



Project – JBVNL
Short Term Loans Process
End User Manual – Treasury and Risk Management



Jharkhand Bijli Vitran Nigam Limited.

TREASURY AND RISK
MANAGEMENT
USER MANUAL

SHORT TERM LOANS PROCESS





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SAP TRM – Short Term Loans Process

A loan that is set to be paid back in a short period of time—typically within a year, though in some cases, short-term loans can have longer terms.

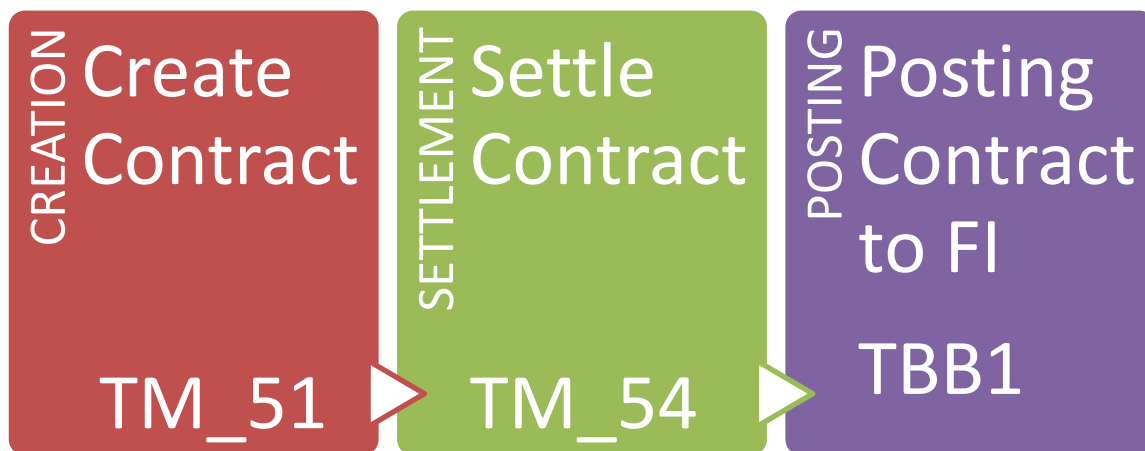
Before you can use the Interest Rate Instrument, you have to maintain master data.

You have to create your Business Partners, assign the corresponding roles to these partners and maintain the transaction authorizations.

You have to set up the Standing Instructions (correspondence, payment details) and release the business partner.

To manage interest rate instruments, you can use the standard functions and processes for entering, editing and processing transactions, managing their status, and transferring data to Financial Accounting in SAP

To Simplify the Process, check the below diagram. These are the common steps for the above mentioned processes.





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Short Term Loan Process having following steps:

1. Create Facility
2. Change and Settle Facility
3. Create Interest Rate Instrument
4. Change Interest Rate Instrument and assign Facility
5. Settle Interest Rate Instrument
6. Posting of Short Term Loans to FI
7. Accrual / Deferral of Expenses and Revenues
8. Payment of Interest accounting and payment with penal Interest
9. Reversal of transaction
10. Repayment of Loan

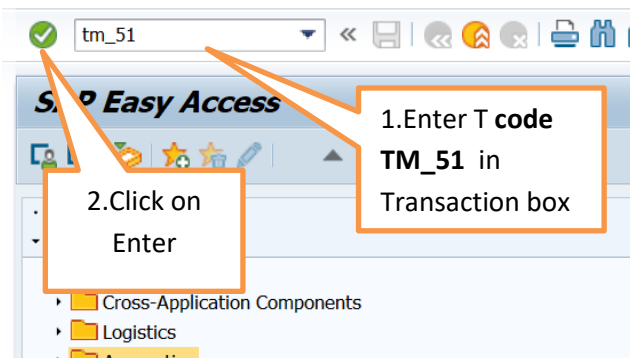
Procedure is same like Long Term Loans

1. Create Short Term Loan Transaction

Path

SAP Menu Path	Accounting => Financial Supply Chain Management=> Treasury and Risk Management=> Transaction Manager=> Money Market=> Trading=> Create Financial Transaction
SAP T-code	TM_51

1.0 SAP SAP Easy Access





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1.1 TM_51 – Create Short Term Loan Transaction

Create Interest Rate Instrument: Initial Screen

Company code: 1000 JBVNL, Ranchi

Product type: 55B

Transaction Type: 200

Partner: 100010

Specification:

Currency: Instead of Company Code Currency

Portfolio:

External:

Transaction:

1. Enter Inputs like
Company code – 1000
Product type – 55B
Transaction Type - 200
Partner - 100010

2. Click on Enter



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Change Interest Rate Instrument: Structure

Conditions Effective interest rate

Company Code: 1000 JBVNL, Ranchi Transaction: 1000007
Product Type: 55B Short Term Loans Activity: 2 Contract settlement
Transaction Type: 200 Borrowing

4. Click on Additional data

Structure Additional Data Administr. Other Flows Payment Details Cash Flow Int.Rate.Adj. Memos P...

