

Accounts Payable Presentation

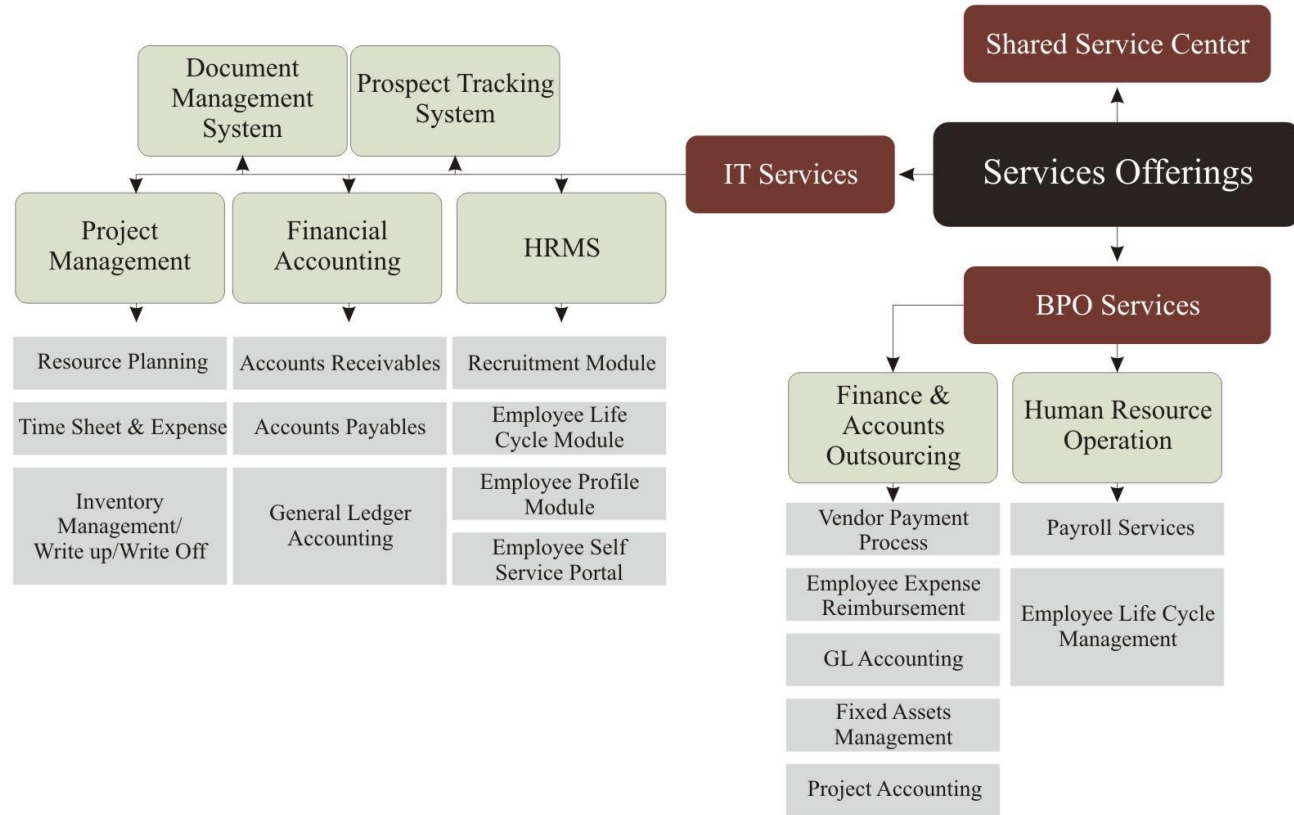
Osource (India) Private Limited – An ISO 9001:2008 Certified Organization

