**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 |
| --- | --- |
| **Applicable Entities** | |  |  | | --- | --- | | **Entity Type** | **Entity Name** | | Non-Container | * JMBPL – Cold Chain | |
| **Process Owner** | Head of Finance |
| **IT Applications** | |  |  | | --- | --- | | **Entity Name** | **System** | | JMBPL – Cold Chain | WMS, SAP Hana | |
| **Guidelines / Policy reference** |  |
| **SOPP Cross References** |  |

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## 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

Business Head

Executive - Finance & Accounts / Marketing & BDC / Operations

Manager - Finance & Accounts / Marketing & BDC / Operations

HOD – Finance & Accounts / Marketing & BDC / Operations

## 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 |

### 

### Tariff to Customer

### Process Flow

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### 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 Time | Streamline the approval process for price master updates to prevent delays. | XX | XX | XX |
| 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)

### 



### Credit Management

### Process Flow

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## 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**  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. | **Executive – Marketing & BDC** | **As and when** | **Manual** |  |  |
| **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** |  |  |
|  |

### 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 |

### 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 of storage charges will be approved in accordance with the Delegation of Authority.  *Refer DOA* | **Executive – Finance & Accounts** | **As and when** | **Manual** |  |  |

### Advance/Security Deposit from Customer

### Process Flow

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## Process Narrative

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Description** | **Performed By** | **Frequency** | **System / Manual** | **Template** | **RCM Reference** |
| * 1. **Advances and Security Deposits/Waiver**   In case any Advance/Security deposit is receivable, HOD - Marketing & BDC team 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* | **HOD – Marketing & BDC / Finance & Accounts** | **As and when** | **Manual** |  |  |
| * 1. **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** |  |  |
| * 1. **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 |

### Customer Onboarding

### Process Flow

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### Process Narrative

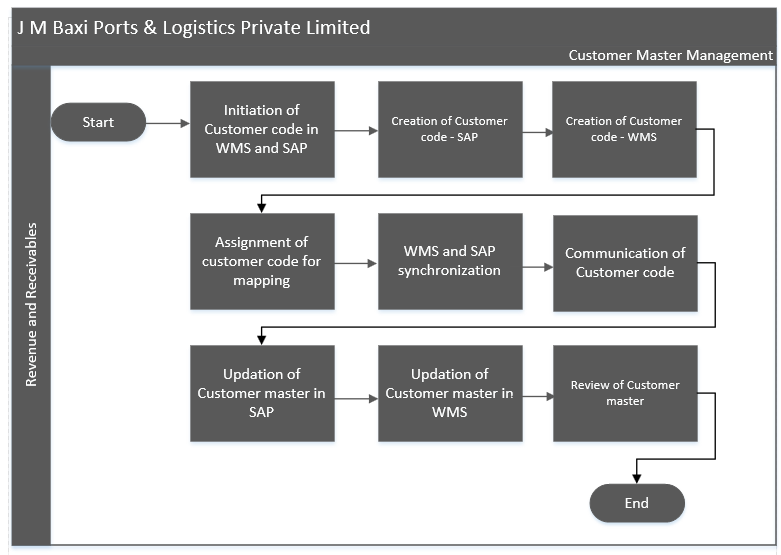
|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Description** | **Performed By** | **Frequency** | **System / Manual** | **Template** | **RCM Reference** |
| **5.1 Customer identification**  MANAGER/HOD- Marketing and BDC identifies potential new customers through market research and as 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** |  |  |
| * 1. **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** |  |  |
| * 1. **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** |  |  |
| * 1. **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.    *Refer DOA.* | **HOD-Marketing & BDC** | **As and when** | **Manual** |  |  |
| * 1. **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 |

### 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 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. | **HOD - Finance & Accounts** | **As and 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 customer master.  Whenever updates or deletions are needed, these changes are discussed with the HOD – Finance & Accounts. | **Manager – Finance & Accounts** | **Quarterly** | **Manual** |  |  |

### 

### 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 |

### 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 SAPTop of FormBottom of Form | **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 the generation of the Invoice Reference Number (IRN). | **Executive – Finance & Accounts** | **As and when** | **System** |  |  |
| **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 |

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### Credit Notes

### Process Flow

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### 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 (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* | **Executive – Finance & Accounts** | **As and when** | **Manual** |  |  |
| **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 credit notes to maintain compliance and financial accuracy. | XX | XX | XX |
| Credit Note Posting Accuracy | Ensure accurate and timely posting of credit notes to maintain financial records and customer satisfaction. | XX | XX | XX |

### Collection Accounting

### Process Flow

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### 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 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* | **Executive – Finance & Accounts** | **As and when** | **System** |  |  |
| **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)

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

### 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 and shares it with the HOD – Finance & Accounts and HOD – Marketing & BDC for review. | **Executive – Finance & Accounts** | **Monthly** | **System** |  |  |
| **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 |



### 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 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* | **Executive – Finance & Accounts** | **Yearly** | **Manual** |  |  |
| **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 |

### 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**  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* | **HOD - Marketing & BDC, Business Head** | **As and when** | **Manual** |  |  |
| **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.

|  |  |
| --- | --- |
|  | Start/End |
|  | Manual process activity |
|  | Decision/possibility/alternative |
|  | Alternate process |
|  | Process connecting in same page |
|  | Process connecting in other page |
|  | Output document |
|  | Flow direction |