

Module -3

Vendor Master

1. [Define vendor account groups](#)
2. [Maintain number ranges for vendor accounts](#)
3. [Assign number ranges to vendor accounts](#)
4. [create sundry credit account](#)
5. [Tolerance group for vendors](#)
6. [Vendor payment terms](#)
7. [Create vendor master data](#)
8. [Automatic payment program configuration](#)
9. [Interest calculation configuration](#)

How to Create Vendor Account Groups in SAP

This Tutorial guides you how to create vendor account groups in SAP FI.

Let configure the below vendor account groups

Group	Name
A001	Domestic Vendors
A002	Import Vendors
A003	One Time Vendors

Steps to create vendor account groups :-

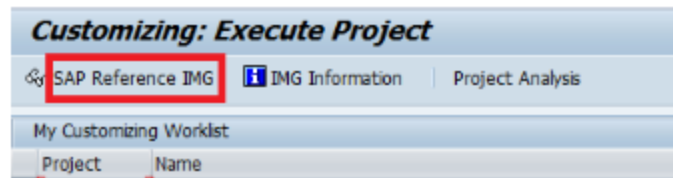
IMG Menu Path :- IMG > Financial accounting -> Accounts Receivable and Accounts Payable -> Vendor Accounts -> Master data -> preparation for creating vendor master data -> **Define Account Groups with Screen Layout (Vendors)**

Transaction code :- OBD3

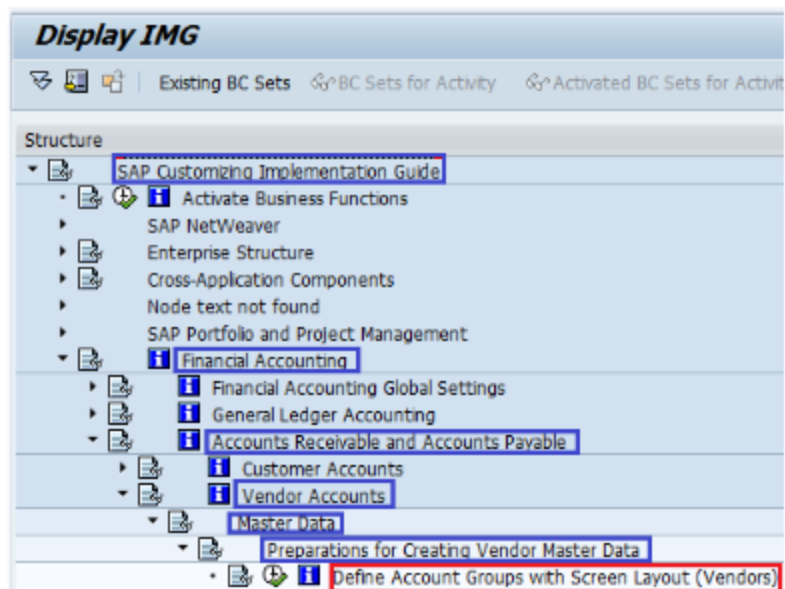
Step 1 :- Enter Transaction code SPRO in the SAP command field and press enter



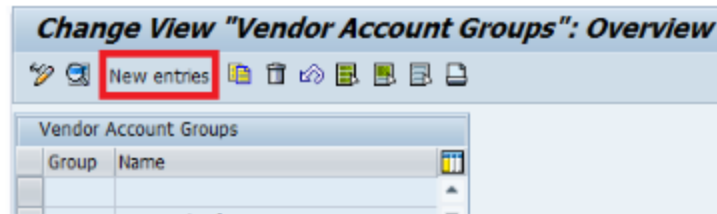
Step 2 :- Select SAP Reference IMG



Step 3 :- Follow IMG Menu Path and select **Define Account Groups with Screen Layout(Vendor)**



Step 4 :- Select New entries to create new vendor account group



Step 5 :- Update the following data

Account Group :- Enter four digits Vendor Account group code

Description :- Enter the name of Vendor account group.

The screenshot shows the 'New Entries: Details of Added Entries' window. At the top, there is a toolbar with icons for 'Edit field status', 'Back', 'Forward', and 'Print'. Below the toolbar, the 'Account group' field is set to 'A001'. The 'General data' section contains the 'Description' field, which is set to 'Domestic Vendors', and the 'One-time account' checkbox, which is unchecked. The 'Field status' section on the left has a list of tabs: 'General data', 'Company code data', and 'Purchasing data'. The 'Company code data' tab is highlighted with a red rectangular box.

Select Company code data under field status and select Account management under group,

Maintain Field Status Group: Overview

Subgroup list

General Data

Acct group A001
Domest Customer
Company code data

Select Group

Account management
Payment transactions
Correspondence
W/holding tax data, w/h tax 2

Select Reconciliation account as required entry

Maintain Field Status Group: Account management

Field check

General Data

Acct group A001
Domest Customer
Company code data

Page 1 / 1

Account management

	Suppress	Req. Entry	Opt. entry	Display
Reconciliation account	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cash management group	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Reconciliation account	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

How to Create Number Ranges for Vendor Accounts

This tutorial guides you how to Create Number Ranges for Vendor Accounts

Steps to Create Number Ranges for Vendor Accounts

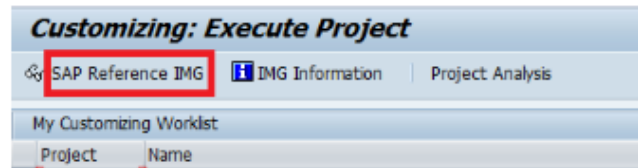
IMG Menu Path :- IMG > Financial accounting -> Accounts Receivable and Accounts Payable -> Vendor Accounts -> Master data -> Preparation for creating vendor master data -> **Create number ranges for vendor account**

