**Margin Compilation**

* Preparatory Process:
* First you have to take previous month’s file.
* Take a fresh resource dump from Resource System.
  + Have to remove till last month’s below ‘Resource Status’ entries.
    - Absconding
    - Asked to Leave
    - Relieved
    - Relieved Project
  + Also have to remove below entries from RHC Dump.
    - Non-Billing (Not non – billing)
    - Slonkit
    - Clover Bench Entries
    - Project FP
    - Internal Project
* All updates received from mails from delivery teams should be updated in replacement as well as email update sheet.
* Start with concatenate to (Customer Name & Service Type & Employee ID & Status).
  + Eg. “Abhyudaya Co-Operative Bank Ltd.AdvantageCI4923Billing”
  + Same concatenate need to do in previous month margin file
* V-lookup and Reverse V-lookup on both the sheets with Margin & Resource Sheet.
* First have to filtered partial and have to change the formula in which were calculated in previous month revenue cell and take No. of Days in values and in same filtered have remove No. of Days.
* Within same filtered for Allocation and change the ‘% of allocation’ as per the actual allocation.
* Then change the Date ‘Last day of month’ as Last Day. (Eg. 31.05.18 or 30.06.18)
* Now we have base data and have to work on it.
* **Working:**
* Filtering concatenate as showing ‘#N/A’ in RHC, which entry that have to add or change status in margin.
* Start account wise revenue calculation while doing so cross validate each account with RHC if #NA is there then rectify that entry or else just put monthly revenue as per OA calculation.
* Start with account wise “Changing Resource Entries” and “Revenue for Current Month”.
* OA Dump: Filtered to select ‘Final OA’ in OA Type and ‘Service’ in OA Type 1.
* If there are new support started in the current month, so have to check & search in OA dump for particular customer and see latest OA added in the system at bottom.
* For partial calculation need to calculate partial no. of days & accordingly allocate revenue & allocation %.
  + If consultants relieved on 15th of the month from site:
    - Formula: no. of days in month – (Last Day in month – Relieved Date effective from)
      * Eg: (31-(31-15) = 15)
  + If consultants billing from 16th of the month on site
    - Formula: Last Day in month – billing Date effective from + 1
      * Eg: (31-15+1 = 16)
  + For connect & direct formula should be same as mentioned above in case of replacement provided.
* Calculation of revenue formula should be (OA amount/ No. of Month)

(If OA period is equal to month).

* If OA Start or End date in mid-month then first check their monthly billing amount in OA dump if it is not found, then calculation would be {OA amount \* 30(no. of days in current month) / total no. of days}.
* Have to be careful while selecting cell for revenue calculation.

(Eg. Entries where revenue calculation calculate with another OA amount).

* After putting revenue against OA no. cross check monthly billing amount & revenue section amount should be match with actual revenue of that particular oa.
* If OA is for multiple resources, then crosscheck list of consultants & their billing details from IRS or have to ask Sales & Delivery team for deployments or for loss-off billing and this confirmation conversation done through Mails only.
* Partial revenue should have calculated only in case of partial deployment not on partial allocation. Allocation can be used only for calculating cost.
* Also in case of Connect & Direct all revenue calculations should be tally as per monthly billing (No loss of billing should be considered till the time team not notify the same in rare cases)
* For all the exceptional accounts calculation is already informed or marked in comments, make sure count of resource & billing details should be match accordingly.
  + Cholamandalam calculation details are already there in formula
  + IDFC Ebs support calculation would be sum of all valid OA’s monthly amount & then allocation of revenue should be done as informed in comments in Technology section. EBS Functional it is 37%, Ebs Technical 33%, EBS Dba 30%
  + Reliance Life account rates will be taken as per Abhijeet Mails dates 2nd July, for any change check with Abhijit.
  + Kotak Bank calculation should be on the basis of sheet provided by Abhijit Shedulkar.
* All the resource who are non-billing, then we need to map any existing OA details against them (for same technology) no new should be mentioned against any non-billable resource.
* If billable resource moved from one side to other or he relieved from that site, then crosscheck with replacement of such resource with delivery manager.
* Formula should be check before close any account.
* Salary column should be add after allocation column.
* For all existing employees ctc needs to devide by 12 months to get 1 month salary.

For eg. Employee ctc is 400000 then formula would be 400000/12

* For all new joinees in current month need to calculate salary on no. of working days basis

For eg. Employee ctc is 400000 & he joined on 15th of the month then formula would be (400000/12)\*16(Total working days considering month is for 30 days)/30

* For all exit employees salary need to take salary which was release by payoll team as it is.

No formula is needed just take amount as it is from payroll data.

* Infra cost is calculated only for direct & connect support. i.e. 7500 per resource for rest all the support infra cost would be 0
* Mobile & Night Shift cost calculation

Here have to calculate on monthly basis actual mobile & night shift cost of the employees for current month (if you are preparing June month margin then conveyance, travel & STPA which was reimbursed in the month of June should be considered)

Eg. Conveyance which process in the month of May, that will reimburse in June month.

