

SYSTEM APPLICATIONS & PRODUCTS IN DATA PROCESSING  
(SAP-FICO)

A CERTIFICATE COURSE CONDUCTED

BY



THE SURE TRUST

Skill Up gradation for Rural-youth Empowerment – TRUST

([www.suretrustforruralyouth.com](http://www.suretrustforruralyouth.com))

COURSE TRAINING ATTENDED

BY

SIDHARTHA SAHOO

(SEP 2023 – DEC 2023)



## Declaration

This is to certify that Sidhartha Sahoo has successfully completed the Four months training given in “SAP FICO” conducted by SURE TRUST during the period from Sep 2023 to Dec 2023.

**Mr. Kailash Chandra Behera, B. Com & CA**

SAP – FICO Consultant; TATA Technologies

Trainer of SAP FICO

SURE Trust

**Prof. Ch. Radha Kumari**

Executive Director & Founder,  
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SURE TRUST

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## **1. INTRODUCTION TO THE SURE TRUST**

The SURE TRUST is born to enhance the employability of educated unemployed rural youth. It is observed that there is a wide gap between the skills acquired by students from the academic institutions and the skills required by the industry to employ them. Employability enhancement is done through giving one on one training in emerging technologies, completely through online mode. The mission of the SURE TRUST is to bridge the gap between the skills acquired and the skills required by training them in the most emerging technologies such as Artificial Intelligence (AI), Python Program, Machine Learning (ML), Deep Learning (DL), Data Science & data analytics block chain Technology, Robotic Process Automation (RPA), Project Management ,Excel for Business Application, Statistical tools & Applications, Spoken English and Business Communication etc., that will enhance their employability. After completion of four months training in the course, the trainees will get live projects from industries as internship activity to get experience in applying to real time situation what they have learnt during the course. These projects will give them hands on experience which is much sought after by the prospective industry employing them. Currently students from all over India are enrolling for various courses offered by the SURE TRUST. The SURE TRUST offers every course free of cost with no financial burden of any kind to students. This initiative is purely a service oriented one aiming to guide the rural youth who are educated but unemployed due to lack of up gradation in their skill sets. The birth of SURE TRUST is a God given boon to rural youth who could reach great heights either in employment or in entrepreneurship once they receive the training offered followed by the company internship. Many companies are coming forward to join their hands with us by offering internship projects to handhold and lead the rural youth in their career settlement.

### **VISION OF THE SURE TRUST**

The vision of the SURE TRUST is to enhance the employability of educated unemployed youth, particularly living in rural areas, through skill up gradation, with no cost to the students.

## **MISSION OF THE SURE TRUST**

The mission is to bridge the gap between the skills acquired in the academic institutions and the skills required in industries as a precondition for employment.

## **FUNCTIONING OF THE SURE TRUST**

There are three dedicated, committed, and hard-working women on the board of management of the SURE TRUST who will look into the various administrative and other matters relating to the enrolment of students, organizing trainers, entering into agreements with companies forgetting live projects to students as internship programs, and so on. All the three women on the board are all the alumni from Sri Sathya Sai Institute of Higher Learning, Anantapur Campus, deemed to be a university. The women board is supported by five eminent advisories who are from different walks of life and have made outstanding mark in career in their respective fields. For more details about SURE TRUST visit the website: [www.suretrustforruralyouth.com](http://www.suretrustforruralyouth.com)

## **COURSE CONTENT**

The SURE TRUST conducts a four months training for every course on a uniform basis. A session panning across one to one & half hour is taken by the trainers for every major course. Sessions are conducted to complete the predesigned course structure within the fixed time period. Course content is designed to suit the current requirement of the industry and validated by the industry experts. The course content of all these courses is so dynamic that any changed condition noticed in the industry will automatically get reflection the content of the respective course.

## 2. SAP FICO COURSE CONTENT

### **Course Objective:**

To turn out SAP FICO professionals who can directly be recruited by the industry or who can enjoy the status of a freelancer in the field.

### **Course Content:**

#### **Module 1: Introduction to SAP R/3**

- Introduction to ERP, Advantages of SAP over other ERP Packages
- Introduction to SAP R/3 FICO

#### **Module 2: Financial Accounting Basic Settings:**

- Creation and assignment of company and company code
- Creation of business area
- Defining and assignment of fiscal year variant
- Defining and assignment of posting period variant
- Defining open and closing posting periods
- Defining document type & number ranges
- Maintenance and assignment of field status variants
- Defining and assignment of tolerance groups of employees
- Taxes on Sales & Purchases (input & output)
- Creation of chart of Accounts
- Defining Accounts Groups
- Defining Retained Earnings Account.
- Defining tolerance groups for G/I accounts

#### **Module 3: General Ledger Accounting:**

- Creation of General Ledger Master (with and without reference)
- Display/Change/Block/Unblock of general ledger master
- Document Entry posting normal postings posting with reference
- Display and change of documents
- Display of GL balances and Line items

- Parked documents & hold documents
- Creation of Sample Document and posting
- Defining recurring entry document and posting
- Configuration of line layouts for display of GL line items
- Reversal of individual documents, mass reversal , reversal of cleared items and reversal of accrual and deferral documents
- Defining Exchange Rate types and Translation ratios
- Define Exchange rates & posting of foreign currency transactions
- Interest calculations on term loans

### **Module 3: Accounts Payable**

- Creation of vendor account groups and assignment of number ranges
- Creation of tolerance group for vendors
- Creation of vendor master (display/change/block/unblock of vendor master)
- Posting of vendor transactions (invoice posting, payment posting, credit memo)
- Settings for advance payments to parties (down payment) and clearing of down payment against invoices (special GL transactions)
- Posting of partial Payment & Residual Payment
- Creation of payment terms,
- Creation of house banks and account ids
- Creation of check lots and maintenance of check register
- Configuration of automatic payment program
- Payment to vendors through APP
- Un-issued & issued checks cancellation and reversal of issued checks.
- Defining correspondence & party statement of accounts

#### **Module 4: Accounts Receivable:**

- Creation of customer account groups and assignment of number ranges
- Creation of tolerance group for customers
- Creation of customer master (display/change/block/unblock of vender master)
- Posting of customer transactions (sales invoice posting, payment posting, debit memo)
- Settings for advance payment from parties (down payment)
- Configuration of settings for dunning
- Defining correspondence & party statement of accounts

#### **Module 5: Asset Accounting**

- Defining chart of depreciation
- Defining account determination, screen layout, number ranges and asset classes.
- Integration with General Ledger & Posting rules
- Creation of asset master and sub asset master (change/display/block/unblock)
- Defining Depreciation key (base, declining, multilevel, period control methods)
- Acquisition or purchase of assets, sale of assets
- Scrapping of assets, Transfer of assets
- Post Capitalization and write up
- Depreciation run
- Line Settle of assets under construction of capital work in progress

#### **Module 6: Reports**

- Financial statement version
- GL Reports
- Accounts payable reports
- Accounts receivable reports
- Assets



## **Module 7: Controlling Basic settings for controlling**

- Defining Controlling Area
- Defining Number ranges for Controlling Area
- Maintain Planning Versions
- Creation of Primary and Secondary Cost Elements
- Creation of Cost Element Groups
- primary cost element categories and secondary cost element categories

## **Module 8: Cost Center Accounting**

- Defining Cost Center Standard Hierarchy
- Creation of Cost Centers and cost center groups
- Planning for cost Center, posting to cost centers
- Repost of Costs
- Creation and Execution of Distribution Cycle
- Creation and execution of assessment cycles
- Cost Center reports

## **Module 9: Internal Orders**

- Defining order types
- Creation of internal orders
- Planning of internal orders
- Postings to internal order
- Report of Variance analysis

## **Module 10: Profit Center Accounting**

- Basic Settings for Profit Center Accounting
- Creation of Dummy Profit Centers
- Maintaining versions for profit centers
- Creation of profit centers and profit center groups
- Creation of revenue cost elements

- Automatic Assignment of Revenue elements for Profit Centers
- Postings to profit centers, planning and variance reporting

**Module 11: Integration:**

- Procurement cycle
- Integration with MM
- Sales process integration with SD
- Integration with asset accounting

**Module 12: Blueprint workshops Landscape**

### 3. CONDUCT OF THE COURSE

a) Modalities for the conduct of all the courses are fixed by the SURE TRUST which are uniformly followed across the courses.

• Mode of Training	---	Online
• Period of Training	---	Four months
• Sessions per week	---	3 to 6
• Length of the session	---	1 to 2 hours
• Tests to be taken	---	2 per month
• Assignments	---	2 per month
• Last 15 days	---	Final practice and preparing the course report

b) Student Byelaws:

Students enrolling for the courses under SURE TRUST are strictly required to follow the following byelaws set for them.

#### **1. BYELAWS FOR STUDENTS TO BECOME ELIGIBLE FOR CERTIFICATE AT THE END OF THE COURSE**

##### **Minimum Attendance:**

Every student must put in a minimum of 85% attendance in attending the classes for getting the eligibility to receive the certificates.

##### **Two written tests are to be taken in each month:**

Since the objective of the certification program is to turn out well qualified students from the respective courses, minimum two written tests are to be taken in each month for each course to ensure that the students are pulled along the expected line of standard

**Preparing the final course report in the prescribed format:**

During the last fifteen days in the fourth month, students may be asked to consolidate and compile all the assignments submitted in a word document along with the other chapters which will constitute a course report for each student. This report will be the unique contribution a student carries from the trust to show case the rigorous training he/she received during the four months period. Besides the report will stand as a testimony for the detailed learning a student has acquired in the chosen area. This will facilitate the industry in handpicking the required student for the job.

**External Viva-voce:**

Every student has to successfully clear the external viva-voce arranged in their respective course.

**KYC Norms:**

Each student wishing to enrol for the course must submit a written letter saying that he/she will not drop from the course until its completion, which will also be signed by father / mother besides the student himself/herself

**Attend the full class:**

All the students are expected to attend each class for full duration. Some students are observed moving out of classes after logging in which does not go well with the learning objective of students.

**Ensure discipline in the group:**

All the students are advised strictly to follow group etiquette and restrain from posting in the group any unethical messages or teasing messages or personal interactive messages. This group is purely created for academic purpose and hence only academic interactions should go

## INTRODUCTION TO SAP

Founded in 1972, the company was initially called System Analysis Program Development (System analyse Programme netwicklung), later abbreviated to SAP. Since then, it has grown from a small, five-person endeavor to a multinational enterprise headquartered in Walldorf, Germany, with more than 105,000 employees worldwide. With the introduction of its original SAP R/2 and SAP R/3 software, SAP established the global standard for enterprise resource planning (ERP) software. Now, SAP S/4HANA takes ERP to the next level by using the power of in-memory computing to process vast amounts of data, and to support advanced technologies such as artificial intelligence (AI) and machine learning. The company's integrated applications connect all parts of a business into an intelligent suite on a fully digital platform, thereby replacing the process-driven, legacy platform. Today, SAP has more than 230 million cloud users, more than 100 solutions covering all business functions, and the largest cloud portfolio of any provider. Christian Klein leads the company, heads up the Executive Board of SAP SE, and, at 41, is the youngest CEO of any major enterprise on Germany's DAX blue chip market index.

### **What is SAP software used for?**

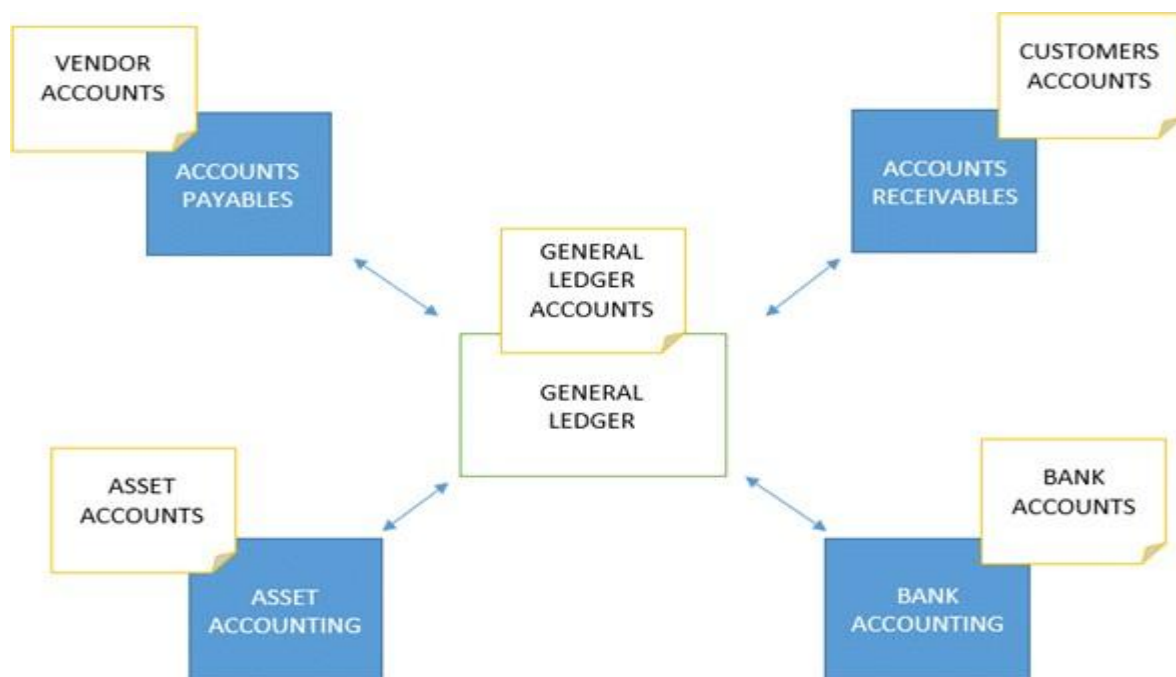
Traditional business models often decentralise data management, with each business function storing its own operational data in a separate database. This makes it difficult for employees from different business functions to access each other's information. Furthermore, duplication of data across multiple departments increases IT storage costs and the risk of data errors. By centralising data management, SAP software provides multiple business functions with a single view of the truth. This helps companies better manage complex business processes by giving employees of different departments easy access to real-time insights across the enterprise. As a result, businesses can accelerate workflows, improve operational efficiency, raise productivity, enhance customer experiences – and ultimately increase profits

### **INTRODUCTION TO SAP FICO**

SAP FICO is an important core functional component in SAP ERP Central Component that allows an organization to manage all of its financial data. SAP FICO allows an organization to store a complete version of their financial

transaction data. Specifically, the purpose of SAP FICO is to help companies generate and manage financial statements for analysis and reporting, as well as to aid in effective business planning and decision-making.

SAP FICO consists of two sections, SAP Finance (FI) and SAP Controlling (CO). Each of which is used for a specific financial process. SAP FI deals with overall financial reporting and accounting, while SAP CO focuses more narrowly on planning and monitoring costs. SAP FI and SAP CO were originally released as separate modules but are now so tightly integrated that many people refer to them as simply one module.



## SAP FI MODULES

SAP FI enables organizations to make financial statements for reporting and analysis. Types of financial statements may include balance sheets or profit and loss statements. SAP FI consists of several sub-modules that handle specific accounting processes:

- **General Ledger** is asset of numbered accounts a business uses to keep track of its financial transactions and to prepare financial reports. Each account is a unique record summarizing a specific type of asset, liability, equity, revenue or expense. A chart of accounts lists all of the accounts in the general ledger. A large business can have thousands of accounts in its GL.

- **Accounts Receivable** captures customer transactions and manages customer accounts. Transactions include invoice posting, credit memo posting, down payments, invoice payments or executing customer reports.
- **Accounts Payable** involves all of the transactions with vendors and managed vendor accounts. Transactions can include invoice posting, credit memo posting, down payments, invoice payments, automatic payments program, and executing vendor reports.
- **Asset Accounting** manages all of the transactions related to the company's fixed assets, such as land, buildings and heavy equipment. Transactions include asset acquisitions, retirement, sales, transfers, revaluations and depreciation.
- **Bank Ledger** deals with all of the company's bank account transactions and data. It can reconcile all transactions recorded on bank statements and compare them with the transactions in the system.

## **SAP CO MODULES**

While SAP FI deals with a company's accounting and internal and external reporting, SAP CO supports processes to plan, report on and monitor costs from business operations. SAP CO can be instrumental in improving the company's profitability. Similar to SAP FI, SAP CO is comprised of sub-modules that handle specific processes:

- **Cost Elements**, which provides an overview of all the company's costs and revenues based on profit and loss statements -- also known as income statements. Cost element accounting describes the origin of the costs. Cost elements represent specific costs that the company incurs.
- **Cost Centers** deals with the costs associated with the company's internal divisions or departments, such as sales, production, marketing or human resources. Cost Centers involve only expenses, not revenues.
- **Profit Centers** handles all of the cost data related to the company's business lines. It deals with both expenses and revenues -- unlike Cost Centers, which deals only with expenses.

- **Internal Orders** is used to manage the costs for smaller internal projects or non-fixed assets -- like a limited-time marketing campaign, for example.
- **Profitability Analysis** enables the company to analyze the profitability of its products. For example, Profitability Analysis can be useful for making decisions on matters like product pricing, **distribution channels** and target market segments. It also allows levels of detail in analyzing profitability, such as for each region or country, product types and distribution channels or individual customer profitability.
- **Product Costing** manages data about the costs required to produce the company's goods and services. Product costing analysis can help manage manufacturing costs and optimize efficiencies.




# ASSIGNMENT –

## 1. Define Company :


A *company* is the organizational unit in SAP FI for which you can draw individual financial statements, according to the legal requirements of the country where it's incorporated. A company includes one or more company codes. If a company consists of more than one company code, all company codes need to be assigned with the same operative chart of accounts and fiscal year variant (FYV) even though they can have different local currencies for the day-to-day transactions.

For creation of the company the T –Code **OX15** is used .It can also be created by using the following path :

SAP Customizing Implementation Guide > Enterprise Structure > Definition > Financial Accounting > Define company.



Company	Company name	Name of company 2
	ABC	shrisha pvt lmt
1000	HYDERABAD COM	
1001	Tata steels	
1215	tata motors	
1316	Material Requirements Planning	
1600	1600	1600
1601	1601	1601
1710		
1818	Mithilesh Limited Company	Mithilesh Limited Company
1990	Sk Enterprisess	
2009	berryblast.com	

After going to OX15 click on new entries . Then fill the required details and save  it as shown below.

**Change View "Internal trading partners": Details**

New Entries

Company	WBWB
Company name	WB group of companies
Name of company 2	company

Detailed information

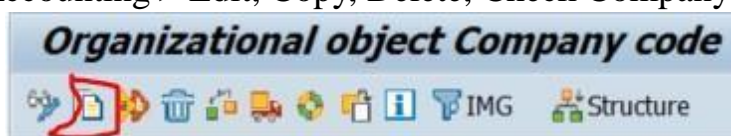
Street	weavers street
PO Box	530068
Postal code	530068
City	visakhapatnam
Country	IN
Language Key	EN
Currency	INR

## 2. COPY COMPANY CODE :

SAP recommends EC01 to copy an existing company code to a new one. This has the advantage that we can also copy the existing company code-specific parameters. If necessary, we can then change certain data in the relevant application. This is much less time-consuming than creating a new company code.

