

Order to Cash (OTC) – 2022

Distillery

Standard Operating Procedures



Description	Name	Signature
Prepared by	Mr. Jayaprakash & Mr. Imran sayed	
IFC Controls	Mr. K.V Ganesh	
Recommended by	Mr. Venkateshwarlu	
Approved by	Mr. T. Kannan.	
Date of approved		07.10.2022

Back ground:

EID Parry (India) Limited is having 2 Strategic Business Units (i) Sugar and (ii) Nutraceutical. Each division is having various products and different mode of sales. This document covers the SOP for Distillery Sales

Sugar division is having six sugar factories and one distillery unit located in Tamil Nadu (Nellikuppam, Pugalur & Sivaganga), Karnataka (Haliyal, Bagalkot & Ramdurg) and AP (Sankili). Product invoicing and dispatch is being carried out at factory and C&F locations.

Product Categories & Segment where the products are marketed:

Sugar Division revenue generating product include Sugar, Power, Distillery, by products and Scrap sales

Sugar products include S30, M30, White Premium, Refined sugar, Amrit, Jaggery, raw sugar sold through various channels which includes (i) Trade Sales; (ii) Institution Sales; (iii) Retail Sales

Exports.

Power sales channel includes supply to Government, PPA arrangements, tie up with third party units, IEX, GDAM & GTAM.

This document captures Distillery related Sales SOP.

Distillery products include ENA and Ethanol produced from C HVY, B HVY and Syrup. The sales channel includes ENA sales to IMFL /beverages manufacturing companies, Pharma industries, Oil Manufacturing Companies etc.

This Standard Operating procedure covers Distillery sale for the following category of products:

1. Ethanol sales to (i) Government OMC (ii) Private OMC abd (iii) Pharma companies
2. ENA sales to IMFL /beverages in Tamil Nadu & Karnataka
3. Sanitizer sale

Index

Sl. No	Nature of Transaction	Page No.
1	<p>Distillery Sales – Ethanol</p> <p>It covers – Plan, Bidding process, Determination of Sale price, Purchase Order, Transportation, Creation of Sale Order, Generation of Invoice, Collection of payment, MIS, Quantity and Quality determination, Treatment of Penalty, Waiver etc.,)</p>	4
2	<p>Distillery Sales – Extra Neutral Alcohol (ENA) & Rectified Spirit (RS)</p> <p>It covers – Plan, Obtaining of Purchase order, Sale of ENA in Tamilnadu , Sale of ENA in Karnataka, Arrangement of Transportation, Creation of Sale Order, Generation of Invoice, Collection of payment, MIS, Quantity and Quality determination etc.,</p>	19
3	Distillery Sales – Hand Sanitizer	31