Transaction Code :- XKN1

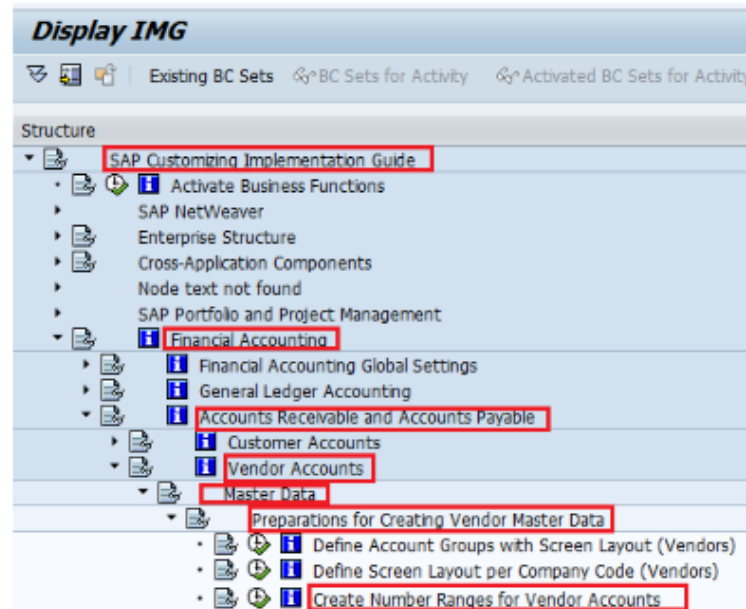
Step 1 :- Enter TCode SPRO in the command field and press enter



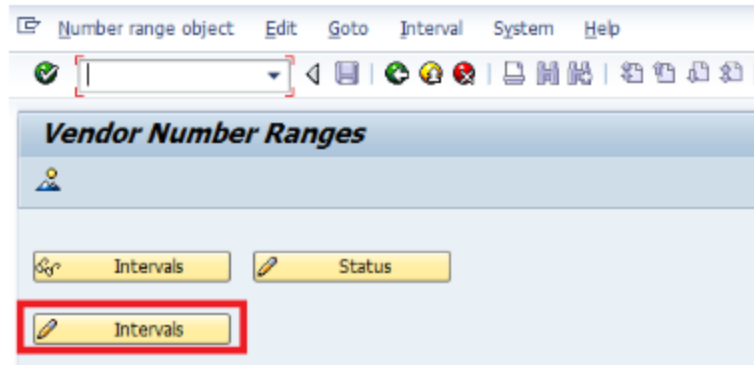
Step 2 :- Select SAP Reference IMG



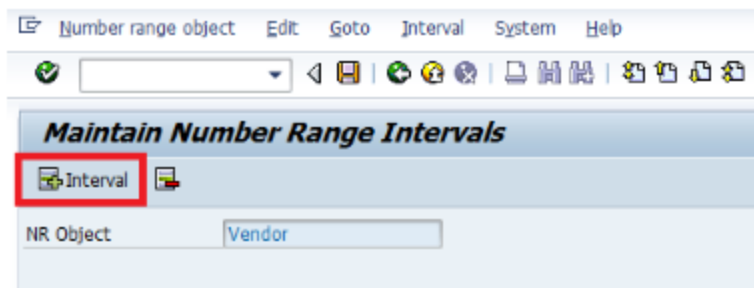
Step 3 :- Follow IMG Menu path to Create Number Ranges for Vendor Account



Step 4 :- Select Change interval for creating number ranges for Vendor accounts



Step 5 :- Select "Insert Interval"



Step 6 :- Update the following information and Enter

1. **NO** :- Enter NO that you want to identify the vendor accounts number range
2. **From Number** :- Enter from number of vendor number range
3. **To number** :- Enter to number of vendor number range

4 .Ext :- Select EXT box if you want External numbering

No.	From number	To number	Current number	Ext
88	1000000000	1000000999	0	<input checked="" type="checkbox"/>

No	From number	To number	Number Range Status	Ext
09	0000500000	0000599999	500060	<input type="checkbox"/>
10	0004400001	0004600000	4400030	<input type="checkbox"/>

Save

Step 7 :- Select Save and ignore the warning message press enter.



Assign Number Ranges to Vendor Account Groups

This tutorial guides you Assign Number Ranges to Vendor Account Groups in SAP FI

Steps for Assign Number Ranges to Vendor Account Groups

IMG Menu path :- *Implementation Guide for R/3*

Customizing (IMG) -> Financial Accounting -> Accounts

Receivable and Accounts Payable -> Vendor Accounts ->

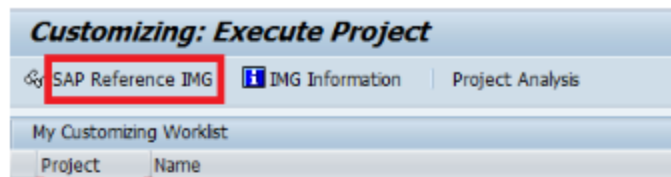
Master Data -> Assign Number Ranges to Vendor Account Groups

