J M Baxi

Standard Operating Policy and Procedures

Revenue and Receivables

Introduction

A **standard operating policy & procedure (SOPP)** is a set of step-by-step activities compiled by an organization to help workers carry out **complex** as well as **standard routine operations.** SOPPs help to achieve **efficiency, quality output and uniformity of performance** while contributing to efforts that lead to **process excellence.**
This SOPP aims to achieve the following objectives:
1. Act as a **guide and reference document** to stakeholders at all levels of the organization
2. Clearly **communicate** activities and help to achieve **consistency** in operational procedures
3. **Create accountability** by assigning responsibilities at each stage of the lifecycle
4. **Aid governance** by documenting **auditable processes** and detailing **control elements** at each stage of the lifecycle.

What is the Lifecycle and Process Tree?

Each SOPP follows the process tree hierarchy and covers a specific entire process.
- A **process** represents logical grouping of sub processes and provides detail at functional level
- A **sub process** represents grouping of similar activities
- An **activity lists** down specific tasks that have/are measurable, time bound, associated risks, mitigating controls and defined owners
The entire business lifecycle consists of several processes. An SOPP is tasked with the coverage of all sub process and activities applicable to a particular process.

Who are the Stakeholders for this SOPP?

This stakeholders for this SOPP shall primarily be activity owners and business units.
1. Activity owners (operating units) – Activity owners shall use this SOPP as a reference document while performing their **activities daily.**
2. Business units – Business units shall use the SOPP as a repository of all activities across the lifecycle. This will aid in identifying **process improvement opportunities.**

Who will use this SOPP?

This SOPP shall be used by stakeholders across the entire organization. Most notable shall be the following:
1. Risk and Governance units – Risk and Governance units shall reference the SOPP to **review existing controls** and test their
2. Auditors – Auditors shall use this SOPP to check **adherence to defined processes** and standards. The SOPP shall help them identify any deviations to defined processes

How do you read the SOPP?

To read this SOPP, it is essential to understand the **process lifecycle and its coverage.** This SOPP is documented in a **chronological order** in line with the sequence of activities performed by activity owners. Therefore, it should be read as such.

This SOPP also provides references to various **organization level policies, checklists, reports** etc. These have been appropriately **referenced** at applicable activities and attached as Annexures to this SOPP.

Each activity has an activity owner assigned to it. An activity also has the following references against it:

- Performer – Person who will execute the activity.
- Frequency – Each activity has defined period.
- Template – Reference to any template (If Any)
- System / Manual reference – Each activity is performed either manually or rooted through system.

Organization structure

The organization structure defined in the SOPP is the structure defined at the functional level. **'Activity owners'** are defined are defined are those who are responsible for **performing the activity. 'Business Owners'** are defined as those who have **oversight and ultimate ownership** for the activities.

Rules for this SOP

- SOPP will be reviewed every year and necessary changes if any will be updated.
- Any changes in SOPP will be made by authorized person and approved by Mr Vaibhav Agarwal.

Document review and approval.

Revision history

Version	Created By	Document Approved By	Date Approved	Revision
		Mr Vaibhav Agarwal		

SOPP Number	1	

	Entity Type	Entity Name
Applicable Entities	Non-Container	➢ JMBPL – Cold Chain

Process Owner	Head of Finance

	Entity Name	System
IT Applications	JMBPL – Cold Chain	WMS, SAP Hana

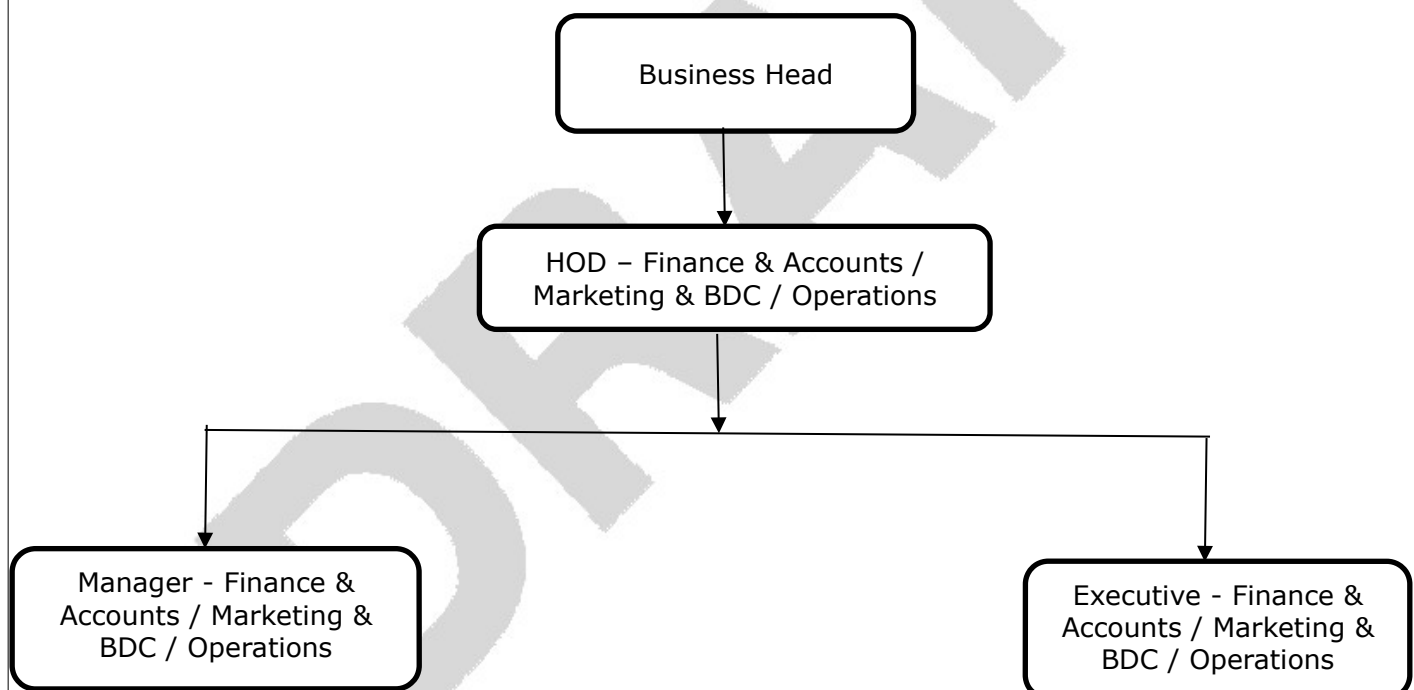|	
Guidelines / Policy reference	
SOPP Cross References	

Contents

Executive Summary

A Revenue SOPP outlines the steps and guidelines for managing and collecting income within an organization. It ensures consistency in invoicing, fee collection, and financial reporting. The SOPP helps streamline processes, reduce errors, and ensures compliance with financial policies, ultimately supporting accurate revenue tracking and accountability.

The Revenue SOPP aims to:

- Standardizes the process for invoicing and collecting revenue.
- Ensures accuracy and consistency in financial transactions.
- Establishes clear guidelines for revenue recognition and reporting.
- Reduces errors and discrepancies in income management.
- Promotes timely collection of payments and outstanding balances.
- Enhances transparency and accountability in financial operations.
- Ensures compliance with internal financial policies and external regulations.
- Streamlines communication between departments involved in revenue processes.
- Provides a clear framework for tracking and auditing revenue.

