profit Center

Master Data	
Profit Center	P05
CO Area	P01
Copy from	
Profit Center	
CO Area	P01

Display Profit Center

Drilldown	Analysis Period
General Data	
Profit Center	P05
Controlling Area	P01
Validity Period	01/01/2025
	COA FOR POLARIS
To	12/31/9999
Basic Data Indicators Company Codes Address Communication History	
Descriptions	
Profit Center	P05
Analysis Period	01/01/2025
Name	OIL PAINTS
Long Text	OIL PAINTS SEGMENT
Basic Data	
User Responsible	
Person Respons.	MANAGER
Department	
Profit Ctr Group	POLARIS
Segment	P0001
COA FOR POLARIS	
paints divison	

T-code: KE51

Explanation:

A **Profit Center** represents a business segment or branch for which profits and losses are tracked separately. Using **KE51**, we create a Profit Center by defining details like **Controlling Area**, **Profit Center Code**, **Name**, **Responsible Person**, and **Validity Dates**. If changes are needed later, we use **KE52** to modify it, and **KE53** to display it. Since the Profit Center was already created earlier, it was viewed using **KE53**.

6.2.2 Create GL & Post Customer Invoice With Profit Center Assignment

The image consists of two vertically stacked screenshots of SAP Fiori applications.

Screenshot 1: Change G/L Account Centrally

This screen shows the configuration of a General Ledger (G/L) account. The G/L Account is set to 115001 (sales account) and the Company Code is AND1 (ANDROMEDA CORPORATION). The 'Primary Costs or Revenue' account type is selected under Control in Chart of Accounts A001 CHARTS OF ACCOUNTS FOR ANDROMEDA. The account group is INCOME. The description is SALES AC, and the short text is sales account.

Control in Chart of Accounts A001 CHARTS OF ACCOUNTS FOR ANDROMEDA
G/L Account Type: Primary Costs or Revenue
Account Group: INCOME

Screenshot 2: Create Customer Invoice

This screen shows the creation of a customer invoice. The customer is EDISON WIRE COMPANY LTD., PO Box 123456, 123456, INDIA. The invoice date is 10/20/2025, and the amount is 25000 INR. The profit center assigned is P05. The table below details the invoice items.

St...	G/L acct	Short Text	D/C	Amount in doc.curr.	Sc...	Pint	P...	Purc...	Profit center	Partner p...
	115001		Cred... ▾	25,000.00					P05	Q
			Cred... ▾							

(T-codes: FS00 & FB70)

In SAP, the first step is to create a Sales G/L account in FS00 under the appropriate account group (usually a revenue account). Once the G/L account is created, a customer invoice can be posted using FB70. Assigning the profit center ensures that revenue is properly captured for management reporting, allowing performance analysis at the profit center level alongside statutory financial reporting.

6.3 Cost Center

6.3.1 Configure Cost Center

Create Cost Center: Initial Screen

Controlling Area	P01
Cost Center	P08
Valid From	10/05/2025
to	12/31/9999

Reference

Cost Center	
Controlling Area	

Basic data

Cost Center	P08	HR DEPT
Controlling Area	P01	COA FOR POLARIS
Valid From	05/09/2025	to 12/31/9999

Names

Name	HR DEPT
Description	HUMAN RESOURCE DEPARTMENT

Basic data

User Responsible		
Person Responsible	HR MANAGER	
Department		
Cost Center Category	E	Development
Hierarchy area	POLARIS	
Business Area	P001	BUSINESS AREA FOR AHMEDABAD
Functional Area		
Currency	INR	
Profit Center	P05	OIL PAINTS

T-code: **KS01**

Explanation:

A **Cost Center** is an organizational unit where **costs are collected and tracked** for internal reporting. Using **KS01**, you can create a Cost Center by defining the **Controlling Area, Cost Center Code, Name, Cost Center Category, and Validity Dates**. Cost Centers are usually assigned to a **Profit Center** to monitor profitability at a more granular level. If changes are needed later, use **KS02**, and for viewing, use **KS03**.