To copy an existing company code to a new one T-Code **ECO1** can be used. It can also be created by using the following path :

SAP Customizing Implementation Guide > Enterprise Structure > Definition > Financial Accounting > Edit, Copy, Delete, Check Company Code.




By executing the T – Code ECO1 the above screen is visible, then go to the mentioned field copy.

Copy

From Company Code	kcb1
To Company Code	pwb1

✓ ✗

Now fill the mentioned fields shown as above and execute it then enter required fields and save  it.


### 3. Edit Company Code :

By using the T – Code **OX02** we can edit our company code. It can also be done by using the following path :

SAP Customizing Implementation Guide > Enterprise Structure > Definition > Financial Accounting > Edit, Copy, Delete, Check Company Code.



By executing the T - Code OX02 the above screen is visible. Now go to new entries.

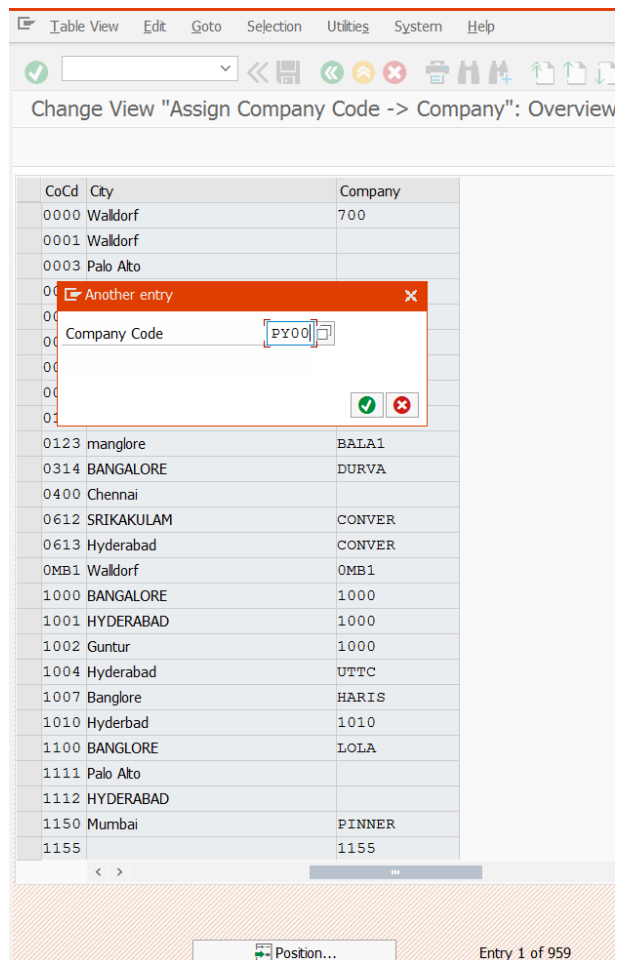
Enter the following details and save  it.

### 4. Assign company code to company :

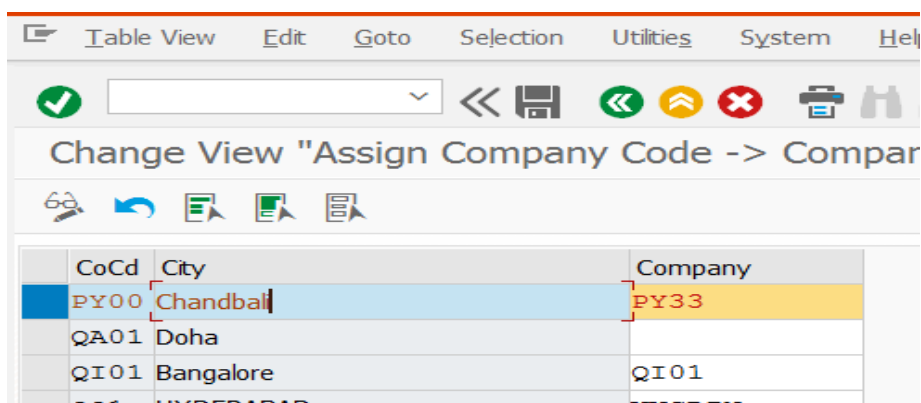
It is used to structure the business organization from a financial accounting perspective. The company code is an organizational unit used in accounting. It is used to structure the business organization from a financial accounting perspective.

To assign company code to a company T-Code **OX16** can be used. It can also be created by using the following path :

SAP Customizing Implementation Guide > Enterprise Structure > Assignment > Financial Accounting > Assign company code to company



By executing the T –Code ox16 go to position and keep the company code and execute it the assign the company code to the company and save it as shown below.



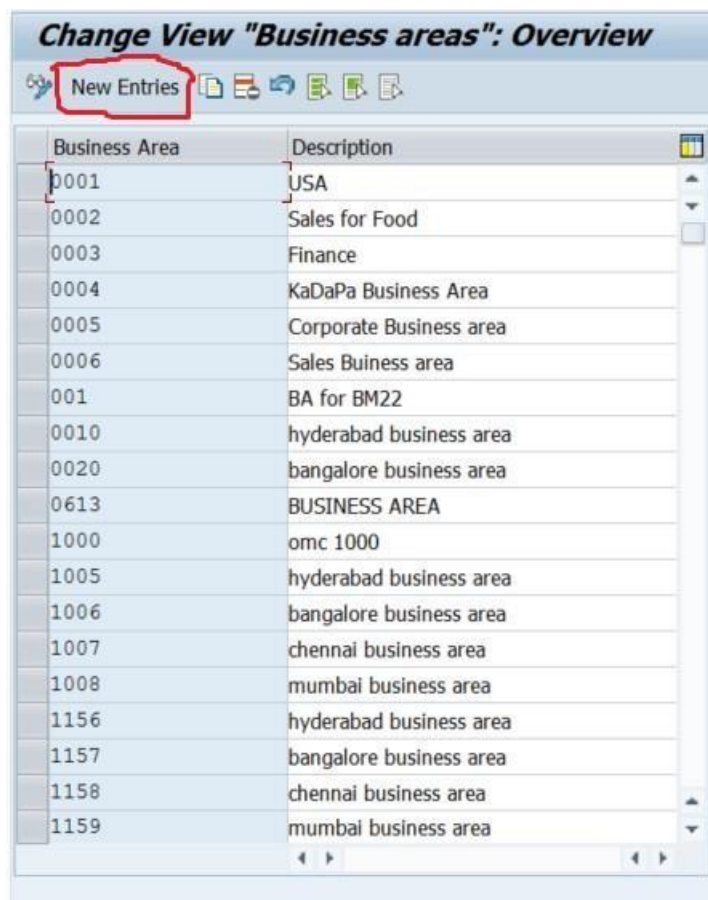
Now our company code is assigned to our company.

## 5. Define Business Area :

Business Area is an internal organizational unit that represents separate area of operations for internal financial statements (Balance Sheet & Profit and Loss) are produced as per company operational areas product lines, subsidiary, products, geographical areas, etc.

To define business area the T –Code **OX03** can be used. It can also be created by using the following path :

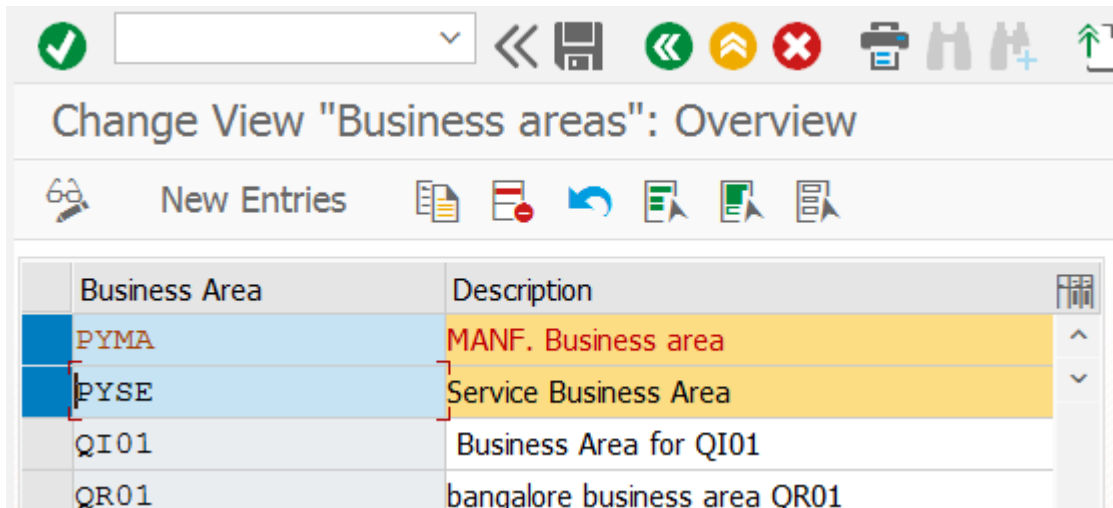
SAP Customizing Implementation Guide > Enterprise Structure > Definition > Financial Accounting > Define Business Area.



Business Area	Description
0001	USA
0002	Sales for Food
0003	Finance
0004	KaDaPa Business Area
0005	Corporate Business area
0006	Sales Business area
001	BA for BM22
0010	hyderabad business area
0020	bangalore business area
0613	BUSINESS AREA
1000	omc 1000
1005	hyderabad business area
1006	bangalore business area
1007	chennai business area
1008	mumbai business area
1156	hyderabad business area
1157	bangalore business area
1158	chennai business area
1159	mumbai business area

By executing the T- Code OX03 the above screen is visible. Now we must go to new entries as shown above.

Now we have to give the business area and description and save it as shown as below.



Business Area	Description
PYMA	MANF. Business area
PYSE	Service Business Area
QI01	Business Area for QI01
QR01	bangalore business area QR01


## 6. Define Segment :

Division of a company for which we can create financial statements for external reporting.

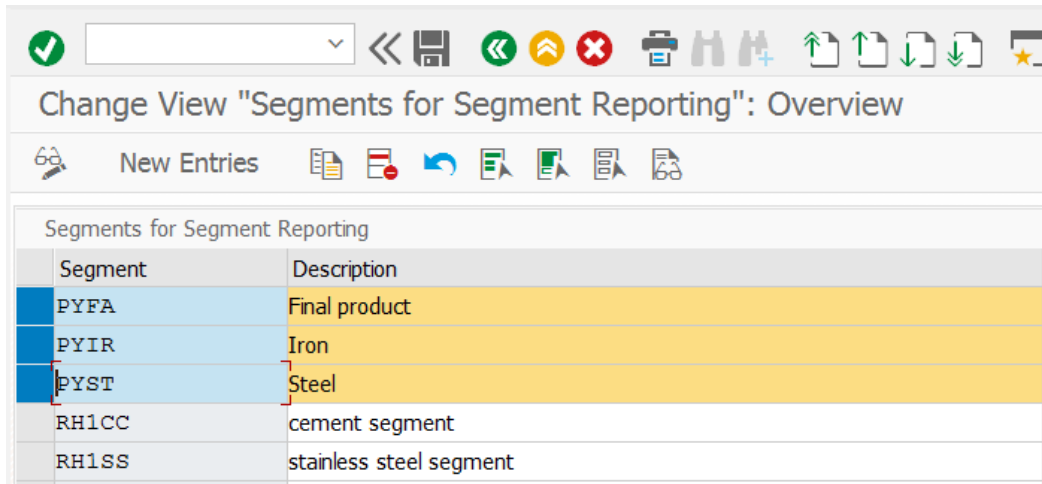
Segment can be defined or created by using the following path :

SAP Customizing Implementation Guide > Enterprise Structure > Definition > Financial Accounting > Define Segment.

By following the above path the segment creation session will open and go to new entries and give the segment and the description and save it.



Segment	Description
MR	Manufacturing
MRF1A	Jio
MRF1B	Internet
MRF1C	Retail
MT01	SEG-PRD-TUK
MT02	SEG-WO-MTUK



Segment	Description
PYFA	Final product
PYIR	Iron
PYST	Steel
RH1CC	cement segment
RH1SS	stainless steel segment

Here we have taken three segments. They are shown above.

## 7. Edit Chart of Accounts List :

A **chart of accounts (COA)** is a list of financial accounts set up, usually by an accountant, for an organization, and available for use by the bookkeeper for recording transactions in the organization's general ledger. Accounts may be added to the chart of accounts as needed; they would not generally be removed, especially if any transaction had been posted to the account or if there is a non-zero balance.

Accounts are usually grouped into categories, such as assets, liabilities, equity, revenue and expenses.

Each account in the chart of accounts is typically assigned a name. Accounts may also be assigned a unique account number by which the account can be identified. Account numbers may be structured to suit the needs of an organization, such as digit/s representing a division of the company, a department, the type of account, etc. The first digit might, for example, signify the type of account (asset, liability, etc.). In accounting software, using the account number may be a more rapid way to post to an account, and allows accounts to be presented in numeric order rather than alphabetic order.

Chart of Accounts can be defined by using the T-Code **OB13**. . It can also be created by using the following path :

SAP Customizing Implementation Guide > Financial Accounting > General Ledger Accounting > Master Data > G/L Accounts > Preparations > Edit Chart of Accounts List.

By using the above path we can go to the below screen then go to new entries as shown below.



**Change View "List of All Charts of Accounts": Overview**

New Entries

Chart of Accts	Chart of Accounts Description
0004	KADAPA CHART OF ACCOUNTS
0006	GDK KADAPA Chart of Accounts
0007	Chart of Accounts for ALI07
0011	coa for 0011
0101	coa for 0101
0123	coa for 0123
0MB1	IS-B Sample bank - Germany
0MB2	
1000	chart of accounts for
1007	Chart of Account for 1007
111	Operating COA - Co.Code - 9459
112	Group COA - Co.Code - 7650
113	Country Specific - Co.Code - 9800
123A	Chart of Accounts for 123a
1600	Chart of Accounts for 1600
1818	Chart of accounts for Mithilesh Limited
1985	1985-RAMU LTD

Position... Entry 1 of 432

After going to the new entries fill the mentioned details and save it. Now the chart of accounts has been created.

**Change View "List of All Charts of Accounts": Details**

New Entries

Chart of Accts: PWBI

Description: Chart of Accounts for PWBI

**General specifications**

Maint. Language: EN English

Length of G/L Account Number: 6

**Consolidation**

Group Chart of Accts: ☐

**Status**

☐ Blocked



## 8. Assign Company Code to Chart of Accounts :

Chart of Account has great significance in SAP FICO. One needs to prepare and the assign chart of accounts to company code properly in order to maintain the general ledgers in SAP.

To assign the company code to the chart of accounts T-Code **OB62**. It can also be created by using the following path :

SAP Customizing Implementation Guide > Financial Accounting > General Ledger Accounting > Master Data > G/L Accounts > Preparations > Assign Company Code to Chart of Accounts.

Enter T-code OB62 and execute it. Now the below screen is visible.

Change View "Assign Company Code -> Chart Of Accounts": Overview

CoCd	Company Name	City	Chrt/Accts	Cty ch/act
0000	unicore	Waldorf	INT	
0001		Waldorf	INT	
0003	SAP US (IS-HT-SW)	Palo Alto	INT	
0004			LOLA	LOLA
0005			LOLA	LOLA
0007			0007	
0011			0011	
0101			0101	
0123	bala1	manglore	0123	
0314	D FURNITURE	BANGALORE	D143	
0400	BP India	Chennai	COAD	
0612	CONVERSTO FOOD CORP	SRIKAKULAM	CONV	CONV
0613	Conversto Agri Ltd	Hyderabad	CONV	CONV
0MB1	IS-B Musterbank Deutschl.	Waldorf	0MB1	
1000	LOLA TEXTILE COMPANY	BANGALORE	LOLA	LOLA
1001	Havya Motors H Ltd	HYDERABAD	HOCA	

Another entry

Company Code: PY00

Position... Entry 1 of 959

Now go to position and enter the company code and press enter. Now we can see our company code at the top. Now enter our chart of accounts and save it. So that our company code has been successfully assigned to the chart of accounts. This can be seen as below.

Change View "Assign Company Code -> Chart Of Accounts": Overview

CoCd	Company Name	City	Chrt/Accts	Cty ch/act
PY00	PY-Steel	Chandbali	PYCH	
QA01	Country Template QA	Doha	INT	
QI01	Quikr India Pvt Ltd	Bangalore	QI01	
QQ1	vekat chemical factories	HYDERABAD	VV1	
QR01	Quikr Red private Limited	Bangalore	QR01	
QTIN	qatar airways india ltd	chennai	QTCA	
RA1	RAJ EDUCATION	KARIMNAGAR	RA1	
RA2	RAJ FOOD COMPANY	HYDERABAD	RA1	
RAJP	RAJESH PLASTIC	HYDERABAD	RJCA	
RAM1	SHRI RAM MOBILES	Hyderabad	RAM1	
RAM2	SHRI RAM STEELS	HYDERABAD	RAM1	
RAM3	SHRI RAM TEXTILES	HYDERABAD	RAM1	
RAMA	Rama private limited	bangalore	RAMA	
RAMI	rams enterprise	siddapur		
RAMU	RAMU TECHNOLOGIES	HYDERABAD	RAMU	
RE10	Reliance Power	mumbai	RE00	
RE20	Reliance Tele services	hyderabad	RE00	

Position... Entry 646 of 959

## 9. Define Fiscal Year Variant :

The fiscal year variant contains the number of posting periods in the fiscal year and the number of special periods. We can define a maximum of 16 posting periods for each fiscal year in the Controlling component (CO).

Fiscal year variant can be defined by using the T-Code **OB29**. It can also be defined by using the following path.

SAP Customizing Implementation Guide > Financial Accounting > Financial Accounting Global Settings > Ledgers > Fiscal Year and Posting Periods > Maintain Fiscal Year Variant.

Now by following the given path go to change view fiscal year variant. Now go to new entries and create new fiscal year.

**Change View "Fiscal year variants": Overview**

New Entries

Dialog Structure

- Fiscal year variants
  - Periods
  - Period texts
  - Shortened Fiscal Years

FV	Description	Calen...	Year-...	Number of ...	No. of speci...	Fiscal ...	Offset Be...	Offset Af...
1	1.- March, 4 Spl Period	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
*5	hril to March 12,4	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
00	van to Dec 12, 4 speci	<input checked="" type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
01	Apr.- March, 4 special	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12	4	<input checked="" type="checkbox"/>		
02	apr to march 12, 4 sp	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12	4	<input type="checkbox"/>		
09	march to april 12,4	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
1+	1+ Accounting caland	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
10	Apr.- March, 4 special	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
13	Apr.- March, 4 special	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		

After creating the new fiscal year then save it.