Organization Structure

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                    ┌─────────────────────┐
                    │   Business Head     │
                    └─────────┬───────────┘
                              │
                              ▼
                 ┌──────────────────────────────┐
                 │  HOD – Finance & Accounts /   │
                 │  Marketing & BDC / Operations │
                 └──────────────┬───────────────┘
          ┌─────────────────────┴─────────────────────┐
          ▼                                             ▼
┌─────────────────────┐                     ┌─────────────────────┐
│ Manager - Finance & │                     │ Executive - Finance &│
│ Accounts / Marketing│                     │ Accounts / Marketing │
│ & BDC / Operations  │                     │ & BDC / Operations   │
└─────────────────────┘                     └─────────────────────┘
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Abbreviations and Definitions

Abbreviations	Details
BDC	Business Development Center
COE	Chief Officer Excellence
COO	Chief Operating Officer
CRF	Customer Registration Form
DC	Delivery Challan
DGM/ AGM	Deputy/ Assistant General Manager
DOA	Delegation of Authority
DPR	Down Payment Receipt
EBITA	Earnings Before Interest, Taxes, and Amortization.
EC	Executive Committee
F&A	Finance and Accounts
FY	Financial Year
FDS	Final Delivery System
GM	General Manager
GRN	Goods Receipt Note
HDC	Haldia Dock Complex
HO	Head Office
HOD	Head of Department
IRN	Invoice Reference Number
KPI	Key Performance Indicators
KYC	Know your customer
MDM	Master Data Management
MIS	Management Information
MSME	Micro, Small, and Medium Enterprises
PAT	Profit after Tax
SRM	Supplier Relationship Management
SD	Security Deposit
TH	Terminal Head
WMS	Warehouse Management System
VP	Vice President

1. Tariff to Customer

Process Flow
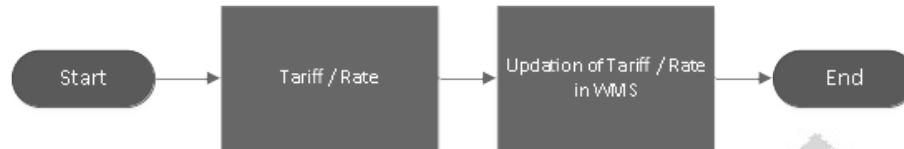
Process Narrative

Description	Performed By	Frequency	System / Manual	Template	RCM Reference
1.1 Tariff /Rate The Tariffs/Rate based on the services are decided as per the contract agreed and are decided by HOD- Marketing & BDC and approved by Business Head.	**Business Head**	**As and when**	**Manual**		
1.2 Updation of Tariff Rates in WMS EXEC -Finance & Accounts after obtaining approval from HOD – Finance & Accounts updates the tariff rates in WMS. *Refer DOA*	**Executive - Finance & Accounts**	**As and when**	**System**		

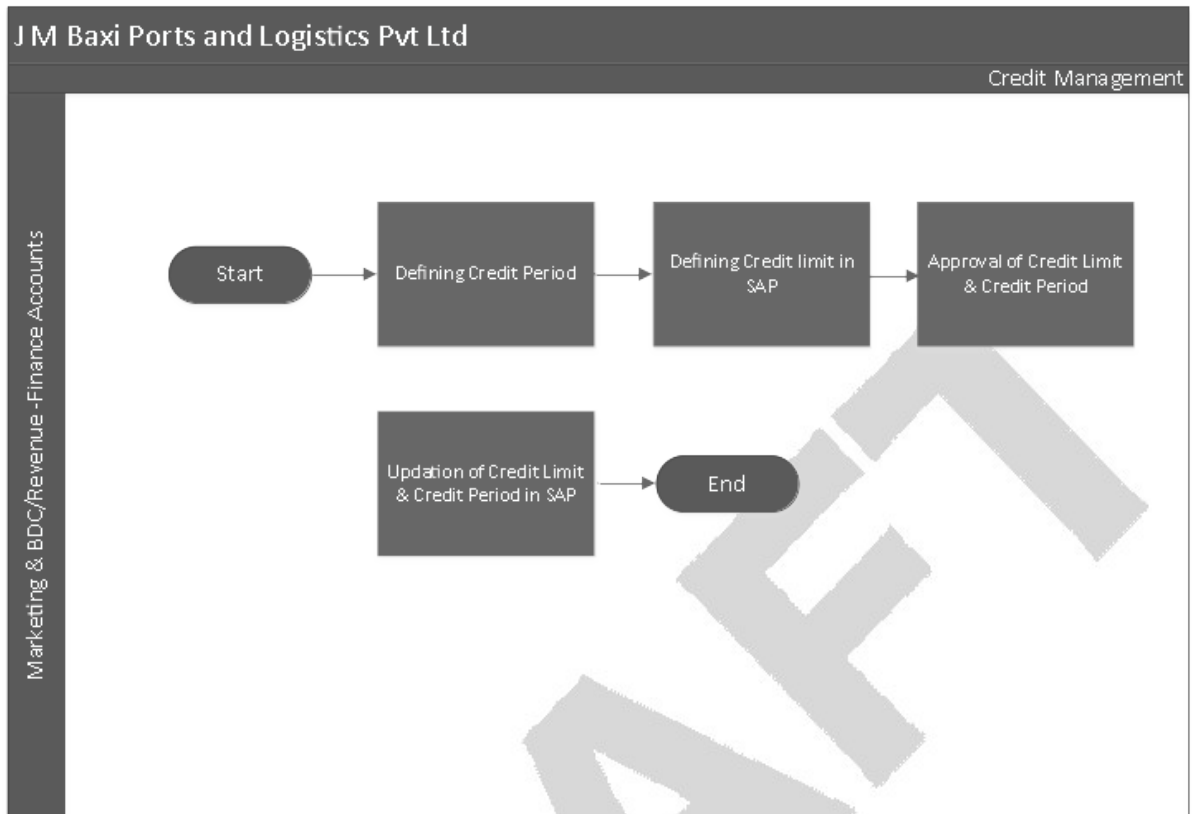| Attribute	Objective	Base Line	Target	Action Plan
Price Master Approval	Streamline the approval	XX	XX	XX

Time	process for price master updates to prevent delays.			
Price Master Review Accuracy	Ensure thorough and accurate review of the price master to maintain pricing consistency and accuracy.	XX	XX	XX

Key Performance Indicators (KPI's)

1.