About Osource

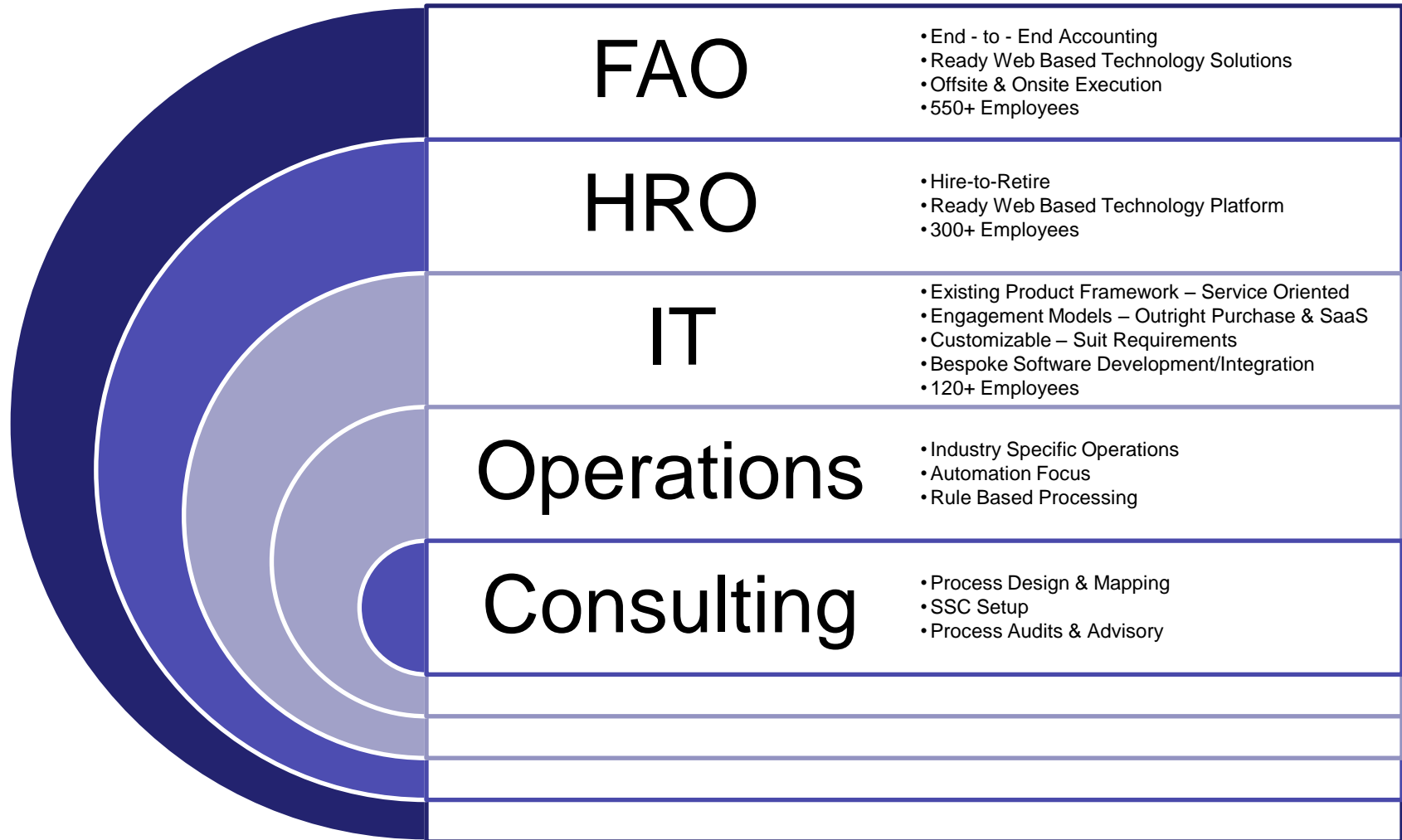
Osource is one of the leading providers of outsourcing and technology solutions. Osource blends its deep process expertise and best practices with optimum technology deliver a comprehensive solution. Owing to strong focus on coupling business processes & technology platforms, Osource has been one of the first organizations to have offered platform-based outsourcing solutions.

The services are offered and seamlessly delivered from multiple delivery centers to meet client's business objectives, process enhancement and cost optimization goals.

Osource provides customized solutions to an eclectic range of industry verticals namely, Banking & Financial Services, Media & Entertainment, Logistics, Hospitality & Health Care, Travel & Foreign Exchange, Legal, Print & Publication, Telecom & Networking, Pharmaceutical, Manufacturing, FMCG, Cosmetics, Mall & Retailers companies, Online Retail, Petrochemical, Software & Business Process Outsourcing.