**Change View "Fiscal year variants": Overview**

New Entries

Dialog Structure

- Fiscal year variants
  - Periods
  - Period texts
  - Shortened Fiscal Years

FV	Description	Calend...	Year-d...	Number of p...	No. of special...	Fiscal ...	Offset Be...	Offset Af...
PY	Apr-Mar	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
QF	JAN TO DEC QTIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
QI	V3 - Apr. - March, 4 Spl ...	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
QQ	APR TO MARCH	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		
QR	V3 - Apr. - March, 4 Spl ...	<input type="checkbox"/>	<input type="checkbox"/>	12	4	<input type="checkbox"/>		

Now by selecting the created fiscal year variant go to periods ,and fill the mentioned below data and save it.

**Change View "Periods": Overview**

New Entries

Dialog Structure

- Fiscal year variants
  - Periods
  - Period texts
  - Shortened Fiscal Years

Fiscal Year Variant: PY Apr-Mar

No. posting periods: 12 No. special periods: 4

☐ Year-dependent ☐ Calendar year ☐ Weekly calendar

☐ Fiscal Weeks

No. FYs Before Fiscal Year: 0

No. FYs After Fiscal Year: 0

Month	Day	Period	Year shift
1	31	10	-1
2	29	11	-1
3	31	12	-1
4	30	1	0
5	31	2	0
6	30	3	0
7	31	4	0
8	31	5	0
9	30	6	0
10	31	7	0
11	30	8	0
12	31	9	0

Position...

Entry 1 of 12

Now go back and again select the fiscal year variant ,now go to period texts. Now mention the required data in the period text and save it.

**New Entries: Overview of Added Entries**

**Dialog Structure**

- Fiscal year variants
  - Periods
  - Period texts**
  - Shortened Fiscal Years

**Fi. Year Variant** PY **Apr-Mar**

☐ Year-dependent ☐ Fiscal Weeks

**No. posting periods** 12 **No. special periods** 4

☐ Calendar year ☐ Weekly calendar

**No. FYs Before Fiscal Year** 0 **No. FYs After Fiscal Year** 0

Language	Period	Txt	Text
EN	1	APR	April
EN	2	MAY	May
EN	3	JUN	June
EN	4	JUL	July
EN	5	AUG	August
EN	6	SEP	September
EN	7	OCT	October
EN	8	NOV	November
EN	9	DEC	December
EN	10	JAN	January
EN	11	FEB	February
EN	12	MAR	March

Now the fiscal year variant is successfully created.

## 10. Assign Company Code to a Fiscal Year Variant :

Company code can be assigned to fiscal year variant by using the T-Code **OB37**. It can also be assigned by using the following path:

SAP Customizing Implementation Guide > Financial Accounting > Financial Accounting Global Settings > Ledgers > Fiscal Year and Posting Periods > Assign Company Code to a Fiscal Year Variant.

By following the above path the below screen will open. Then go to position and enter our company code and select it.

Display View "Assign Comp.Code -> Fiscal Year Variant": Overview

CoCd	Company Name	Fiscal Year Variant	Description
0000	unicore	Y5	fy- Oct to Sep
0001		K4	Cal. Year, 4 Special Periods
0003	SAP US (IS-HT-SW)	K4	Cal. Year, 4 Special Periods
0004			Apr.- March, 4 special periods
0005			Apr.- March, 4 special periods
0006			Calender yr Jan to Dec -0007
0007			Apr.- March, 4 Spl Period
0008			V3 - JAN.- DEC, 4 Spl rioid
0009			Apr.- March, 4 Spl Period
0123	bala1	V3	Apr.- March, 4 Spl Period
0314	D FURNITURE	F3	APRIL TO MARCH
0400	BP India	K4	Cal. Year, 4 Special Periods
0612	CONVERSTO FOOD CORP	C3	Apr.- March, 4 special periods
0613	Conversto Agri Ltd	A3	Apr.- March, 4 special periods

Another entry

Company Code PY00

✓ ✗

Now we have to enter our fiscal year variant and save it. So our company code is successfully assigned to fiscal year variant.

Display View "Assign Comp.Code -> Fiscal Year Variant": Overview

CoCd	Company Name	Fiscal Year Variant	Description
PY00	PY-Steel	PY	Apr-Mar
QA01	Country Template QA	K4	Cal. Year, 4 Special Periods
QI01	Quikr India Pvt Ltd	QI	V3 - Apr.- March, 4 Spl Period
QQ1	vekat chemical factories	VV	APRIL TO MARCH
QR01	Quikr Red private Limited	QR	V3 - Apr.- March, 4 Spl Period
QTIN	qatar airways india ltd	QF	JAN TO DEC QTIN
RA1	RAJ EDUCATION	RA	APR TO MAR IND FI YE
RA2	RAJ FOOD COMPANY	RA	APR TO MAR IND FI YE
RAJP	RAJESH PLASTIC	RJ	Apr.- March, 4 special periods
RAM1	SHRI RAM MOBILES	RK	Apr.- March, 4 special periods
RAM2	SHRI RAM STEELS	RK	Apr.- March, 4 special periods
RAM3	SHRI RAM TEXTILES	RK	Apr.- March, 4 special periods
RAMA	Rama private limited	V3	Apr.- March, 4 Spl Period
RAMI	rams enterprise	V3	Apr.- March, 4 Spl Period

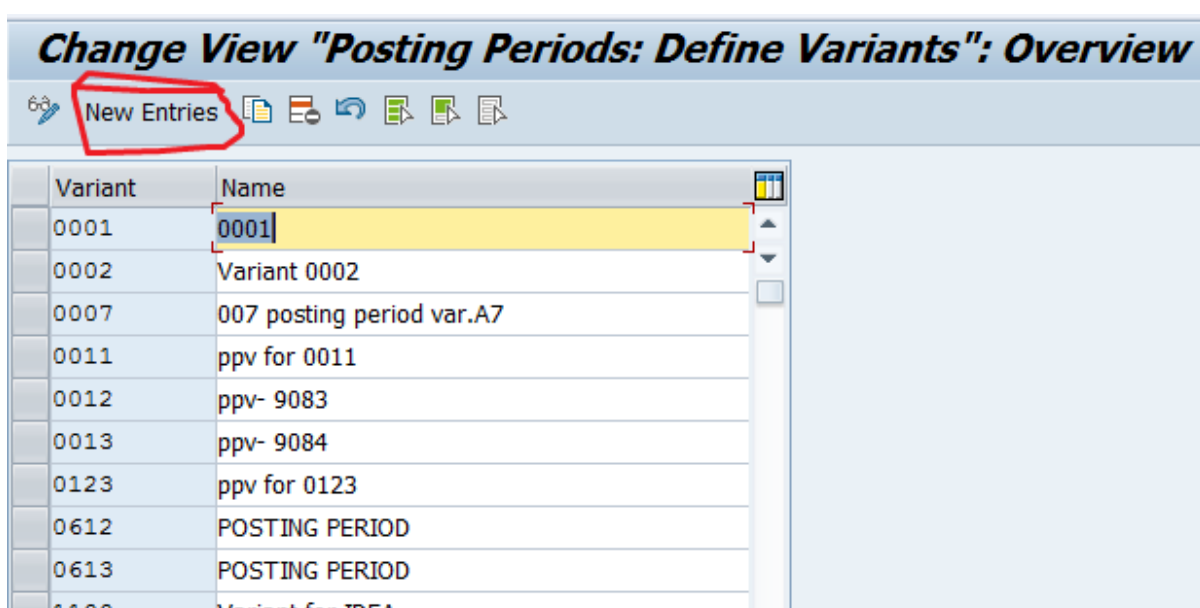
## 11. Define Variants for Open Posting Periods :

Posting period variant is used to control which accounting period is open for posting. This is an important control tool for every organization which has monthly closing.

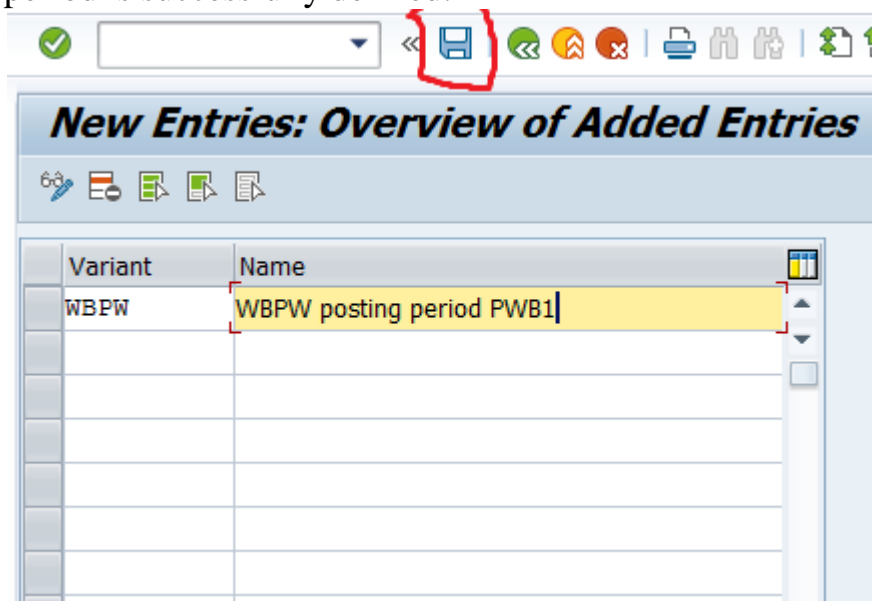
Open posting period variants can be defined by using the T-Code **OBBO**. It can also be defined by using the following path:

SAP Customizing Implementation Guide > Financial Accounting > Financial Accounting Global Settings > Ledgers > Fiscal Year and Posting Periods > Posting Periods > Define Variants for Open Posting Periods.

By using the T- Code OBBO we can open the below screen .Now click on new entries.



Now give the variant and save it as shown below. Now open posting period is successfully defined.



## 12. Assign Variants to Company Code :

Usually every posting period is assigned to one company code, but you could assign one posting variant to many company codes.

Variants can be assigned to the company code by using the T- Code **OBBP**  
This can also be assigned by using the following path :

SAP Customizing Implementation Guide > Financial Accounting > Financial Accounting Global Settings > Ledgers > Fiscal Year and Posting Periods > Posting Periods > Assign Variants to Company Code.

Display View "Assign Comp.Code -> Posting Period Variants": Overview

CoCd	Company Name	City	Variant
0000	unicore	Walldorf	0001
0001		Walldorf	0001
0003	SAP US (IS-HT-SW)	Palo Alto	0001
0004			LOLA
0005			LOLA
0006			0007
0007			0011
0008			
0009			AXIS
0123	bala1	manglore	0123
0314	D FURNITURE	BANGALORE	DPV

Another entry

Company Code PY00

✓ ✗

Now go to position and enter the company code and press enter as shown above.

Display View "Assign Comp.Code -> Posting Period Variants": Overview

CoCd	Company Name	City	Variant
PY00	PY-Steel	Chandbali	PYPV
QA01	Country Template QA	Doha	0001
QI01	Quikr India Pvt Ltd	Bangalore	QI01
QQ1	vekat chemical factories	HYDERABAD	VV1

Now enter the variant and save it. Now it is successfully assigned to the company code.



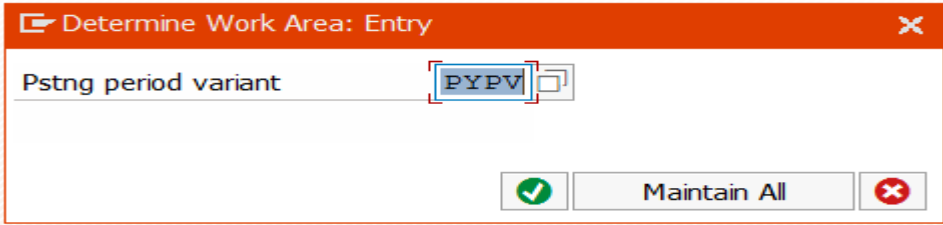
### 13. Open and Close Posting Periods :

Open and close posting periods variant enables to open the current posting periods and other posting periods remains in closed. It controls what are the posting periods to open and close for entries.


Through *posting period variant*, we can determine which company codes are open for posting period.

Open and close posting period variants can be defined by using the T-Code **OB52**. It can also be defined by using the following path:

SAP Customizing Implementation Guide > Financial Accounting > Financial Accounting Global Settings > Ledgers > Fiscal Year and Posting Periods > Posting Periods > Open and Close Posting Periods. By using the T- CodeOB52 the below screen will open, now enter the Posting period variant and enter.



Now go to new entries and fill the required fields and save it.



A From Acct	To Account	From Per.1	Year	To Per. 1	Year	AuGr	From Per.2	Year	To Per. 2	Year	From Per.3	Year	To Per. 3	Year
+		7	2023	7	2023		7	2023	7	2023				

### 14. Define Field Status Variants :

In SAP FICO, a field status variant is a predefined set of field statuses that control the status of fields is a screen for a particular transaction or master record in SAP.

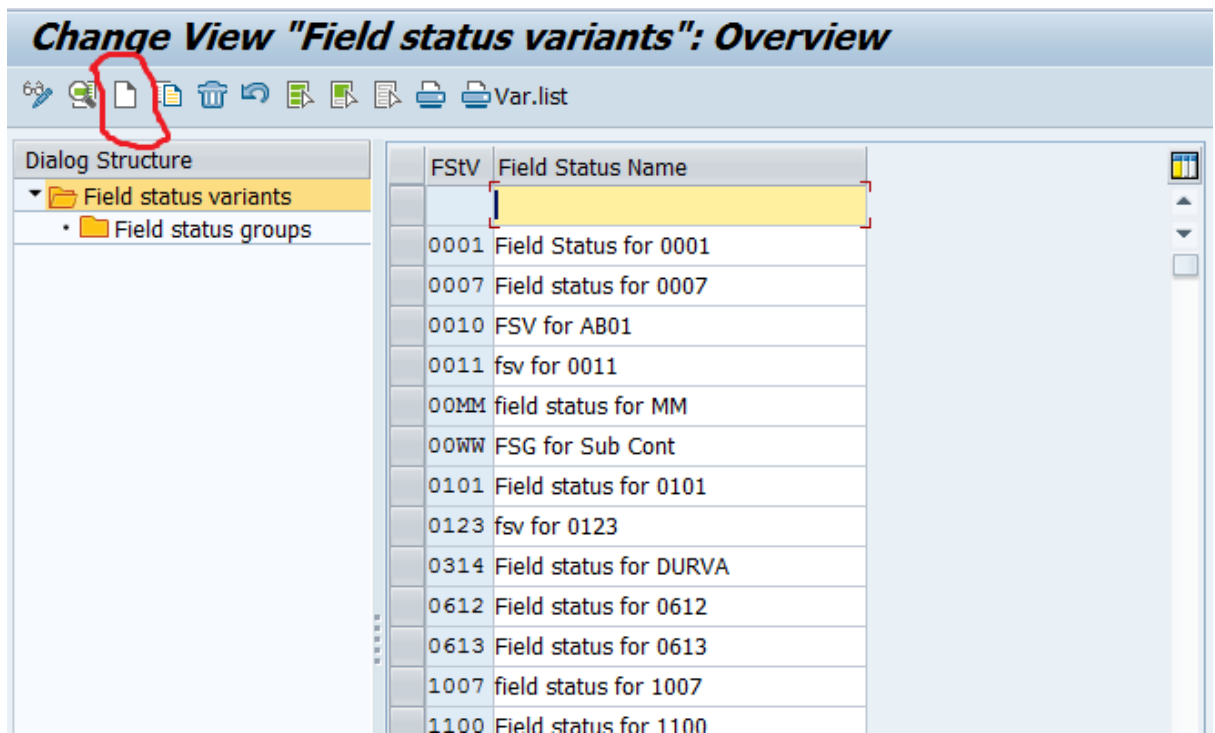


A field has one of the three statuses:

- **Suppressed:** The field status is hidden from display
- **Required Entry:** Status is also known as mandatory
- **Optional Entry:** It is up to you to make entry, if you don't enter anything you can keep blank

Field status variant can be defined by using the T-Code **OBC4**. It can also be defined by using the following path:











SAP Customizing Implementation Guide > Financial Accounting > Financial Accounting Global Settings > Ledgers > Fields > Define Field Status Variants.



Now by using the following T- Code OBC4 click on the new entries as shown above. Now give the field status variant and field status name.

Now save it.

Change View "Field status variants": Overview











 Var.list

Dialog Structure
 

- Field status variants
  - Field status groups

FStV	Field Status Name
PYSV	Field Status for Payanti
QI01	Field status for QI01
QR01	Field status for QR01
QTFS	Field Status for QTIN
R200	Field status for Rk02
RA1	Field Status for RA1
RAM1	FIELD STATUS FOR RAM1
RAMA	obc

Now by selecting the fiscal year variant go to field status group and complete it by saving it.

### Change View "Field status groups": Overview

**Dialog Structure**

- Field status variants
  - Field status groups

Field status variant: **PYSV**      Field Status for Payanti

Field status group	Text
G001	General (with text, assignment)
G002	Expenditure accounts
G003	Material consumption accounts
G004	Cost accounts
G005	Bank accounts (obligatory value date)
G006	Material accounts
G007	Asset accts (w/o accumulated depreciation)
G008	Assets area clearing accounts
G009	Bank accounts (obligatory due date)
G011	Clearing accounts (with settlement per.)
G012	Receivables/payables clearing
G013	General (obligatory text)
G014	MM adjustment accounts
G017	Freight/customs provisions/clearing (MM)
G018	Scrapping (MM)
G019	Other receivables/payables
G023	Plant maintenance accounts
G025	Inventory adjustment accounts
G026	Accounts for down payments made
G029	Revenue accounts
G030	Change in stock accounts
G031	Accounts for down payments received
G032	Bank accounts (obligat. value/due dates)
G033	Cost accounts for external services
G036	Revenue accts (with cost center)

## 15. Assign Company Code to Field Status Variants :

After creating field status variant, it needs to be assigned to company code. The link between the field status variant and company code is established through assignment.

The field status variant is taken from the company code when company code assigned to field status variant. Either one or more company codes can be assigned to field status variant.

We can assign company code to field status variant by using the T- Code **OBC5**. It can also be assigned by using the following path:

SAP Customizing Implementation Guide > Financial Accounting >  
Financial Accounting Global Settings > Ledgers > Fields > Assign  
Company Code to Field Status Variants.