(a) Distillery Sales : Ethanol Sales to

- i. Government OMC's;**
- ii. Private OMC's and**
- iii. Pharma Companies.**

Process Details

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control	Accounting Entries	Output Documents Generated	RACI								
Plan of estimated production & Sale thereon	<p>Key Document to follow to sell quantity</p> <p><u>Approved Business Plan and rolling quarterly estimates as approved by Statutory Board</u></p> <p><u>Procedure for procurement of orders from OMC for Ethanol sales:</u></p> <ul style="list-style-type: none"> • Ethanol – OMCs will float tender 	Corporate Commercial	Corporate		<u>OTC-L-1</u> Annual sales plan is prepared by the Head Commercial based on production plan received from Corporate Finance team and it is reviewed by CFO, CEO and MD before submission to Senior Leadership Team, BGMC and Statutory Board for necessary approval.			Approved Business plan	<table border="1"> <tr> <td>R</td> <td>AGM- Commercial / Distillery Manager</td> </tr> <tr> <td>A</td> <td>Head- Commercial & Unit Head</td> </tr> <tr> <td>C</td> <td>Regional Finance Head</td> </tr> <tr> <td>I</td> <td>CFO, CEO & MD</td> </tr> </table>	R	AGM- Commercial / Distillery Manager	A	Head- Commercial & Unit Head	C	Regional Finance Head	I	CFO, CEO & MD
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	<p>for ethanol season.</p> <ul style="list-style-type: none"> Unit Distillery will provide month wise / grade wise ethanol production for the season. Quantity will be finalized with Plant Commercial Team along with Finance Team. Accordingly, the commercial team will participate in the bidding. 				<p>performed during the period November to March for the upcoming financial year. Rolling forecast is also performed on a quarterly basis based on prevailing scenario.</p> <p>OTC-L2</p> <p>Annual sales plan is prepared by Head – Commercial and approved by BGMC and Board before start of the financial year and circulated to the various department heads.</p>												
Bidding process	<p>Based on the above, the commercial team will bid with the OMC for supply of Ethanol for the defined period.</p> <p>As per the requirement of the OMC, EID will</p>				<p>Other Control : Tender conditions</p>				<table border="1"> <tr> <td>R</td> <td>AGM- Commercial / Distillery Manager</td> </tr> <tr> <td>A</td> <td>Head- Commercial & Unit Head</td> </tr> <tr> <td>C</td> <td>Regional Finance Head</td> </tr> <tr> <td>I</td> <td>CFO, CEO & MD</td> </tr> </table>	R	AGM- Commercial / Distillery Manager	A	Head- Commercial & Unit Head	C	Regional Finance Head	I	CFO, CEO & MD
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	provide a Bank Guarantee to participate in the bidding. The commercial team will thereafter review the production and supply on a monthly basis after discussing with the plant team and firm up on monthly dispatches.																
Sale of Ethanol – Sale Price	Ethanol – Price is decided by Govt of India / OMC for the ethanol season.	Corporate Commercial	Corporate		Other Control: Tender conditions				<table border="1"> <tr><td>R</td><td>AGM- Commercial</td></tr> <tr><td>A</td><td>Commercial Head</td></tr> <tr><td>C</td><td>Corporate Finance</td></tr> <tr><td>I</td><td>CFO, CEO & MD</td></tr> </table>	R	AGM- Commercial	A	Commercial Head	C	Corporate Finance	I	CFO, CEO & MD
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Obtaining Purchase Order / LOI from the Customer	Ethanol – Oil Marketing Companies (OMCs) will issue LOI for quantity offered in the tender. Upon submitting Bank Guarantee (BG) and Agreements, Purchase Orders will be issued by respective OMC depots	Corporate Commercial	Corporate						<table border="1"> <tr><td>R</td><td>Dy/ Manager – Commercial</td></tr> <tr><td>A</td><td>AGM – Commercial</td></tr> <tr><td>C</td><td>Head - Commercial</td></tr> <tr><td>I</td><td>Corporate Finance Team</td></tr> </table>	R	Dy/ Manager – Commercial	A	AGM – Commercial	C	Head - Commercial	I	Corporate Finance Team
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	and monthly indents will be given																							
Arrangement for Transportation and Excise activities	<p>Transport quotes will be obtained from ethanol transporters and negotiated for each location.</p> <p>As the subject goods falls under State Excise, all the Excise documents / approvals or clearances will be taken care by unit Distillery team.</p> <p>Wherever Freight arranged by EID for upward transportation; EID will discharge GST under RCM for such payment to transporter.</p>	Commercial Team	Corporate						<table border="1"> <tr> <td>R</td> <td>Dy/ Manager</td> <td>-</td> </tr> <tr> <td>A</td> <td>Commercial</td> <td></td> </tr> <tr> <td>C</td> <td>AGM – Commercial</td> <td></td> </tr> <tr> <td>I</td> <td>Commercial Head</td> <td></td> </tr> <tr> <td></td> <td>Unit Finance Team</td> <td></td> </tr> </table>	R	Dy/ Manager	-	A	Commercial		C	AGM – Commercial		I	Commercial Head			Unit Finance Team	
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Creation of Contract and Sale Order and release there of	Quarter wise Contract will be created in SAP for each OMC locations. Accordingly, Sale Order will be created and	Corporate Commercial	Corporate	VA01 VA02	OTC_H_11	Invoice will be generated based on SO, SAP will not allow			<table border="1"> <tr> <td>R</td> <td>Commercial Executive</td> <td></td> </tr> <tr> <td>A</td> <td>AGM – Commercial</td> <td></td> </tr> </table>	R	Commercial Executive		A	AGM – Commercial										
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	informed to respective distillery for execution					any changes to Invoice. For any changes to be made in SO, there is Maker & checker (Marketing/Commercial team will generate SO then that prices will be cross checked by another person with reference to prices approved by HOD, if both tallies then he will approve the SO). Once changes are made to SO, it gets blocked and can be released only after approvals. Invoice cannot be changed once SO is released / approved.			C
						OTC_L_16 Once SO is created, for any changes done by marketing/commercial SO will be blocked automatically. It should be unblocked by SSC team after			I Unit Distillery

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control Entries	Accounting Entries	Output Documents Generated	RACI
					<p>Proper Approvals so there is Maker-Checker mechanism in place.</p> <p>OTC_L_24</p> <p>There is clear Segregation of duties, SO will be created at HO after cross checking by SSC, Invoice is generated at Plant level. SAP will not allow to change Invoice whatever in SO will be reflected in Invoice.</p> <p>OTC_L_29</p> <p>Multiple Invoice for Partial quantities is possible, till Qty in SO will get exhausted. So Creation of duplicate Invoice is not possible in SAP since Invoice is Linked with SO.</p>				
Price determination	Ethonal private supply to OMC (viz.				Other Control:				R AGM- Commercial / Distillery Manager