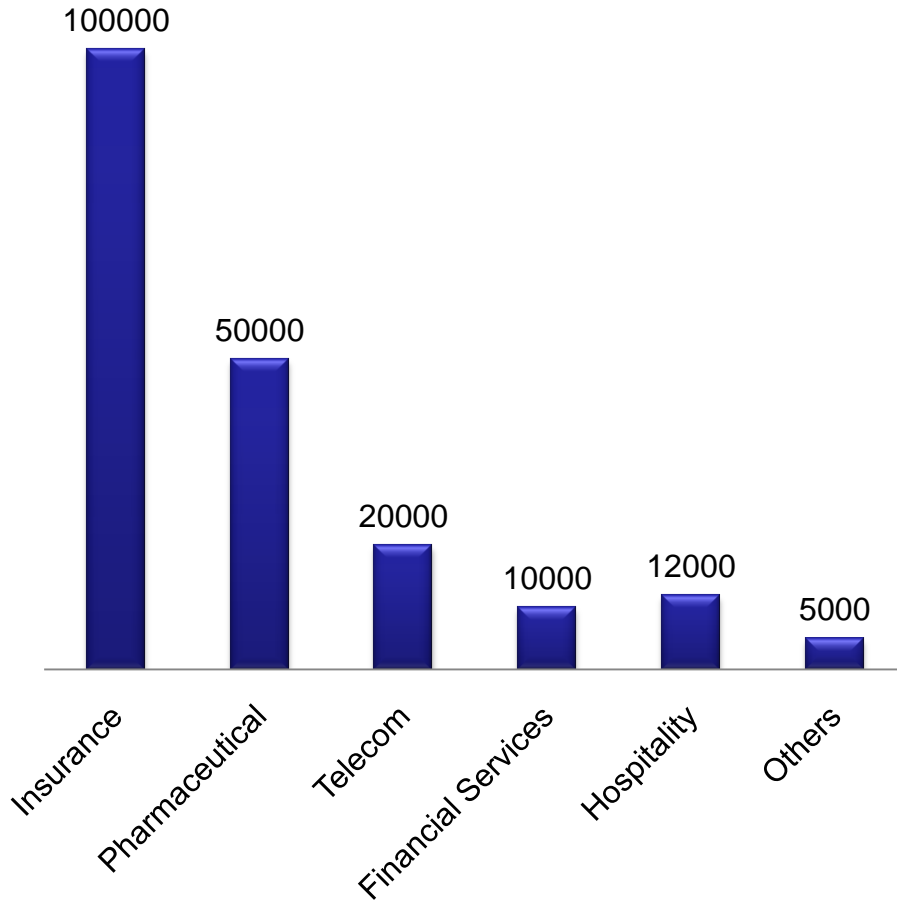


Business Units

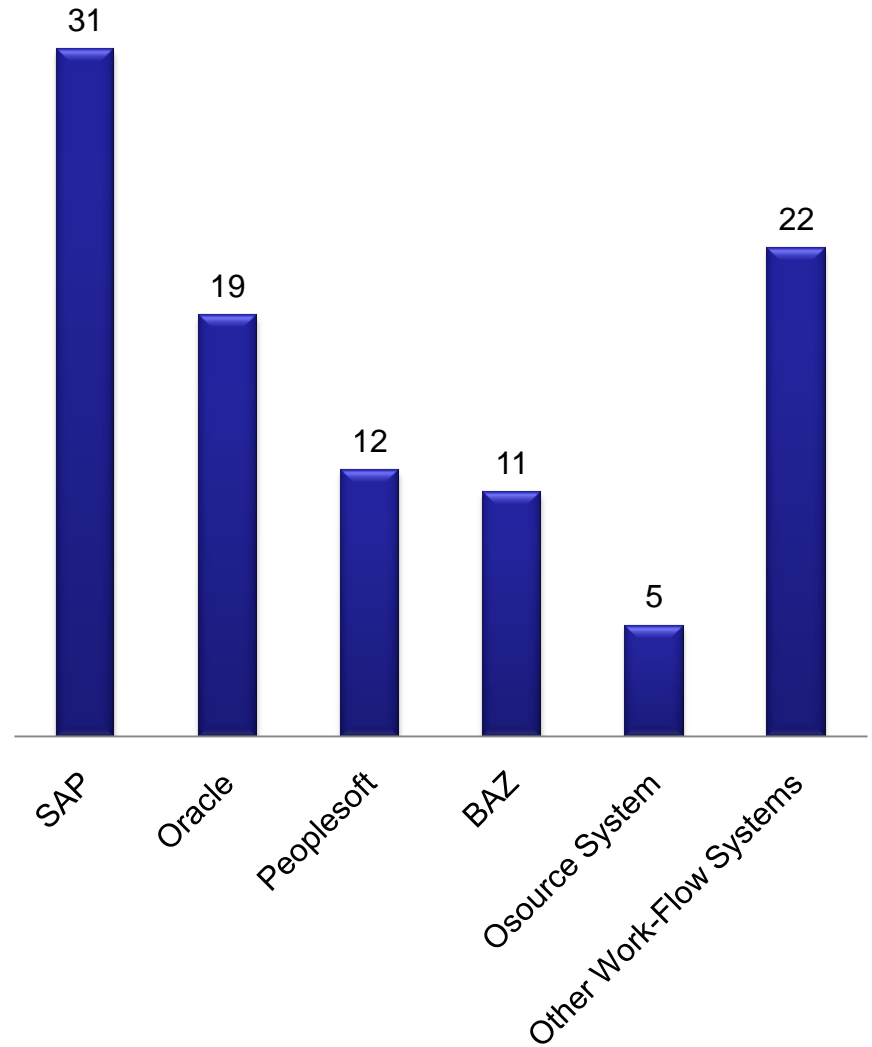