Transaction Code :- XKN1

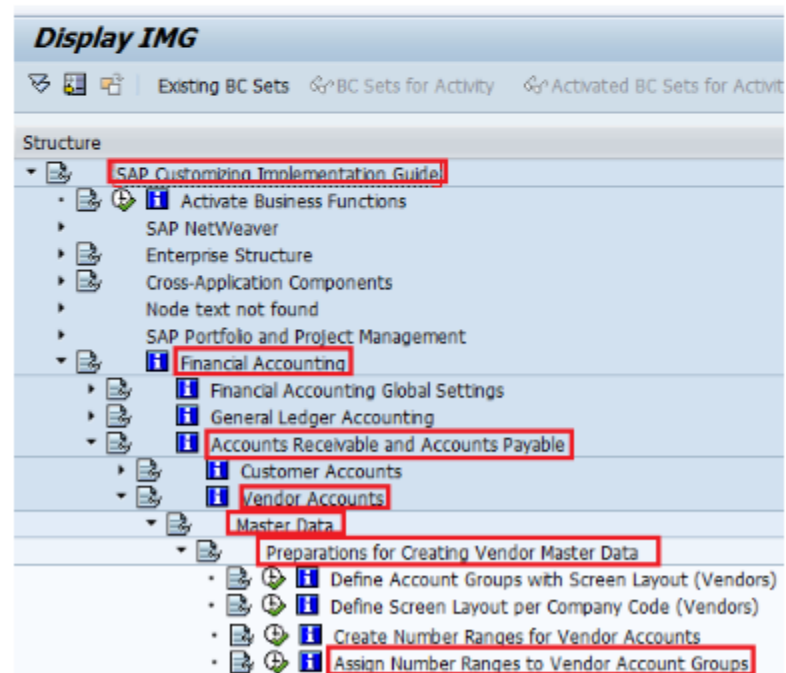
Step 1 :- Enter transaction Code SPRO in the SAP command field and press enter



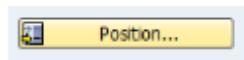
Step 2 :- Select SAP Reference IMG



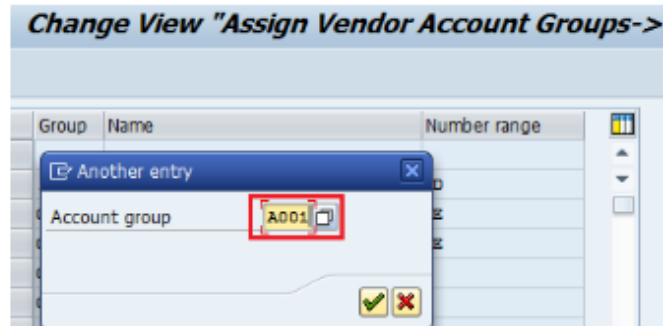
Step 3 :- Follow the IMG menu path



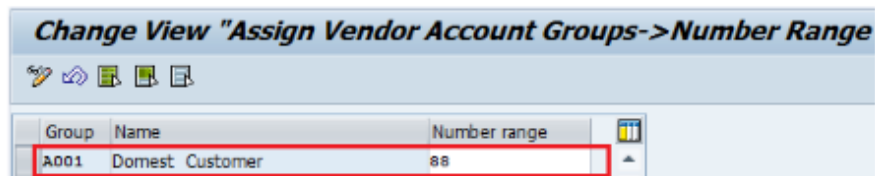
Step 4:- Select Position



update vendor account group that you to assign number ranges and press enter



Step 5 :- Update Number range key in the number range field



Step 6 :- Click on save icon to save configured setting



How to Create Sundry Creditors GL Account

Tutorial guides you how to Create Sundry Creditors GL Account in SAP FICO

Menu Path :- IMG -> Financial accounting -> G/L Accounting -> GL Accounts -> Master Data-> Preparations -> GL Account Creation and Processing -> Edit G/L Account

Transaction Code :- FS00

Step 1 :- Enter Transaction Code FS00 in the SAP

1. Enter G/L Account
2. Update Company Code
3. Click on Create Icon

Edit G/L Account Centrally

Account type icons | Edit financial statement version | Edit set | Edit cost element

G/L Account: **1300001** (highlighted with red box)

Company Code: AD06 | Adarsh Technologies

Buttons: (highlighted with red box) | With Template

Tab: Type/Description | Control Data | Create/bank/interest | Key word/translation | L...

Control in chart of accounts

Account Group: [dropdown]

☒ P&L statement acct

Detailed control for P&L statement accounts

P&L statmt acct type: [empty field]

☐ Balance sheet account

Short Text: [empty field]

G/L Acct Long Text: [empty field]

Step 3 :- In Next screen update the following data

1. Account Group :- Update Account Group of GL Account
2. Select P&L Statement account or Balance sheet account
3. Short text :- Enter short text of G/L
4. G/L long text :- Enter detail description of GL account

The screenshot shows the 'Create G/L Account Centrally' SAP screen. The title bar includes icons for saving, deleting, and other functions, along with buttons for 'Edit financial statement version', 'Edit set', and 'Edit cost element'. The main data area contains the following fields and annotations:

- G/L Account:** 130001
- Company Code:** AD06, Adarsh Technologies
- Account Group:** Current Liabilities and Provis (Annotation 1 points to this dropdown menu)
- Account Type:** Radio buttons for 'P&L statement acct' and 'Balance sheet account'. The 'Balance sheet account' option is selected (Annotation 2 points to this radio button).
- Short Text:** Sundry Creditors (Annotation 3 points to this text field)
- G/L Acct Long Text:** Sundry Creditors Account (Annotation 4 points to this text field)
- Consolidation data in chart of accounts:** Trading Partner (empty field)

Navigation tabs at the top include 'Type/Description', 'Control Data', 'Create/bank/interest', 'Key word/translation', and 'L...'. A 'With Template' button is also visible.