Partner: 100010 Power Finance Corporation Limited / PO Box 110001 / 110001 New ...

Borrowing

Flow Type: 1105 Borrowing / Increase
Amount: 2,500,000.00 + INR
Rounding Cat.: Round to the Nearest

Term

Start: 31.01.2018
End: 31.03.2018
Inclusive: Start Included

1. Amount

2. Term Start date End date

Interest structure

Interest Cat.: Fixed
Percentage Rate: 10,0000000
Int.Calc.Method: act/365
Frequency: Monthly
Every: 1 Months

3. Percentage Rate
Int.Calc.Method
Frequency
Every – 1 month

Repayment structure

Repaymnt Method: Final Repayment Condition Type

Contract Conclusion

Contract Date: 31.01.2018 / 17:14:12
Contact Person: Trader
External Ref.

✓

Create Interest Rate Instrument: Additional Data

Conditions Effective interest rate

Company Code: 1000 JBVNL, Ranchi Transaction: \INTERN\
Product Type: 55B Short Term Loans Activity: 1 Contract
Transaction Type: 200 Borrowing

2. Click on Administration data

Structure Additional Data Administr. Other Flows Payment Details Cash Flow Int.Rate.Adj. Memos P...

1. Provide details like
Position Id
Scheme Number
Application No.
Gaurantee Number
Volume Discount

Position ID
Scheme Number
Application No.
Guarantee Number
Volume Discount



Conditions Effective interest rate

Structure Additional Data Administr. Other Flows Payment Details Cash Flow Int.Rate.Adj. Memos P...

This will be automatically picked based on the Product type and Transaction type

Assignment	
Internal Ref.	
Characteristics	

Authoriz. Group	

Valid From	Credit Standing Inst	Rating



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✓ [Dropdown] [Icons]

Create Interest Rate Instrument: Other flows

Conditions Effective interest rate [Icon]

Company Code	1000	JBVNL, Ranchi	Transaction	\INTERN\
Product Type	55B	Short Term Loans	Activity	1 Contract
Transaction Type	200	Borrowing		

Structure Additional Data Administr. **Other Flows** Payment Details Cash Flow Int.Rate.Adj. Memos P...

FType ...	Name	D..	Payment Amnt	Curr...	nt Date	Post.stat.	Posting Status (Name)

Click on Payment Details

Entries 0 of 0

OTHER FLOWS LIKE PROCESSING FEE, STAMP FEE ETC CAN BE GIVEN IN THE ABOVE SNAP SHOT



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Change Interest Rate Instrument: Payment details

Conditions Effective interest rate

Company Code 1000 JBVNL, Ranchi Transaction 1000007
Product Type 55B Short Term Loans Activity 2 Contract settlement
Transaction Type 200 Borrowing

Structure Additional Data Administr. Other Flows **Payment Details** Cash Flow Int.Rate.Adj. Memos P...

Payer/Payee of Transaction
Payer/payee 100010 Power Finance Corporation Limited / PO Box 110001 / 110001 New ...

D..	Curr....	Valid from	FType ...	Name	House bk	Acct ID	Payment	Pmnt req.
+	INR	31.01.2018	1105	Borrowing / Increa	AL660	71660	<input type="checkbox"/>	<input type="checkbox"/>
	INR	31.01.2018	1120	Final repayment	AL660	71660	<input type="checkbox"/>	<input type="checkbox"/>
	INR	31.01.2018	1200	Nominal interest	AL660	71660	<input type="checkbox"/>	<input type="checkbox"/>
							<input type="checkbox"/>	<input type="checkbox"/>
							<input type="checkbox"/>	<input type="checkbox"/>
							<input type="checkbox"/>	<input type="checkbox"/>
							<input type="checkbox"/>	<input type="checkbox"/>
							<input type="checkbox"/>	<input type="checkbox"/>

Click here to select line item and click on details button

1.Enter details like
Direction
Currency
Valid from and
Flow type

Entry 1 of 3

Create Interest Rate Instrument: Payment details

Conditions Effective interest rate

Company Code 1000 JBVNL, Ranchi Transaction \INTERN\
Product Type 55B Short Term Loans Activity 1 Contract
Transaction Type 200 Borrowing

Structure Additional Data Administr. Other Flows **Payment Details** **Cash Flow** Int.Rate.Adj. Memos P...

