Aquapurite ERP - Finance & Operations User Guide

For Finance Head, Accounts Head & Operations Team

Version: 1.0 **Last Updated:** January 2026

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1. Getting Started - Setup Sequence

IMPORTANT: Follow This Order

Before using the ERP for daily transactions, master data must be set up in the correct sequence. **If you skip steps, dropdown menus will appear empty.**

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STEP 1: Company Setup
    ↓
STEP 2: Chart of Accounts (Finance)
    ↓
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```

↓
NOW YOU CAN START TRANSACTIONS

Quick Reference: What Depends on What

Feature	Requires First
Receipts	Customers must exist
Auto Journal	Chart of Accounts (Bank accounts) must exist
Invoices	Customers + Products must exist
Purchase Orders	Vendors + Products must exist
GRN	Purchase Order must be approved
Stock Transfers	Multiple Warehouses must exist
Journal Entries	Chart of Accounts must exist

2. Master Data Setup

2.1 Chart of Accounts (MUST DO FIRST)

Navigation: Finance → Chart of Accounts

The Chart of Accounts is the foundation of all financial transactions. Without accounts, you cannot:

- Record receipts (need Bank/Cash accounts)
- Create journal entries
- Generate financial reports

Standard Account Structure for Aquapurite

Account Code	Account Name	Type	Purpose
1000	**ASSETS**	Header	
1100	Current Assets	Header	
1101	Cash in Hand	ASSET	Petty cash
1102	HDFC Bank - Current A/c	ASSET	Main bank account
1103	ICICI Bank - Current A/c	ASSET	Secondary bank
1104	Razorpay Settlement	ASSET	Payment gateway
1110	Accounts Receivable	ASSET	Customer dues
1120	Inventory	ASSET	Stock value
1130	Advance to Suppliers	ASSET	PO advances
2000	**LIABILITIES**	Header	
2100	Current Liabilities	Header	
2101	Accounts Payable	LIABILITY	Vendor dues
2102	GST Payable - CGST	LIABILITY	Tax liability

2103	GST Payable - SGST	LIABILITY	Tax liability
2104	GST Payable - IGST	LIABILITY	Tax liability
2105	TDS Payable	LIABILITY	TDS deducted
2110	Advance from Customers	LIABILITY	Customer advances
3000	**EQUITY**	Header	
3001	Share Capital	EQUITY	Owner's capital
3002	Retained Earnings	EQUITY	Accumulated profit
4000	**REVENUE**	Header	
4001	Sales - Water Purifiers	REVENUE	Product sales
4002	Sales - Spare Parts	REVENUE	Spare sales
4003	Sales - AMC	REVENUE	Service contracts
4004	Installation Income	REVENUE	Installation fees
5000	**EXPENSES**	Header	
5001	Cost of Goods Sold	EXPENSE	Product cost
5002	Freight & Logistics	EXPENSE	Shipping costs
5003	Salaries & Wages	EXPENSE	Employee cost
5004	Rent	EXPENSE	Office/warehouse rent
5005	Utilities	EXPENSE	Electricity, water
5006	Marketing & Advertising	EXPENSE	Promotions
5007	Bank Charges	EXPENSE	Transaction fees

How to Create Accounts

1. Go to **Finance → Chart of Accounts**
2. Click **+ Add Account**
3. Fill in:
   - **Code**: Use the numbering system above
   - **Name**: Account name
   - **Type**: ASSET, LIABILITY, EQUITY, REVENUE, or EXPENSE
   - **Parent**: Select parent account (e.g., 1100 for 1101)
   - **Is Active**: Yes
4. Click **Save**

TIP: Create header accounts first (1000, 2000, 3000, 4000, 5000), then create sub-accounts under them.

2.2 Financial Periods

Navigation: Finance → Financial Periods

Financial periods define your accounting year and control which months are open for transactions.