Step 4 :- Click on Control data and update the following data.

1. Update Account currency of GL Account
2. Select reconciliation account type (we are creating GL Account for Sundry Creditors so we selected vendors)
3. Select Appropriate Account Management i.e open item management or Line item display
4. Update sort key

Create G/L Account Centrally

G/L Account: 130001
Company Code: AD06 Adarsh Technologies

With Template

Control Data

Account control in company code

Account currency: **INR** Indian Rupee **1**

☐ Only balances in local crcy

Exchange rate difference key

Valuation group

Tax category

☐ Posting without tax allowed

Recon. account for acct type: **Vendors** **2**

Alternative account no.

☐ Acct managed in ext. system

Inflation key

Tolerance group

Account Management in Company Code **3**

☐ Open item management

☒ Line item display

Sort key: **012** **4**

Authorization Group

Enter the Reconciliation accounts field status group and enter

Step 6 :- Click on Save icon to save the configured GL Account



How to Define Tolerance group for vendors /Customers

Define tolerance group for vendors /Customers

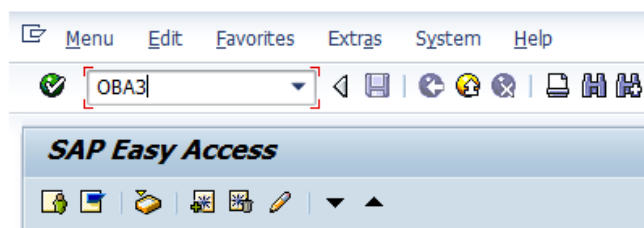
Importance of tolerance group : – The tolerance group is very important to define in SAP system to facilitate dealing with the differences in payment

SAP R/3 IMG Menu Path : – IMG > Financial accounting > Accounts receivable and accounts payable > Business transactions > Outgoing payments > Manual outgoing payments > **Define Tolerances (Vendors)**

IMG > Financial accounting > Accounts receivable and accounts payable > Business transactions > incoming payments > Manual incoming payments > **Define Tolerances (Customer)**

Transaction Code : – **OBA3**

Enter transaction code OBA3 in the SAP command field and press enter



Click on "New Entries" to define tolerance group for customers and vendors.

The screenshot shows the SAP 'Change View Customer/Vendor Tolerances: Overview' screen. At the top, there is a toolbar with several icons. The 'New Entries' icon, which is a document with a plus sign, is highlighted with a red rectangular box. Below the toolbar is a table with three columns: 'Company Code', 'Tolerance group', and 'Name'. The table is currently empty.

Update following data

1. Company code : – Enter your [company code](#)
2. Tolerance group: – Keep blank tolerance group field and update the description of tolerance
3. Permitted Payment differences: – Enter amount and percent for gain and loss i.e 100 inr or 5% whichever is lower.

The screenshot shows the SAP 'New Entries: Details of Added Entries' screen. The 'Company Code' field contains 'AD06' and is marked with a red circle and the number '1'. The 'Tolerance group' field is empty and is marked with a red circle and the number '2'. Below the 'Tolerance group' field is a text field containing 'Tolerance group for AD06'. The 'Specifications for Clearing Transactions' section contains fields for 'Grace days due date', 'Cash Discount Terms Displayed', and 'Arrears Base Date'. The 'Permitted Payment Differences' section contains a table with columns 'Amount', 'Percent', and 'Adjust Discount By'. The 'Gain' row has '100' in the 'Amount' field and '5' in the 'Percent' field. The 'Loss' row has '100' in the 'Amount' field and '5' in the 'Percent' field. The 'Adjust Discount By' field is empty. The 'Permitted Payment Differences' section is marked with a red circle and the number '3'.

Click on save icon to save the configured data. You have successfully maintain tolerance group for vendors and customers.

Maintain terms of payment SAP

Maintain terms of payment

The following tutorial guides you how to *Maintain terms of payment* in SAP. We are creating payment term key CPO3 which is applicable for both customers and vendors.

Payment terms: If the payment is made with in 14 days – 5% discount, or with in 20 days – 2% discount, net due 30 days.

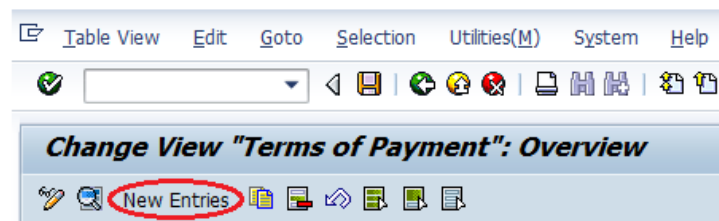
SAP IMG Path: –

SPRO > SAP Reference IMG (F5) > Financial accounting > Accounts receivable and accounts payable > Business transactions > Incoming invoices / Credit memos >> *Maintain terms of payment*

Transaction code: – OBB8

Step 1: – Yo can get the payment term configuration screen by IMG path or by entering t-code OBB8