Direction Inflow Flow Type 1105 Borrowing / Increase
Currency INR Valid from 31.01.2018

Payer/Payee of Transaction
Payer/Payee 100010 Power Finance Corporation Limited / PO Box 110001 / 110001 New Delhi

Control
Posting ☐ to customer ☒ To G/L Accts
Payment Request ☐ With ☒ Without

House Bank
House bank AL660
Account ID 71660

1.Enter here House Bank and Account ID

2.To go to next line item click on the arrow and enter House bank details

3.Click on Cash Flow

1 / 1 Bank Chain



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Change Interest Rate Instrument: Cash flow

Conditions Effective interest rate

Company Code 1000 JBVNL, Ranchi Transaction 1000007
Product Type 55B Short Term Loans Activity 2 Contract settlement
Transaction Type 200 Borrowing

Structure Additional Data Administr. Other Flows Payment Details **Cash Flow** Int.Rate.Adj. Memos P...

Flows

Pmnt Date	FTyp	Flow Type (Name)	PmntAmtPyC	D	PmntCurr.
31.01.2018	1105	Borrowing / Increase	2.500.000,00	+	INR
28.02.2018	1200	Nominal interest	19.178,08-	-	INR
28.03.2018	1200	Nominal interest	19.178,08-	-	INR
31.03.2018	1120	Final repayment	2.500.000,00-	-	INR
	1200	Nominal interest	2.054,79-	-	INR

This is the Cash Flow
Save the transaction

☒ Interest rate instrument 1000007 in company code 1000 is created

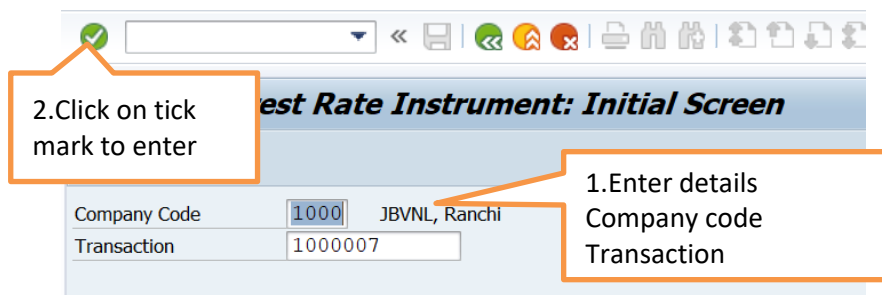
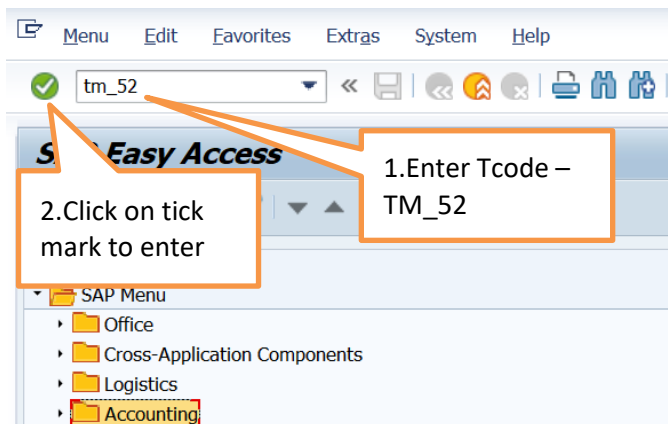
2and3.Change and Settle Short Term Loan Transaction

Path

SAP Menu	Accounting => Financial Supply Chain Management=> Treasury and Risk Management=> Transaction Manager=> Money Market=> Trading=> Edit Financial Transaction
SAP T-code	TM_52



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Interest rate instrument Edit Goto Extras Environment System Help

Click on Interest Rate Instrument
Select "Settle"

Interest Rate Instrument: Structure

Transaction: 1000007
Activity: 2 Contract settlement

Structure Additional Data Administr. Other Flows Payment Details Cash Flow Int.Rate.Adj. Memos P...