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	<p>Navara, reliance etc.,) will be fixed based on market price movements by the Head Commercial of EID.</p> <p>Freight component will be collected as extra. (as per actuals).</p> <p>Privat pharma:</p> <p>Price will be fixed based on prevailing market condition and due negotiation of Head – Commercial.</p>				Participation of tender price . Price will be determined by Head – Commercial based on prevailing marketing condition and approved thru mail.				<table border="1"> <tr> <td>A</td> <td>Head - Commercial & Unit Head</td> </tr> <tr> <td>C</td> <td>Regional Finance Head</td> </tr> <tr> <td>I</td> <td>CFO, CEO & MD</td> </tr> </table>	A	Head - Commercial & Unit Head	C	Regional Finance Head	I	CFO, CEO & MD		
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Creation of Invoicing	<p>For all alcohol products, respective Distillery Sales Executive will create Invoice in SAP, as per Sale Order released from corporate office, which will be verified and signed by authorized signatory of the unit which could be</p>	Unit Distillery – Sales Executive	Unit Distillery		<p>OTC_H_06</p> <p>There is proper SOD in place. Invoice in SAP is generated through the following workflow using Sales order reference: Sales order->Marketing finance release the order -></p>				<table border="1"> <tr> <td>R</td> <td>Sales Executive</td> </tr> <tr> <td>A</td> <td>Distillery Manager</td> </tr> <tr> <td>C</td> <td>Unit Finance</td> </tr> <tr> <td>I</td> <td>Corporate Commercial</td> </tr> </table>	R	Sales Executive	A	Distillery Manager	C	Unit Finance	I	Corporate Commercial
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	Distillery Manager or Unit Finance Head or Manufacturing head or Unit Head.					Outbound delivery no->Billing Document->Invoice Invoices are generated at the unit level from where the goods are despatched. Receipt entries are made by the SSC team.			
						OTC_H_02 SAP configuration TAXINN will automatically take GST Rate based on the tax code.			
						OTC_M_04 Once invoice is made nobody can change invoice, but they can cancel the invoice and it will go again in approval mechanism <ul style="list-style-type: none"> Price and quantity cannot be modified during invoice generation as it flows directly from Sales order in SAP 			

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control	Accounting Entries	Output Documents Generated	RACI
					OTC_L_25 Invoice in SAP is generated through the following workflow using Sales order reference: .Sales order->Marketing finance clearance->Outbound delivery no->Billing Document->Invoice Hence, incorrect invoice cannot be mapped to incorrect sales order.				
					OTC_L_28 Invoice accounting is automatically posted in the books of the company on generation of Invoice. The company ensures that all trucks against which invoices have been raised are moved out of the factory on the same date				
					OTC_L_26 Invoice is captured				

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control	Accounting Entries	Output Documents Generated	RACI
						<p>automatically. Further MM module is closed on last day of the month. Therefore, there is no possibility of backdating of invoice.</p> <p>OTC_L_25</p> <p>Invoice in SAP is generated through the following workflow using Sales order reference: :Sales order->Marketing finance clearance->Outbound delivery no->Billing Document->Invoice Hence, incorrect invoice cannot be mapped to incorrect sales order.</p> <p>OTC_M_08</p> <p>GST is applicable currently. Every invoice is made in SAP, which automatically calculates the GST based on the tax code.</p>			

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control Entries	Accounting Entries	Output Documents Generated	RACI								
Collection of Payment	Upon Invoice generation from plant, Commercial executive at Corporate will download the invoice from SAP and upload the same invoice in OMCs portal, duly Digitally signed. OMCs will release payment in 21 days from the date of dispatch of ethanol. Commercial team at corporate office and they will maintain	Corporate Commercial	Corporate			<p>Other Control:</p> <p>Approval from Commercial Head is obtained through mail for cancellation of invoice</p> <p>Price and quantity as per sale order cannot be modified once the sales order has been authorized by Sales Corporate.</p>			<table border="1"> <tr> <td>R</td> <td>Commercial Executive</td> </tr> <tr> <td>A</td> <td>Commercial Head</td> </tr> <tr> <td>C</td> <td>SSC Team</td> </tr> <tr> <td>I</td> <td>Corporate Finance</td> </tr> </table>	R	Commercial Executive	A	Commercial Head	C	SSC Team	I	Corporate Finance
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MIS generation	accounts & track the payment. Daily MIS on alcohol sales from all distilleries will be generated by Corporate Commercial team. Business Plan, Daily Sales planning, Month BGMC report & Quarterly performance of Alcohol sales	Corporate Commercial	Corporate						<table border="1"> <tr><td>R</td><td>AGM-Commercial</td></tr> <tr><td>A</td><td>Commercial Head</td></tr> <tr><td>C</td><td>Team Finance</td></tr> <tr><td>I</td><td>Managing Director</td></tr> </table>	R	AGM-Commercial	A	Commercial Head	C	Team Finance	I	Managing Director
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Quantity & Quality assurance	Before lifting the product, quality must be confirmed by Distillery manager.	Unit Distillery – Manager	Unit Distillery						<table border="1"> <tr><td>R</td><td>Unit Distillery Manager</td></tr> <tr><td>A</td><td>Unit Head</td></tr> <tr><td>C</td><td>Manufacturing Head</td></tr> <tr><td>I</td><td>Commercial Head</td></tr> </table>	R	Unit Distillery Manager	A	Unit Head	C	Manufacturing Head	I	Commercial Head
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Treatment of Penalty clause in for supply as per time lines.	If for any reason EID is not in a position to not meet the scheduled timelines of supply : OMC will impose penalty clause against EID. Distillery manger, will								<p>Other control: Based on tender participation and acceptance thereon.</p>								