Click on “New entries” to create new payment terms



Step 2: – In new entries screen, enter the following fields

1. **Payment terms:** Enter four digits payment term key.
2. **Sales text:** Enter a short description of payment term key and text limit is 30 characters.
3. **Own explanation:** This field is used to give a detail explanation of payment term key. It will be override the explanation that is automatically generated by the system.
4. **Customer:** Select this option if the payment term to be used for [Customer accounts](#) (accounts receivable).
5. **Vendor:** Select this option if the payment term to be used for [Vendor accounts](#) (accounts receivable).
6. **Block key:** If Select appropriate block key to block certain activities like payment block, payment clearing etc.
7. Select appropriate base line date calculation option from the list.
8. **Percentage:** Enter the discount percentage rate.
9. **No of Days:** Enter the no of days from base line date for which the discount percentage rate is valid.
10. **Fixed rate:** If you don't want to use base line date, enter the days of month that the discount ends.
11. **Explanation:** – Detailed explanation automatically generated by the system

New Entries: Details of Added Entries

Payt Terms Sales text
Day limit Own explanation
Account type ☒ Custom ☒ Vendor
Baseline date calculation
Fixed day
Additional months
Pmnt block/pmnt method default
Block key ☐
Payment Method ☐
Default for baseline date
☐ No default ☐ Posting date
☒ Document date ☐ Entry date
Payment terms
☐ Instalment payment ☐ Rec. Entries: Supplement fm Master

Term	Percentage	No. of days	/	Fixed date	Additional months
1.	5,000 %	14		<input type="checkbox"/>	<input type="checkbox"/>
2.	2,000 %	20		<input type="checkbox"/>	<input type="checkbox"/>
3.		30		<input type="checkbox"/>	<input type="checkbox"/>

Explanations

within 14 days 5 % cash discount	within 20 days 2 % cash discount
within 30 days Due net	

Select save button to save the configured data. Successfully we have maintained terms of payment for vendors and customers.

How to create Vendor code in SAP – XK01

The following tutorial guides you how to create vendor code in SAP step by step with screen shots.

SAP Menu Path : – SAP Menu >> Logistics >>
Material Management >> Purchasing >> Master Data >>
Vendor >> Central

Transaction code : – XK01

Enter transaction code XK01 in the sap command field and press enter

Enter the following data

1. Company code :- Enter company code
2. Purchasing Organization :- Enter Purchasing Organization
3. Account group : – Enter account group

Create Vendor: Initial Screen

Vendor	<input type="text"/>		
Company Code	AD06	➔ 1	Technologies
Purchasing Organization	ADD	➔ 2	Purch.org
Account group	A001	➔ 3	

Press enter to input the details of the vendor

Title : – Select Company, Dr., Mr., Ms.

Name : – Enter the name of the vendor

Search : – enter the search term

Street Address : – Enter the street #, postal code city, Country, Region, City

Language : – Enter the language

Create Vendor: Address

Vendor: INTERNAL

Preview Internat. versions

Name
Title: Company
Name: ADI Traders

Search Terms
Search term 1/2: ADI

Street Address
Street/House number: hesur road
Postal Code/City: 560106 Bangalore
Country: In Region: 10

PO Box Address
PO Box:
Postal code:

Communication
Language: English
Telephone: Extension:
Mobile Phone: Extension:
Fax: Extension:

Enter the VAT Reg No of the vendor

Tax information

Tax Number 1: Tax number type: ☐ Equalizatr tax
Tax Number 2: Tax type: ☐ Sole Proprietr
Tax Number 3: ☐ Sales/pur.tax
Tax Number 4: ☐ Tax split

Fiscal address:

Tax Jur.: VAT Reg. No.: AA122340 Other...

Tax office:

Tax Number:

Tax Number 5:

Enter the bank details of the vendor

Create Vendor: Payment transactions

Vendor: INTERNAL ADI Traders Bangalore

Bank Details

Ctry	Bank Key	Bank Account	Acct holder AK	IBAN	IBANValue	BCat	Reference details

Account data :- Enter the appropriate Reconciliation accounts, sort key

Create Vendor: Accounting information Accounting

Vendor: INTERNAL ADI Traders Bangalore

Company Code: AD06 Adarsh Technologies

Accounting information

Recon. account	1300001	Sort key	001
Head office		Subsidy indic.	
Authorization		Cash mgmnt group	
Minority indic.		Release group	
		Certificatn date	

Payment transactions :-

1. Enter the appropriate payment terms
2. Select the Chk double inv.
3. Enter the appropriate payment methods such as cheque payment, Bank transfer, Online transfer

Create Vendor: Payment transactions Accounting

Vendor: INTERNAL ADI Traders Bangalore
Company Code: AD06 Adarsh Technologies

Payment data

Payt Terms: 0001 Tolerance group:
Or memo terms:
Chk cashing time:
Chk double inv.: ☒

Automatic payment transactions

Payment methods: 07 Payment block:
Alternat.payee:
Individual pmnt:
B/exch.limit:
Pmt adv. by EDI:
House Bank:
Grouping key:
Pmt meth.supl:
Free for payment:
Alt.payee(doc.):
Permitted Payee

Purchasing Organisation Data :-

1. Enter the order currency, terms of payment and incoterms.
2. Enter the appropriate schema group, vendor
3. Select GR-based Inv. Verification if invoice verification is done after GR
4. Select Srv. Based inv. verf if invoice verification after service entry
5. Enter the partners for the appropriate partner functions

Press save icon to save the vendor master and vendor code in SAP is automatically generated. The vendor code is generated for respective purchasing organization and company code.