Partner: 100010 Power Finance Corporation Limited / PO Box 110001 / 110001 New ...

Borrowing

Flow Type: 1105 Borrowing / Increase
Amount: 2.500.000,00 + INR
Rounding Cat.: Round to the Nearest

Term

Start: 31.01.2018
End: 31.03.2018
Inclusive: Start Included

Interest structure

Interest Cat.: Fixed Condition Type: 1200 Nominal interest
Percentage Rate: 10,0000000
Int.Calc.Method: act/365
Frequency: Monthly
Every: 1 Months

Repayment structure

Repaymnt Method: Final Repayment Condition Type: 1120 Final repayment

Contract Conclusion

Contract Date: 31.01.2018 / 17:14:12 Trader:
Contact Person: External Ref.:

Exit transaction

Save transaction first?

Click on Yes

Yes No Cancel



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Interest rate instrument Edit Goto Extras Environment System Help

Again click on Interest rate Instrument and select Settle button

Company Code: 1000 JBVNL, Ranchi
Transaction: 1000007

Interest rate instrument 1000007 in company code 1000 is changed

4. Posting of Short Term Loans to FI

Path

SAP Menu Path	Accounting => Financial Supply Chain Management=> Treasury and Risk Management=> Transaction Manager=> Money Market=> Accounting=> Posting=> Post Flows
SAP T-code	TBB1

Menu Edit Favorites Extras System Help

1. Enter T Code

2. Click to Enter

Office
Cross-Application Components
Logistics
Accounting
Financial Accounting



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Treasury: Post Flows

Application

- ☐ Foreign Exchange
- ☒ Money Market
- ☐ Derivatives
- ☐ Securities

General Selections

Company Code: 1000

Transaction: 1000007

Product Type: [Dropdown]

Transaction Type: [Dropdown]

ID Number: [Text]

Securities Account: [Text]

Futures Account: [Text]

Business Partner: [Text]

Portfolio: [Text]

Currency: [Text]

Flow Classification: [Text]

Up to and Including Due Date: 31.01.2018

Up to and Incl. Posting Date: [Text]

☐ Only Post Flow Accord. to Crcty

☐ Check Release

(For example, to separate accrual/deferral and reset transaction)

Posting Control

Posting Date: [Text] Instead of Due Date

Posting period: [Text]

Document Date: [Text] Instead of Curr. Dat

☒ Test Run

☐ Post Operative Only

☐ Post All Valuation Areas

Result with Test Run

Posting Log: Posted Business Transactions

Test Client: Ranchi Posting Log Time 17:54:50 Date 31.01.2018
RFTBB00/YASHTRM Page 1

Test run					
Company code	1000	Valuation area	001 Operative	Valuation Ar	Payment / Borrowing (liability)
MM1105+ Borrowing / Increase		Valuation class		0003 Held to Maturity / Loa	Product type 55B Short Term Loans
Transaction number		1000007			
40	2.500.000,00	INR	2.500.000,00	INR	2242001 ALB INCOMING BANK -50202671660
50	2.500.000,00-	INR	2.500.000,00-	INR	1525001 SHORT TERM LOAN A/C

Click on Back
Deselect Test Run Button

Accounting Entry



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Click on Execute button



Posting Log: Posted Business Transactions

Test Client Ranchi Posting Log Time 17:56:15 Date 31.01.2018
RFTBB00/YASHTRM Page 1

Company code	1000	Valuation area001 Operative Valuation Ar			Payment / Borrowing (liability)		General ledger	31.01.2018
FI Reference number 0000000012R12017								
MM1105+ Borrowing / Increase		Valuation class 0003 Held to Maturity / Loa				Product type 55B Short Term Loans		
Transaction number		1000007						
40	2.500.000,00	INR	2.500.000,00	INR	2242001	ALB INCOMING BANK -50202671660		100000021
50	2.500.000,00-	INR	2.500.000,00-	INR	1525001	SHORT TERM LOAN A/C		100000021

GO TO FB03
EXECUTE



Display Document: Initial Screen

Document List First Item Editing Options

Keys for Entry View

Document Number	100000021
Company Code	1000
Fiscal Year	2017

ENTER



Display Document: Data Entry View

Display Currency

Data Entry View

Document Number	100000021	Company Code	1000	Fiscal Year	2017
Document Date	31.01.2018	Posting Date	31.01.2018	Period	10
Reference	1000 001	Cross-Comp.No.			
Currency	INR	Texts exist	<input type="checkbox"/>	Ledger Group	0L