6.3.2 Create GL & Post It With Cost Center Assignment

Change G/L Account Centrally

G/L Account: 110001 WAGES ACCOUNT
Company Code: P1 POLARIS INDUSTRIES LTD.

Type/Description Control Data Create/bank/interest Key word/translation Information (C/A)

Control in Chart of Accounts P001 CHART OF ACCOUNTS FOR POLARIS

G/L Account Type	Primary Costs or Revenue
Account Group	EXPENSES

Description

Short Text	WAGES ACCOUNT
G/L Acct Long Text	WAGES ACCOUNT

Consolidation Data in Chart of Accounts P001 CHART OF ACCOUNTS FOR POLARIS

Trading Partner No.	
---------------------	--

Enter G/L Account Document: Company Code P1

Tree On Company Code Hold Simulate Park Editing Options

Basic Data Details

Document Date	10/21/2025	Currency	INR
Posting Date	10/21/2025		
Reference			
Doc.Header Text			
Cross-CC Number			
Company Code	P1	POLARIS INDUSTRIES LTD. ahmedabad	

Amount Information

Total Dr.	
Total Cr.	

0 Items (No entry variant selected)

St...	G/L acct	Short Text	D/C	Amount in doc.curr.	Par...	Cost center	Order
	110001		Debit ▾	10000		P09	
	100001		Cred... ▾	10000			

Post Expense with Cost Center Assignment (T-codes: FS00 & FB50)

In SAP, first, a wages or expense G/L account is created in FS00 under the appropriate account group (typically an expense account). During posting, you enter the company code, G/L account, amount, and cost center assignment. The debit is posted to the wages/expense G/L account and the credit to the bank or cash account. Assigning the cost center ensures that the expense is captured in Controlling (CO) for cost tracking and analysis, while simultaneously updating the General Ledger (FI) for accurate financial reporting.

6.3.3 Change Cost Center

Enter Manual Repostings of Primary Costs

<input type="button" value="Entry Data"/>	<input type="button" value="Additional Info"/>					
CO Area Doc. Date Postg Date Transl.Dte Ref. Doc. Doc. Text	Doc. Type Val. Date Period <input type="button" value="Confirm"/>	Ledger Grp				
<input type="button" value="Scrn var."/> Cost center <input type="button" value="Input Type"/> List Entry						
Items						
ItmNo.	CCtr (old)	Cost Elemt.	Amount	Cry	CCtr (new)	Total Quantity
0000	P09	110001	<input type="text"/>	15000	INR	p08
0000					USD	

Change Cost Center Assignment for Posted Documents (T-code: KB11N)

In SAP, KB11N is used to adjust or reassign cost centers for previously posted internal activity allocations or expense postings. This transaction allows corrections when a posting was made to an incorrect cost center or when costs need to be reallocated. During KB11N, you select the document or line item, specify the new cost center, and post the adjustment. The system updates the Controlling (CO) module, ensuring that the expense is correctly reflected in the new cost center, while maintaining the original posting in the General Ledger (FI). This ensures accurate cost tracking, reporting, and reconciliation between FI and CO.

6.3.4 Fetch Cost Center By Cost Element

Change View "Default account assignment": Overview

The screenshot shows the SAP Fiori interface for managing default account assignments. On the left, a tree view under 'Dialog Structure' shows 'Default account assignment' expanded, with 'Detail per business area/v' and 'Detail per profit center' as children. On the right, a table lists assignments with columns: CoCd, Cost Elemt., B..., Cost Ctr, Order, Prf..., Profit Ctr, and A.. Acct assignmnt detail.