Accounts Payable – Capability

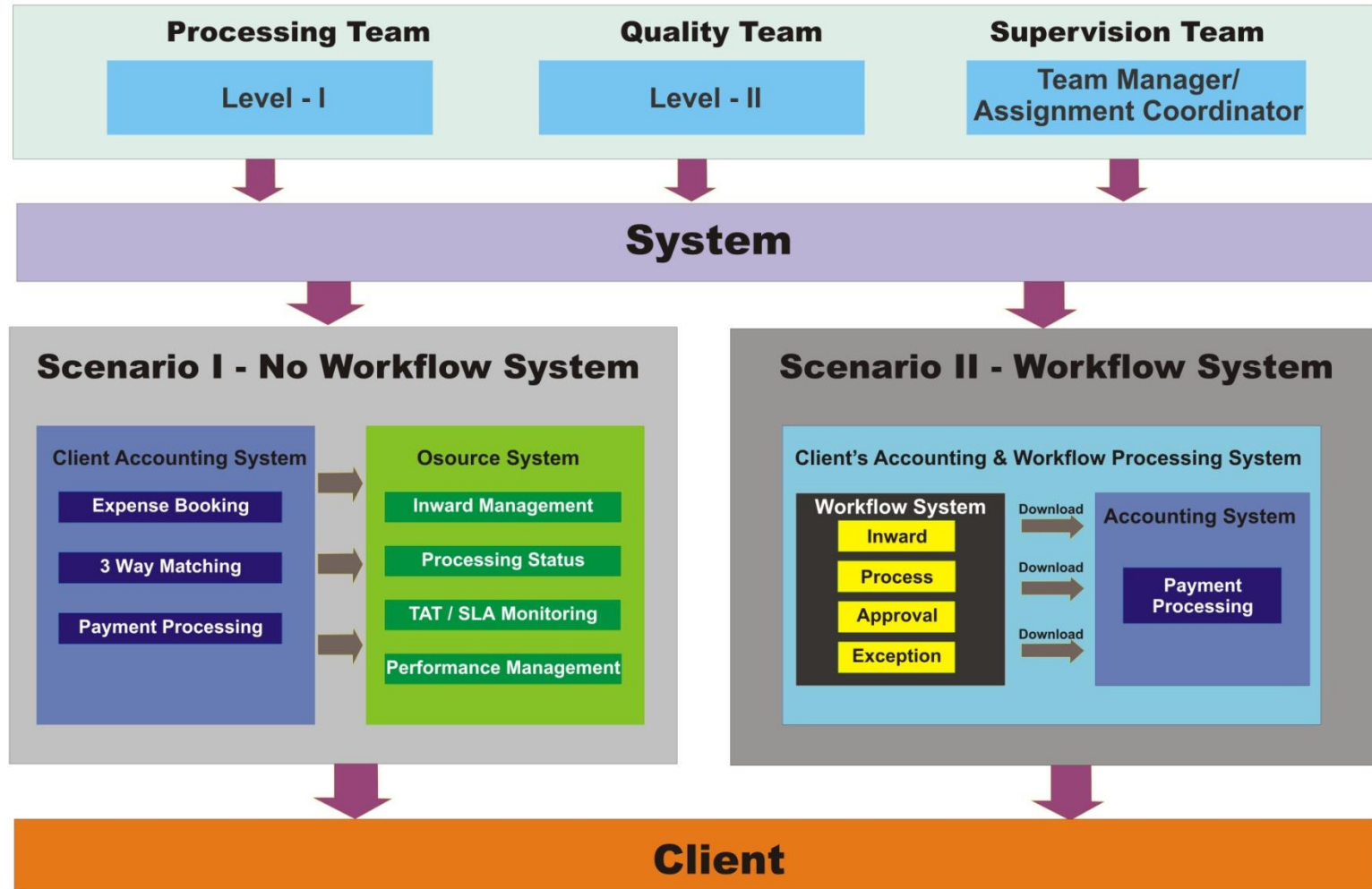
Monthly Volume Across Various Industries