2. Credit Management

Process Flow

Process Narrative

Description	Performed By	Frequency	System / Manual	Template	RCM Reference
2.1 Defining Credit Periods The credit period for customers is determined by their credit score range, as follows: 1) Below 670 – 0 to 30 days credit 2) Between 670 and 740 – 45 days credit 3) Above 740 – 60 days credit Based on the above criteria, EXEC / MANAGER – Marketing & BDC in consultation with HOD – Marketing & BDC classifies customers and assigns the appropriate credit period which is then routed for approval as per DOA.	**Executive / Manager & HOD – Marketing & BDC**	**As and when**	**Manual**		
2.2 Defining Credit Limits	**Executive –**	**As and**	**Manual**		

|					
The credit limit for customers is determined based on their business relationship and volume potential. Based on these factors, the EXEC / MANAGER – Marketing & BDC in consultation with HOD – Marketing & BDC assigns a credit limit, which is then routed for approval in accordance with the DOA.	**Marketing & BDC**	**when**			
1 **2** **3** **3.1** **3.2** **2.3 Approval of Credit Limit & Credit Period** Based on the inputs from EXEC / MANAGER / HOD – Marketing & BDC, the credit limit and credit period are approved by the Business Head. *Refer DOA*	**Business Head**	**As and when**	**Manual**		
2.4 Updation of Credit Limit & Credit Period in SAP Once approved, EXEC – Finance & Accounts update credit limit & Credit period in SAP.	**Executive – Finance & Accounts**	**As and when**	**Manual**		
4					

Key Performance Indicators (KPI's)

| Attribute	Objective	Base Line	Target	Action Plan
Timely updation of Credit period & limit in SAP	Ensure timely updation of Credit period & limit.	XX	XX	XX

3. Waivers of Storage charges

Process Flow
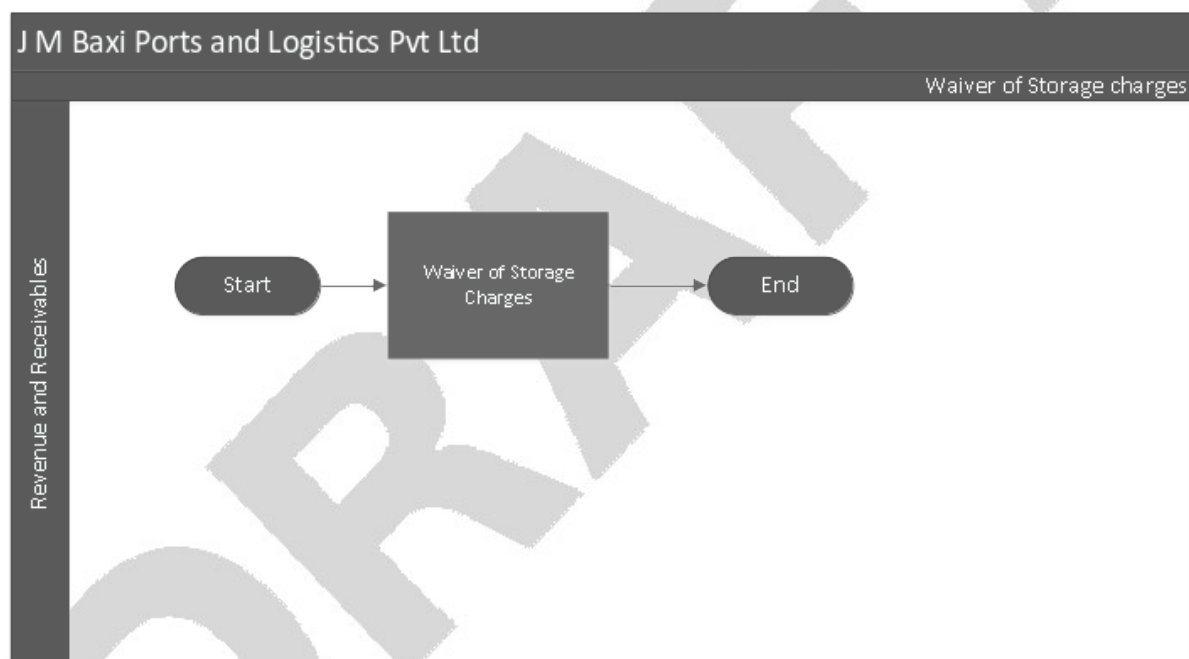
Process Narrative

Description	Performed By	Frequency	System / Manual	Template	RCM Reference
3.1 Waiver of Storage Charges Any customer request for the waiver	**Executive – Finance & Accounts**	**As and when**	**Manual**		

of storage charges will be approved in accordance with the Delegation of Authority. *Refer DOA*					

4. Advance/Security Deposit from Customer

Process Flow
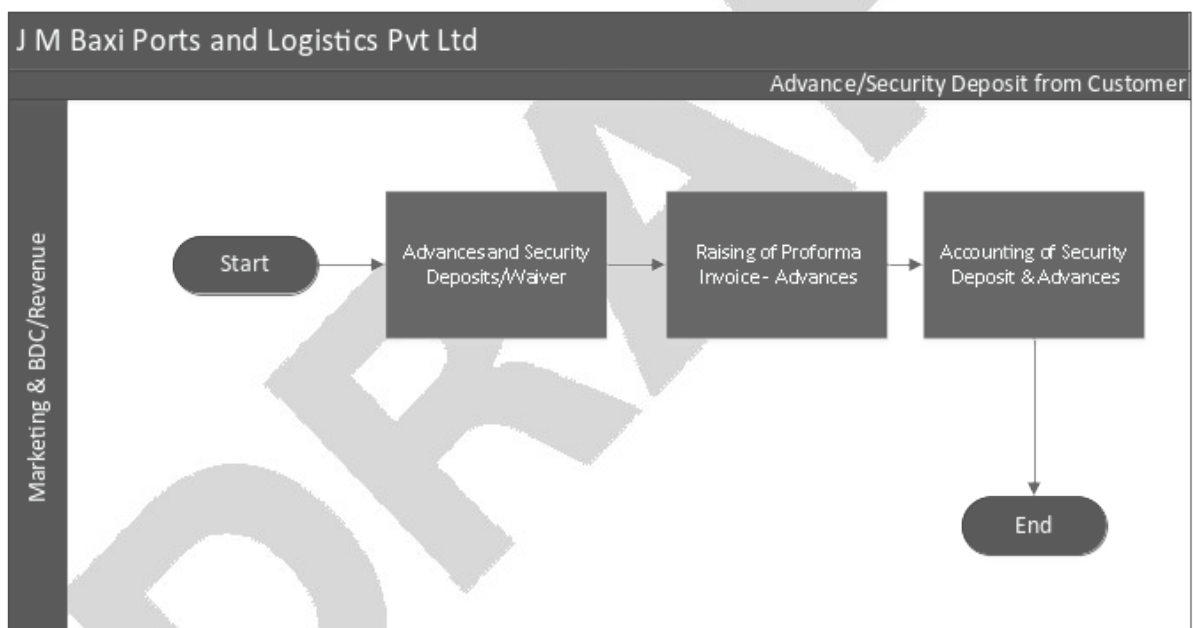
Process Narrative

Description	Performed By	Frequency	System / Manual	Template	RCM Reference
4.1 Advances and Security Deposits/Waiver In case any Advance/Security deposit is receivable, HOD - Marketing & BDC team	**HOD – Marketing & BDC / Finance &**	**As and when**	**Manual**		