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control	Accounting Entries	Output / Documents Generated	RACI								
	intimate the same to Commercial Head for seeking his approval for such payment.																
Treatment of Waiver clause	For nonadherence of dispatch plan on account of the following events the commercial team will make representations to the OMC's for waiver. 1. Act of God 2. Any restriction imposed by State / Central Government. 3. Ethanol related Policy challenge								<table border="1"> <tr><td>R</td><td>AGM- Commercial / Distillery Manager</td></tr> <tr><td>A</td><td>Head- Commercial & Unit Head</td></tr> <tr><td>C</td><td>Regional Finance Head</td></tr> <tr><td>I</td><td>CFO, CEO & MD</td></tr> </table>	R	AGM- Commercial / Distillery Manager	A	Head- Commercial & Unit Head	C	Regional Finance Head	I	CFO, CEO & MD
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Misc.	Swap arrangement: On mutually agreed terms with OMC , EID can swap the despatch to other OMC location.					Other control: Communication between EID parry and OMC along with Head Commercial Approval.			<table border="1"> <tr><td>R</td><td>AGM- Commercial / Distillery Manager</td></tr> <tr><td>A</td><td>Head- Commercial & Unit Head</td></tr> <tr><td>C</td><td>Regional Finance Head</td></tr> <tr><td>I</td><td>CFO, CEO & MD</td></tr> </table>	R	AGM- Commercial / Distillery Manager	A	Head- Commercial & Unit Head	C	Regional Finance Head	I	CFO, CEO & MD
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	<p>GST – TDS : Clearance of TDS deducted by OMC will be monitored by Distillery Manger and clear the same on a regular intervals viz. on monthly basis.</p> <p>Treatment of Shortage / Excess supply: Any reason what so ever, short supply will be mutually addressed between the parties by exchange of correspondence and the OMC will clear the same by issuance of credit note / debit note.</p>				<p>GST TDS statement to be obtained from EID GST department for reconciliation along with payment receipt status available with Team SSC</p> <p>Correspondence obtained from OMC and Commercial Manger will raise note of short to Head commercial for his approval.</p>										
Treatment of Subsidy / relief declared by OMC	If any subsidy scheme declared by OMC for fulfillment of tender obligation by EID								<table border="1"> <tr> <td>R</td> <td>AGM- Commercial / Distillery Manager</td> </tr> <tr> <td>A</td> <td>Head- Commercial & Unit Head</td> </tr> <tr> <td>C</td> <td>Regional Finance Head</td> </tr> </table>	R	AGM- Commercial / Distillery Manager	A	Head- Commercial & Unit Head	C	Regional Finance Head
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	<p>Distillery Manger will intimate the same to Commercial Head either in the form on e-mail communication or any other means</p> <p>The distillery manager will obtain necessary approval from the Commercial head and submit our claim with the OMC.</p> <p>(Freight based subsidy and its treatment – to check with Imran)</p>								I CFO, CEO & MD

(b) Distillery Sales – Extra Neutral Alcohol & Rectified Spirit sales in Tamil Nadu & Karnataka

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Plan of estimated production & Sale thereon	Approved Business Plan and rolling quarterly estimates are approved by the Senior Leadership Team.	Corporate Commercial	Corporate		OTC-L-1 Annual sales plan is prepared by Head - Commercial based on production plan received from Corporate Finance team and it is reviewed by CFO, CEO and MD before submission to Senior Leadership Team and Statutory Board for necessary approval.		Approved Business plan	<table border="1"> <tr> <td>R</td> <td>AGM- Commercial / Distillery Manager</td> </tr> <tr> <td>A</td> <td>Head - Commercial & Unit Head</td> </tr> <tr> <td>C</td> <td>Regional Finance Head</td> </tr> <tr> <td>I</td> <td>CFO, CEO & MD</td> </tr> </table>	R	AGM- Commercial / Distillery Manager	A	Head - Commercial & Unit Head	C	Regional Finance Head	I	CFO, CEO & MD
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					OTC-L-2											