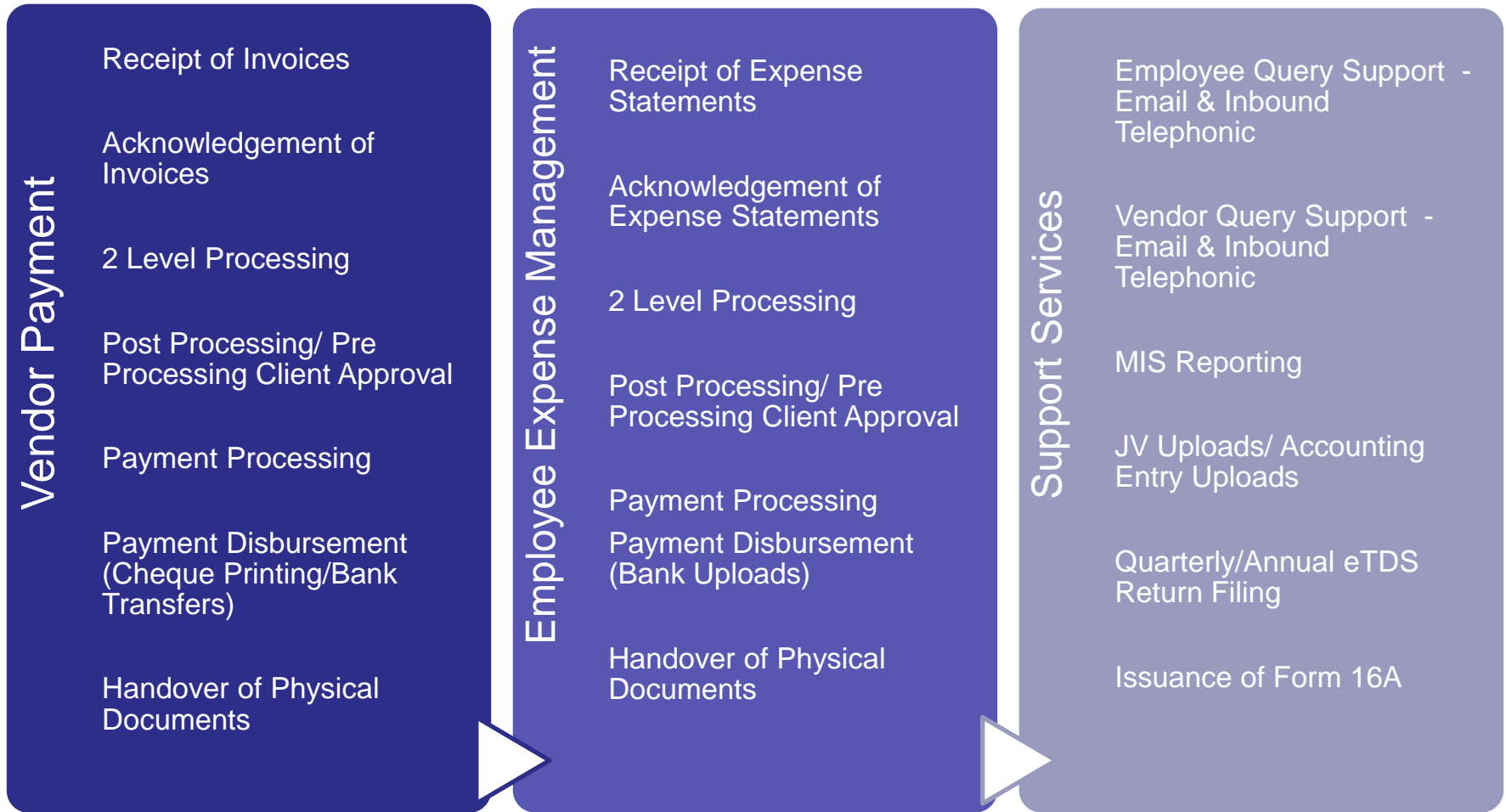
% of Total Clients – AP Business on Various Systems