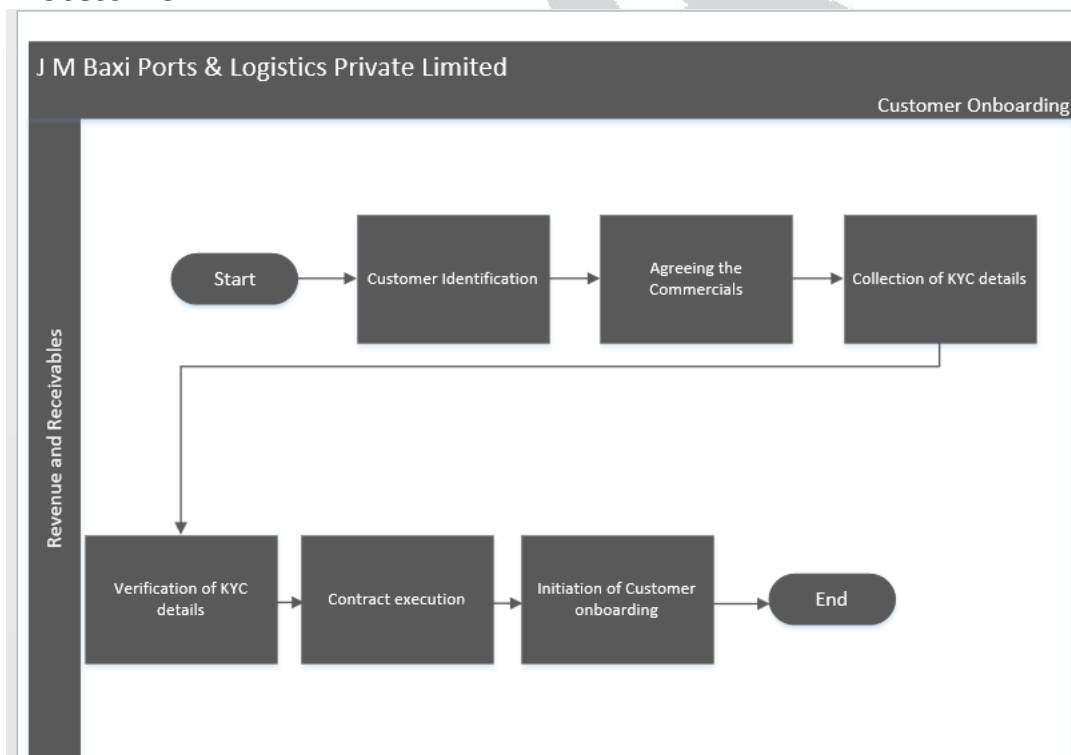|					
communicates the details via mail to HOD - Finance & Accounts after the approval from Business Head. For Any waiver of security deposit initially agreed, exceptional approval from Business Head and COE is required. *Refer DOA*	**Accounts**				
4.2 Raising of Proforma Invoice – Advances For any advance receivable, EXEC - Marketing & BDC team communicates the details via mail to finance team. Proforma invoice is created by the EXEC – Finance & Accounts manually based on the agreement/commercials.	**Executive - Finance & Accounts**	**As and when**	**Manual**		
4.3 Accounting of Security Deposit & Advances EXEC - Finance and Accounts shares the duly filled form/Proforma Invoice with the customer and does the accounting for the same. Security deposit & Advance is accounted only after the same is reflected in bank statement.	**Executive-Finance & Accounts**	**As and when**	**System**		

Key Performance Indicators (KPI's)

Attribute	Objective	Base Line	Target	Action Plan
Proforma Invoice Generation Time	Minimize the time taken to raise proforma invoices to improve billing efficiency.	XX	XX	XX
Payment Entry Booking Accuracy	Ensure accurate and timely booking of payment entries to maintain financial records.	XX	XX	XX

5. Customer Onboarding

Process Flow

J M Baxi Ports & Logistics Private Limited

Customer Onboarding

Revenue and Receivables

Start → Customer Identification → Agreeing the Commercials → Collection of KYC details

Verification of KYC details → Contract execution → Initiation of Customer onboarding → End

Process Narrative

Description	Performed By	Frequency	System / Manual	Template	RCM Reference
5.1 Customer identification MANAGER/HOD- Marketing and BDC identifies potential new customers through market research and as per the sales planning strategies incorporated time to time.	**Manager/ HOD-Marketing and BDC**	**As and when**	**Manual**		
5.2 Agreeing the Commercials Based on the discussion and negotiations with customers, HOD - Marketing and BDC finalizes the commercials with the customer and routes the same for approval. *Refer DOA*	**HOD-Marketing and BDC / Business Head**	**As and when**	**Manual**		
5 **5.1** **5.2** **5.3 Collection of KYC details** EXEC - Marketing and BDC collects the KYC details such as PAN, GST certificate, Importer/Exporter Certificate, COI, MOA, and AOA etc. along with the Customer registration form (CRF) from the customer over email.	**Executive - Marketing & BDC**	**As and when**	**Manual**		
5.4 Verification of KYC details EXEC - Marketing and BDC reviews and verifies the following documents and initiates process of customer code creation: 1) Approved Registration form (CRF) 2) KYCs Details (Mail, PAN, GSTN, CIN etc.)	**Executive - Marketing & BDC**	**As and when**	**Manual**		
5.5 Contract Execution HOD - Marketing and BDC finalizes the agreement and shares with Legal team for vetting. Agreement will be signed by the Business Head and the customer based on the approvals as per the DOA.	**HOD-Marketing & BDC**	**As and when**	**Manual**		

|					
Refer DOA.					
5.6 Initiation for customer onboarding HOD – Marketing & BDC sends the completed CRF via email to the Business Head for initiation of customer Master. MDM, Operations, and Finance teams for the creation of the customer code in WMS and SAP.	**HOD – Marketing & BDC**	**As and when**	**Manual**		

Key Performance Indicators (KPI's)

Attribute	Objective	Base Line	Target	Action Plan
Accuracy of KYC verification	Verify KYC details accurately and efficiently for 100% of customers.	XX	XX	XX
Agreement Completion Rate	Ensure all customer agreements are completed accurately and promptly.	XX	XX	XX