Setup Steps

1. Go to **Finance → Financial Periods**
2. Click **+ Create Period**
3. Enter:
    - **Financial Year**: 2025-26 (or current year)
    - **Start Date**: 01-Apr-2025
    - **End Date**: 31-Mar-2026
4. The system will create 12 monthly periods
5. **Open** the current month for transactions
6. **Close** past months after reconciliation

Period Status

Status	Meaning
OPEN	Transactions allowed
CLOSED	No new transactions (month-end done)
LOCKED	Audit complete, cannot modify

2.3 Customers (Required for Receipts & Invoices)

Navigation: CRM → Customers

Creating a Customer

1. Go to **CRM → Customers**
2. Click **+ New Customer**
3. **Required Fields:**
    - Name
    - Email or Phone
    - Billing Address
    - State (for GST)
    - GSTIN (if B2B customer)
4. **Optional but Recommended:**
    - Credit Limit
    - Payment Terms (e.g., Net 30)
    - Customer Type (B2B/B2C)
5. Click **Save**

WHY THIS MATTERS: The Receipts page shows "Select Customer" dropdown. If no customers exist, this dropdown will be empty.

2.4 Vendors (Required for Procurement)

Navigation: Procurement → Vendors

Creating a Vendor

1. Go to **Procurement → Vendors**
2. Click **+ New Vendor**
3. **Required Fields:**
   - Vendor Name
   - Email
   - Phone
   - Address
   - State
   - GSTIN
   - PAN
4. **Bank Details (for payments):**
   - Bank Name
   - Account Number
   - IFSC Code
5. Click **Save**

2.5 Warehouses (Required for Inventory)

Navigation: Inventory → Warehouses

Standard Warehouse Setup

Code	Name	Type	Purpose
WH-MAIN	Main Warehouse	OWNED	Primary storage
WH-DELHI	Delhi Hub	OWNED	Regional hub
WH-MUMBAI	Mumbai Hub	OWNED	Regional hub
WH-DEFECT	Defective Stock	OWNED	QC rejected items
WH-TRANSIT	In Transit	VIRTUAL	Goods in shipment

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3. Finance Module

3.1 Journal Entries

Navigation: Finance → Journal Entries

Journal entries record all financial transactions using double-entry bookkeeping.

Golden Rule of Accounting

Account Type	Debit When	Credit When
ASSET	Increases	Decreases
LIABILITY	Decreases	Increases

EQUITY	Decreases	Increases
REVENUE	Decreases	Increases
EXPENSE	Increases	Decreases

Creating a Manual Journal Entry

1. Go to **Finance → Journal Entries**
2. Click **+ New Entry**
3. Enter:
   - **Entry Date**: Transaction date
   - **Narration**: Description of the transaction
4. Add lines:
   - Select Account
   - Enter Debit OR Credit amount
   - Add description for line
5. **Total Debits MUST equal Total Credits**
6. Click **Save as Draft** or **Post**

Example: Recording a Bank Deposit

Account	Debit	Credit	Description
HDFC Bank (1102)	50,000		Cash deposited
Cash in Hand (1101)		50,000	Cash deposited to bank

3.2 Auto Journal (Automatic Entry Generation)

Navigation: Finance → Auto Journal

Auto Journal automatically creates journal entries from:

- Sales Invoices
- Payment Receipts
- Bank Transactions

Prerequisites

Before using Auto Journal, you MUST have:

1. ✅ Chart of Accounts created (especially bank accounts)
2. ✅ Invoices created in the system
3. ✅ Receipts recorded

How to Use Auto Journal

From Sales Invoice:

1. Go to **Finance → Auto Journal**
2. Click **From Sales Invoice** card
3. Select an invoice from dropdown
4. Check "Auto-post" if you want to post immediately
5. Click **Generate Journal**

Generated Entry:

Account	Debit	Credit
Accounts Receivable	Invoice Amount	
Sales Revenue		Net Amount
GST Payable - CGST		CGST Amount
GST Payable - SGST		SGST Amount