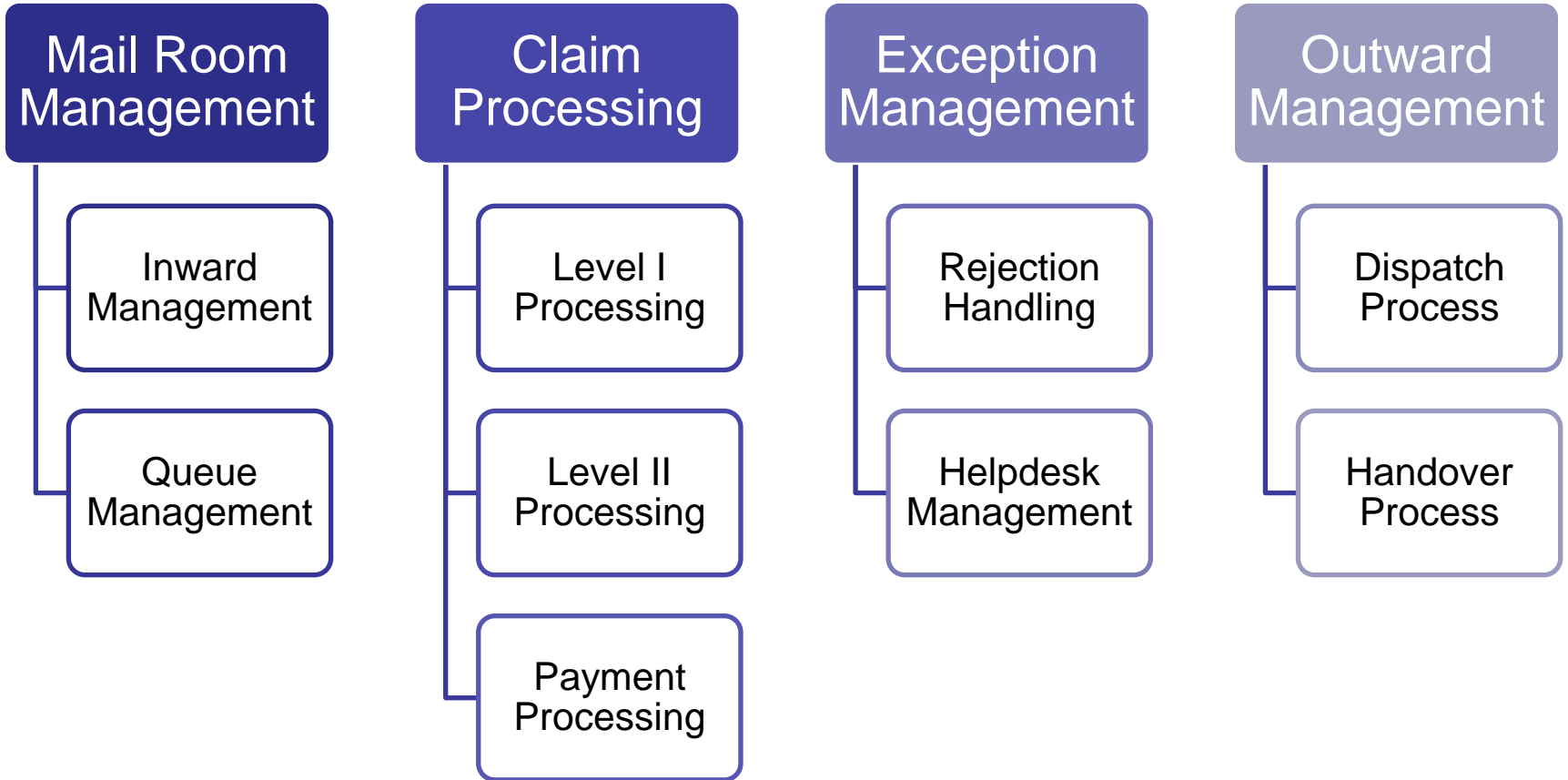
Accounts Payable – Solution Design Overview



Accounts Payable – Generalized Scope of Work



Accounts Payable – Process Break Down Structure



Accounts Payable – Mail Room & Queue Management



Receive

- Receipt of Courier
- Entry of Received Packets (Vide Courier)
- Opening of Packets
- Segregation of Claims