6. Customer Master Management

Process Flow
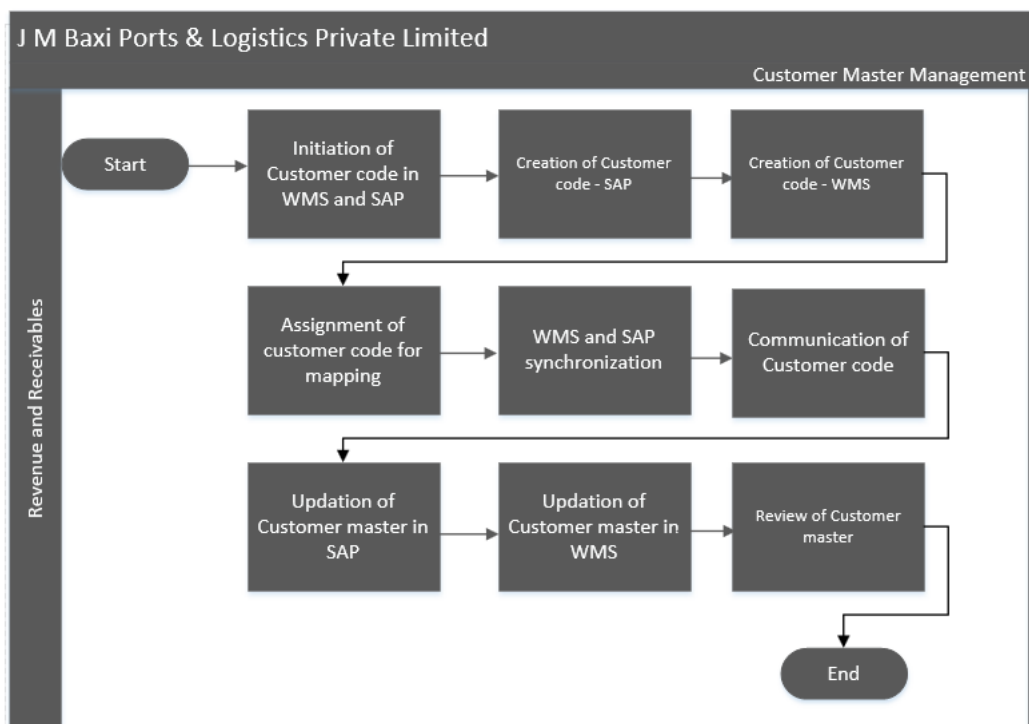
Process Narrative

Description	Performed By	Frequency	System / Manual	Template	RCM Reference
6.1 Initiation of Customer Code in WMS and SAP Business Head assigns HOD - Finance & Accounts, Operations and MDM for the creation of the customer code in WMS and SAP.	**Business Head**	**As and when**	**Manual**		
6.2 Creation of Customer code – SAP Based on the received details, the MDM team creates the customer code in SAP and shares it with the Finance team via email. For existing customers, the same code is extended.	**MDM Team**	**As and When**	**System**		
6.3 Creation of Customer code - WMS Based on the received details, EXEC – Operations creates the customer code in WMS and shares it with the EXEC – Finance & Accounts once the creation is complete.	**Executive – Operations**	**As and When**	**System**		
6.4 Assignment of Customer Code for	**HOD -**	**As and**			

Mapping Upon receiving confirmation from the MDM team for the creation of the customer code in SAP and from the operations team for TOS, the task is assigned to the EXEC - Finance to map the code in WMS.	**Finance & Accounts**	**When**	**Manual**		
6.5 WMS SAP Synchronization EXEC – Finance & Accounts links the billing codes (WMS Code) to the customer code (SAP Code), which is then connected to the revenue code in SAP through backend integration.	**Executive - Finance & Accounts**	**As and When**	**System**		
6.6 Communication of Customer Code EXEC – Finance & Accounts shares the code generated from TOS and SAP via email with the Marketing and BDC team, who then forwards it to the customer.	**Executive - Finance & Accounts**	**As and When**	**System**		
6.7 Updation of Customer Master in SAP If any changes are required to the Customer Master in SAP, EXEC – Finance & Accounts sends an email to the MDM team after obtaining approval as per the DOA. *Refer DOA*	**Executive – Finance & Accounts**	**As and When**	**Manual**		
6.8 Updation of Customer Master in TOS After the MDM team makes changes in SAP, the updates are manually verified in the system. Once confirmed, the task is assigned to EXEC – Operations to update the customer master in TOS, with approval granted as per the DOA. *Refer DOA*	**Executive - Operations**	**As and When**	**System**		
6.9 Review of Customer Master On a quarterly basis, the MANAGER – Finance & Accounts reviews the	**Manager – Finance & Accounts**	**Quarterly**	**Manual**		

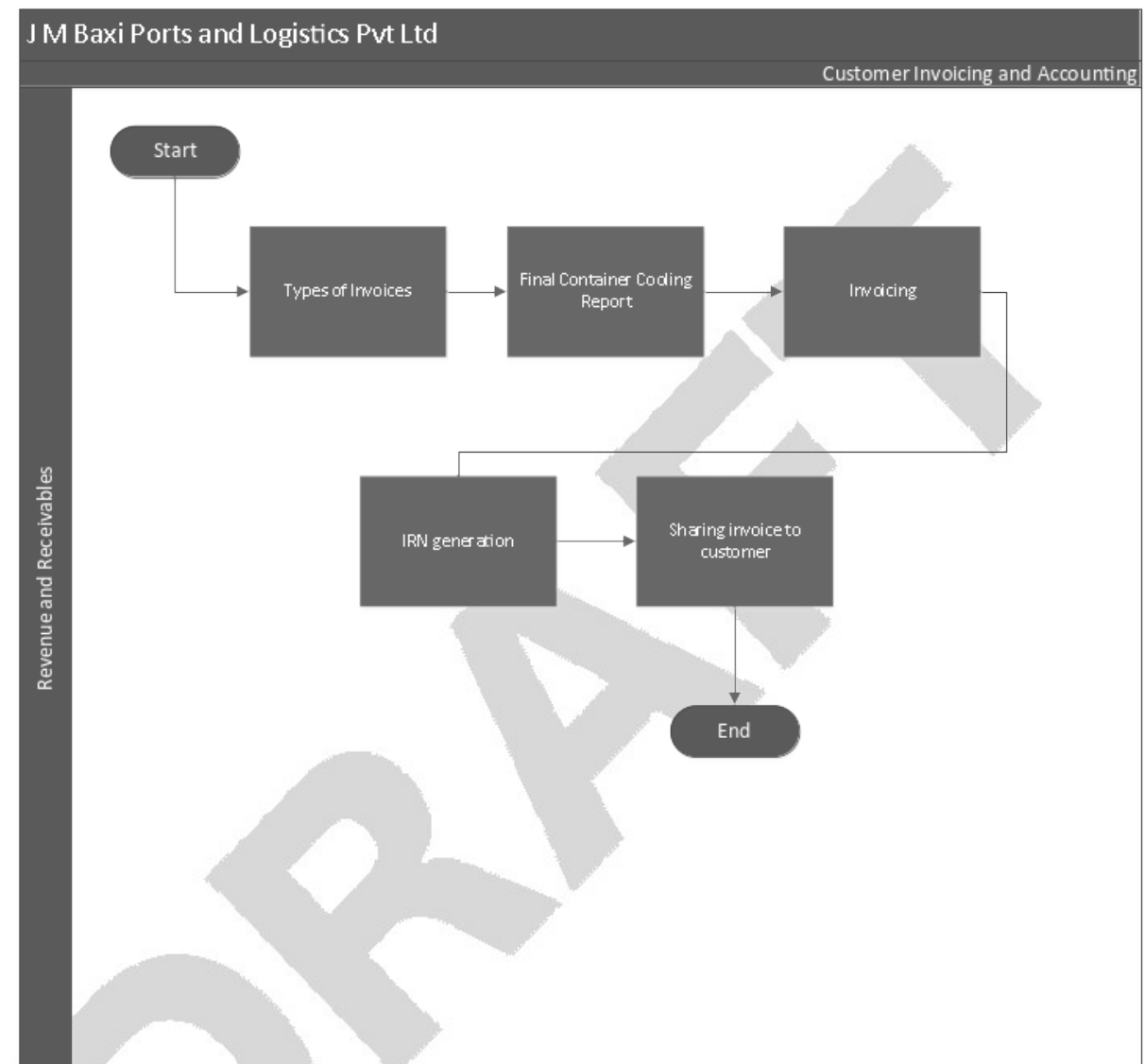|					
customer master. Whenever updates or deletions are needed, these changes are discussed with the HOD – Finance & Accounts.					