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Obtaining Purchase Order / LOI from the Customer	Secondary distillery will issue LOI/ Purchase order normally on a yearly basis for quantity requirement along with monthly break up.	Corporate Commercial	Corporate		Annual sales plan is prepared by Head – Commercial and approved by BGMC, SLT & Board of Directors before start of the financial year and circulated to the various department heads.			<table border="1"> <tr> <td>R</td> <td>AGM- Commercial / Distillery Manager</td> </tr> <tr> <td>A</td> <td>Head- Commercial & Unit Head</td> </tr> <tr> <td>C</td> <td></td> </tr> <tr> <td>I</td> <td></td> </tr> </table>	R	AGM- Commercial / Distillery Manager	A	Head- Commercial & Unit Head	C		I	
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Sale of ENA - Tamilnadu	Pricing will be decided by Head Commercial based on prevailing market condition and fixed for the entire month. The prices are normally fixed based				Other control: Tender conditions			<table border="1"> <tr> <td>R</td> <td>AGM- Commercial / Distillery Manager</td> </tr> <tr> <td>A</td> <td>Head - Commercial & Unit Head</td> </tr> <tr> <td>C</td> <td>Regional Finance Head</td> </tr> <tr> <td>I</td> <td>CFO, CEO & MD</td> </tr> </table>	R	AGM- Commercial / Distillery Manager	A	Head - Commercial & Unit Head	C	Regional Finance Head	I	CFO, CEO & MD
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Sale of ENA - Karnataka	upon discussion with other industry players , demand and supply ; spread between selling price Vs molasses price per liter etc.,	Corporate Commercial	Corporate		Other control: Tender conditions			<table border="1"> <tr> <td>R</td> <td>AGM- Commercial</td> </tr> <tr> <td>A</td> <td>Commercial Head</td> </tr> <tr> <td>C</td> <td>Corporate Finance</td> </tr> <tr> <td>I</td> <td>CFO , CEO & MD</td> </tr> </table>	R	AGM- Commercial	A	Commercial Head	C	Corporate Finance	I	CFO , CEO & MD
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	<p>As the subject goods falls under State Excise, all the Excise documents / approvals or clearances will be taken care by unit Distillery team.</p> <p>Transport arranged by supplier, the same will be cleared from factory upon clearance from State excise permission and police escorts.</p>							I Unit Finance Team								
Creation of Contract and Sale Order and release there of	Sale Contract will be created in SAP on monthly basis.	Corporate Commercial	Corporate	VA01 VA02	OTC_H_11	Invoice will be generated based on SO, SAP will not allow any changes to Invoice. For any changes to be made in SO, there is Maker & checker Marketing/Commercial team will generate SO	Invoice in SAP is generated	<table border="1"> <tr> <td>R</td> <td>Commercial Executive</td> </tr> <tr> <td>A</td> <td>AGM – Commercial</td> </tr> <tr> <td>C</td> <td></td> </tr> <tr> <td>I</td> <td>Unit Distillery</td> </tr> </table>	R	Commercial Executive	A	AGM – Commercial	C		I	Unit Distillery
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					OTC_L_16 Once SO is created, for any changes done by marketing/commercial SO will be blocked automatically. It should be unblocked by SSC team after Proper Approvals so there is Maker-Checker mechanism in place.			
					OTC_L_24 There is clear			

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Control Reference	Accounting Entries	Output / Document s Generated	RACI								
					Segregation of duties, SO will be created at HO after cross checking by SSC, Invoices generated at Plant level. SAP will not allow to change Invoice whatever in SO will be reflected in Invoice. OTC_L_29 Multiple Invoice for Partial quantities is possible, till Qty in SO will get exhausted. So Creation of duplicate Invoice is not possible in SAP since Invoice is Linked with SO.											
Creation of Invoicing	For all alcohol products, respective Distillery Sales Executive will create Invoice in SAP, Sale Order released from corporate office The said sale order	Unit Distillery – Sales Executive	Unit Distillery		OTC_H_06 There is proper SOD in place. Invoice in SAP is generated through the following workflow using Sales order reference: Sales order->Marketing finance			<table border="1"> <tr> <td>R</td> <td>Sales Executive</td> </tr> <tr> <td>A</td> <td>Distillery Manager</td> </tr> <tr> <td>C</td> <td>Unit Finance</td> </tr> <tr> <td>I</td> <td>Corporate Commercial</td> </tr> </table>	R	Sales Executive	A	Distillery Manager	C	Unit Finance	I	Corporate Commercial
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Process Step	Process Description	Performed By	Location	SAP TCode	IFC Control Reference	Accounting Entries	Output Documents	RACI
	<p>will be verified and signed by authorized signatory of the unit. Such authorised signatory may be either Distillery Manager or Unit Finance Head or Manufacturing head or Unit Head.</p> <p>Warehouse executive can raise invoice after Zoral block (Receipt from customer) is released by Finance executive in SAP</p> <p>All supplies will be Ex factory.</p>				<p>release the order -> Outbound delivery no->Billing Document->Invoice</p> <p>Invoices are generated at the unit level from where the goods are despatched. Receipt entries are made by the SSC team.</p> <p>OTC_H_02</p> <p>SAP configuration TAXINN will automatically take GST Rate based on the tax code.</p> <p>OTC_M_04</p> <p>Once invoice is made nobody can change invoice, but they can cancel the invoice and it will go again in approval mechanism</p> <ul style="list-style-type: none"> • Price and quantity 		Generated	