Display View "Assign Company Code -> Field Status Variant": Overview

CoCd	Company Name	City	Fld stat.var.
0000	unicore	Walldorf	1111
0001		Walldorf	1111
0003	SAP US (IS-HT-SW)	Palo Alto	0001
0004			LOLA
0005			LOLA
0006			0007
0007			0011
0008			
0009			0101
0123	bala1	manglore	0123
0314	D FURNITURE	BANGALORE	0314
0400	BP India	Chennai	B000
0612	CONVERSTO FOOD CORP	SRIKAKULAM	0612
0613	Conversto Agri Ltd	Hyderabad	0613
0MB1	IS-B Musterbank Deutschl.	Walldorf	0001
1000	LOLA TEXTILE COMPANY	BANGALORE	LOLA
1001	Havya Motors H Ltd	HYDERABAD	HFSV

Another entry

Company Code PY00

✓ ✗

Now by using the T- Code OBC5 the above screen will open. Enter the company code and press enter. Now enter the field status variant near our company code and save it as shown below. Now our company code is assigned to the field status variant as it is shown below.

## Display View "Assign Company Code -> Field Status Variant": Overview

CoCd	Company Name	City	Fld stat.var.
PY00	PY-Steel	Chandbali	PYSV
QA01	Country Template QA	Doha	
QI01	Quikr India Pvt Ltd	Bangalore	QI01
QQ1	vekat chemical factories	HYDERABAD	VV1
QR01	Quikr Red private Limited	Bangalore	QR01
QTIN	qatar airways india ltd	chennai	QTFS
RA1	RAJ EDUCATION	KARIMNAGAR	RA1
RA2	RAJ FOOD COMPANY	HYDERABAD	RA1
RAJP	RAJESH PLASTIC	HYDERABAD	RJFV
RAV1	RAV RAM MORTICE	Hyderabad	RAV1

## 16. Define Account Group :

The account group is a summary of accounts based on criteria that effects how master records are created. The account group determines:

- The number interval from which the account number is selected when a G/L account is created.
- The screen layout for creating G/L accounts in the company code-specific area

To define the Account group the T- Code **OBD4** is used. It can also be defined by using the following path:

SAP Customizing Implementation Guide >Financial Accounting>General Ledger Accounting>Master Data>G/L Accounts>Preparations>Define Account Group.

**Change View "G/L Account Groups": Overview**

Field status New entries Print field status

Chrt/Accts	Acct Group	Name	From Acct	To Account

By executing the T- Code OBD4 the below screen is visible. Now click on new entries. Now enter the chart of Accounts, Account group, Name, From Account and To Account details and save it as shown below .

## Change View "G/L Account Groups": Overview

Chrt/Accts	Acct Group	Name	From Acct	To Account
		CURRENT ASSETS	100100	100199
	ADMN	Administration	400300	400399
	CAST	Current Assets, Loans & Adv	200100	200199
			100500	100599
			200000	200099
			300200	300299
			400400	400499
			400200	400299
			300100	300199
			300100	300199
	PRSN	expense	400100	400199
	RMCN	Raw Material Consumption	400000	400099
	RNCL	Raw material consumption	400000	400099
	SALE	Sales	300000	300099
	UNSL	Unsecured Loans	100400	100499
0004	0004	KADAPA G/L Acc Grp	1	99999

Another entry

Chart of Accts

Account Group

psych

✓

✗

## Change View "G/L Account Groups": Overview

Field status
 New entries
 





 Print field status

Chrt/Accts	Acct Group	Name	From Acct	To Account
PYCH	ASST	ASSETS A/C	10000	19999
PYCH	EXPE	EXPENCESS A/C	30000	39999
PYCH	LIAB	LIABILITY A/C	20000	29999
PYCH	OTHE	OTHER A/C	50000	59999
PYCH	REVE	REVENUE A/C	40000	49999
PYCH	SHCP	Share Capital	60000	69999
QI01	ASST	Fixed Assests	200000	299999
QI01	EXPE	Expences	400000	499999
QI01	LIBA	LIBALITIES	100000	199999
QI01	REVN	Revenues	300000	399999
QR01	ASST	Assets	200000	299999
QR01	EXPE	Expences	400000	499999
QR01	INCM	INCOMES	300000	399999
QR01	LIBA	LIBALITIES	100000	199999
QTCA	ASST	ASSETS	1	100
QTCA	EXPS	EXPENSES	301	400
QTCA	INCM	INCOME	201	300
QTCA	LIAB	LIABILITIES	101	200
QTCA	RTER	RETAINED EARNINGS	9999999999	9999999999
RA1	CAPI	CAPITAL	1	100
RA1	CURR	CURRENT ASSETS	201	300
RA1	EXPE	EXPENSES	401	500
RA1	FIAS	FIXED ASSETS	301	400
RA1	INCO	INCOMES	501	600
RA1	LIAB	LIABILITIES	101	200

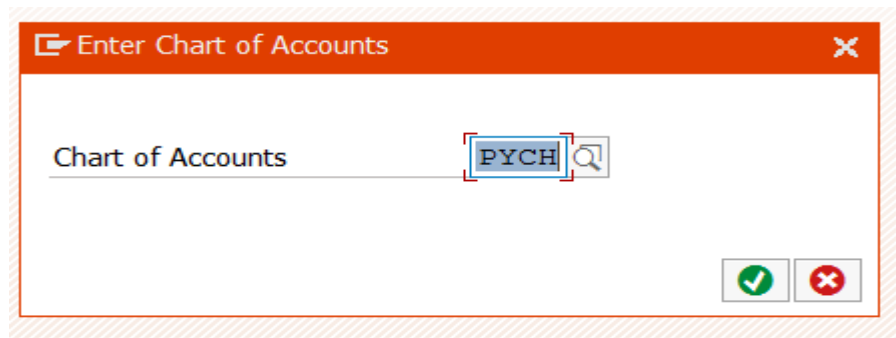
Now the Account group has been successfully created.

## 17. Define Retained Earnings Account :

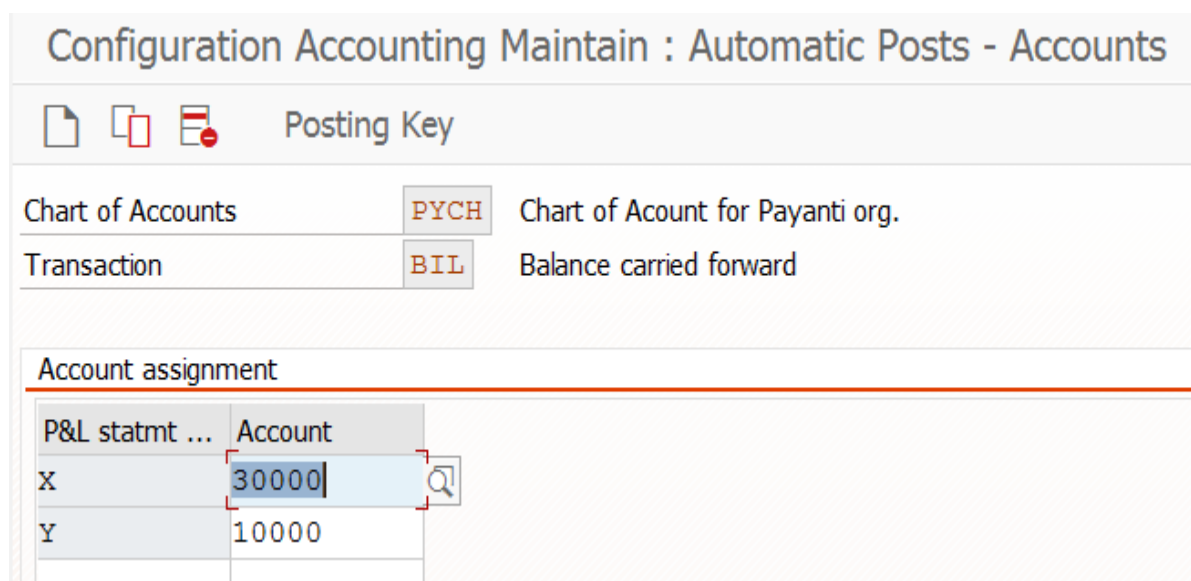
Retained earnings are the amount of profit a company has left over after paying all its direct costs, indirect costs, income taxes and its dividends to shareholders. This represents the portion of the company's equity that can be used, for instance, to invest in new equipment, R&D, and marketing.

Retained earnings can be defined by using the T- Code **OB53** is used. It can also be defined by using the following path:

SPRO > Financial Accounting > General Ledger Accounting > Master Data > G/L Accounts > Preparations > Define Retained Earnings Account.



By executing the T- Code OB53 the above screen is visible. Now enter the chart of accounts and press enter.



P&L statmt ...	Account
X	30000
Y	10000

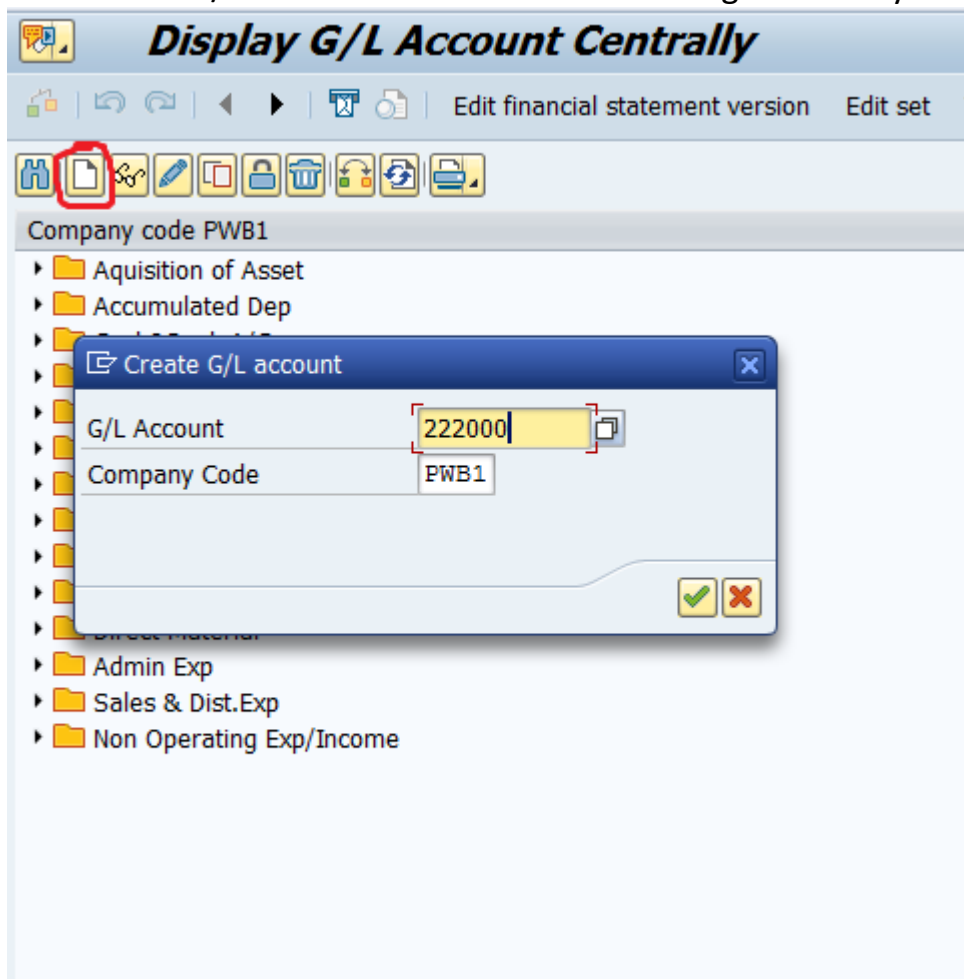
Now go to new entries which was marked as 1. Then enter X in the P&L statement and in the Account go to drop down button and click on Retained earnings i.e 222000 and save it.

#### 18. Create G/L Account – Centrally :

General Ledger (G/L) accounts are used to provide a picture of external accounting and accounts and to record all the business transactions and will get posted with the base of master data. Master data will be used as reference for all the reporting and the transactional figures will get stored under respective master data.

For the purpose of creation of GL Accounts the T- Code **FS00** is used. And it can also be created by using the following path:

SAP Menu > Accounting > Financial Accounting > General Ledger > Master Records > G/L Accounts > Individual Processing > Centrally.



By executing the T- Code fs00 the above screen will be visible .Then click on create and enter the GL account and execute it. In the Type /Description fill the required details as shown below.

G/L Account	10000	HSBC BANK A/c
Company Code	PY00	PY-Steel

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

Control in Chart of Accounts PYCH Chart of Account for Payanti org.

G/L Account Type	X Balance Sheet Account
Account Group	ASST ASSETS A/C

Detailed Control for P&L Statement Accounts

P&L statmt acct type	
----------------------	--

Description

Short Text	Bank A/c
G/L Acct Long Text	HSBC BANK A/c

Consolidation Data in Chart of Accounts PYCH Chart of Account for Payanti org.

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

Now in the control data add currency and sort key.

G/L Account	10000	HSBC BANK A/c
Company Code	PY00	PY-Steel

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

Account control in company code

Account currency	INR	Indian Rupee
Balances in Local Crpy Only	<input checked="" type="checkbox"/>	
Exchange Rate Difference Key		
Valuation Group		
Tax Category		
Posting without tax allowed	<input type="checkbox"/>	
Recon. Account for Acct Type		
Alternative Account No.		
Acct Managed in Ext. System	<input type="checkbox"/>	
Inflation key		
Tolerance Group		

Account Management in Company Code

Open Item Management	<input type="checkbox"/>	
Clearing Spec. to Ledger Gps	<input type="checkbox"/>	
Sort key	001	Posting date
Authorization Group		
Clerk Abbreviation		

Account Settings in Controlling Area PYC0 contoling area for py00

Record Account Assignment	<input type="checkbox"/>
---------------------------	--------------------------

In the bank /interest details give the field status group.



G/L Account  HSBC BANK A/c  
 Company Code  PY-Steel

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

---

Control of document creation in company code

Field status group  General (with text, assignment)

Post Automatically Only ☐

Supplement Auto. Postings ☐

Recon. Acct Ready for Input ☐

---

Bank/financial details in company code

Planning Level

☐ Relevant to Cash Flow

House Bank

Account ID

---

Interest calculation information in company code

Interest indicator

Interest Calc. Frequency

Key Date of Last Int. Calc.

Date of Last Interest Calc.

Check the translation and save it. GL A/c has been created successfully.

G/L Account  HSBC BANK A/c  
 Company Code  PY-Steel

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

---

Keywords in Chart of Accounts PYCH Chart of Account for Payanti org.

Language	Keyword
▼	
▼	
▼	
▼	
▼	

Translation

Language Key	Short Text	Long Text
EN English	Bank A/c	HSBC BANK A/c
▼		
▼		
▼		
▼		

## 19. Create G/L Account - in COA :

To create GL Accounts in the chart of accounts the T- Code **FSP0** is used. And it can also be created by using the following path:

SAP Menu > Accounting > Financial Accounting > General Ledger > Master Records > G/L Accounts > Individual Processing > in Chart of Account.

By executing the T-Code FSP0 the below screen is visible. To create the GL in the chart of accounts go to create and enter the GL Account and press enter.

Edit G/L Account Chart of accts data

Icons: [Icons for various functions]

Edit financial statement version Edit set Time-Dependent Attr

G/L Account 10000 HSBC BANK A/c

Chart of Accts PYCH Chart of Account for Payanti org. [Icons]

With Template [Icons]

Type/Description Key word/translation Information

Control in Chart of Accounts

G/L Account Type [Dropdown]

Account Group [Dropdown]

Detailed Control for P&L Statement Accounts

P&L statmt acct type [Field]

Description

Short Text [Field]

G/L Acct Long Text [Field]

Consolidation Data in Chart of Accounts

Trading Partner No. [Field]

Now in the type/description fill the required fields means G/L Account type, Account group, and description as shown below.

Display G/L Account Chart of accts data

G/L Account: 10000 HSBC BANK A/c

Chart of Accts: PYCH Chart of Account for Payanti org.

Type/Description | Key word/translation | Information

---

Control in Chart of Accounts

G/L Account Type: X Balance Sheet Account

Account Group: ASST ASSETS A/C

Detailed Control for P&L Statement Accounts

P&L statmt acct type:

---

Description

Short Text: Bank A/c

G/L Acct Long Text: HSBC BANK A/c

---

Consolidation Data in Chart of Accounts

Trading Partner No.:

Now go to translation and check the information and then save it.

Display G/L Account Chart of accts data

G/L Account: 10000 HSBC BANK A/c

Chart of Accts: PYCH Chart of Account for Payanti org.

Type/Description | Key word/translation | Information

---

Keywords in Chart of Accounts

Language	Keyword

---

Translation

Language Key	Short Text	Long Text
EN English	Bank A/c	HSBC BANK A/c

Now our GL in the chart of accounts has been created successfully.

## 20. Create G/L Account - in CoCd :

The company-code-specific area of a G/L account contains data that is only valid for one company code, such as the currency in which the account may be posted.

To create GL Accounts in the company code the T- Code **FSS0** is used. And it can also be created by using the following path:

SAP Menu > Accounting > Financial Accounting > General Ledger > Master Records > G/L Accounts > Individual Processing > In Company Code.

Now by executing the T-Code FSS0 which is used to create G/L Account in the company code we can able to see the below screen. Simply click on new entries and enter the GL account and press enter.



Now in the control data enter the account currency and the sort key.

**Change G/L Account Company code data**

G/L Account: 10000 HSBC BANK A/c  
 Company Code: PY00 PY-Steel

Control Data | Create/bank/interest | Information

---

**Account control in company code**

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

---

**Account Management in Company Code**

Open Item Management: ☐  
 Clearing Spec. to Ledger Gps: ☐  
 Sort key: **001** Posting date  
 Authorization Group:   
 Clerk Abbreviation:


---


**Account Settings in Controlling Area PYC0 contoling area for py00**

Record Account Assignment: ☐



---

Joint venture data in company code

 Change G/L Account Company code data

 Edit financial statement version Edit set Time-Depend

G/L Account 10000 HSBC BANK A/c

Company Code PY00 PY-Steel  

Control Data **Create/bank/interest** Information

---

Control of document creation in company code

Field status group	G001	General (with text, assignment)
Post Automatically Only	<input type="checkbox"/>	
Supplement Auto. Postings	<input type="checkbox"/>	
Recon. Acct Ready for Input	<input type="checkbox"/>	

---

Bank/financial details in company code

Planning Level	<input type="checkbox"/>
<input type="checkbox"/> Relevant to Cash Flow	
House Bank	<input type="text"/>
Account ID	<input type="text"/>

---

Interest calculation information in company code

Interest indicator	<input type="checkbox"/>
Interest Calc. Frequency	<input type="text"/>
Key Date of Last Int. Calc.	<input type="text"/>
Date of Last Interest Calc.	<input type="text"/>

In the next step go to bank /interest and enter field status group and save it as mentioned below

## 21. Define Document Types :

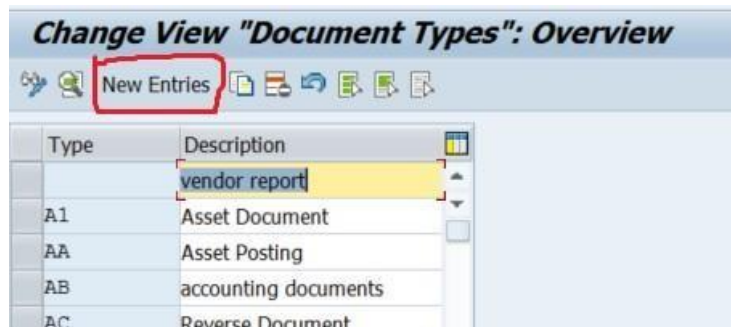
Document type is a key used for classifying accounting documents & differentiate between trade transactions to be posted. Purpose of document type is:

- **Distinguish between business activities:** Document types differentiate business transactions and control document filing.
- **Control the posting of account types (for vendors, customers, or G/L accounts):** Document type decides which account types a particular document can post to.
- **Assigning document numbers:** Document type also helps to determine the assignment of document number to every document type. It should store the original documents from one number range together.