In conveyance portal Accounts tab – Monthly conveyance for previous month, Search All – Export – make a Pivot with employee code with approved amount. Now Export data from RHC remove all inactive data and Mark-up cases. Remove all the column after grades now put vlook-up from conveyance pivot to RHC dump. Same has done for Travel & STPA.

* + Calculate total of both Mobile & Conveyance cost then straight away divide that amount into no. of active employees except markup resources & put that amount against each individual employee.
    - (Eg. If total billable consultants = 1956 & total conveyance amount = 195000)

(Rs. 195000 / 1956 = Rs. 99.69 per person).

* + - Keep Same format as previous month.
* Overhead loading (HR, MIS, Finance, Quality, etc.) would be 35% for all the employees
* All markup resources infra, mobile & night shift & loaded cost would be 0%
* Formula for loaded cost = Monthly salary\*(1+Overhead loading %) + (Infra cost + mobile & night shift cost) \* Allocation%

Eg.: (Loaded Cost = 25000 \* (1 + 35%) + (7500 + 99.69) \* 50%)

* Only in case of exit resource you need not have to \* by allocation %
* Margin formula = 1 - (Loaded cost/ Revenue)
* Margin should be calculated by Account wise (total of account wise revenue) and (total of account wise loaded cost).
* Project T&M have to copy in the different sheet.
* OA Dump Comments should be copy in Margin Sheet.
* Lookup from Margin sheet on OA ID and check with existing and new.
* Create Account wise margin Pivot
* In row section select customer name, Technology, Type of service 1, Name of the consultant, Resource status. In value section Sum of number of billable resources,

Sum no. of non-billable resources, Sum of revenue of current month & sum of cost of current month.

* All this above pivot copy it & paste value in new sheet in the margin beside which need to mention margin formula.
* Technology wise margin
* It should be same as above just need to add technology first rather than customer name rest all field would be as it is
* Region wise
* It should be same as account wise just add region & location before customer name

**Points to remember for review:**

* After finalizing the margin file need to crosscheck column wise review in which following point should be taken care:
  + All columns should have data no column should be blank.
  + If Service 1 column is “Advantage”, then make sure Service 2 should not be “Connect” or “Direct” & vice versa.
  + Count of billable consultant their status & revenue should be matched & same for non-billable.
  + Date effective from should be matched with mentioned date in RHC.

Insert 1 temporary column next to DEF column and then validate dates as per RHC with showing True or False date. All false date need to correct in margin & all #NA dates should be mention as it is.

* All date effective is 1st of current month should be full except exit employees. Same way all the employees who’s DEF is last day of the current month should be consider as full except employee who joins on last date of the month.
* Partial calculation of revenue should be checked.
* For all connect & direct cases before doing partial allocation please crosscheck if replacement is given or not as revenue should be complete in such cases. If replacement not given then consider complete revenue of the account against whoever assigned in current month but ask his replacement for next month calculation. Eg. Oa no. 9384 & 9165 in June 18 File.
* All mid-month deployment should be either new or replacement. If team given update as replacement then name of the previous billable employee should be clarify as due to this monthly billing as per OA calculation & margin calculation will not tally. Eg. OA no. 9483 in June 18 file
* All the resources movement in current month should be calculate partially, except If deployment done on 1st, resource moved out on last day of the month or he/she is Resigned.
* In Connect & Direct: formula will apply on bifurcation of allocation.
* If in connect or direct team any existing employee who is billable & now same employee is replacement for some other relieved employee then his allocation should be tally as well as revenue for both employees should be tally. For eg. OA no. 10852 in June 18 File.
* Employees allocation should not be there more than 100% . check this in column wise review.
* For ensuring this make a temporary pivot in which take employee ID in row section & % allocation is column section
* Check if any employees % is coming more than 100% then cross check his data through RHC so you can find out it was error made by you
* Correct all such errors refresh pivot to validate again if no such entries was found then delete that pivot
* Follow the process for calculation of mobile & night shift allowances which is given in margin sop.
* 1 resource can be replacement for only 1 resource where he deployed 100% this kind of information should keep in mind. Eg. Vaishali Solkar & Ashvin Chaudhary in the month of June.
* Still calculation errors which is not as per oa details. Eg. 11077
* Put correct Technology against resources.
* Half monthly oa’s billing should be checked from oa dump as it is something different then no. of days calculation. This point is already mentioned in 1st version of Margin SOP. Eg. OA no. 10947.
* Align all column properly.
* All values should be comma separated

**Appendix files:**

1. **Revenue Pivot verification:**

* **Preparation of main document for verification**

1. Make a pivot from margin file in row column select oa details (OA No., Start date, End date )& Revenue should be in Value section(Sum) for current month.
2. Mention total no. of days oa valid formula beside that = oa end date – oa start date
3. Besides that need to mention no. of month formula on days basis.

i.e.= ((DATEDIF(START DATE,END DATE,”M”))+1

1. In next column mention formula i.e. OA Amount/ no. of month which will retrieve monthly value.
2. If oa starting or ending in mid-month then formula should be on no. of days basis. i.e. Oa amount / total no. of days according to oa\*no of days in current month.
3. Whatever value will be coming that should get tally with revenue of current month
4. In no. of days formula if differentiate amount is minor till 2000 then that may be considered as ok.
5. Those amount which is not tally that needs to verify. That may be calculation error or understanding error. This again you can validate from margin data as mentioned in sales data after all the checking if still we need any confirmation then this needs to be clarify with sales & delivery team.