Automatic Payment Program Configuration Steps

SAP FI

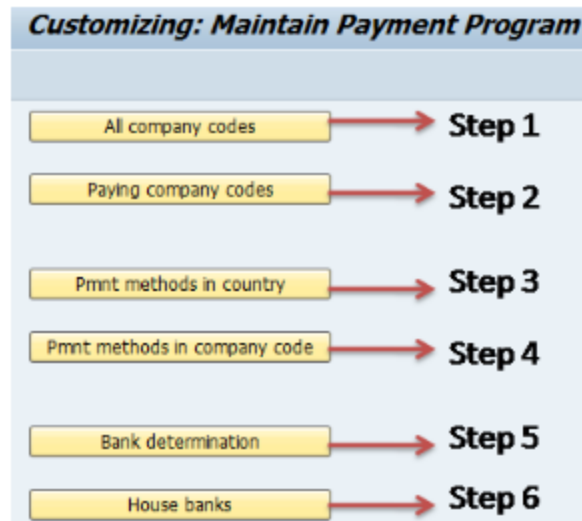
Automatic Payment Program (APP) :- This training tutorials provides the Configuration steps involved in Automatic Outgoing Payment Program in SAP FI and handles a few unique scenarios. Automatic Payment Program payments used to both Vendor as well as the Customer. All company codes from different countries can not use same APP .

APP helps in fetching all the due and over due invoices for a wide range of Vendors and Customers and makes the payment possible before the net due Date which in turn earns a good reputation to the organisation

Automatic Payment Program Configuration Steps :-

The steps involved in the Configuration of Automatic Outgoing Payment-Program are

1. All Company Codes
2. Paying Company Codes
3. Payment methods in country
4. Payment methods in Company code
5. Bank Determination
6. House Bank

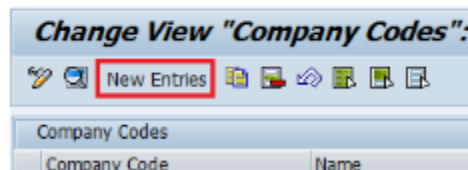


IMG Menu Path :- SPRO -> IMG -> Financial Accounting -> Accounts Receivables and Accounts Payable -> Business Transactions -> Outgoing Payments -> Automatic Outgoing Payments -> Payment Method/Bank Selection for Payment Program

TCODE: FBZP

Step 1 :- All Company Codes :-

select New Entries



Enter company code in the 'company code' field as well as in the 'Paying company code' field, check the two check pyt meth suppl. and Max. cash discounts box and click on save icon.

Enter company code in the 'company code' field as well as in the 'Paying company code' field, check the two check pyt meth suppl. and Max. cash discounts box and click on save icon.

New Entries: Details of Added Entries

Company Code

AD06

Paying company code

Control data

Sending company code

AD06

Paying company code

AD06

☐ Separate payment per business area

☒ Pyt meth suppl.

Cash discount and tolerances

Tolerance days for payable

Outgoing pmnt with cash disc.from

☒ Max.cash discount

Vendors

Sp. G/L transactions to be paid

Sp. G/L trans. for exception list

Customers

Sp. G/L transactions to be paid

Sp. G/L trans. for exception list

Step 2. Paying Company Codes:-

Select Paying Company Codes and click on 'New Entries'

1. Enter paying company code
2. Maintain the incoming or outgoing payments
3. No exchange rate postings are generated by APP when this you check this box
4. The invoices and the credit memos with the same reference can be settled with one payment if this option is selected
5. Bill of Exchange payment request, check/bill of exchange procedure can be used when it is checked.

New Entries: Details of Added Entries

Paying co. code **AD06** Adarsh Technologies Company Codes

Control Data

Minimum amount for incoming payment	99,00	INR
Minimum amount for outgoing payment	99,00	INR

☐ No exchange rate differences
☐ No Exch.Rate Diffs. (Part Payments)
☐ Separate payment for each ref.
☐ Bill/exch pymt

Specifications for SEPA Payments

Vendor

Forms

Sender Details

Sender Details for SAPscript Forms

Text ID	ADRS
Letter header	Header_APP
Footer	FOOTER_APP
Signature text	
Sender	

Setting for the Bill of Exchange to be maintained when it is checked .

<input type="checkbox"/> Separate payment for each ref.
<input checked="" type="checkbox"/> Bill/exch pymt

Specifications for SEPA Payments	
Vendor	

Bill of Exchange Data	
Create bills of exchange	
<input checked="" type="radio"/> One bill of exchange per invoice	
<input type="radio"/> One bill of exchange per due date	
<input type="radio"/> One bill of exch. per due date per.	

Bill of exch.due date/bill of exch.pmnt requests for incoming payments	
Latest due date in	<input type="text"/> Days
Bill on demand for due date up until	<input type="text"/> Days


Bill of exchange due date for outgoing payments	
Earliest due date in	<input type="text"/> Days
Latest due date in	<input type="text"/> Days

Step 3 :- Payment methods in country

Click position and select the Country 'IN' as the Company code currency is INR and the list of paymt methods available/permitted for the Country 'IN' will be displayed. we can Create new method if required.