CoCd	Cost Elemt.	B...	Cost Ctr	Order	Prf...	Profit Ctr	A.. Acct assignmnt detail
1010 41090000		<input type="checkbox"/>	10101602		<input type="checkbox"/>		
1010 44000000		<input type="checkbox"/>	10101602		<input type="checkbox"/>		
1010 44001000		<input type="checkbox"/>	10101602		<input type="checkbox"/>		
1010 44008100		<input type="checkbox"/>	10101101		<input type="checkbox"/>		
1010 50000100		<input type="checkbox"/>			<input type="checkbox"/>		

Change View "Default account assignment": Detail

This screenshot shows a detailed view of a specific assignment. The tree structure on the left shows 'Default account assignment' expanded. The table on the right has columns: CoCd, Cost Elemt., B..., Cost Ctr, and Order. One row is selected, highlighted in yellow, with values: P1, 0002, P08, and an empty Order field.

CoCd	Cost Elemt.	B...	Cost Ctr	Order
P1	0002	<input type="checkbox"/>	P08	

Change View "Default account assignment": G/L Account

This screenshot shows a table of G/L accounts with their short text, debit/credit status, amount, and assigned cost centers. Two rows are selected, highlighted in yellow, with values: 110002, WATER BILL, Debit, 15,000.00 P1, P001, and P08. The last row is a blank header row.

St...	G/L acct	Short Text	D/C	Amount in doc.curr.	Co...	Tradi...	Bu...	Par...	Cost center
<input checked="" type="checkbox"/>	110002	WATER BILL	Debit ▾	15,000.00	P1		P001		P08
<input checked="" type="checkbox"/>	100001	cash a/c	Cred... ▾	15,000.00	P1				
					P1				

Automatic Cost Center Assignment (T-code: OKB9)

In SAP, OKB9 is used to automatically derive a cost center based on the cost element (G/L account) during posting. This configuration eliminates the need to manually enter a cost center every time a cost-related G/L account (like wages, rent, or utilities) is used. In OKB9, you assign a default cost center for each cost element and company code, and optionally for a profit center or business area. When a financial posting is made to that G/L account in FI transactions (e.g., FB50, FB60), the system automatically fetches the cost center from OKB9. This ensures consistent cost allocation, reduces posting errors, and maintains proper integration between Financial Accounting (FI) and Controlling (CO) without requiring user intervention at the time of posting.

CHAPTER 7: FI-MM INTEGRATION

7.1 Procure To Pay Process

7.1.1 Create Purchase Requisition in MM

The screenshot shows the SAP Materials Management (MM) interface for creating a purchase requisition (PR). The top navigation bar includes 'Pur. Requisition' (selected), 'Source Determination', and 'Description'. The main area is titled 'Texts' and contains a table with one row labeled 'Header Note' containing 'DEMO REQUISITION'. Below this is a toolbar with icons for continuous text, delete, and notes. The main grid displays material details: Item A (10), Material (1535, Basic Paint), Quantity (1,000), Unit (L), Delivery Date (10/27/2025), and Material Group (Semi-Finishe...). The bottom section is a detailed view for item 10, 1535, Basic Paint, showing valuation price (100.00 INR / 1 L), total value (100,000.00), and checkboxes for Goods Receipt and Inv. Receipt.

Stat...	Item A	I	Material	Short Text	Quantity	Unit	C	Delivery Date	Material Group
▲	10		1535	Basic Paint	1,000	L	D	10/27/2025	Semi-Finishe...

Item		[10] 1535 , Basic Paint	Material Data	Quantities/Dates	Valuation	Source of Supply	Status	Contact Person	Texts	Deliv...
Valuation Price	100.00	INR	/ 1	L	Total Value	100,000.00				
PO price	Do not apply				Tax Code					
Promotion										
<input checked="" type="checkbox"/> Goods Receipt										
<input checked="" type="checkbox"/> Inv. Receipt										

Create Purchase Requisition (T-code: ME51N)

In SAP Materials Management (MM), ME51N is used to create a purchase requisition (PR), which is an internal request to procure materials or services. While creating the PR, you specify details such as material or service, quantity, delivery date, plant, purchasing group, and account assignment.