From Payment Receipt:

1. Click **From Payment Receipt** card
2. Enter Receipt ID
3. Select Bank Account (where money was received)
4. Click **Generate Journal**

Generated Entry:

Account	Debit	Credit
Bank Account (HDFC)	Receipt Amount	
Accounts Receivable		Receipt Amount

WHY BANK ACCOUNT DROPDOWN IS EMPTY: If you don't see bank accounts in the dropdown, it means no bank accounts have been created in Chart of Accounts. Go to Finance → Chart of Accounts and create bank accounts first (Account Type: ASSET).

3.3 General Ledger

Navigation: Finance → General Ledger

View all transactions for a specific account.

1. Select Account from dropdown
2. Select Date Range
3. Click **View Ledger**

Shows: Opening Balance → All Transactions → Closing Balance

3.4 Bank Reconciliation

Navigation: Finance → Bank Reconciliation

Match bank statement entries with recorded transactions.

1. Select Bank Account
2. Upload Bank Statement (Excel/CSV) or enter manually
3. System shows unmatched transactions
4. Match each bank entry with system entry
5. Mark as Reconciled

3.5 TDS Management

Navigation: Finance → TDS Management

Record Tax Deducted at Source on vendor payments.

Common TDS Sections

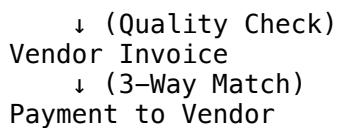| Section	Nature of Payment	Rate
194C	Contractor Payment	1% / 2%
194J	Professional Fees	10%
194H	Commission	5%
194I	Rent	10%

Recording TDS

1. Go to **Finance → TDS Management**
2. Click **+ Record Deduction**
3. Enter:
   - Vendor (Deductee)
   - Section (194C, 194J, etc.)
   - Payment Amount
   - TDS Amount (auto-calculated)
4. Mark as Deposited after paying to government

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4. Procurement Module

4.1 Procurement Workflow

```
Purchase Requisition (PR)
    ↓ (Approval)
Vendor Proforma / Quotation
    ↓ (Selection)
Purchase Order (PO)
    ↓ (Approval & Send to Vendor)
Goods Receipt Note (GRN)
```

```
    ↓ (Quality Check)
Vendor Invoice
    ↓ (3-Way Match)
Payment to Vendor
```

4.2 Purchase Requisition

Navigation: Procurement → Requisitions

Create a request for items needed.

1. Click **+ New Requisition**
2. Enter:
   - Required Date
   - Priority (Low/Medium/High/Urgent)
   - Department
3. Add Items:
   - Select Product
   - Enter Quantity
   - Add specifications/notes
4. Submit for Approval

4.3 Purchase Order

Navigation: Procurement → Purchase Orders

After requisition approval, create PO.

1. Click **+ New PO**
2. Select Vendor
3. Add Items (can import from requisition)
4. Enter:
   - Unit Price
   - GST Rate
   - Delivery Date
5. Add Terms & Conditions
6. Save as Draft
7. Submit for Approval
8. After approval, **Send to Vendor**

PO Statuses

Status	Meaning
DRAFT	Being prepared
PENDING_APPROVAL	Waiting for approval
APPROVED	Ready to send
SENT_TO_VENDOR	Vendor notified
PARTIALLY_RECEIVED	Some items received

| FULLY_RECEIVED | All items received |
| CLOSED | PO completed |

4.4 Goods Receipt Note (GRN)

Navigation: Procurement → GRN

Record goods received against a PO.