CoCd	Item Key	SG Trs	Account	Description	Amount Curr.	Material	Quantity	Unit	Plant	Purch.Doc.	Value Date	Tx	G/L Account	A. D.	Assignment	Item
1000	1 40		2242001	ALB INCOMING-71660	2.500.000,00	INR					31.01.2018		2242001	S S	20180131	
	2 50		1525001	SHORT TERM LOAN A/C	2.500.000,00-	INR					31.01.2018		1525001	S H	20180131	

Accounting Entry of Short
Term Loan Borrowing with FI
documents



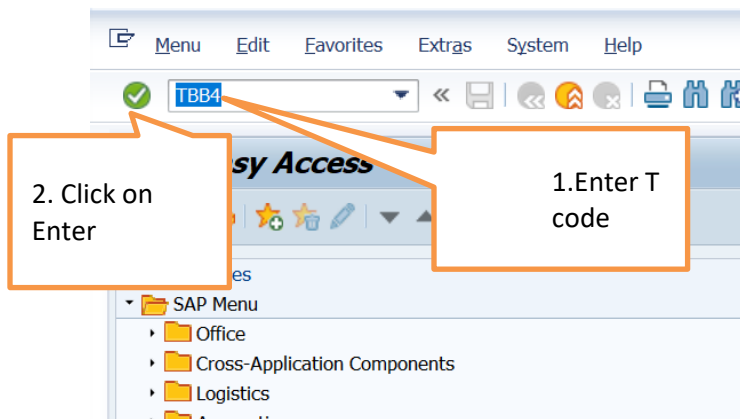
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5.Accrual / Deferral of Expenses and Revenues

Path

SAP Menu Path	Accounting => Financial Supply Chain Management=> Treasury and Risk Management=> Transaction Manager=> Money Market=> Accounting=> Accrual / Deferral=> Execute
SAP T-code	TBB4





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Treasury: Accrual/Deferral of Expenses and Revenues

Application

☐ Foreign Exchange
☒ Money Market
☐ Derivatives

General selections

Company Code: 1000
Transaction: 1000007
Product Category:
Product Type:
Transaction Type:
Business Partner:
Facility:
Master Agreement:
Portfolio:
Finance Project:
Currency:
Active Status:
External Reference:

Entered/Last Changed by

User:
Date: to

Control

Key date: 28.02.2018
Postg date of accrual/deferral:
Posting date of reset:
Doc. date:
Exchange rate type: M
Time Horizon By End of Term: 1
☒ Translate Using Key Date Price
☒ Post immediately
 ☐ Post Operative Only
 ☐ Post All Valuation Areas
☒ Test run
☐ Check Release
☐ Reduced log

2. Enter date and Select Month-end check box

1. Enter details like Company Code Transaction

3. click on Execute button

Treasury: Accrual/Deferral of Expenses and Revenues

Logs and Messages

Treasury: Accrual/Deferral of Expenses and Revenues - 28.02.2018
Accrual/deferral log: Test run

Time 18:08:54 Date 31.01.2018
RFTBAB00/YASHTRM Page 1

Logs and

D	P	Flow type	Amount	Crcy	Calc.from	M	Calc.to	M	Days	Calc.method	
1000	Transaction	1000007	Product Type	55B Short Term Loans	Transaction Typ	200 Borrowing					
-	Nominal interest		60.958,90	INR	31.01.2018	X	29.04.2018	89	3	act/365	
-	Nominal interest		62.328,77	INR	30.04.2018	X	29.07.2018	91	3	act/365	
-	Nominal interest		63.013,70	INR	30.07.2018		29.10.2018	92	3	act/365	
30.01.2019	1200	-	Nominal interest	63.013,70	INR	30.10.2018		29.01.2019	92	3	act/365
30.04.2019	1200	-	Nominal interest	61.643,84	INR	30.01.2019		29.04.2019	90	3	act/365
30.07.2019	1200	-	Nominal interest	62.328,77	INR	30.04.2019	X	29.07.2019	91	3	act/365
30.10.2019	1200	-	Nominal interest	63.013,70	INR	30.07.2019		29.10.2019	92	3	act/365
30.01.2020	1200	-	Nominal interest	63.013,70	INR	30.10.2019		29.01.2020	92	3	act/365
31.03.2020	1200	-	Nominal interest	41.780,82	INR	30.01.2020		30.03.2020	61	3	act/365
Total	1200	-	Nominal interest	541.095,90	INR						
28.02.2018	2100	-	Interest accrual	19.863,01	INR	31.01.2018	X	28.02.2018	X	29	