7.1.2 Create Purchase Order in MM

Create Purchase Order

Document Overview On | Hold | Print Preview | Personal Setting

Standard PO | Supplier: 2100000002 Embio Limited | Doc. Date: 10/22/2025

S..	Itm	Glob...	A	I	Material	Short Text	PO Quantity	O...	S..	C	Deliv. Date	Net Price
10					1535	Basic Paint	1000 L			D	10/22/2025	

Display Scope: All Items | Char. Display

Item: [10] 1535 , Basic Paint

Material Data | Quantities/Weights | Delivery Schedule | Delivery | Invoice | Conditions | Texts | Delivery Address | Confirmations

Quantity: 1 L | Net: 0.00 INR

Condition Record | Analysis | Update

Pricing Elements

I...	CnTy	Description	Amount	Crcy	per	U...	Condition Value	Crcy	Status	NumC...	ATO/MTS Comp
10	PBXX	Gross Price	170	INR	1 L		0.00	INR		1	
10	PMP0	Manual Gross Price	170	INR	1 L		0.00	INR		1	

Create Purchase Order (T-code: ME21N)

In SAP Materials Management, ME21N is used to create a Purchase Order (PO) based on a purchase requisition, a planned requirement, or manually. During PO creation, you enter details such as vendor, material or service, quantity, delivery date, plant, purchasing organization, and account assignment.

7.1.3 Create Purchase Order in MM

Goods Receipt Purchase Order 4500002192

Hide Overview | Hold | Check | Post | Help

My Documents

- Purchase Orders
 - 4500002192
 - 4500002191
 - 4500002190
- Orders
 - Blank
- SumJC (Kanban)
 - Blank
- Reservations
 - Blank
- Material Documents
 - 5000002768
 - 5000002767
- Held Data
 - Blank

Goods Receipt | Purchase Order | GR goo

General	Vendor					
Document Date: 10/22/2025	Delivery Note:					
Posting Date: 10/22/2025	Bill of Lading:					
Individual Slip	HeaderText:					
Supplier: Embio Limited						
Line: 1	Mat. Short Text: Basic Paint	OK	Qty in UnE: 1,000	EUn	SLoc: Raw Materials	Stock Seg:
<input type="button" value="H"/> <input type="button" value="B"/> <input type="button" value="Delete"/> <input type="button" value="Contents"/> <input type="button" value="GR"/> <input type="button" value="MM"/>						
<input type="button" value="Material"/> <input type="button" value="Quantity"/> <input type="button" value="Where"/> <input type="button" value="Purchase Order Data"/> <input type="button" value="Partner"/>						
Movement Type: 101 GR goods receipt Stock type: Unrestricted-Use Plant: Plant 1 US 1710 Storage Location: Raw Materials 171C Goods Recipient: Unloading Point: Text: <input type="checkbox"/> Item OK <input type="button" value="Line"/> Line: 1 <input type="button" value="GR"/>						

Display Document: Data Entry View

Display Currency | General Ledger View

Data Entry View

Document Number: 5000000267	Company Code: 1710	Fiscal Year: 2025
Document Date: 10/22/2025	Posting Date: 10/22/2025	Period: 10
Reference:	Cross-Comp.No.:	Ledger Group:
Currency: INR	Texts Exist:	

CoCd	Item	Item Key	SG Account	Description	Amount	Crcy	Tx	Trs	Material
1710	10	1 96	21120000	GR/IR	170,000.00-	INR	WRX	1535	
1710	2 83		52041000	Loss Prc Var PRD	170,000.00	INR	PRD	1535	
					0.00	INR			

Post Goods Receipt (T-code: MIGO)

In SAP Materials Management, MIGO is used to post a Goods Receipt (GR) against a Purchase Order. During this process, you enter the PO number, quantity received, plant, and storage location. Once posted, the system updates the material stock in MM and generates the corresponding financial postings automatically. This is the point where FI-MM integration comes into action.