1. Click **+ Create GRN**
2. Select Purchase Order
3. Enter:
    - Received Date
    - Received Quantity (per item)
    - Quality Check Status (Accept/Reject)
    - Warehouse location
4. Scan or enter serial numbers (for serialized items)
5. Submit

After GRN:

- Inventory is updated automatically
- Vendor invoice can be matched
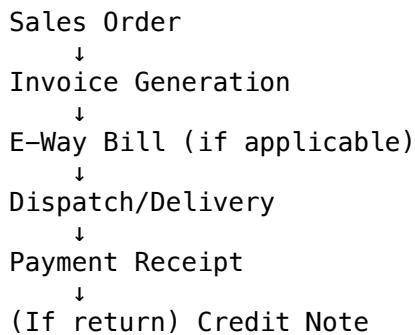
4.5 Vendor Invoice & 3-Way Match

Navigation: Procurement → Vendor Invoices → 3-Way Match

Before paying a vendor, verify:

1. **PO Amount** matches

2. **GRN Quantity** matches

3. **Invoice Amount** matches

4. Go to **3-Way Match**

5. Select Vendor Invoice

6. System shows PO, GRN, and Invoice side by side

7. Highlight any mismatches

8. Approve if matched

9. Process Payment

5. Billing Module

5.1 Billing Workflow

```
Sales Order
    ↓
Invoice Generation
    ↓
E-Way Bill (if applicable)
    ↓
Dispatch/Delivery
    ↓
Payment Receipt
    ↓
(If return) Credit Note
```

5.2 Creating an Invoice

Navigation: Billing → Invoices

1. Click **+ New Invoice**
2. Select Customer (MUST exist in CRM → Customers)
3. Select Sales Order (optional)
4. Add Line Items:
   - Product
   - Quantity
   - Unit Price
   - Discount (if any)
   - GST Rate
5. System calculates:
   - Subtotal
   - GST (CGST + SGST or IGST)
   - Grand Total
6. Add Payment Terms
7. **Save** or **Save & Send**

5.3 E-Way Bill

Navigation: Billing → E-Way Bills

Required for goods movement above ₹50,000.

1. Go to **E-Way Bills**
2. Select Invoice
3. Enter:
   - Transporter Name
   - Vehicle Number
   - Distance (km)
4. Generate E-Way Bill Number

5.4 Payment Receipts

Navigation: Billing → Receipts

IMPORTANT: Customers must exist before recording receipts.

Recording a Receipt

1. Go to **Billing → Receipts**
2. Click **+ Record Payment**
3. Select **Customer** (from dropdown)
4. Select **Invoice** (optional - for allocation)
5. Enter:
   - Amount Received
   - Payment Date
   - Payment Mode (Cash/UPI/Bank Transfer/Cheque)
   - Reference Number (transaction ID, cheque number)
6. Click **Record Payment**

Why Customer Dropdown is Empty?

If no customers appear:

1. Go to **CRM → Customers**
2. Create customers first
3. Return to Receipts page

5.5 Credit Notes

Navigation: Billing → Credit Notes

Issue when:

- Customer returns goods
- Pricing error in invoice
- Quality issues

1. Click **+ New Credit Note**
2. Select Original Invoice
3. Enter reason
4. Enter amount to credit
5. Submit

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6. Inventory Module

6.1 Stock Summary

Navigation: Inventory → Stock Summary

View current stock levels across all warehouses.

Column	Meaning
Available	Can be sold
Reserved	Allocated to orders
In Transit	Being shipped
Total	All stock

6.2 Stock Adjustments

Navigation: Inventory → Adjustments

Record inventory changes outside normal transactions.

Reasons for Adjustment:

- Physical count variance
- Damaged goods
- Expired products
- Sample/Demo units

1. Click **+ New Adjustment**
2. Select Warehouse
3. Select Product
4. Enter:
   - Current System Qty (shown)
   - Actual Qty (counted)
   - Variance (calculated)
   - Reason
5. Submit for Approval

6.3 Stock Transfers

Navigation: Inventory → Transfers

Move stock between warehouses.