1.Interest Calculation



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CLICK ON

Logs and Messages

Posting Log: Posted Business Transactions

Test Client Ranchi Posting Log Time 18:09:55 Date 31.01.2018 RFTBAB00/YASHTRM Page 1

Test run

Company code	1000	Valuation area	001	Operative	Valuation Ar	Accrual/deferral	General ledger	28.02.2018
AD1002 Accruals: Expenses Valuation class 0003 Held to Maturity / Loa Product type 55B Short Term Loans								
Transaction number 1000007								
40	19.863,01	INR	19.863,01	INR	4781001	INTEREST ON STATE GOVERNMENT LOANS		
50	19.863,01-	INR	19.863,01-	INR	1467101	INTEREST ACCRUED BUT NOT DUE ON BORROWINGS		

Accounting Entries for Interest Accrual

Click on Back

Deselect Test Run Button

Click on Execute button

Treasury: Accrual/Deferral of Expenses and Revenues

Logs and Messages

Treasury: Accrual/Deferral of Expenses and Revenues - 28.02.2018 Time 18:11:33 Date 31.01.2018 RFTBAB00/YASHTRM Page 1

2. Click on Logs and Messages

D	P	Flow type	Amount	Crcy	Calc.from	M	Calc.to	M	Days	Calc.method
1000	Transaction	1000007	Product Type	55B Short Term Loans	Transaction Typ	200	Borrowing			
-	Nominal interest	60.958,90	INR	31.01.2018	X	29.04.2018	89	3	act/365	
-	Nominal interest	62.328,77	INR	30.04.2018	X	29.07.2018	91	3	act/365	
-	Nominal interest	63.013,70	INR	30.07.2018		29.10.2018	92	3	act/365	
-	Nominal interest	63.013,70	INR	30.10.2018		29.01.2019	92	3	act/365	
-	Nominal interest	61.643,84	INR	30.01.2019		29.04.2019	90	3	act/365	
-	Nominal interest	62.328,77	INR	30.04.2019	X	29.07.2019	91	3	act/365	
-	Nominal interest	63.013,70	INR	30.07.2019		29.10.2019	92	3	act/365	
-	Nominal interest	63.013,70	INR	30.10.2019		29.01.2020	92	3	act/365	
-	Nominal interest	41.780,82	INR	30.01.2020		30.03.2020	61	3	act/365	
Total	1200 - Nominal interest	541.095,90	INR							
28.02.2018	2100 - Interest accrual	19.863,01	INR	31.01.2018	X	28.02.2018	X	29		

1. Interest Calculation for one month



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Posting Log: Posted Business Transactions

Test Client Ranchi Posting Log Time 18:12:33 Date 31.01.2018 RFTBAB00/YASHTRM Page 1

Company code	1000	Valuation area	001	Operative Valuation Ar	Accrual/deferral	General ledger	28.02.2018
FI Reference number 0000000013R12017							
AD1002	Accruals: Expenses	Valuation class	0003	Held to Maturity /	Loa Product type	55B Short Term Loans	
Transaction number		1000007					
40	19.863,01	INR	19.863,01	INR	4781001	INTEREST ON STATE GOVERNMENT LOANS	100000022
50	19.863,01-	INR	19.863,01-	INR	1467101	INTEREST ACCRUED BUT NOT DUE ON BORROWINGS	100000022

Company code	1000	Valuation area	001	Operative Valuation Ar	Accrual/deferral reset	General ledger	01.03.2018
FI Reference number 0000000014R12017							
AD1003	Reset Accruals: Expenses	Valuation class	0003	Held to Maturity /	Loa Product type	55B Short Term Loans	
Transaction number		1000007					
40	19.863,01	INR	19.863,01	INR	1467101	INTEREST ACCRUED BUT NOT DUE ON BORROWINGS	100000023
50	19.863,01-	INR	19.863,01-	INR	4781001	INTEREST ON STATE GOVERNMENT LOANS	100000023

Accounting Entries of
Accrued interest with FI
documents

END OF SHORT TERM LOANS