To define document type T- Code **OBA7** is used. It can also be defined by using the following path:

SAP Customizing Implementation Guide > Financial Accounting Global Settings > Document > Document Types > Define Document Types.

After executing the T- Code OBA7 the below screen is visible.Go to new entries .



Now enter the required fields and save it. Now add description for the document type.

**Change View "Document Types": Details**

New Entries

Document Type: WB GL Document

**Properties**

Number range: WB Number range information

Reverse DocumentType:

Authorization Group:

**Account types allowed**

☒ Assets  
☒ Customer  
☒ Vendor  
☒ Material  
☒ G/L Account  
☐ Secondary Costs

**Control data**

☐ Net document type  
☐ Cust/vend Check  
☒ Negative Postings Permitted  
☒ Inter-Company  
☒ Enter trading partner

**Special usage**

☐ BI Only

**Default values**

Exchange Rate Type for FC Documents:

**Required during document entry**

☐ Reference Number  
☐ Document Header Text

**Joint venture**

Debit Rec.Indic:   
 Rec.Ind. Credit:

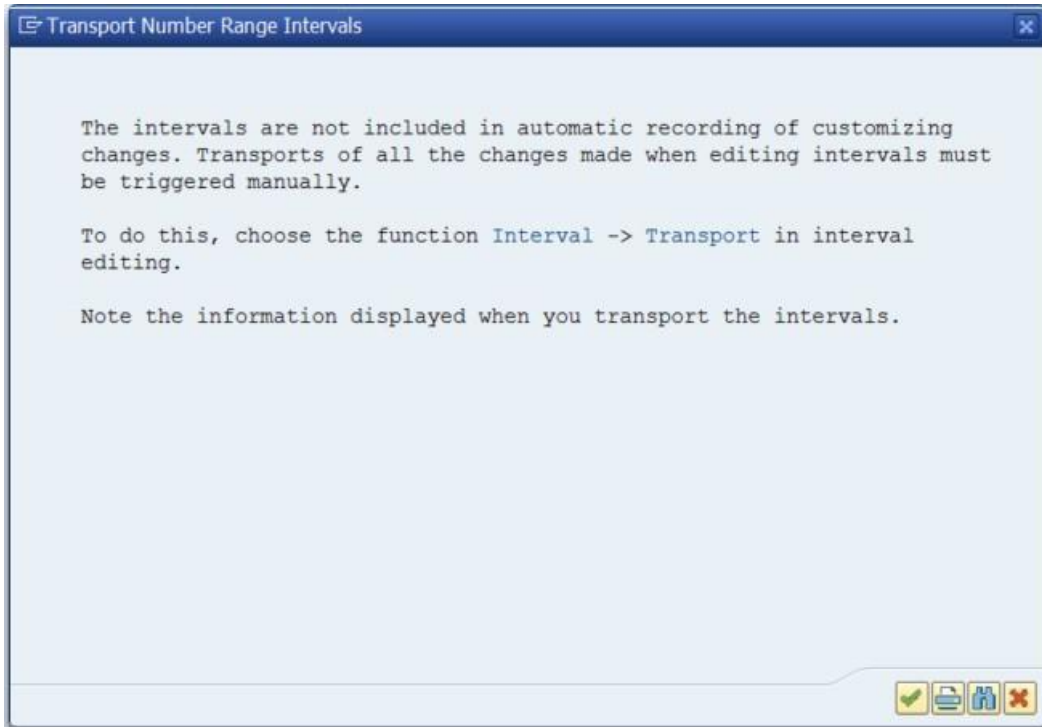
So the document type is defined successfully.

## 22. Copy Number Ranges :

Here we have to copy number ranges from one company code to another company code.

To copy number ranges the T- Code **OBH1** is used.

After executing the T- Code OBH1 the below screen is visible. Then execute it.



After executing it the below screen is visible. Enter number range, fiscal year, source company code and the target company code. After entering the mentioned details save it.

A screenshot of the SAP "Document Number Ranges: Copying to Company Code" screen. The screen has a title bar with the same text. Below the title bar, there are three main sections: "General Selections", "Source company code details", and "Target company code details". In the "General Selections" section, there are input fields for "Number range number" (containing "WB"), "Fiscal year" (containing "2023"), and two "to" fields. In the "Source company code details" section, there is an input field for "Company code" (containing "KCB1"). In the "Target company code details" section, there is an input field for "Company code" (containing "PWB1") and a "to" field. There are also icons for saving and printing in each section.

## 23. Define Document Number Ranges :

Document number ranges are defined at the specific interval within which documents should be created in SAP. Document number ranges depend upon company code and are valid for the defined year. We can assign one






or more document types to each number range. The number range becomes effective by the document type specified in document entry and posting.

Document number ranges can be assigned by using the T- Code **FBN1**.It can also be defined by using the following path :


SAP Customizing Implementation Guide > Financial Accounting Global Settings > Document > Document Number Ranges > Define Document Number Ranges.




By entering the T- Code FBN1 the below screen is visible. Now enter the company code and press intervals.

**Edit Intervals: Accounting document, Object RF\_BELEG**



Number Range Object RF\_BELEG Number Ranges For Accounting Documents

Company Code PY00 

 Intervals  Intervals  NR Status

After that the below screen is visible. By clicking on the below mentioned field, enter the number range number, year, from no. , to no. now save the number ranges that has been created.

**Edit Intervals: Accounting document, Object RF\_BELEG, Subobject PY00**

Number Range No.	Year	From No.	To Number	NR Status	External
01	2023	0000010000	0000099999	10001	<input type="checkbox"/>

By following the above steps number ranges has been successfully created.

## 24. Define Posting Keys :

Posting Keys in SAP FI are used to determine Account types (A, D, K, M, and S) and also the type of posting. It is 2-digit numerical key.

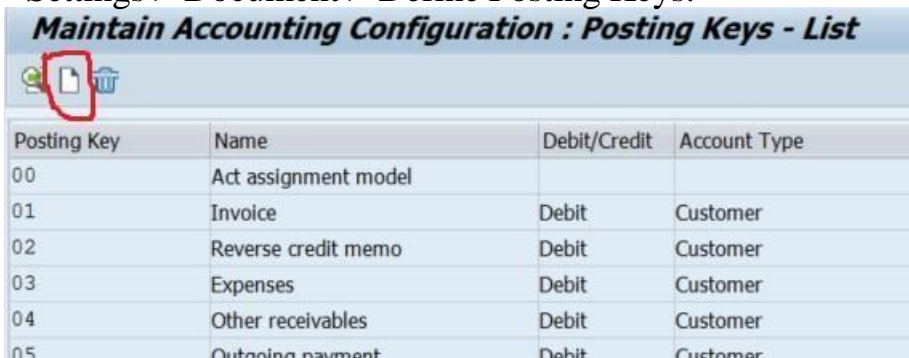
## Different Account Types in SAP FI –

- A = Assets
- D = Customers
- K = Vendors
- M = Materials
- S = General Ledger Account

Posting keys can be defined by using the T- Code **OB41**. This can also be defined by using the following path:

SAP Customizing Implementation Guide > Financial Accounting Global Settings > Document > Define Posting Keys.

**Maintain Accounting Configuration : Posting Keys - List**



Posting Key	Name	Debit/Credit	Account Type
00	Act assignment model		
01	Invoice	Debit	Customer
02	Reverse credit memo	Debit	Customer
03	Expenses	Debit	Customer
04	Other receivables	Debit	Customer
05	Outgoing payment	Debit	Customer

After executing the T-Code OB41 the above screen is visible. Go to new entries by clicking on the mentioned field. Now enter the mentioned details as mentioned below and save it.

**Maintain Accounting Configuration**

Maintain Field Status 

Posting Key  customer adv dr

Debit/credit indicator

☒ Debit  
☐ Credit

Account type

☒ Customer  
☐ Vendor  
☐ G/L account  
☐ Assets  
☐ Material

Other attributes

☐ Sales-Related  
☐ Special G/L

Reversal Posting Key 

☐ Payment Transaction

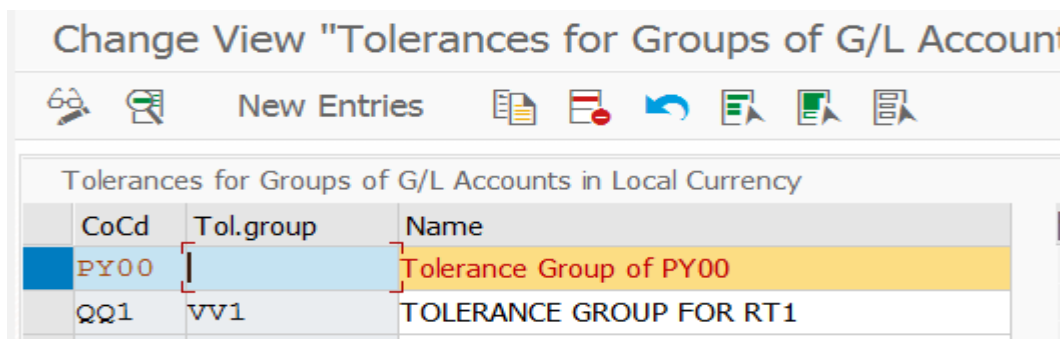
## 25. Define Tolerance Groups for GL :

GL tolerance group is assigned to individual GL account master data.

Tolerance groups for G/L accounts define the limits within which credit and debit differences in local currencies are considered acceptable.

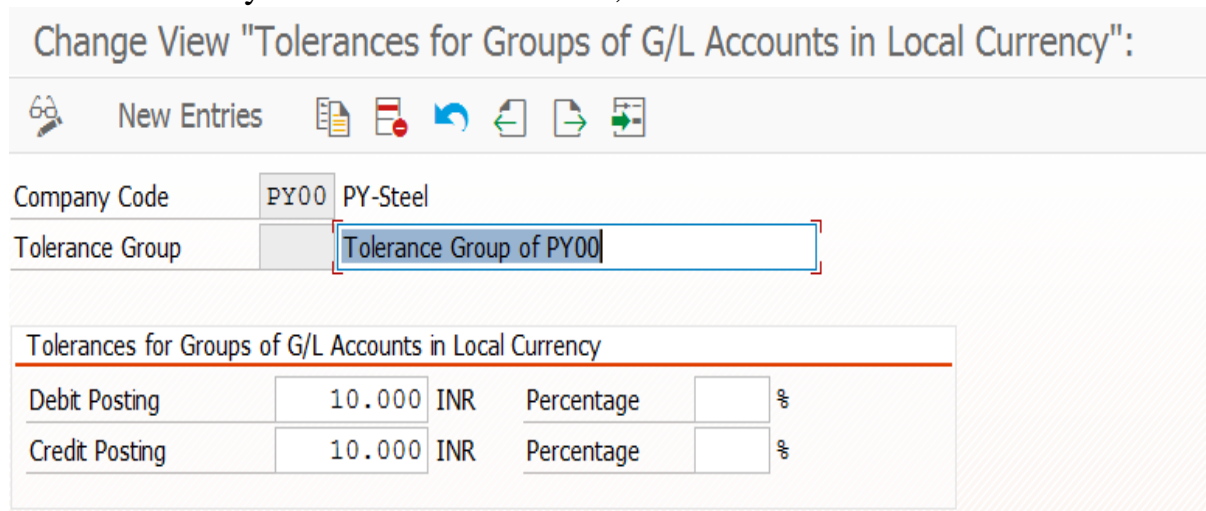
Tolerance group for GL is defined by using the T- Code **OBA0**. It can also be defined by using the following path :

SAP Customizing Implementation Guide > Financial Accounting > General Ledger Accounting > Business Transactions > Open Item Clearing > Clearing Differences > Define Tolerance Groups for G/L Accounts.



CoCd	Tol.group	Name
PY00		Tolerance Group of PY00
QQ1	VV1	TOLERANCE GROUP FOR RT1

By executing the T- Code OBA0 the below screen is visible. Then go to new entries. Now enter the company code, tolerance groups of GL in the local currency details as shown below, and save it.



Tolerances for Groups of G/L Accounts in Local Currency					
Debit Posting	10.000	INR	Percentage		%
Credit Posting	10.000	INR	Percentage		%

## 26. Define Tolerance Groups for Employees :

The tolerance group for Employees determines the maximum document amount the employees are authorized to post. The maximum amount can enter as a line item in a Vendor account or customer account.

Tolerance group for employees can be defined by using the T- Code OBA4. It can also be defined by using the following path :

SAP Customizing Implementation Guide >Financial Accounting Global Settings>Document >Tolerance Groups > Define Tolerance Groups for Employees.

By executing the T- Code OBA4 the below screen is visible, go to new entries.

Change View "FI Tolerance Groups For Users": Overview

Tol. G	Company Code
PYTG	PY00

New Entries

Now enter the required details and save it.

Change View "FI Tolerance Groups For Users": Details

Group: PYTG  
Company code: PY00  
Currency: INR

Upper limits for posting procedures

Field	Value
Amount per document	9,999,999.999
Amount per open item account item	9,999,999.999
Cash discount per line item	10,000 %

Permitted payment differences

	Amount	Percent	Cash discnt adj.to
Revenue	10	%	

The tolerance limit for employees has been successfully created by following the above steps.

## 27. Define Tolerances for Customers and Suppliers :

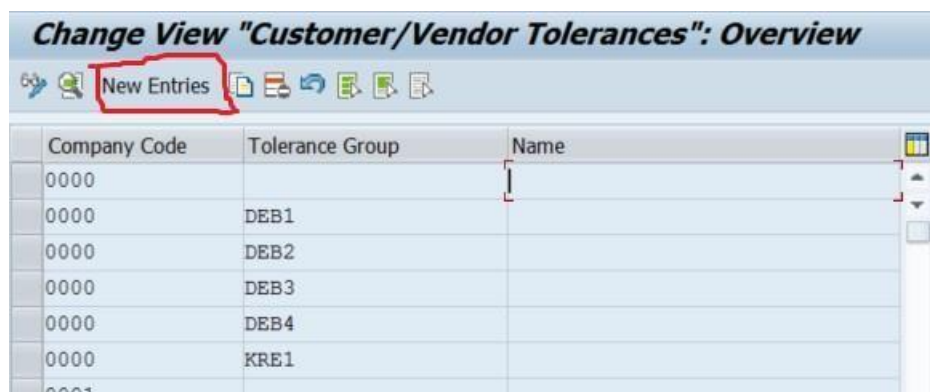
Tolerances referred as payment differences. Tolerance groups deals with adequate, allowable differences and authorizations given to the user of the organisation to post a document easily.

Tolerance group allows the users to process the transaction with the gain or loss payment difference for customers or vendors in SAP. The payment differences are defined by tolerance group.

When an incoming invoice is processed, the system checks for each item whether the invoice differs in any way from the purchase order or goods receipt.

Tolerances for customers and suppliers can be defined by using the T- Code **OBA3**. It can also be defined by using the following path :

SAP Customizing Implementation Guide > Financial Accounting > Accounts Receivable and Accounts Payable > Business Transactions > Incoming Payments > Manual Incoming Payments > Clearing Differences > Define Tolerances for Customers and Suppliers.



By executing the T- Code OBA3 the above screen is visible. Now click on new entries.

Now enter the company code, currency, tolerance group, payment differences, tolerances for payment advices details as shown below and save it .

**New Entries: Details of Added Entries**

Company Code: PY00 PY-Steel Chandbali  
 Currency: INR  
 Tolerance Group: PYTG

---

**Specifications for Clearing Transactions**

Grace Days Due Date:  Cash Discount Terms Displayed: ☐  
 Arrears Base Date:

---

**Permitted Payment Differences**

	Amount	Percent	Adjust Discount By
Rev.	999	10,0 %	5
Loss	5	5,0 %	5

---

**Permitted Payment Differences for Automatic Write-Off (Function Code AD)**

	Amount	Percent
Rev.	<input type="text"/>	<input type="text"/> %
Loss	<input type="text"/>	<input type="text"/> %

---

**Specifications for Posting Residual Items from Payment Differences**

☐ Payment Term from Invoice Fixed Payment Term:   
☐ Only Grant Partial Cash Disc  
 Dunning Key:

---

**Tolerances for Payment Advices**

	Amount	Percent
Outst. Receiv. From	<input type="text"/>	<input type="text"/> %
Outst. Payable From	<input type="text"/>	<input type="text"/> %

Specifications for Posting Residual Items from Payment Differences		
<input type="checkbox"/> Payment Term from Invoice	Fixed Payment Term <input type="text"/>	
<input type="checkbox"/> Only Grant Partial Cash Disc		
Dunning Key	<input type="text"/>	

Tolerances for Payment Advices		
	Amount	Percent
Outst. Receiv. From	<input type="text" value="999"/>	<input type="text" value="10,0"/> %
Outst. Payable From	<input type="text" value="5"/>	<input type="text" value="5,0"/> %

## 28. Define Ledgers and Accounting principles :

Ledgers are used to generate different financial statements as per accounting principles.

Accounting principles are rules for legal accounting and financial statements and govern how companies record and report their financial data. Accounting standards are collections of accounting principles, for example, the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

### Leading Ledger :

We have to define one ledger as the leading ledger and in the standard system leading ledger is **0L**. The leading ledger is assigned to all the company codes. A Leading ledger contains the same setting like currencies, fiscal year variant, and posting period variant that apply to the company code.