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Control Reference	Accounting Entries	Output / Documents Generated	RACI
					cannot be modified during invoice generation as it flows directly from Sales order in SAP			
					OTC_L_25 Invoice in SAP is generated through the following workflow using Sales order reference: :Sales order->Marketing finance clearance->Outbound delivery no->Billing Document->Invoice Hence, incorrect invoice cannot be mapped to incorrect sales order.			
					OTC_L_28 Invoice accounting is automatically posted in the books of the company on			

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Control Reference	Accounting Entries	Output Documents Generated	RACI
					<p>generation of Invoice. The company ensures that all trucks against which invoices have been raised are moved out of the factory on the same date</p>			
					<p>OTC_L_26 Invoice is captured automatically. Further MM module is closed on last day of the month. Therefore, there is no possibility of backdating of invoice.</p>			
					<p>OTC_L_25 Invoice in SAP is generated through the following workflow using Sales order reference: :Sales order->Marketing finance</p>			

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Control Reference	Accounting Entries	Output / Document s Generated	RACI								
					clearance->Outbound delivery no->Billing Document->Invoice Hence, incorrect invoice cannot be mapped to incorrect sales order. OTC_M_08 GST is applicable currently. Every invoice is made in SAP, which automatically calculates the GST based on the tax code.											
Collection of Payment	Payment credit period will depend on Customer credibility and it is fixed at the time of raising Sale order. For Tamilnadu State:	Corporate Commercial	Corporate		OTC_H_06 There is proper SOD in place. Invoice in SAP is generated through the following workflow using Sales order reference: Sales order->Marketing finance release the			<table border="1"> <tr> <td>R</td> <td>Commercial Executive</td> </tr> <tr> <td>A</td> <td>Commercial Head</td> </tr> <tr> <td>C</td> <td>SSC Team</td> </tr> <tr> <td>I</td> <td>Corporate Finance</td> </tr> </table>	R	Commercial Executive	A	Commercial Head	C	SSC Team	I	Corporate Finance
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Process Step	Process Description	Performed By	Location	SAP TCode	IFC Control Reference	Accounting Entries	Output / Documents Generated	RACI
	<p>EID will continue to bill under GST 18%. The secondary distillery of Tamilnadu pays the same under protest that the actual tax to be levied on the product will be 14.5% under VAT. (RE validate with Mr. Kannan)</p> <p>For Karnataka State: The payment will be obtained from KSBCL upon confirmation said quantity received at secondary customer end.</p> <p>Normally, the payment will be released by KSBCL to EID , as the invoice raised on them.(Credit period fixed by Head – Commercial)</p>				<p>order -> Outbound delivery no->Billing Document->Invoice</p> <p>Invoices are generated at the unit level from where the goods are despatched. Receipt entries are made by the SSC team.</p> <p>OTC_H_08</p> <p>For any write-off of customer balances, it will be initiated by the SSC team based on the debtor's aging analysis. This recommendation will be sent to Finance team for confirmation. Approval is given by Finance head and CFO, and SSC passes the entry. In case dispute in approval, the recommendation is further sent to Marketing/commercial team for their input.</p> <p>O2C_L_36</p>			

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Control Reference	Accounting Entries	Output / Documents Generated	RACI
					Company accepts payments only through bank transfer or cheque. There is also proper SOD, where SSC team takes care of accounting for receipts and follow up of receivables and sales team does not play role in collection accounting.			
					O2C_L_37			
					Company accepts payments only through bank transfer or cheque. There is also proper SOD, where SSC team takes care of accounting for receipts and follow up of receivables and sales team does not play role in collection accounting. Dedupe check is made on UTR number basis. Further, periodic bank reconciliation will also throw out collection accounting errors.			