Key Performance Indicators (KPI's)

Attribute	Objective	Base Line	Target	Action Plan
Creation of customer code	Ensure timely creation of customer codes in both systems - TOS & SAP.	XX	XX	XX
Customer Master Update Time	Minimize the time taken to update the customer master to ensure data accuracy and efficiency.	XX	XX	XX
Customer Master Review Accuracy	Ensure thorough and accurate review of the customer master to maintain data integrity.	XX	XX	XX
Customer Code Blocking Time	Efficiently block customer codes to prevent unauthorized transactions and maintain system security.	XX	XX	XX

7. Customer Invoicing and Accounting

Process Flow

Process Narrative

Description	Performed By	Frequency	System / Manual	Template	RCM Reference
7.1 Types of Invoices Below are the major heads of revenue for JMBPL – Cold Chain: - Handling and Transportation Income - Storage income - Value added services such as Bagging Income - Auction Income - Miscellaneous Non-Operating Income	**Executive – Finance & Accounts**	**As and when**	**Manual**		
7.2 Final Container Cooling Report EXEC - Operations / Documentation Team provides the report to the EXEC / MANAGER - Finance & Accounts on the completion of services. EXEC /MANAGER - Finance & Accounts ensures that billing is completed within one business day.	**Executive – Operations**	**As and when**	**Manual**		
7.3 Invoicing EXEC/MANAGER - Finance & Accounts, based on the email received from operations, inputs the quantity in the WMS where the customer code is already available, and the activity-wise rate is preconfigured in the WMS. They then generate the invoice in WMS, which is integrated with SAP	**Executive / Manager– Finance & Accounts**	**As and when**	**System**		
7.4 Generation of E - Invoice. The Executive - Finance & Accounts generates an invoice in WMS, which is then mapped to SAP using the "Generate SAP" option in TOS. After mapping, the invoice is forwarded for	**Executive – Finance & Accounts**	**As and when**	**System**		

the generation of the Invoice Reference Number (IRN).					
7.5 IRN generation EXEC / MANAGER - Finance & Accounts generates IRN. The invoice flows back to SAP and subsequently returns to WMS.	**Executive – Finance & Accounts**	**As and when**	**System**		
7.6 Sharing invoice to customer Invoices are auto mailed to respective customer email ids through SAP or EXEC / MANAGER - Finance & Accounts shares the invoice over email with customer.	**Executive – Finance & Accounts**	**As and when**	**System**		

Key Performance Indicators (KPI's)

Attribute	Objective	Base Line	Target	Action Plan
Cargo Handling Invoice Accuracy	Ensure accurate and timely invoicing for cargo handling services to maintain financial accuracy and customer satisfaction.	XX	XX	XX
Storage and Warehousing Invoice Accuracy	Ensure accurate and timely invoicing for storage and warehousing services to maintain financial accuracy and customer satisfaction.	XX	XX	XX
E-Invoice Generation Time	Minimize the time taken to generate e-invoices to improve billing efficiency and compliance	XX	XX	XX
IRN Generation Accuracy	Ensure accurate and timely generation of Invoice Reference Numbers (IRNs) to maintain compliance and financial accuracy.	XX	XX	XX
Invoice Sharing Time	Minimize the time taken to share invoices with customers to ensure prompt payment and customer satisfaction.	XX	XX	XX