7.1.4 Post Vendor Invoice In MM

Enter Incoming Invoice: Company Code 1710

Show PO structure Show worklist Hold Simulate Help NF

Transaction **Invoice** Balance 0.00 INR

Basic Data		Payment	Details	Tax	Withholding tax	Amount split	
Invoice date	10/22/2025	Reference	4500002192				
Posting Date	10/22/2025						
Amount	170,000.00	INR					
		<input type="checkbox"/> Calculate Tax					
Tax Amount		I1 (A/P Sales Tax, taxable,...)					
Text							
Paymt terms	Due immediately						
Baseline Date	10/22/2025						
PO Reference		G/L Account	Material				
Purchase Order/Scheduling Agreement		4500002192			Goods/service items		
				Layout			All information
Item	Amount	Quantity	O...	Purchase or...	Item	PO Text	Tax Code
1	170,000.00	1,000L		I1 4500002192 10	Basic Paint	I1 (A...	

Display Document: Data Entry View

Taxes Display Currency General Ledger View

Document Number	5100000175	Company Code	1710	Fiscal Year	2025				
Document Date	10/22/2025	Posting Date	10/22/2025	Period	10				
Reference	4500002192	Cross-Comp.No.		Ledger Group					
Currency	INR	Texts Exist	<input type="checkbox"/>						
CoCd	Item	Item	Item Key	SG Account	Description	Amount Crcy	Tx	Trs	Material
1710		1 31		2100000002	Embio Limited	170,000.00- INR	I1	KBS	
1710		10	2 86	21120000	GR/IR	170,000.00 INR	I1	WRX	1535
0.00 INR									

Post Vendor Invoice (T-code: MIRO)

In SAP Materials Management, MIRO is used to post a vendor invoice for goods or services received against a Purchase Order. During posting, you enter details such as the PO number, invoice date, amount, tax code, and payment terms. At this point, FI-MM integration ensures automatic accounting entries: the GR/IR clearing account is debited (offsetting the previous goods receipt), and the vendor account is credited.

7.1.5 Post Vendor Payment In FI

Post Outgoing Payments: Header Data

Process Open Items					
Document Date	10/22/2025	Type	KZ	Company Code	1710
Posting Date	10/22/2025	Period	10	Currency/Rate	INR
Document Number			Translatn Date		
Reference	4500002192		Cross-CC Number		
Doc.Header Text			Trading Part.BA		
Clearing Text					
Bank data					
House Bank	/				
Account	10010000	Business Area			
Amount	170000				
Amount in LC					
Bank Charges			LC Bank Charges		
Value date	10/22/2025	Profit Center			
Text		Assignment			
Open item selection			Additional selections		
Account	2100000002	<input checked="" type="checkbox"/>	None		
Account type	K	<input type="checkbox"/>	Other Accounts		
			<input type="radio"/> Amount		

Display Document: Data Entry View

						Display Currency	General Ledger View																																
Data Entry View																																							
Document Number	1500000000	Company Code	1710	Fiscal Year	2025	Period	10																																
Document Date	10/22/2025	Posting Date	10/22/2025	Cross-Comp.No.		Ledger Group																																	
Reference	4500002192	Currency	INR	Texts Exist	<input type="checkbox"/>																																		
<table border="1"> <thead> <tr> <th>CoCd</th> <th>Item</th> <th>Item Key</th> <th>SG Account</th> <th>Description</th> <th>Amount</th> <th>Crcy</th> <th>Tx</th> </tr> </thead> <tbody> <tr> <td>1710</td> <td>1 50</td> <td>10010000</td> <td>Petty Cash</td> <td></td> <td>170,000.00-</td> <td>INR</td> <td></td> </tr> <tr> <td>1710</td> <td>2 25</td> <td>2100000002</td> <td>Embio Limited</td> <td></td> <td>170,000.00</td> <td>INR</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td>0.00</td> <td>INR</td> <td></td> </tr> </tbody> </table>								CoCd	Item	Item Key	SG Account	Description	Amount	Crcy	Tx	1710	1 50	10010000	Petty Cash		170,000.00-	INR		1710	2 25	2100000002	Embio Limited		170,000.00	INR							0.00	INR	
CoCd	Item	Item Key	SG Account	Description	Amount	Crcy	Tx																																
1710	1 50	10010000	Petty Cash		170,000.00-	INR																																	
1710	2 25	2100000002	Embio Limited		170,000.00	INR																																	
					0.00	INR																																	