Click on 'New Entries'

1. Enter country's name, select paymt method and update the description
2. Select paymt method for incoming or outgoing payments
3. select appropriate option in payment method classification and select the check box for 'Allowed for personal payments'

Country	IN	India	 Use in company codes
Pymt Method	C		
Description	Cheque		
Payment method for			
<input checked="" type="radio"/> Outgoing payments <input type="radio"/> Incoming payments			
Payment method classification			
<input type="radio"/> Bank transf <input checked="" type="radio"/> Check <input type="radio"/> Bill/ex <input type="radio"/> Check/bill/ex.			
<input type="checkbox"/> Post office curr.acct method? <input checked="" type="checkbox"/> Allowed for personnel payments <input type="checkbox"/> Create bill/exch.before due date			
<input type="checkbox"/> Bill of exch. accepted <input type="checkbox"/> ISR Payment Procedure <input type="checkbox"/> EU Internal Transfer			

Step 4 :- Payment methods in Company code :-

select 'Paymt Methods in Company Code' button, click on 'New Entries'

1. Enter company code and select payment method C
2. Select 'No optimization' for Bank selection control
3. Update the minimum amount and maximum amount for Amount limits

4. Update 'F110_PRENUM_CHK'. In the form data type '

5. Enter the details 'Drawer on the form' field and click on save

New Entries: Details of Added Entries			
Paying co. code AD06		Adarsh Technologies	Pynt meth. in ctry
Pynt Method C		Cheque	
Amount limits		Grouping of items	
Minimum amount	99	INR	<input type="checkbox"/> Single payment for marked item
Maximum amount	9999999999	INR	<input type="checkbox"/> Payment per due day
Distribution amnt		INR	<input type="checkbox"/> Ext. Indiv.Payment
Foreign payments/foreign currency payments		Bank selection control	
<input type="checkbox"/> Foreign business partner allowed		<input checked="" type="radio"/> No optimization	
<input type="checkbox"/> Foreign currency allowed		<input type="radio"/> Optimize by bank group	
<input type="checkbox"/> Cust/vendor bank abroad allowed?		<input type="radio"/> Optimize by postal code	
Form Data			
Forms			
Form for the Payment Medium	SAPscript	F110_PRENUM_CHK	
Next form	SAPscript		
Form			
Drawer on the form		Sorting of the	
SAP		Correspondence <input type="checkbox"/>	
		Line items <input type="checkbox"/>	

Step 5 :- Bank Determination

1. Select the Paying Company code AD06 and Click on Bank Accounts Button
2. Select ranking order and give the payment method ranking order for the company code
3. Click on New Entries Button and Enter the below values to create Bank Accounts

New Entries: Overview of Added Entries

Dialog Structure

- Bank Selection
 - Ranking Order
 - Bank Accounts**
 - Available Amounts
 - Value Date
 - Expenses/Charges

Paying company code: AD06 Adarsh Technologies

House bank	Pa...	Curr...	Accoun...	Bank subaccount
ICICI	C	inr	4000	<input checked="" type="checkbox"/>
			<input checked="" type="checkbox"/>	

Step 6. House Bank

House Bank provides the information about the Bank through which the Company makes paymts to Vendors/Customers.

Click on New Entries button and update house bank key and house bank data information, Now Select the House Bank and click on new entries and enter the Account ID and description ,Bank Account Number.

SAP Interest Calculation Configuration

Interest calculation configuration can be done by two methods i.e **Interest calculation on account balances** and **Interest calculation on areas**.

Interest calculation configuration steps

Step 1: – Define *interest calculation* procedure

Step 2: – Prepare *account balance interest calculation*

Step 3: – Define reference interest rates

Step 4: – Define Time based terms

Step 5: – Enter interest values

Step 6: – [Create G/L Accounts](#)

Step 7: – Prepare G/L account balances interest calculation configuration procedure

The following steps describe the calculation of interest.

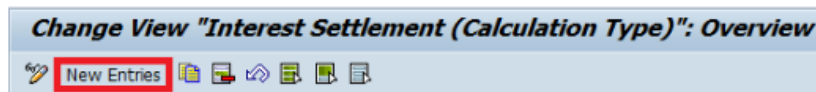
Step 1: – Define interest calculation procedure

SAP IMG Path: –

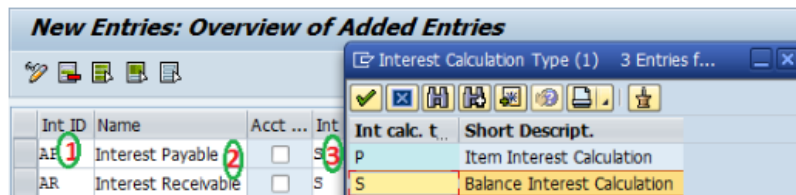
SPRO > Financial Accounting > Accounts Receivable & Accounts Payable > Business Transactions > Interest Calculation > Interest Calculation Global Settings > *Define Interest Calculation Types*

Transaction Code: – OB46

Click on “new entries” and update the following entries



1. Enter your interest indicator in the Int ID field
2. Enter description of your *interest indicator*
3. Select interest calculation type .i.e Balance interest calculation type or *item interest calculation type*



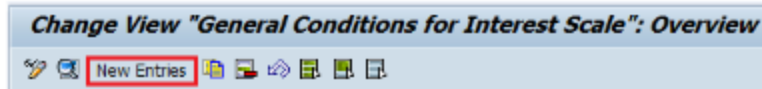
Click on save icon to save the configured data.