**2. Sales Invoice Data verification**

* **Preparation of main document for verification**

1. Add OA no. against each invoice no. in the sheet which is received by Sales invoice verification sheet .(We are getting oa dump along with invoice no. from Vaibhav).
2. To enter OA no. in sales invoice verification sheet received from Finance:

Put vlookup sales invoice verification sheet from invoice no. followed by OA dump file to get OA no. against each entry in sales invoice verification sheet.

Vlookup formula=VLOOKUP (value, table, col\_index, [range\_lookup])

Verify revenue which is mentioned in Margin. This should be tally against every OA

1. Mentioned BAU & Practices with the help of data given by Sales.
2. Match all the revenue & projects for all the practices.

* **Cases of errors/ issues.**

1. If the amount mentioned in Sales invoice verification sheet & amount shown in margin is different then find out reason for the same & mention it in comments section with specification.

All the cases are already mentioned for preparation of margin if entry is not getting tallied means some information needs to be highlight from margin to sales data. Highlight the same in remarks section.

1. Put 2 entries for SBI as 340000 would be considered 1 is under project & remaining in services. Take reference of margin file for T & M project.
2. No errors are there in sales data. Just cross verify margin why we took certain revenue. It might be due to mid month deployment or replacement not given or client asked us to stop the support.
3. If replacement has been provided then value should total up and be equal to margin value. Mark ok.
4. If replacement is deployed after few days. Then mention amount minus these days and write clearly in remark.
5. If replacement has not been provided – mention actual value to be billed and write “loss of billing” clearly.
6. Check all the files uploaded by sales while uploading oa & cross verify revenue.( Actually this process belongs to Margin not sales data)
7. After all possible checks also if we are not clear with any information then check with delivery team or sales team.(e.g. OA must be entered for 14 employees wherein we deployed only 12 employees)
8. If Oa started from 1st of the month & we received deployment in between then cross validate with delivery team whether we should raise credit note for that period or not. Eg. 11307 where oa started from 1st June 18 but resource deployed on 13th June so credit note should be raised for 12 days.
9. As per mail received by pavan dated 6th July he has conversation with finance head for taking care of credit note part of Bagic & Balic which we may receive after 2-3 months from client we are reducing some amount upfront for avoiding unnecessary service tax but in such case if our calculation & actual calculations differs then pavan will raise debit note or credit note accordingly.
10. Cross verify individual billing amount for all the consultant from IRS attachment & from Margin for ICICI Lombard. If there is any discrepancy then mail that discrepancy to mukesh marking finance team, sam & delivery in loop.
11. **Proforma preparation:**

* **Preparation of main document for verification**

1. On the basis of final margin of the current month all the oa’s which is expiring in current month or before that & all the new business would be considered as proforma.
2. Copy that oa details into new sheet
3. Client name, oa no., OA amount ,start date, end date, monthly revenue & revenue till date these column should be there.(For all new oa consultant name, his technology & support type should be mention)
4. Mention per month revenue amount in column
5. 2 column should be there 1 is monthly revenue & revenue till date
6. In revenue till date need to calculate monthly amount \*no. of months since oa end date till current month. If mid-month start or end date then calculation should be on no. of day’s basis. As mentioned in revenue pivot section.
7. Forward this data to Sales for further verification.
8. Please note that all the oa’s which is renewed & OA not entered inIRS should be proforma for the month.
9. We are considering only BAU support while preparing proforma.
10. **OA Analysis:**

* **Preparation of main document for verification**

1. Take all the oa’s which are getting ended till next 2 months from current month Margin file. Include all new business too (Only billable consultants)
2. Take client name, Support Type, Technology, Employee name, OA id, OA End, Revenue for current month, Sales manager name. Then other columns which need to verify with team.

I.e. Renewal OA No. , Renewal OA period, proposal sent date, p. o. expected date Remarks on weekly basis (so mention date for which week you are taking updates), Discussion with seniors done in Monday morning meeting.

1. On every Wednesday onwards we need to cross validate details with sales team. All proposal sent dates & amount needs to be validate with sales person
2. Monthly renewal cases which is confirmed by sales team should be marked as monthly renewal in proposal sent date
3. All Support discontinue should get capture in renewal oa coloum.