### Non-Leading Ledger :

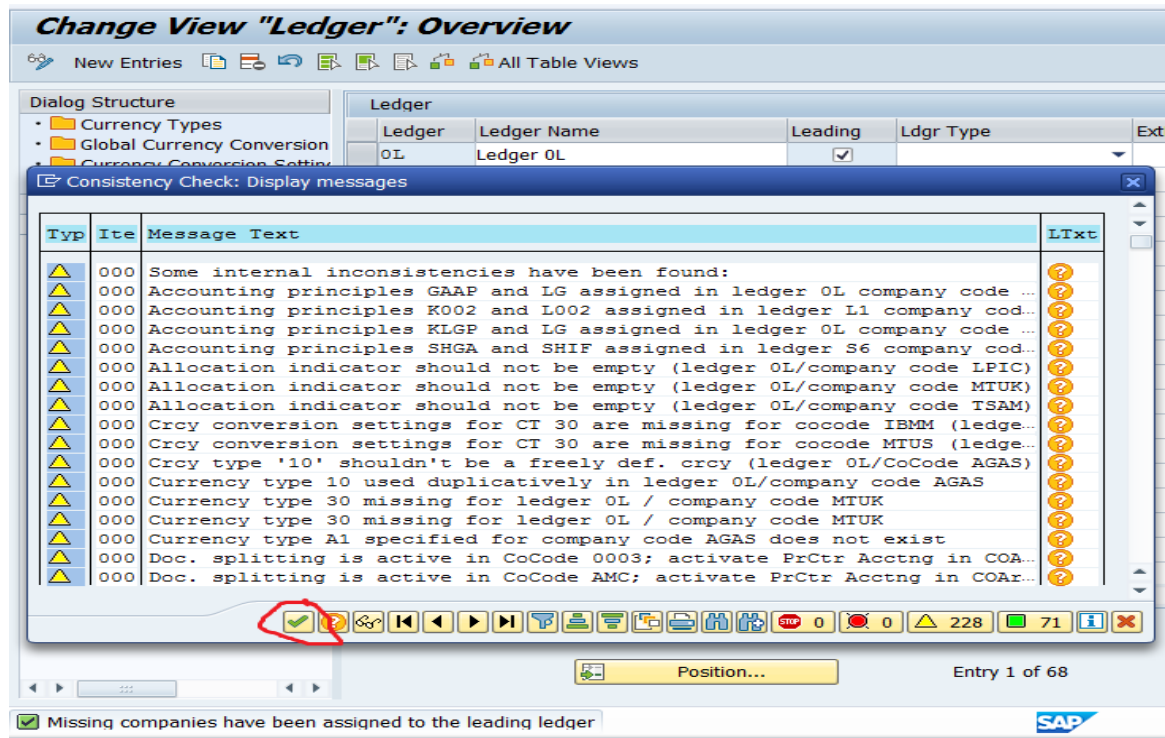
Non-Leading ledgers are also called extension ledgers. Non-Leading ledgers are based on local accounting principles.

Ledgers and Accounting Principles can be defined by using the T- Code Finsc\_ledger. It can also be defined by using the following path :

SAP Customizing Implementation Guide>Financial Accounting > Financial Accounting Global Settings > Ledgers > Ledger > Define Settings for Ledgers and Currency Types.

By following the above mentioned path the below screen is visible. Now click on the below mentioned field.





Now the below screen is visible. By selecting the leading ledger OL go to company code settings as shown below.

**Change View "Ledger": Overview**

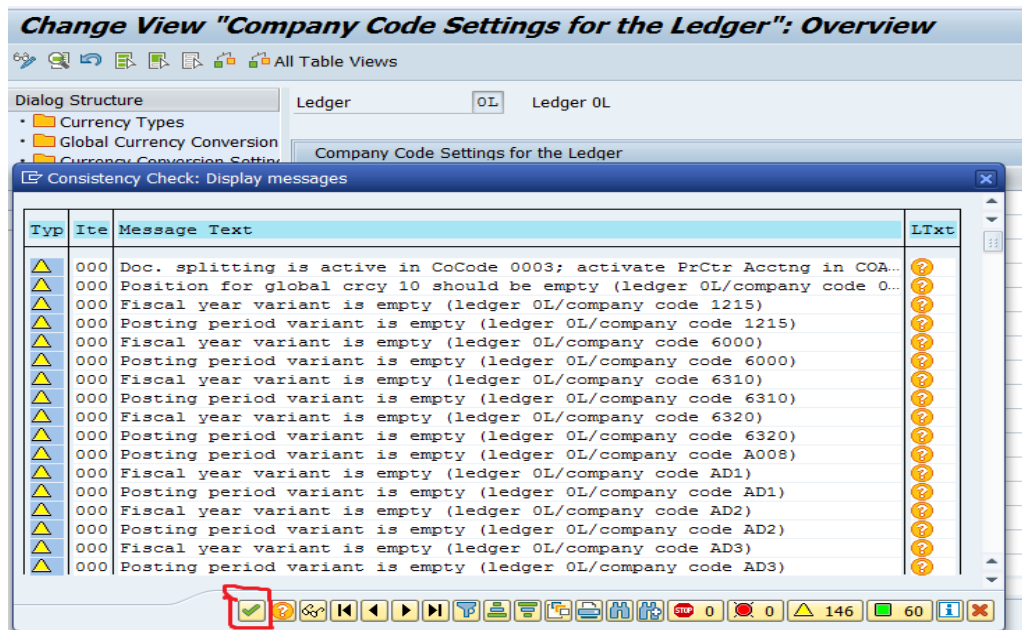
New Entries | All Table Views

Dialog Structure

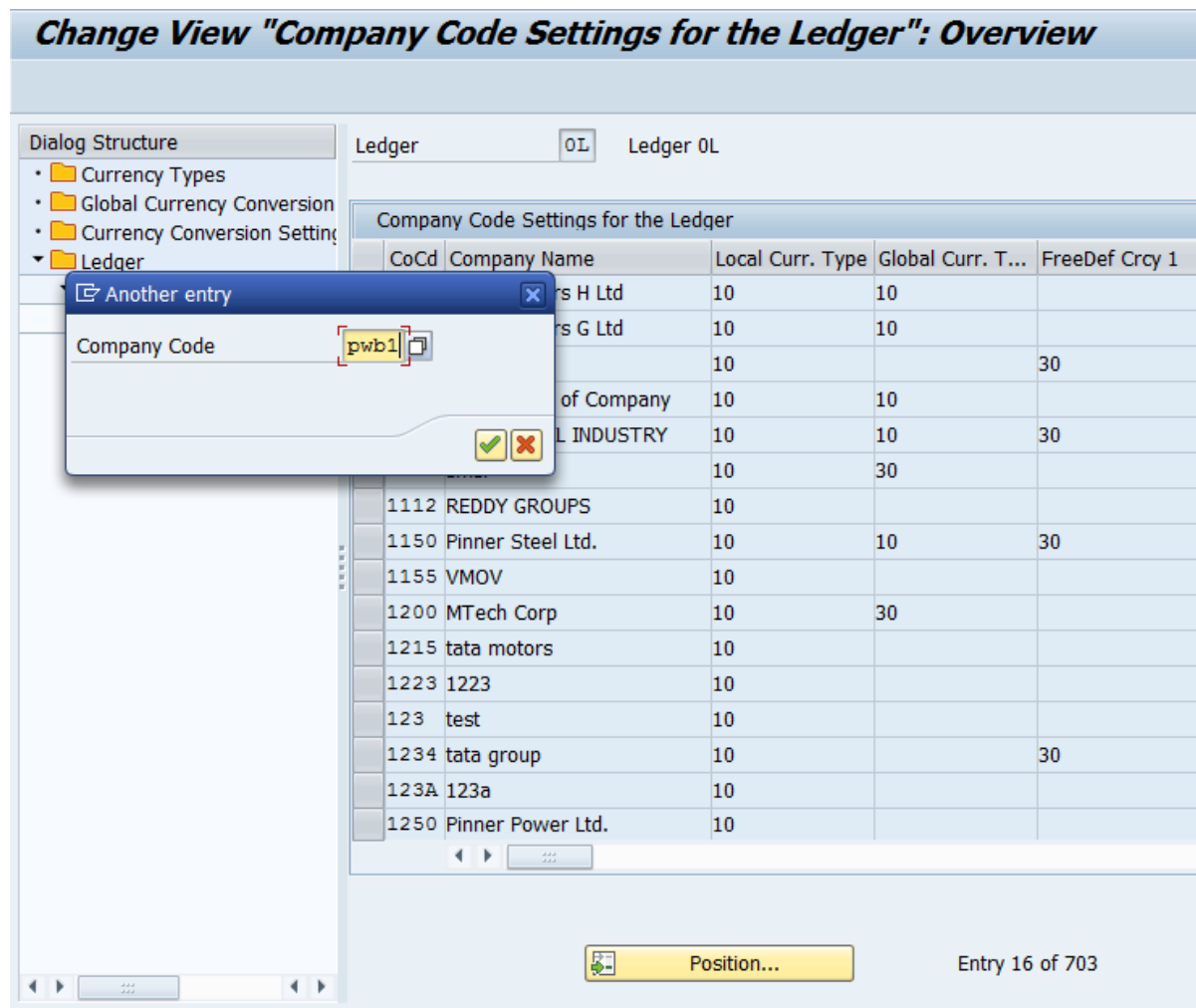
- Currency Types
- Global Currency Conversion
- Currency Conversion Settings
- Ledger**
  - Company Code Settings
  - Accounting Principles

Ledger	Ledger Name	Leading	Ldgr Type	ExtLdgrTyp	Underlying Ledger	Valuation View	Subtype Val	Man.Pstgs
OL	Ledger OL	<input checked="" type="checkbox"/>	Standard Ledger	Standard j..				
2L	Ledger 2L	<input type="checkbox"/>	Standard Ledger	Standard j..				
A0	Dummy ledger	<input type="checkbox"/>	Standard Ledger	Standard j..				
A1	Local Ledger Ahold US	<input type="checkbox"/>	Standard Ledger	Standard j..				
A8	non leading-aus8	<input type="checkbox"/>	Standard Ledger	Standard j..				
B1	Non-leading ledger BACH	<input type="checkbox"/>	Standard Ledger	Standard j..				
BX	Non Leading Ledger-IFRS	<input type="checkbox"/>	Standard Ledger	Standard j..				
C1	Non Leading - US	<input type="checkbox"/>	Standard Ledger	Standard j..				
C2	Non Leading -Tax	<input type="checkbox"/>	Standard Ledger	Standard j..				
F1	Non Leading Ledger	<input type="checkbox"/>	Standard Ledger	Standard j..				
G3	Non Leading -Tax	<input type="checkbox"/>	Standard Ledger	Standard j..				
G6	160000	<input type="checkbox"/>	Standard Ledger	Standard j..				
H4	Non Leading Ledger	<input type="checkbox"/>	Standard Ledger	Standard j..				
HE	Non Leading Ledger HERO	<input type="checkbox"/>	Standard Ledger	Standard j..				
I1	Local Ledger - INFO	<input type="checkbox"/>	Standard Ledger	Standard j..				
IB	Non-leading ledger IBMM	<input type="checkbox"/>	Standard Ledger	Standard j..		0 Legal Valuation		
IX	Extention Ledger IBMM	<input type="checkbox"/>	Standard Ledger	Standard j..		0 Legal Valuation		
K1	Non Leadinga Ledger (KM)	<input type="checkbox"/>	Standard Ledger	Standard j..				

Now click on the mentioned field.



After that by enter our company code and execute it as shown below.



Enter the local currency type and global currency type and save it.



**Change View "Company Code Settings for the Ledger": Overview**

Dialog Structure: Currency Types, Global Currency Conversion, Currency Conversion Setting, Ledger, Company Code Settings, Accounting Principles

Ledger: Ledger OL

CoCd	Company Name	Local Curr. Type	Global Curr. T...	FreeDef CrCY 1	FreeDef CrCY 2	FreeDef CrCY 3	FreeDef CrCY 4	FreeDef CrCY 5	FreeDef CrCY 6	FreeDef CrCY 7
PWB1	WB Ltd	10	30							
Q101	Quikr India Pvt Ltd	10								
Q21	vekat chemical factories	10								

By selecting the company code go to accounting principles and enter the accounting principles and save it.

**Change View "Accounting Principles for Ledger and Company Code": Overview**

New Entries, All Table Views

Dialog Structure: Currency Types, Global Currency Conversion, Currency Conversion Settings, Ledger, Company Code Settings, Accounting Principles

Ledger: Ledger OL

Company Code: PY00 PY-Steel

Accounting Principles for Ledger and Company Code

Accounting Principle	Name of Accounting Principle
IGAP	INDIAN ACCOUNTING STANDARS(SFG)

Now go to new entries and create non leading ledger. Here non leading ledger WB has been created.

By selecting the non leading ledger go to company code settings as shown below.

**Change View "Ledger": Overview**

New Entries, All Table Views

Dialog Structure: Currency Types, Global Currency Conversion, Currency Conversion Setting, Ledger, Company Code Settings, Accounting Principles

Ledger	Ledger Name	Leading	Ldgr Type	ExtLdgrType	Underlying Ledger	Valuation View	Subtype Val	Man.Pstgs
WB	Non leading Ledger for PWB1	<input type="checkbox"/>	Standard Ledger	Standard j..		0 Legal Valuation		
X4	Non Leading Ledger	<input type="checkbox"/>	Standard Ledger	Standard j..				
X5	Non Leading -Tax	<input type="checkbox"/>	Standard Ledger	Standard j..				
YY	Non Leading ledger AGR	<input type="checkbox"/>	Standard Ledger	Standard j..				

Now enter the mentioned details as shown below and save it .

**Change View "Company Code Settings for the Ledger": Details**

New Entries, All Table Views, All Details

Dialog Structure: Currency Types, Global Currency Conversion, Currency Conversion Setting, Ledger, Company Code Settings, Accounting Principles

Ledger: WB Non leading Ledger for PWB1 (Legal Valuation)

Company Code: PWB1 WB Ltd

Company Code Settings for the Ledger

Company Code Settings

Fiscal Year Variant: WB V3 - Apr.- March, 4 Spl Period

Pstng period variant: WBPW WBPW posting period PWB1

Accounting Principle:

Functional Currency: 30 Group Currency (USD - US Dollar)

☐ Parallel Accounting Using G/L Accounts

Local Currency (Legal Valuation) - 1st FI Currency

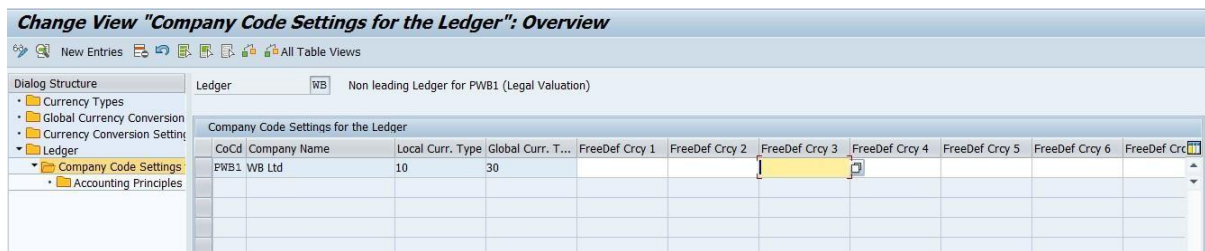
Currency Type: 10 Company Code Currency (INR - Indian Rupee) Source Currency Type: 00

Global Currency (Legal Valuation) - 2nd FI Currency

Currency Type: 30 Group Currency (USD - US Dollar) Source Currency Type: 00

Currency Currency

Now enter the local currency and the global currency and save it. Now our ledgers and accounting principles has been created successfully.

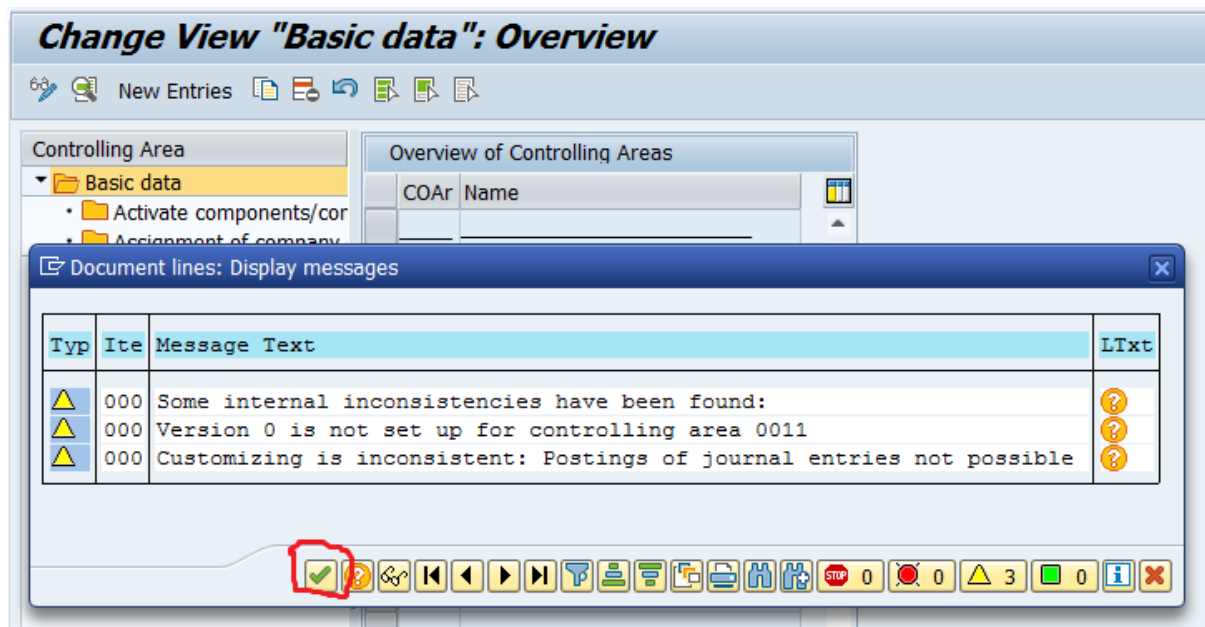


## 29. Maintain Controlling Area :

The controlling area is the central organizational unit within the CO module. It is representative of a contained cost accounting environment where costs and revenues can be managed. The Controlling module is designed to enable organizations to collate, manipulate, and coordinate huge financial data accumulated from business operations into concise and meaningful management reports.

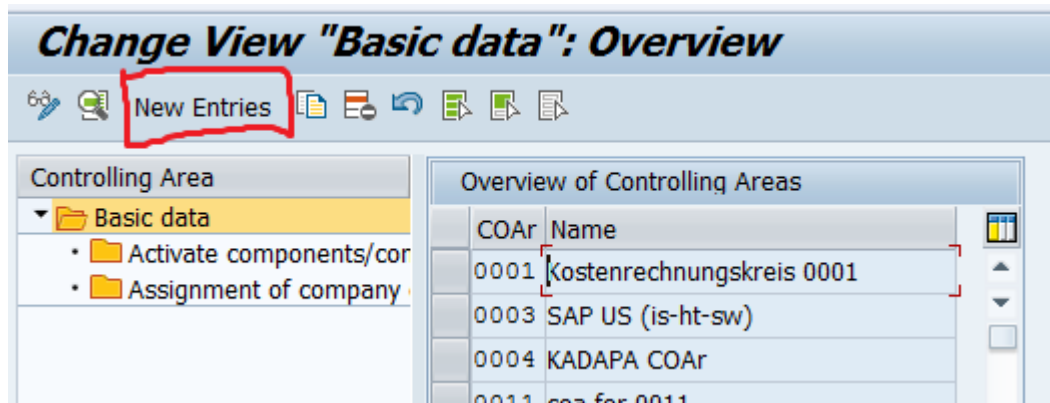
Controlling area can be maintained by using the T- Code **OX06/OKKP**. It can also be maintained by using the following path :


SAP Customizing Implementation Guide > Controlling>General Controlling>Organization>Maintain Controlling Area.