Step 2: – Prepare account balance interest calculation

IMG Path: – SPRO > Financial Accounting > [Accounts Receivable](#) & [Accounts Payable](#) > Business Transactions > Interest Calculation > Interest Calculation Global Settings > Prepare Account Balance Interest Calculation

Transaction code: – OBAA

Click on new entries and update the following entries



- Enter your interest calculation indicator
- Update the period determination i.e interest calculation frequency and settlement day
- Select appropriate calendar type (B- 30/360, G – 28,...,31/365)
- Select output control for printing form and [terms of payment](#) for posting

The screenshot shows the "New Entries: Details of Added Entries" form. The following fields are highlighted with red rectangles:

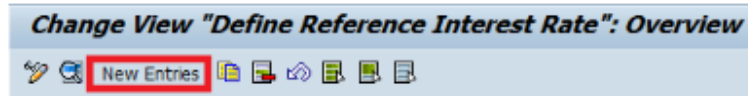
- Int.calc.indicator: AP
- Period determination section:
 - Interest calc.freq.: 1
 - Settlement day: 15
- Interest determination section:
 - Calendar type: G
- Output control section:
 - Balance plus int: ☒
- Posting section:
 - Terms of Payment: 1

Step 3: – Define reference interest rates

Path: SPRO > Financial Accounting > Accounts Receivable & Accounts Payable > Business Transactions
> Interest Calculation > Interest Calculation > *Define Reference Interest Rates*

Transaction Code: – OBAC

Click on new entries and maintain the following entries



Enter your reference interest rate key, long text, Description, date from, valid currency of ref.int. rate.

The screenshot shows the SAP form titled **New Entries: Details of Added Entries**. The form contains the following fields, which are highlighted with a red rectangular box:

Ref.int.rate	AD06 INC
Define Reference Interest Rate	
Long text	Balance Interest Rate for AD06
Description	INC Cal AD06
Date from	28.09.2013
Currency	INR
Finan. center	

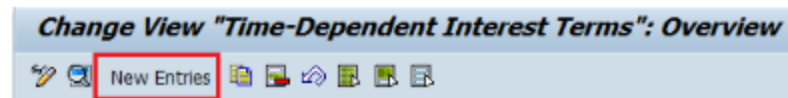
Click n save icon to save the data.

Step 4: – Define Time based terms

Path: SPRO > Financial Accounting > Accounts Receivable & Accounts Payable > Business Transactions
> Interest Calculation > Interest Calculation > Define Time-Based Terms.

Transaction Code: – OB81

Choose new entries and update the following entries



Enter your interest calculation indicator key in the int.cal.indicator field

Update the fields currency key, Eff. from, sequential number

Select the transaction type from the list

Enter Reference interest rate (Check step 3)

New Entries: Details of Added Entries

Int.calc.indicator AP

Currency Key INR

Eff. from 01.08.2013

Sequential number 1

Term Credit interest: arrears interest calc.

Interest rates

Ref. interest rate AD06 INC Balance Interest Rate for AD06

Premium

Amount from

Choose save button to save the data.

Step 5: – Enter interest values

SPRO > SAP Reference IMG (F5) > Financial Accounting > Accounts Receivable & Accounts Payable
>Business Transactions > Interest Calculation > Interest Calculation > *Enter Interest Values*.






Transaction Code: – OB83

Change View "Reference Interest Rate Values": Overview

New Entries

- Enter the reference interest rate key in the reference field
- Update the valid from and interest rate percentage

- Enter the reference interest rate key in the reference field
- Update the valid from and interest rate percentage

New Entries: Overview of Added Entries				
    				
Reference Interest Rate Values				
Reference	Desc.	Valid From	Int. Rate	
AD06 INC	INC Cal AD06	01.08.2013	10,0000000	
		<input checked="" type="checkbox"/>		

Click on save icon to save the data.

Step 6: – [Create G/L Accounts](#)

Path: – IMG > Financial accounting > G/L Accounting > G/L Accounts > Master Data-> Preparations > GL Account Creation and Processing > Edit G/L Account
Transaction Code: Fsoo

Create [G/L accounts](#) for Term loan, Interest paid, Interest received, loan



Step 7: – Prepare G/L account balances interest calculation procedure

SAP IMG Path: –

SPRO > Financial Accounting > General Ledger Accounting > Business Transactions > Bank Account
Interest Calculation > Interest Posting > Prepare G/L Account Balance Interest Calculation
Transaction Code: – OBV2


Click on Accounts button and enter [chart of accounts key](#) and press enter to continue

Maintain Account Determination: Posting Specifications

Accounts Symbols  

Update the account symbols in the Acct symbol field, G/L Accounts as shown below. After updating the required data click on posting specs

Maintain Account Determination: Accounts



Posting specs Symbols 

Application 0004 G/L account interest scale
Chart of Accts ADAR Chart of Accounts for Adarsh Ltd

Account assignment

Acct symbol	Currency	G/L acct
0001	+	220003
0002	+	280000
1000	+	+++++
2000	+	+++++

Click on posting specs button, then select edit option and then click on create button and update the following information

Maintain Account Determination: Posting Specifications					
Accounts		Symbols		 	
Application		0004 G/L account interest scale			
Posting specifications					
Business transaction		1000		Interest indicator	
Company code		AD06		Business area	
Debit		40 <input type="checkbox"/> 0002		Interest paid <input type="checkbox"/> Comp	
Credit		50 <input type="checkbox"/> 2000		G/L account (paid) <input type="checkbox"/> Comp	

Click on save icon to save the configured data. Successfully you have configured interest calculation in SAP.