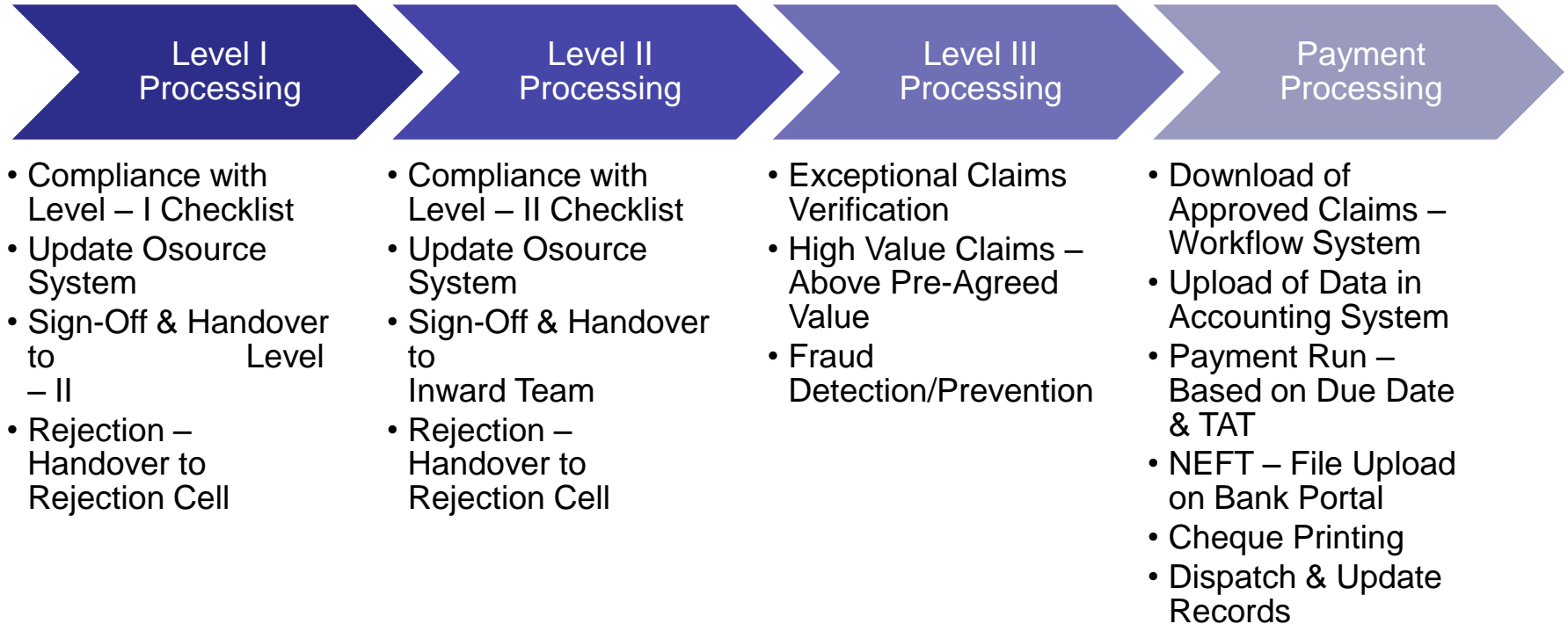
Acknowledge

- Inward Entry of Claims
- Acknowledgement of Claims

Handover

- Printing of System-Generated Checklist (Claim Type)
- Affixing of Checklist on Claims
- Handover of Claim Sets to L1 Team
- Confirmation of Receipt in System by L1 Team