Vendor Payment (T-code: F-53)

The final step in the Procure-to-Pay (P2P) process is to pay the vendor using F-53 in Financial Accounting. During this transaction, you select the vendor, open invoice(s), company code, payment amount, and bank account. When the payment is posted, SAP automatically debits the vendor account (reducing the liability) and credits the cash or bank account (reflecting the outflow of funds). This completes the P2P cycle, ensuring that the vendor liability is cleared in FI, the bank or cash balances are updated, and all procurement, goods receipt, invoice, and payment postings are fully integrated and reflected accurately in both FI and MM modules.

CHAPTER 8: FI-SD INTEGRATION

8.1 Order To Cash Process

8.1.1 Create Sales order in SD

The image consists of two screenshots of the SAP Sales and Distribution (SD) module.

Create Sales Documents (Top Screenshot): This screen allows you to create sales documents. The 'Order Type' is set to 'Standard Order'. Under 'Organizational Data', the following details are entered:

Sales Organization	1010	Dom. Sales Org DE
Distribution Channel	10	Direct Sales
Division	00	Product Division 00
Sales Office		
Sales Group		

Change Standard Order 5670: Overview (Bottom Screenshot): This screen shows the details of a standard order. The order number is 5670, with a net value of 17,550.00 EUR. The 'Sold-to Party' and 'Ship-to Party' fields both show 'Company Inlandskunde DE 1 KUNDE1, Lindenstraße 2, 74214 Schönt...'. The 'Cust. Reference' field is empty. The 'Cust. Ref. Date' field has a calendar icon. Below this, there are tabs for Sales, Item Overview, Item detail, Ordering party, Procurement, Shipping, Configuration, and Reason for rejection. The 'Ordering party' tab is selected. Under 'Ordering party', delivery details are listed:

Req. Deliv.Date	D 07/25/2025	Deliver.Plant	
Complete Div.	<input type="checkbox"/>	Total Weight	19,000 KG
Delivery Block		Volume	180 M3
Billing Block		Pricing Date	10/24/2025

Below these, payment terms, Incoterms, and location information are listed. At the bottom, the 'All Items' section shows one item: 10TG11, with a quantity of 1,000 PC and a description of Handelsware 11, PD.

Create Sales Order (T-code: VA01)

In SAP Sales and Distribution (SD), VA01 is used to create a Sales Order, which is an internal document recording a customer's request for goods or services. While creating the sales order, you enter details such as sales organization, distribution channel, division, customer, material, quantity, delivery date, and pricing.

8.1.2 Post Goods Issue in SD

Create Outbound Delivery with Order Reference

Shipping Point 1010 Shipping Point 1010

Sales Order Data

- Selection Date: 07/25/2025
- Order: 5670
- From Item:
- To Item:

Predefine Delivery Type

Delivery Type: LF

Outbound Delivery Create: Overview

Outbound Deliv. 10100001 Document Date: 07/25/2025

Ship-to Party: Company Inlandskunde DE 1 KUNDE1, Lindenstraße 2, 74214 Schöntal, Germany

Item Overview

Planned GI	Actual GI Date	00:00	CET	Total Weight	No. of Packages
------------	----------------	-------	-----	--------------	-----------------

All Items

Item	Material	Deliv. Qty	Un	Description
10	TG11	1000	PC	Handelsware 11, PD, normaler Handel

Post Goods Issue (T-code: VL01N / VL02N for Delivery Creation & GI)

In SAP Sales and Distribution (SD), VL01N is used to create a delivery document for a sales order, which represents the physical movement of goods to the customer. Once the delivery is created, posting a Goods Issue (GI) updates the inventory in Materials Management (MM) and triggers financial postings in FI.