1. Click **+ New Transfer**
2. Select:
   - Source Warehouse
   - Destination Warehouse
3. Add Products and Quantities
4. Submit
5. At destination, **Receive Transfer**

7. Common Workflows

7.1 Complete Sales Cycle

1. Customer calls/orders online
   ↓
2. Create Sales Order (Orders → New Order)
   ↓
3. Check inventory availability
   ↓
4. Generate Invoice (Billing → Invoices)
   ↓
5. Create Shipment (Logistics → Shipments)
   ↓
6. Generate E-Way Bill (if > ₹50,000)
   ↓
7. Dispatch goods
   ↓
8. Customer receives & pays
   ↓
9. Record Receipt (Billing → Receipts)
   ↓
10. Generate Journal Entry (Finance → Auto Journal)

7.2 Complete Purchase Cycle

1. Identify need for stock
   ↓
2. Create Purchase Requisition
   ↓
3. Get approval
   ↓
4. Request quotations from vendors
   ↓
5. Create Purchase Order
   ↓
6. Get PO approved
   ↓
7. Send PO to vendor
   ↓
8. Receive goods, create GRN
   ↓
9. Quality check
   ↓
10. Receive vendor invoice
   ↓
11. 3-Way match (PO vs GRN vs Invoice)
   ↓
12. Process payment (with TDS if applicable)
   ↓
13. Record in journal

7.3 Month-End Closing

```
1. Ensure all invoices are generated
   ↓
2. Ensure all receipts are recorded
   ↓
3. Ensure all vendor invoices are entered
   ↓
4. Bank reconciliation
   ↓
5. Review pending journal entries (Auto Journal → Post All)
   ↓
6. Run Trial Balance (Reports → Trial Balance)
   ↓
7. Check Debits = Credits
   ↓
8. Close the month (Finance → Periods → Close)
```

8. Troubleshooting

Problem: Dropdown is Empty

Dropdown	Solution
Customer (in Receipts)	Create customers in CRM → Customers
Bank Account (in Auto Journal)	Create bank accounts in Finance → Chart of Accounts
Vendor (in PO)	Create vendors in Procurement → Vendors
Product (in Invoice)	Create products in Catalog
Warehouse (in GRN)	Create warehouses in Inventory → Warehouses

Problem: Cannot Create Invoice

Check:

1. Is customer created? (CRM → Customers)
2. Are products created? (Catalog)
3. Is current financial period OPEN?

Problem: Cannot Create GRN

Check:

1. Is there an approved PO?
2. Is the PO sent to vendor?
3. Is warehouse created?

Problem: Journal Entry Won't Post

Check:

1. Do Debits equal Credits?
2. Is the entry date in an OPEN period?
3. Are all accounts valid and active?

Problem: Reports Show Zero

Check:

1. Are journal entries posted (not just saved as draft)?
2. Is the date range correct?
3. Is the financial period correct?

Quick Reference Card

Daily Tasks (Accounts Executive)

Time	Task	Navigation
Morning	Record yesterday's receipts	Billing → Receipts
Morning	Check pending invoices	Billing → Invoices
Midday	Enter vendor invoices	Procurement → Vendor Invoices
Midday	Process 3-way matches	Procurement → 3-Way Match
Evening	Bank reconciliation	Finance → Bank Reconciliation
Evening	Post pending journals	Finance → Auto Journal

Weekly Tasks (Accounts Manager)

Day	Task	Navigation
Monday	Review pending approvals	Approvals
Wednesday	Check outstanding receivables	Reports
Friday	Review week's transactions	Finance → Journal Entries

Monthly Tasks (Finance Head)

Task	Navigation
Bank reconciliation (all accounts)	Finance → Bank Reconciliation
GST filing preparation	Finance → GSTR-1, GSTR-3B
TDS deposit verification	Finance → TDS Management
Trial Balance review	Reports → Trial Balance
P&L review	Reports → Profit & Loss
Close month	Finance → Periods

Support

For technical issues:

- Check this guide first
- Contact system administrator
- Email: support@aquapurite.com

Document prepared for Aquapurite ERP v1.0