(C) Distillery Sales – Hand Sanitizer.

Process Details

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control	Accounting Entries	Output / Documents Generated	RACI								
Plan of estimated production & Sale thereon	As such there is no exclusive yearly plan of manufacture, it will be manufacturer tailer made orders.	Corporate Commercial	Corporate		<u>OTC-L-1</u>	Annual sales plan is prepared by the Head Commercial – on production plan received from Corporate Finance team and it is reviewed by CFO and MD before submission to Senior Leadership Team and Statutory Board for necessary approval.		Approved Business plan	<table border="1"> <tr> <td>R</td> <td>AGM- Commercial / Distillery Manager</td> </tr> <tr> <td>A</td> <td>Head- Commercial & Unit Head</td> </tr> <tr> <td>C</td> <td>Regional Finance Head</td> </tr> <tr> <td>I</td> <td>CFO/ MD</td> </tr> </table>	R	AGM- Commercial / Distillery Manager	A	Head- Commercial & Unit Head	C	Regional Finance Head	I	CFO/ MD
R	AGM- Commercial / Distillery Manager																
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C	Regional Finance Head																
I	CFO/ MD																
						A detailed sales planning process is performed during the period November to March for the											

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Controlling Entries	Output / Document Generated	RACI
					<p>upcoming financial year. Rolling forecast is also performed on a quarterly basis based on prevailing scenario.</p> <p><u>OTC-L-2</u></p> <p>Annual sales plan is prepared by Head-Commercial and approved by SLT, BGMC and Board before start of the financial year and circulated to the various department heads.</p>			
Obtaining Purchase Order	<p>Normally, Purchase order received from fewer quantity</p> <p>Most of the communication will be</p>	Corporate Commercial	Corporate					<p>R AGM- Commercial / Distillery Manager</p> <p>A Head- Commercial & Unit Head</p> <p>C Regional Finance Head</p> <p>I</p>

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control	Accounting Entries	Output / Document Generated	RACI								
	over telephone or email as the end consumers were not be an organised players.																
Sale of Hand Sanitizers	Condition of sale will depend upon the customer requirement.	Corporate Commercial	Corporate						<table border="1"> <tr><td>R</td><td>AGM- Commercial</td></tr> <tr><td>A</td><td>Commercial Head</td></tr> <tr><td>C</td><td>Corporate Finance MD and CFO</td></tr> <tr><td>I</td><td></td></tr> </table>	R	AGM- Commercial	A	Commercial Head	C	Corporate Finance MD and CFO	I	
R	AGM- Commercial																
A	Commercial Head																
C	Corporate Finance MD and CFO																
I																	
Arrangement for Transportation	Both the mode of transportation allowed based on condition of sale be it Ex-factory or FOB.	Commercial Team	Corporate						<table border="1"> <tr><td>R</td><td>Dy/ Manager Commercial</td></tr> <tr><td>A</td><td>AGM – Commercial</td></tr> <tr><td>C</td><td>Commercial Head</td></tr> <tr><td>I</td><td>Unit Finance Team</td></tr> </table>	R	Dy/ Manager Commercial	A	AGM – Commercial	C	Commercial Head	I	Unit Finance Team
R	Dy/ Manager Commercial																
A	AGM – Commercial																
C	Commercial Head																
I	Unit Finance Team																
Creation of Contract and Sale Order and release there of	Sale Contract will be created in SAP on monthly basis.	Corporate Commercial	Corporate	VA01 VA02	OTC_H_11	Invoice will be generated based on SO, SAP will not allow any changes to Invoice. For any changes to be		<p>Invoice in SAP is generated Agreement entered with customer.</p>	<table border="1"> <tr><td>R</td><td>Commercial Executive</td></tr> <tr><td>A</td><td>AGM – Commercial</td></tr> <tr><td>C</td><td></td></tr> <tr><td>I</td><td>Unit Distillery</td></tr> </table>	R	Commercial Executive	A	AGM – Commercial	C		I	Unit Distillery
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Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control	Accounting Entries	Output / Document	RACI
						made in SO, there is a Maker & checker (Marketing/Commercial team will generate SO then that prices will be cross checked by another person with reference to prices approved by HOD, if both tallies then he will approve the SO). Once changes are made to SO, it gets blocked and can be released only after approvals. Invoice cannot be changed once SO is released / approved		Generated	
						OTC_L_16			
						Once SO is created, for any changes done by marketing/comm			

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control	Accounting Entries	Output / Document Generated	RACI
						<p>ercial SO will be blocked automatically. It should be unblocked by SSC team after Proper Approvals so there is Maker-Checker mechanism in place.</p> <p>OTC_L_24</p> <p>There is clear Segregation of duties, SO will be created at HO after cross checking by SSC, Invoiceis generated at Plant level. SAP will not allow to change Invoice whatever in SO will be reflected in Invoice.</p> <p>OTC_L_29</p> <p>Multiple Invoice</p>			