8.1.3 Create Billing Document in SD

Invoice 90004978 (F2) Display: Overview of Billing Items

This screenshot shows the SAP SD interface for displaying billing items. At the top, there are tabs for Accounting and Billing Documents. Below the tabs, the invoice number is set to 90004978. The net value is listed as 17,550.00 EUR. The payer is Company Inlandskunde DE 1 KUNDE1, Lindenstraße 2, 742... The billing date is 07/25/2025. A table below lists one item: Handelsware 11, PD, normaler Ha... with an invoiced quantity of 1,000 PC.

Item	Material	Item Description	Invoiced Quantity	SU
10TG11		Handelsware 11, PD, normaler Ha...	1,000	PC

Display Document: Data Entry View

This screenshot shows the SAP SD interface for creating a new billing document. The document number is 9400000000, company code is 1010, fiscal year is 2025, and document date is 07/25/2025. The reference is 0090004978. The currency is EUR. The table below shows the breakdown of the amount:

CoCd	Item	Item Key	SG Account	Description	Amount	Crcy
1010	1 01	10100001	Inlandskunde DE 1		20,884.50	EUR
1010	2 50	41000000	Rev Domestic Prod		17,550.00-	EUR
1010	3 50	22000000	Output tax (MWS)		3,334.50-	EUR
					0.00	EUR

Create Billing Document (T-code: VF01)

In SAP Sales and Distribution (SD), VF01 is used to generate a billing document for a delivered sales order. During billing, you enter the delivery number, billing type, and relevant dates. The billing document serves as the official invoice to the customer and triggers financial postings in FI.

8.1.4 Post Customer Payment in FI

Post Incoming Payments: Header Data

Process Open Items					
Document Date	10/23/2025	Type	DZ	Company Code	P1
Posting Date	10/23/2025	Period	7	Currency/Rate	INR
Document Number		Reference		Translatn Date	
Doc.Header Text		Doc.Header Text		Cross-CC Number	
Clearing Text		Clearing Text		Trading Part.BA	
Bank data					
House Bank	/	Amount		Business Area	
Account	10010000	Amount in LC		LC Bank Charges	
Bank Charges		Value date		Profit Center	
Text				Assignment	
Open item selection			Additional selections		
Account	10100001	<input checked="" type="radio"/> None <input type="radio"/> Amount			
Account type	D	<input type="checkbox"/> Other Accounts			

Display Document: Data Entry View

						Display Currency		General Ledger View																																										
Data Entry View																																																		
Document Number	1400000001	Company Code	1010	Fiscal Year	2025	Period	10																																											
Document Date	10/23/2025	Posting Date	10/23/2025																																															
Reference		Cross-Comp.No.																																																
Currency	EUR	Texts Exist	<input type="checkbox"/>	Ledger Group																																														
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1010	4 50	72510000	Gain exch.rate diff		0.00	EUR																																												
				=	0.00	EUR																																												

Post Customer Payment (T-code: F-28)

In SAP Financial Accounting, **F-28** is used to post a **customer payment** against open invoices. During this transaction, you select the **customer**, **company code**, **payment amount**, and **bank account**. You can also apply the payment to one or multiple open invoices. When posted, the system **debites the bank or cash account** (reflecting the receipt of funds) and **credits the customer account** (reducing the receivable). This updates both the **Accounts Receivable sub-ledger** and the **General Ledger**, ensuring that cash inflows are properly recorded and the customer's outstanding balance is cleared. F-28 completes the cash collection step in the **Order-to-Cash (O2C) process**.