8. Credit Notes

Process Flow
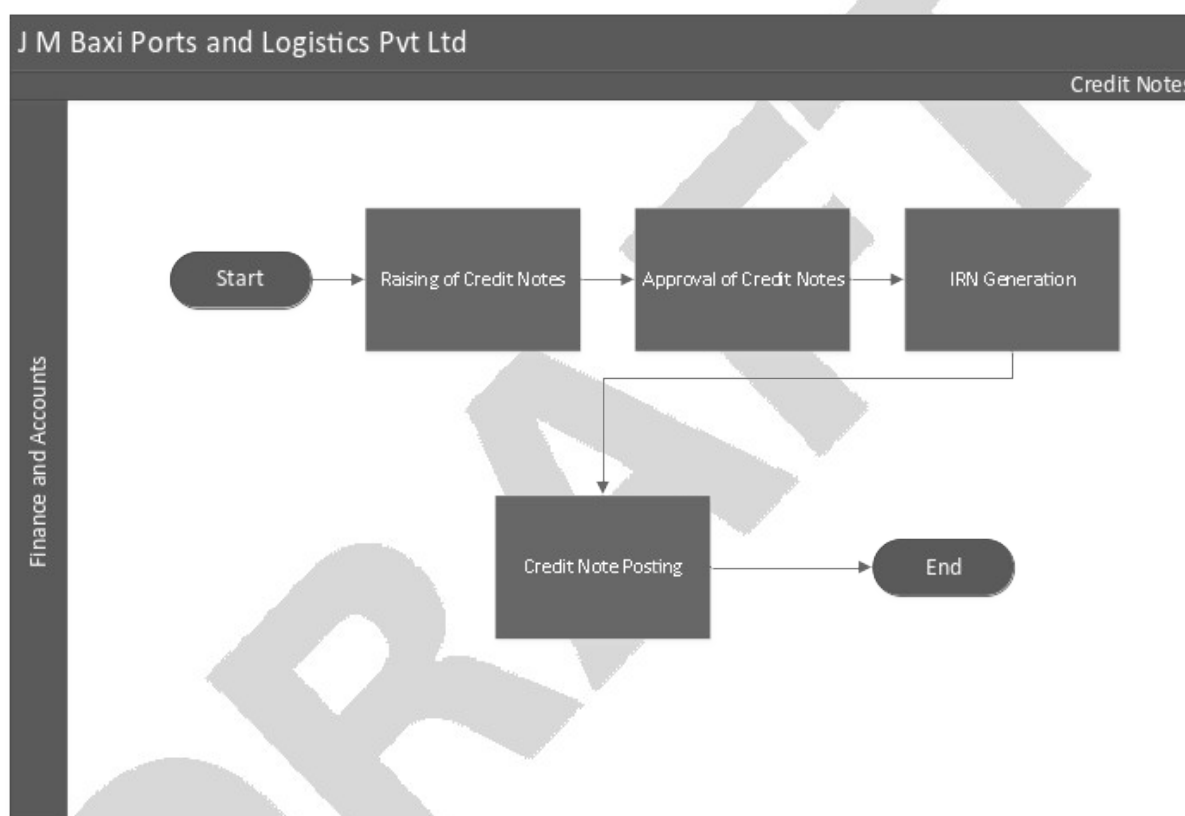
Process Narrative

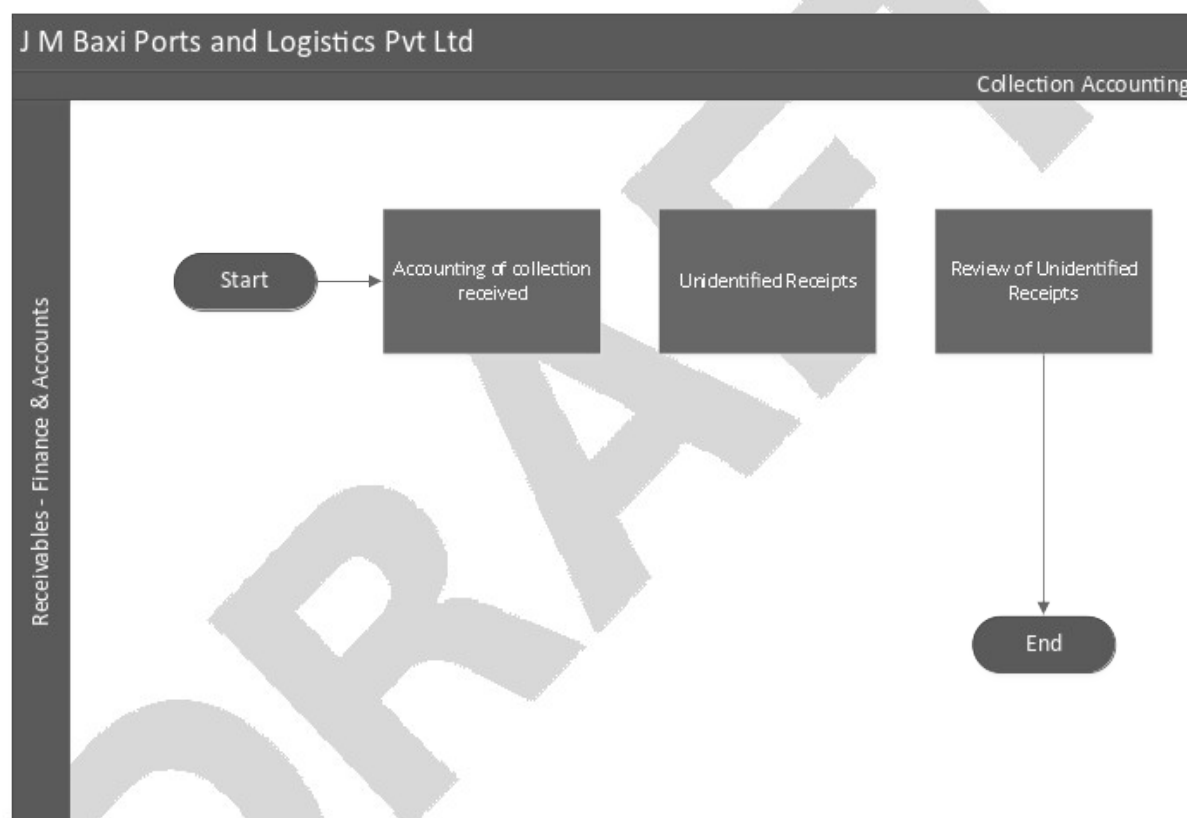| Description	Performed By	Frequency	System / Manual	Template	RCM Reference
8.1 Approval of Credit Notes EXEC – Finance & Accounts sends an email with the justification for the credit note and requests approval in accordance with the DOA	**Executive – Finance & Accounts**	**As and when**	**Manual**		

(Delegation of Authority). If the credit note is issued due to any waiver of storage charges , the approval email from the HOD - Marketing/Operations, Business Head is attached. For credit notes related to incorrect invoicing, approval from the HOD - Finance & Accounts is required. *Refer DOA*					
8.2 Raising of Credit Notes Once approved, EXEC – Finance & Accounts raises a credit note in WMS for discounts, waiver of storage charges, incorrect invoicing, or other adjustments.	**Executive – Finance & Accounts**	**As and when**	**System**		
8.3 IRN generation Once the credit note is raised in WMS, EXEC – Finance & Accounts submits it for the generation of the IRN.	**Executive – Finance & Accounts**	**As and when**	**System**		
8.4 Credit Note Posting Once the IRN is generated, Credit note is posted in SAP through WMS.	**Executive – Finance & Accounts**	**As and when**	**Manual**		

Key Performance Indicators (KPI's)

Attribute	Objective	Base Line	Target	Action Plan
Credit Note Generation Time	Minimize the time taken to raise credit notes to improve billing efficiency and customer satisfaction.	XX	XX	XX
Credit Note Approval Time	Streamline the approval process for credit notes to prevent delays.	XX	XX	XX
IRN Generation Accuracy	Ensure accurate and timely generation of Invoice Reference Numbers (IRNs) for	XX	XX	XX

	credit notes to maintain compliance and financial accuracy.			
Credit Note Posting Accuracy	Ensure accurate and timely posting of credit notes to maintain financial records and customer satisfaction.	XX	XX	XX

9. Collection Accounting
Process Flow

Process Narrative

Description	Performed By	Frequency	System / Manual	Template	RCM Reference
9.1 Accounting of collection received. EXEC – Finance & Accounts reviews the bank statement daily, and once the balance is reflected in the bank, the receipt entry is recorded in SAP and	**Executive – Finance & Accounts**	**As and when**	**System**		

approved in accordance with the Delegation of Authority (DOA). Invoice-wise outstanding amounts are cleared based on the details received from the customer. *Refer DOA*					
9.2 Unidentified Receipts In the event of any transactions that are unidentified in the bank, the EXEC / MANAGER – Finance & Accounts undertakes the following actions: • Cross-check internal records, including invoices, to determine if the unidentified receipt corresponds to any outstanding customer payments. • Contact the bank for further details if the payment lacks clear references. • Reach out to the customer associated with the payment for clarification.	**Executive / Manager – Finance & Accounts**	**As and when**	**Manual**		
9.3 Review of Unidentified Receipts On a monthly basis, the HOD – Finance & Accounts and Terminal Head conduct a thorough review of any unidentified receipts.	**HOD – Finance & Accounts & Terminal Head**	**Monthly**	**Manual**		

Attribute	Objective	Base Line	Target	Action Plan
Collection Monitoring Accuracy	Ensure accurate and timely monitoring of collections received to maintain financial records.	XX	XX	XX
Receipt Verification Accuracy	Ensure accurate and timely verification of receipts to maintain financial accuracy.	XX	XX	XX

Key Performance Indicators (KPI's)

10. Unbilled Revenue

Process Flow

Process Narrative

Description	Performed By	Frequency	System / Manual	Template	RCM Reference

| 10.1 Unbilled revenue working

At the end of month, EXEC – Finance & Accounts prepares Unbilled revenue working based on yard report which is shared by the operations team.	Executive – Finance & Accounts	Monthly	Manual		
10.2 Approval of Unbilled revenue working

The EXEC – Finance & Accounts shares the unbilled revenue working, which will be approved as per the Delegation of Authority (DOA).

Refer DOA | Executive – Finance & Accounts | Monthly | Manual | | |
| 10.3 Unbilled revenue entry

Once approved, the EXEC – Finance & Accounts records the entry in SAP, which is subsequently approved by the MANAGER – Finance & Accounts.

Refer DOA | Executive – Finance & Accounts | Monthly | System | | |
| 10.4 Reversal entry

On the first day of the following month, EXEC – Finance & Accounts will record a reversal entry for the unbilled revenue, which will be approved by the MANAGER – Finance & Accounts.