After executing the T – Code OKKP/OX06, the above screen is visible. Now click on the mentioned field.

Now go to new entries as shown below.



Now create the controlling area by entering the mentioned fields shown below and save  it.

**Controlling Area**

Controlling Area: PYC0

Name: controlling area for py00

Person Responsible:

**Assignment Control**

CoCd->CO Area: 2 Cross-company-code cost accounting

**Currency Setting**

Currency Type: 30 Group currency: United States Dollar

Currency: USD

Curr/Val. Prof.:

☒ Diff. CCode Currency

☐ Active

**Object Currency**

Alter. Use Obj. CrCY:

Exch. Rate Type:

Trns.date type:

Source Currency Type:

Equal CrCY Preferred: ☐

**Other Settings**

Chart of Accts: PYCH Chart of Account for Payanti org.

Fiscal Year Variant: PY Apr-Mar

Leading FS Version:

☐ Hide Controlling Area in F4

**Setting for Authorization Hierarchies for Cost Centers**

Do Not Use Std Hier.: ☐ Alternative Hierarchy1: ☐

Alternative Hierarchy2: ☐

**Setting for Authorization Hierarchies for Profit Centers**

Do Not Use Std Hier.: ☐ Alternative Hierarchy1: ☐

Alternative Hierarchy2: ☐

After saving it go to activate components and fill the required details and save  it as shown below.

Change View "Activate components/control indicators": Details

Controlling Area: PYC0 contolling area for py00  
Fiscal Year: 2023 to 9999

Activate Components

Cost Centers: 1 Component active

☒ AA: Activity Type

Order Management: 1 Component active

Commit. Management: Component not active

Acty-Based Costing: Component Not Active

ProfitAnalysis: ☐ costing-based ☐ account-based

☐ Projects

☐ Sales Orders ☐ W. Commit. Mgt

☒ Cost Objects

☐ Real Estate Mgmt

Other Indicators

☒ All Currencies

☐ Variances


☒ CoCd Validation

Alternative Authorization Hierarchies for Cost Centers

Alternat. Hier. 1:   
Alternat. Hier. 2:

Alternative Authorization Hierarchies for Profit Centers

Alternat. Hier. 1:   
Alternat. Hier. 2:

Go to assignment of company code and enter the company code and company name and save  it.

Change View "Assignment of company code(s)": Overview

Controlling Area: PYC0 contolling area for py00

Assigned Company Codes

CoCd	Company Name
PY00	PY-Steel

Position...

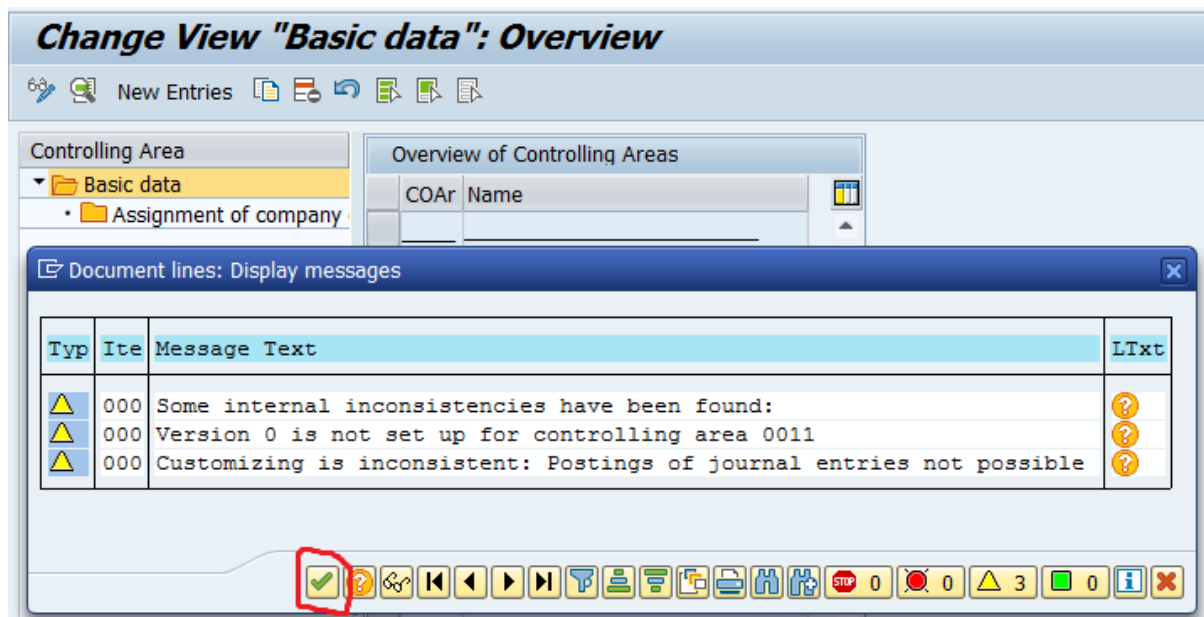
Entry 1 of 1

### 30. Assign company code to controlling area :

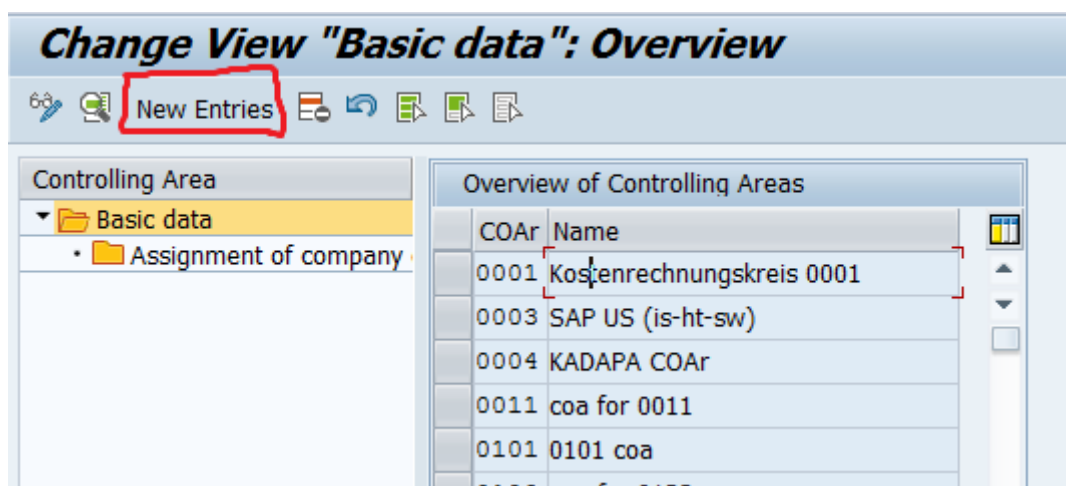
To assign company code to controlling area the T- Code **OX19**. This can also be done by using the following path :

SAP Customizing Implementation Guide > Controlling>General  
Controlling>Organization>Maintain Controlling Area > Assign company  
code to controlling area.

By executing the T- Code OX19 the below screen is visible and click on  
the below mentioned screen.



Now go to new entries as shown below.



Enter the required fields as mentioned below and save  it.

Change View "Basic data": Details

Controlling Area: PYC0  
 Name: Controlling area for py00  
 Person Responsible:

Assignment Control  
 CoCd->CO Area: 2 Cross-company-code cost accounting

Currency Setting  
 Currency Type: 30  
 Currency: USD  
 Curr/Val. Prof.:  
 Group currency: United States Dollar  
☒ Diff. CCode Currency  
☐ Active

Object Currency  
 Alter. Use Obj. CrCY:  
 Exch. Rate Type:  
 Trns.date type:  
 Source Currency Type:  
 Equal CrCY Preferred:

Other Settings  
 Chart of Accts: PYCH  
 Fiscal Year Variant: PY  
 Leading FS Version:  
☐ Hide Controlling Area in F4  
 Chart of Account for Payanti org.: Apr-Mar

Setting for Authorization Hierarchies for Cost Centers  
 Do Not Use Std Hier.:  
 Alternative Hierarchy1:  
 Alternative Hierarchy2:

Setting for Authorization Hierarchies for Profit Centers  
 Do Not Use Std Hier.:  
 Alternative Hierarchy1:  
 Alternative Hierarchy2:

After saving it go to assignment of company code and assign the company code and save it.

Change View "Assignment of company code(s)": Overview

Controlling Area: PYC0  
 Name: Controlling area for py00

Assigned Company Codes

CoCd	Company Name
PY00	PY-Steel

Position...

Entry 1 of 1

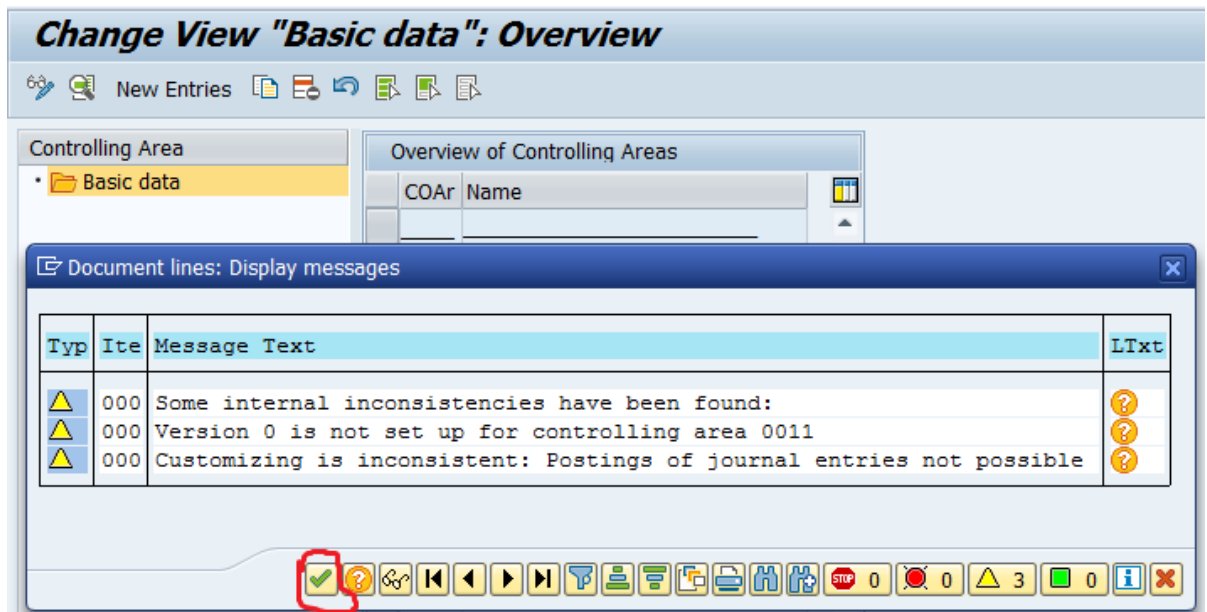
### 31. Activate components/control indicators in Controlling Area :

To activate components in controlling area the T- Code **OX06**. This can also be done by using the following path :

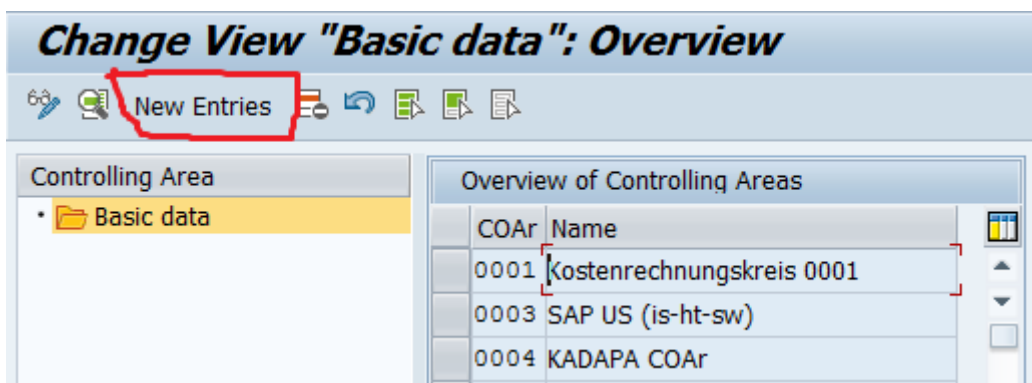
SAP Customizing Implementation Guide > Controlling>General Controlling>Organization>Maintain Controlling Area > Activate compenonents.

By executing the T- Code OX06 the below screen is visible and click on it as shown below.





Go to new entries and execute it as shown below.



Now enter the required fields as shown below, currency type, chart of accounts, fiscal year variant and other required fields and save it.

**Change View "Basic data": Details**

Controlling Area: PYC0

Name: Controlling area for py00

Person Responsible:

Assignment Control: CoCd->CO Area: 2 Cross-company-code cost accounting

Currency Setting:

Currency Type: 30	Group currency: United States Dollar
Currency: USD	<input checked="" type="checkbox"/> Diff. CCode Currency
Curr/Val. Prof.	<input type="checkbox"/> Active

Object Currency:

Alter. Use Obj. Cray	Source Currency Type
Exch. Rate Type	Equal Cray Preferred
Trns.date type	

Other Settings:

Chart of Accts: PYCH	Chart of Account for Payanti org.
Fiscal Year Variant: PY	Apr-Mar
Leading FS Version	
<input type="checkbox"/> Hide Controlling Area in F4	

Setting for Authorization Hierarchies for Cost Centers:

Do Not Use Std Hier.	Alternative Hierarchy1
	Alternative Hierarchy2

Setting for Authorization Hierarchies for Profit Centers:

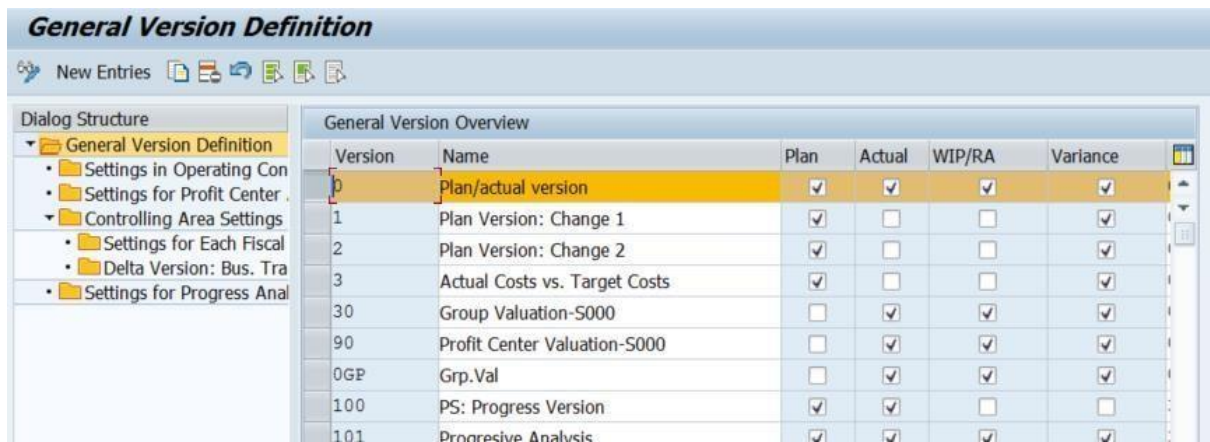
Do Not Use Std Hier.	Alternative Hierarchy1
	Alternative Hierarchy2

### 32. Version's in controlling Area configuration :

A version is a comprehensive set of planning data. A user may create as many versions as desired (alpha-numeric possible). Versions are comprehensive for all types of CO planning.

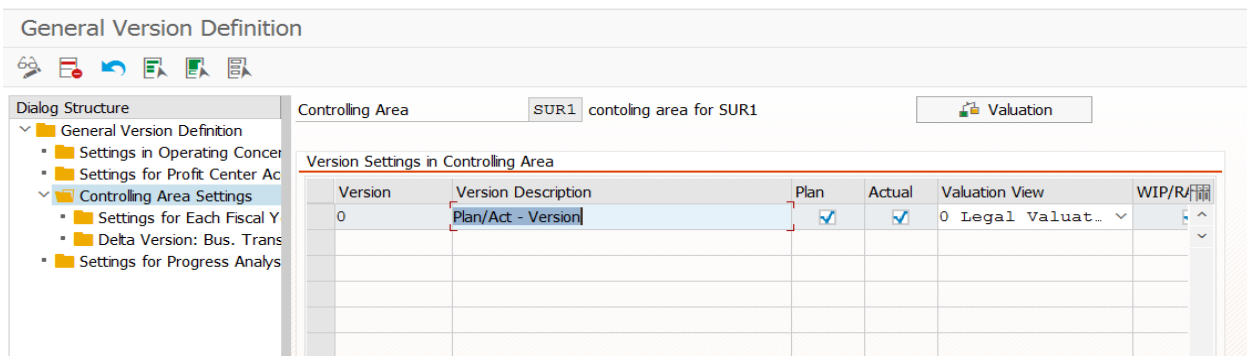
Versions in controlling area can be configured by using the T – Code **OKEQ**. It can also be configured by using the following path :  
SAP Customizing Implementation Guide > Controlling>General Controlling>Organization>Maintain Versions.

Now by entering the T – Code OKEQ the below screen is visible. Select the version 0 as shown below.



Version	Name	Plan	Actual	WIP/RA	Variance
0	Plan/actual version	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
1	Plan Version: Change 1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2	Plan Version: Change 2	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3	Actual Costs vs. Target Costs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
30	Group Valuation-S000	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
90	Profit Center Valuation-S000	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
0GP	Grp.Val	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
100	PS: Progress Version	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
101	Prognostic Analysis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Now go to controlling area settings and save  it.



Version	Version Description	Plan	Actual	Valuation View	WIP/R/RA
0	Plan/Act - Version	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0 Legal Valuat...	<input type="checkbox"/>

By selecting the settings for each fiscal year the below screen will open and enter the controlling area and execute it.