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control	Accounting Entries	Output / Documents Generated	RACI										
Creation of Invoicing	<p>Invoice raised based on sale order quantity created.</p> <p>E-way bill generated for all such supplies if it is accompanied moment of goods in motorised carriage.</p> <p>Cancellation of Invoice: Approval from Commercial Head is obtained through mail for cancellation of invoice</p>	Unit Distillery – Sales Executive	Unit Distillery		for partial quantities is possible, till Qty in SO will get exhausted. So Creation of duplicate Invoice is not possible in SAP since Invoice is Linked with SO.				<table border="1"> <tr> <td>R</td> <td>Sales Executive</td> </tr> <tr> <td>A</td> <td>Distillery Manager</td> </tr> <tr> <td>C</td> <td>Unit Finance</td> </tr> <tr> <td>I</td> <td>Corporate Commercial</td> </tr> <tr> <td></td> <td>–</td> </tr> </table>	R	Sales Executive	A	Distillery Manager	C	Unit Finance	I	Corporate Commercial		–
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						<p>>Invoice Invoices are generated at the unit level from where the goods are despatched. Receipt entries are made by the SSC team.</p> <p>OTC_H_02</p> <p>SAP configuration TAXINN will automatically take GST Rate based on the tax code.</p> <p>OTC_M_04</p> <p>Once invoice is made nobody can change invoice, but they can cancel the invoice and it will go again in</p>			

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control	Accounting Entries	Output / Document	RACI
					approval mechanism <ul style="list-style-type: none"> Price and quantity cannot be modified during invoice generation as it flows directly from Sales order in SAP 				
					OTC_L_25				
					Invoice in SAP is generated through the following workflow using Sales order reference: :Sales order- >Marketing finance clearance- >Outbound delivery no- >Billing Document- >Invoice Hence,				

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control	Accounting Entries	Output / Document Generated	RACI
						incorrect invoice cannot be mapped to incorrect sales order.			
					OTC_L_28	Invoice accounting is automatically posted in the books of the company on generation of Invoice. The company ensures that all trucks against which invoices have been raised are moved out of the factory on the same date			
					OTC_L_26	Invoice is			

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control	Accounting Entries	Output / Document	RACI
						<p>captured automatically. Further MM module is closed on last day of the month. Therefore, there is no possibility of backdating of invoice.</p> <p>OTC_L_25</p> <p>Invoice in SAP is generated through the following workflow using Sales order reference: :Sales order->Marketing finance clearance->Outbound delivery no->Billing Document->Invoice Hence,</p>		Generated	

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control	Accounting Entries	Output / Documents Generated	RACI								
Collection of Payment	<p>All supply will be based on mutually agreed condition of sale.</p> <p>The credit limit fixed by Head – Commercial for individual Customer and contract.</p>	Corporate Commercial	Corporate			<p>incorrect invoice cannot be mapped to incorrect sales order.</p> <p>OTC_M_08</p> <p>GST is applicable currently. Every invoice is made in SAP, which automatically calculates the GST based on the tax code.</p>			<table border="1"> <tr> <td>R</td> <td>Commercial Executive</td> </tr> <tr> <td>A</td> <td>Commercial Head</td> </tr> <tr> <td>C</td> <td>SSC Team</td> </tr> <tr> <td>I</td> <td>Corporate Finance</td> </tr> </table>	R	Commercial Executive	A	Commercial Head	C	SSC Team	I	Corporate Finance
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						finance release the order -> Outbound delivery no->Billing Document->Invoice Invoices are generated at the unit level from where the goods are despatched. Receipt entries are made by the SSC team.		Generated	
						OTC_H_08 For any write-off of customer balances, it will be initiated by the SSC team based on the debtors aging analysis. This recommendation will be sent to Finance team for confirmation. Approval is given by Finance head			

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control	Accounting Entries	Output Document	RACI
						and CFO, and SSC passes the entry. In case dispute in approval, the recommendation is further sent to Marketing/commercial team for their input.			
					O2C_L_36	Company accepts payments only through bank transfer or cheque. There is also proper SOD, where SSC team takes care of accounting for receipts and follow up of receivables and sales team does not play role in collection accounting.			
					O2C_L_37	Company accepts			

Process Step	Process Description	Performed By	Location	SAP TCode	IFC Reference	Control	Accounting Entries	Output Document	RACI
						payments only through bank or transfer cheque. There is also proper SOD, where SSC team takes care of accounting for receipts and follow up of receivables and sales team does not play role in collection accounting. Dedupe check is made on UTR number basis. Further, periodic bank reconciliation will also throw out collection accounting errors.		s Generated	