Refer DOA | Executive – Finance & Accounts | Monthly | System | | |

Key Performance Indicators (KPI's)

Attribute	Objective	Base Line	Target	Action Plan
Unbilled Revenue Recognition Accuracy	Ensure accurate and timely recognition of unbilled revenue to maintain financial accuracy and compliance.	XX	XX	XX
Unbilled Revenue Entry Accuracy	Ensure accurate and timely entry of unbilled revenue to	XX	XX	XX

	maintain financial records and revenue tracking.			
Reversal Entry Accuracy	Ensure accurate and timely processing of reversal entries to maintain financial accuracy and correct any discrepancies.	XX	XX	XX

11. Ageing review of customers

Process Flow
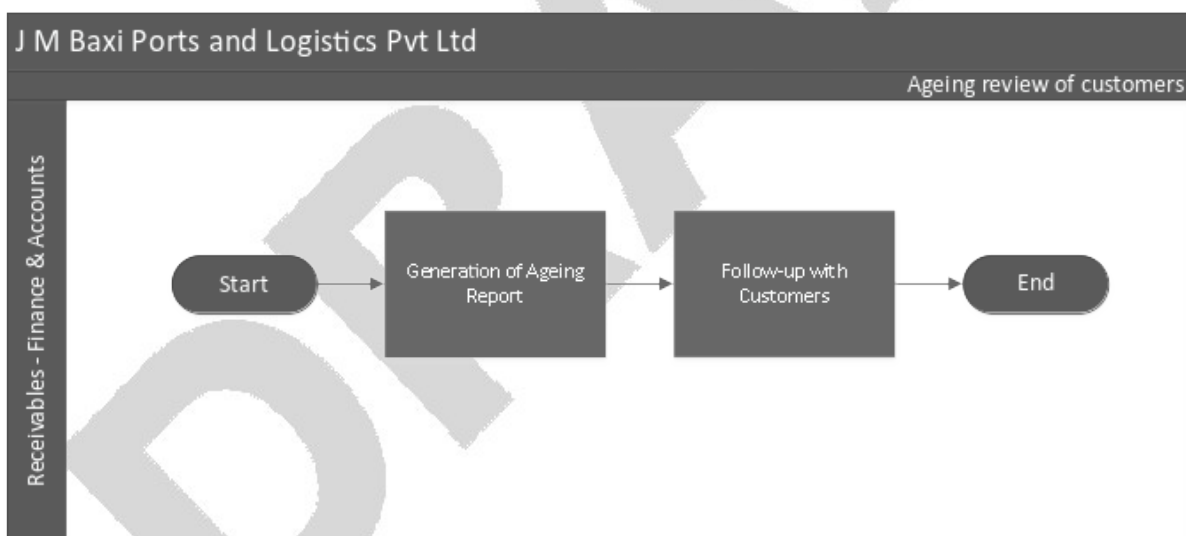
Process Narrative

Description	Performed By	Frequency	System / Manual	Template	RCM Reference
11.1 Generation of Ageing Report On monthly basis, EXEC – Finance & Accounts generates the Customer Ageing Report from the SAP system	**Executive – Finance & Accounts**	**Monthly**	**System**		

and shares it with the HOD – Finance & Accounts and HOD – Marketing & BDC for review.					
11.2 Follow-up with Customers Customer follow-ups are conducted regularly via emails and phone calls to support the recovery of outstanding receivables. For receivables outstanding up to 7 days, EXEC/MANAGER – Finance & Accounts will follow up with the customer directly. For receivables outstanding beyond 7 days, EXEC/MANAGER – Finance & Accounts will inform EXEC - Marketing & BDC, who will then initiate the follow-up with the customer.	**Executive / Manager – Finance & Accounts / HOD - Marketing & BDC**	**Monthly**	**Manual**		

Key Performance Indicators (KPI's)

Attribute	Objective	Base Line	Target	Action Plan
Ageing Report Generation Accuracy	Ensure accurate and timely generation of ageing reports and follow-up actions to maintain effective credit control.	XX	XX	XX

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12. Bad Debts & Provisioning

Process Flow

Process Narrative

Description	Performed By	Frequency	System / Manual	Template	RCM Reference
12.1 Provision for doubtful debts In compliance with Ind AS 109, the EXEC – Finance & Accounts in consultation with Sales and Marketing team prepares a provision matrix to estimate doubtful debts. This matrix employs the bucketing method, categorizing debts into various time periods ("buckets") based on their overdue status, and is utilized to establish general provisions for potential receivable losses. Furthermore, a customer-specific analysis is performed to identify and account for any specific provisions related to bad debts.	**Executive – Finance & Accounts**	**Yearly**	**Manual**		
12.2 Approval for the provision of	Executive –	Yearly	Manual		

doubtful debts The EXEC – Finance & Accounts with Sales support team finalizes the calculation for the provision of doubtful debts, which is then submitted for approval in accordance with the Delegation of Authority (DOA). *Refer DOA*	**Finance & Accounts**				
12.3 Approval for Writing off Bad Debts If any receivables are deemed unrecoverable, the provision for bad debt will be written off. The EXEC – Marketing & BDC will seek approval for the write-off in accordance with the Delegation of Authority (DOA). *Refer DOA*	**Executive – Marketing & BDC**	**Yearly**	**Manual**		
12.4 Accounting of Provision & Bad debts Once the approvals are obtained, the EXEC – Finance & Accounts records the Journal Entry (JE) for the provision and write-off in SAP, which is then approved in accordance with the Delegation of Authority (DOA). *Refer DOA*	**Executive – Finance & Accounts**	**Yearly**	**System**		

Key Performance Indicators (KPI's)

Attribute	Objective	Base Line	Target	Action Plan
Doubtful Debt Provision Accuracy	Ensure accurate and timely provisioning for doubtful debts to maintain financial accuracy.	XX	XX	XX
Bad Debt Write-off Accuracy	Ensure accurate and timely write-off of bad debts to maintain financial records.	XX	XX	XX

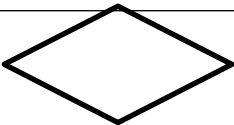# 13. Litigation (Resolution of Customer Issues)

Process Flow

Process Narrative

Description	Performed By	Frequency	System / Manual	Template	RCM Reference
13.1 Identification of Overdue customers EXEC / MANAGER - Finance & Accounts generates the Customer Ageing Report from SAP for outstanding customers over 360 days and shares it with the HOD – Marketing & BDC.	**Executive – Finance & Accounts**	**As and when**	**Manual**		
13.2 Initiation for Litigation	**HOD -**	**As and**	**Manual**		

Based on the details provided by EXEC / MANAGER - Finance & Accounts, the HOD – Marketing & BDC, in consultation with the Terminal Head, identifies customers for potential legal action, which is then forwarded for approval as per DOA. *Refer DOA*	**Marketing & BDC, Business Head**	**when**			
13.3 Approval for Litigation Business Head and/or COO/COE approve the identified customers for litigation. Once approved, the list of customers and relevant details are sent to the Legal team for further action.	**Business Head and / or COO/COE**	**As and when**	**Manual**		

Symbols/ legends used in flowcharts.

Symbol	Description
⬭	Start/End
▭	Manual process activity
◇	Decision/possibility/alternative
▢	Alternate process
⬯	Process connecting in same page
⏢	Process connecting in other page

	Output document
→	Flow direction