Determine Work Area: Entry

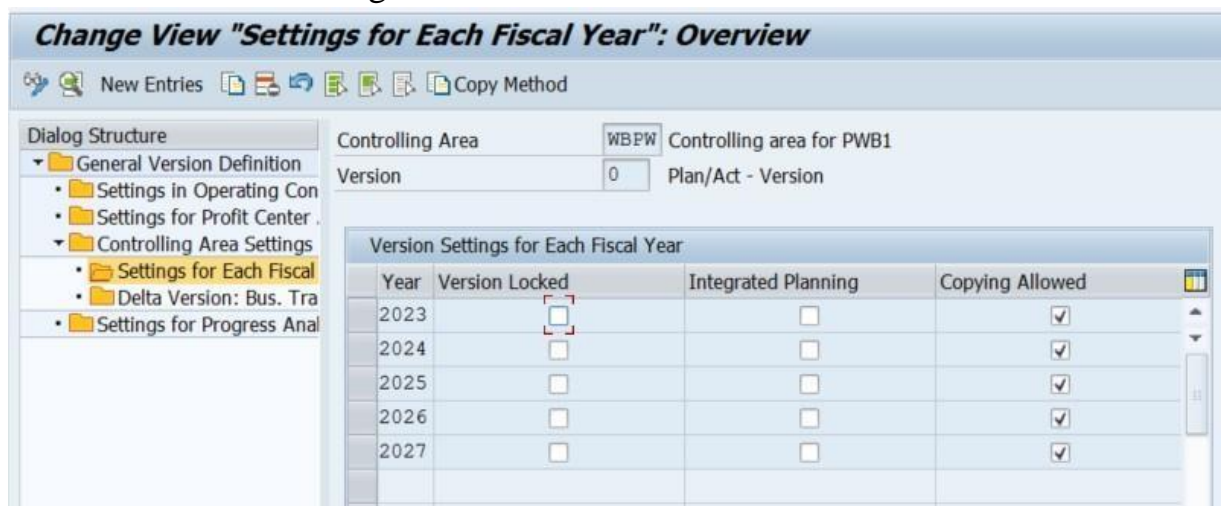
Field Name: Controlling Area, Work Area: WBPA

Version: 0

☒ Further select cond. Append  



Enter the following data as shown below and save  it.



**Change View "Settings for Each Fiscal Year": Overview**

Dialog Structure

- General Version Definition
  - Settings in Operating Con
  - Settings for Profit Center
  - Controlling Area Settings
    - Settings for Each Fiscal**
    - Delta Version: Bus. Tra
    - Settings for Progress Anal

Controlling Area: WBFW Controlling area for PWB1  
Version: 0 Plan/Act - Version

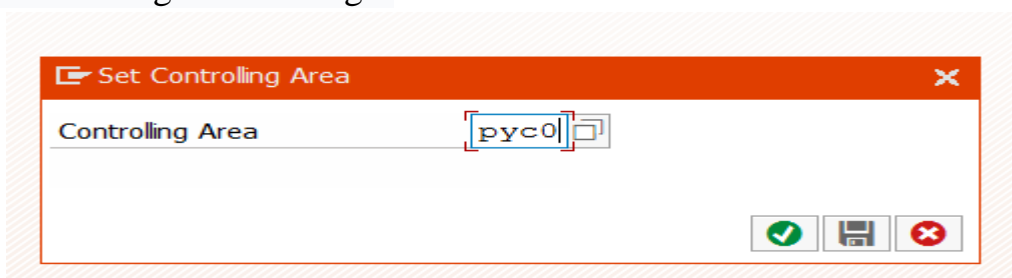
Year	Version Locked	Integrated Planning	Copying Allowed
2023	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2024	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2025	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2026	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2027	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Versions in controlling area has configured successfully by following the above steps.

### 33. Maintain Controlling Area for Profit Center Accounting :




The controlling area settings enables the configuration of standard hierarchy, profit center reporting currency type, Valuation views ALE distribution method and controlling indicators.

Controlling area for profit center accounting can be maintained by using the T – Code **0KE5**. This can also be done by using the following path :  
SAP Customizing Implementation Guide > Controlling > Profit Center Accounting > Basic Settings > Controlling Area Settings > Maintain Controlling Area Settings.




**Set Controlling Area**

Controlling Area: PYC01

Buttons:   

By executing the T – Code 0KE5 the above screen is visible, then press enter.

Now enter the following details in the below screen and save  it.

**Change View "EC-PCA: Controlling Area Settings": Overview**

Controlling Area: **PYCO**      controlling area for py00

---

**Controlling Area Settings**

Dummy Profit Center		
Standard Hierarchy	<b>PYCCSH</b>	controlling area for py00
Elim. of Int. Business Vol.	<input type="checkbox"/>	
PCtr Local Currency Type	<b>30</b>	Group currency
Profit Center Local Currency	<b>USD</b>	
Store Transaction Currency	<input type="checkbox"/>	
Valuation View	<b>0 Legal Valuation</b>	
ALE Distribution Method	<b>No distribution to other systems</b>	

---

**Control Indicators**

From Yr	Active Indicator
2023	<input checked="" type="checkbox"/>

Entry 1 of 1

### 34. Define Ledgers and Accounting principles(Controlling) :

The following path is used to define ledgers and accounting principles (controlling) :

SAP Customizing Implementation Guide>Controlling >General Controlling > Organization > Define Ledger for CO Version

**Change View "Ledger From Which CO Reads Actual Data": Overview**

New Entries

CO Area	Version	Ledger (Compat.)	Controlling Area Name	Version Description	Val. View of Version	Ledger Name
0001	0	OL	Kostenrechnungskreis 0001	Plan/Actual Version	0 Legal Valuation	▼ Ledger OL
0003	0	OL	SAP US (is-hit-sw)	Plan/Actual Version	0 Legal Valuation	▼ Ledger OL
0004	0	OL	KADAPA COAr	Plan/Act - Version	0 Legal Valuation	▼ Ledger OL

Now by going to the new entries create the ledgers and accounting principles for controlling.

**Change View "Ledger From Which CO Reads Actual Data": Overview**

New Entries

CO Area	Version	Ledger (Compat.)	Controlling Area Name	Version Description	Val. View of Version	Ledger Name
<b>PYCO</b>	0	OL	controlling area for py00	Plan/Act - Version	0 Legal Valuation	▼ Ledger OL
QTIN	0	OL	qatar airways india ltd	Plan/Act - Version	0 Legal Valuation	▼ Ledger OL

Here it has been successfully created and saved.

### 35. Define profit centre group :

A profit center group is a hierarchical structure of profit centers. You can use profit center groups to group profit centers together according to company-specific criteria.

Profit center groups are used for reporting, allocations or in various planning functions.

Profit center groups can be defined by using the T- Code **KCH1**. It can also be defined by using the following path :

SAP Customizing Implementation Guide > Controlling > Profit Center Accounting > Master Data > Profit Center > Define Profit Center Groups.

Create Profit Center Group: Initial Screen

Controlling Area PYC0

Profit Center Group PPYCCH

Reference

Profit Center Group

Controlling Area

### 36. Define standard hierarchy for profit centre group :

The standard hierarchy is a special form of a profit center group. It has to contain all profit centers belonging to the controlling area and reflect the organizational structure of Profit Center Accounting.

Standard hierarchy for profit center group can be defined by using the T- Code **KCH1**. It can also be defined by using the following path :

SAP Customizing Implementation Guide > Controlling > Profit Center Accounting > Master Data > Profit Center > Define Standard Hierarchy.

Change Profit Center Group: Structure

PPYCCH Profit Center Group Fop PY00

PYMGP CHENAI MANUFACTURE

From the above screen we can able to see the standard hierarchy for the profit center group.

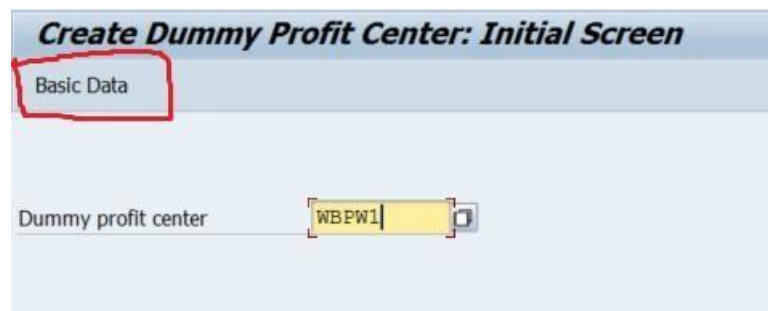
### 37. Create Dummy profit centre :

A dummy profit center is the default value that is applied when postings are made to an account assignment object for which no profit center has been assigned.

We can establish which objects are not assigned to profit centers by analyzing the postings assigned to the dummy profit center. We can use assessment or distribution to move data from the dummy profit center to the desired profit centers.

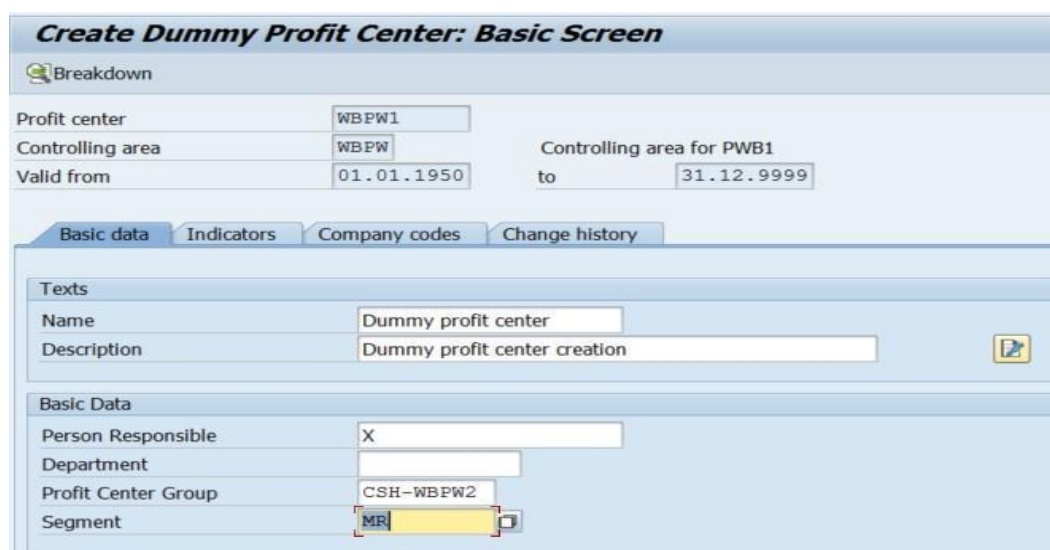
Dummy profit centers can be created by using the T- Code

Enter the Dummy profit center and click on Basic data as shown below.



The screenshot shows the 'Create Dummy Profit Center: Initial Screen'. The 'Basic Data' tab is highlighted with a red rectangle. Below the tabs, the 'Dummy profit center' field contains the value 'WBPW1'.

After clicking on the basic data the below screen is visible then enter the required details mentioned below.



The screenshot shows the 'Create Dummy Profit Center: Basic Screen'. The 'Basic data' tab is selected. The 'Breakdown' section shows the following details:

Field	Value
Profit center	WBPW1
Controlling area	WBPW
Controlling area for PWB1	
Valid from	01.01.1950
to	31.12.9999

The 'Texts' section shows:

Field	Value
Name	Dummy profit center
Description	Dummy profit center creation

The 'Basic Data' section shows:

Field	Value
Person Responsible	X
Department	
Profit Center Group	CSH-WBPW2
Segment	MR

Now go to the company codes and check whether it is assigned or not. And save it once it is checked.

**Create Dummy Profit Center: Company code assignment**

Breakdown

Profit center: WBPW1

Controlling area: WBPW Controlling area for PWB1

Valid from: 01.01.1950 to: 31.12.9999

Basic data Indicators Company codes Change history

Company code assignment

CoCd	Company Name	Assigned
PWB1	WB Ltd	<input checked="" type="checkbox"/>

To check whether the profit center is created or not go to KCH5N and check it.

By executing the following T- Code we can able to see our dummy profit center i.e WBPW1 has been created successfully. We can able to see it from the below screen.

**Standard Hierarchy for Profit Centers Change**

Object Manager Inactive

as of 01.01.2023

Find by

- Profit center
- Profit center group

Hit list

Profit center group Name

CSH-WBPW2 New Hierarchy

Standard Hierarchy	Name	Activation status	Person Respons...
PPWB1AUC06	Asset Under Construc	<input checked="" type="checkbox"/>	X
PPWB1AVC04	Vehicles	<input checked="" type="checkbox"/>	X
WBPW1	Dummy profit center	<input checked="" type="checkbox"/>	X
WBPW2	profit center	<input checked="" type="checkbox"/>	X
WBPW3	bscd-common-delhi	<input checked="" type="checkbox"/>	X

Details for Profit center group New Hierarchy

Basic data Report information

Group Name CSH-WBPW2 New Hierarchy

Change Data

Created By S4ACCESS01 30.05.2023 13:16:13

Last Changed By S4ACCESS01 25.06.2023 16:26:04

### 38. Creation of profit center :

A profit center is an organizational unit in accounting that reflects the structure of the organization for the purpose of internal control. You can analyze operating results for profit centers using either the cost-of-sales or the period accounting approach.

By calculating the fixed capital as well, we can use your profit centers as investment centers.

The main aim of creating a Profit Center in SAP CO is to analyze the cost of a product line or a business unit.


We can also generate P&L accounts according to a Profit Center and also generate balance sheets, however a Profit Center should only be used for internal reporting purpose.

The key components of a profit center include – name of the profit center, the controlling area under which it is assigned, time period, person responsible for the profit center, standard hierarchy, etc.

Profit centers can be created by using the T – Code **KE51**. This can also be defined by using the following path :

SAP Easy Access > Accounting > Controlling > Profit Center Accounting > Master Data > Profit Center > Individual Processing .

Now enter the T- Code KE51 and execute it, the below screen is visible. Enter the profit center and press enter.

Enter the required fields like name, long text, person responsible, profit center group, segment, now go to status and click on the mentioned field i.e activate it and save  it as shown below.



as of 01.01.2023

Standard Hierarchy	Name	Activation status	Person Responsi...
<ul style="list-style-type: none"> <li>PYCCSH</li> <li> <ul style="list-style-type: none"> <li>PPYCCH</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>contoling area for py00</li> <li>Profit Center Group Fop PY00</li> </ul>		

Details for Profit center group contoling area for py00

Basic data | Report information

Group Name: PYCCSH | contoling area for py00

Change Data

Created By	S4ACCESS55	14.10.2023	22:56:28
Last Changed By	S4ACCESS55	14.10.2023	23:45:33

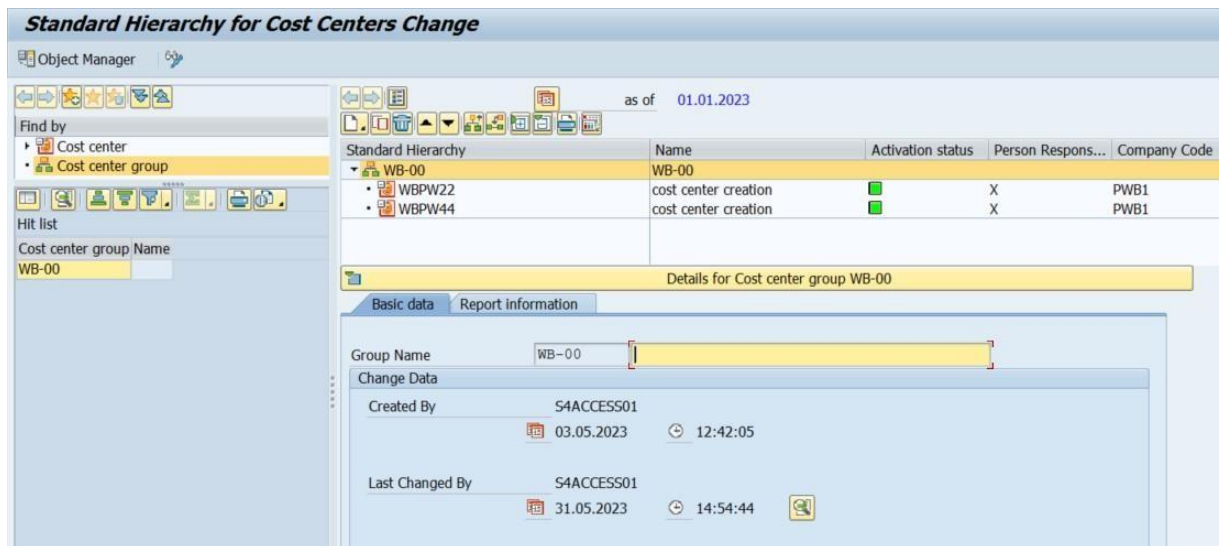
By executing the T- Code KCH5N we can check whether our profit center is created or not. From the below we can see that our profit center WBPW9 has been created successfully.

### 39. Change standard hierarchy for Cost center :

A cost center hierarchy consists of nodes and sub-nodes that cost centers are attached to. A cost center hierarchy comprises all cost centers for a given period and therefore, represents the entire enterprise. This hierarchy is known as the standard hierarchy.

Standard hierarchy for cost center can be changed by using the T- Code **OKEON**. This can also be done by using the following path :

Accounting > Controlling > Cost Center Accounting > Master Data > Standard Hierarchy > Change.



After executing the T- Code OKEON the above screen is visible.

#### 40. Create Cost Center :

A cost center is an organizational unit or department (sales, services, IT, finance, marketing, engineering, and so on) that is used to allocate the cost of a business activity to an existing budget. Cost centers are usually described in a hierarchy or grouping so that a management structure may own multiple cost centers. Cost centers are used for spend analysis in all sourcing documents. You can generate reports to show the activity in your cost center. SAP Sourcing can support a hierarchy of cost centers.

Typically, cost centers are imported from the financial or ERP system of record. You can also create and edit cost centers manually. Cost centers are custom optional data.


Cost centers can be created by using the T- Code **KS01**. This can also be created by using the following path :

SAP Menu > Accounting > Controlling > Profit Center Accounting > Master Records > Cost Center > Individual Processing > Create.



## Create Cost Center: Initial Screen

### Master Data

Controlling Area	PYCO	
Cost Center	PYMGCC	
Valid From	<input checked="" type="checkbox"/>	to 31.12.9999

### Reference


Cost Center	
Controlling Area	


Now by executing the T- Code KS01 the above screen is visible, now press enter.



By pressing enter we can able to see the below screen.

Enter the required details like

- Name
- Description
- Person responsible
- Cost center category
- Hierarchy area
- Business area
- Currency
- Profit center

Now save  it after entering all the details as mentioned above. Now our cost center has been created successfully. It is shown below.


Change Cost Center: Basic Screen


 Drilldown

Cost Center	PYMGCC	Chennai - Mfg-Common
Controlling Area	PYC0	contoling area for py00
Valid From	01.01.2023	to 31.12.9999

Basic data

Control


Templates

Address

Communication

History

Names

Name	Chennai - Mfg-Common	
Description	Chennai - Mfg-Common	

Basic data

User Responsible		
Person Responsible	Sidhartha	
Department		
Cost Center Category	4	Administration
Hierarchy area	CPYCCH	Chennai - Mfg
Business Area		
Functional Area		
Currency	INR	
Profit Center	PYMGP	Chennai - Mfg

Thank you !!