Accounts Payable – Claim Processing



Accounts Payable - Exception Management



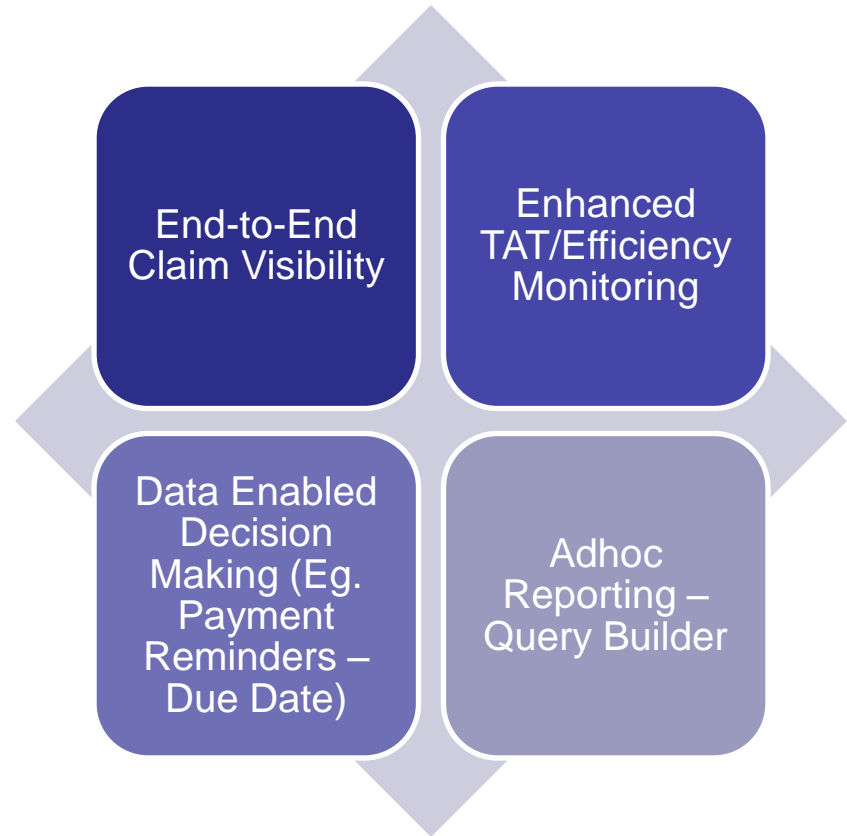
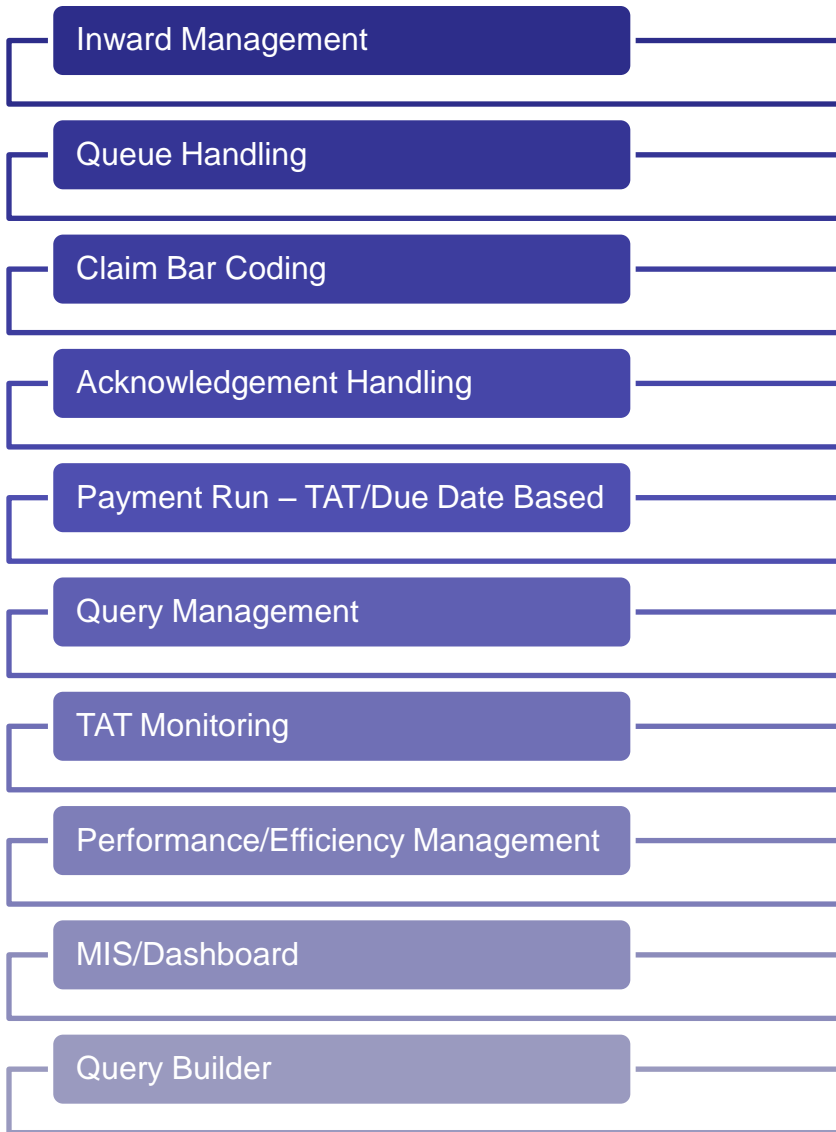
Discrepancy

- Verification of Claims
- Ascertaining the discrepancy/missing information
- Seek Information/clarification
- Follow-up for Hold Cases
- Approve/Reject
- Sign-Off & Handover

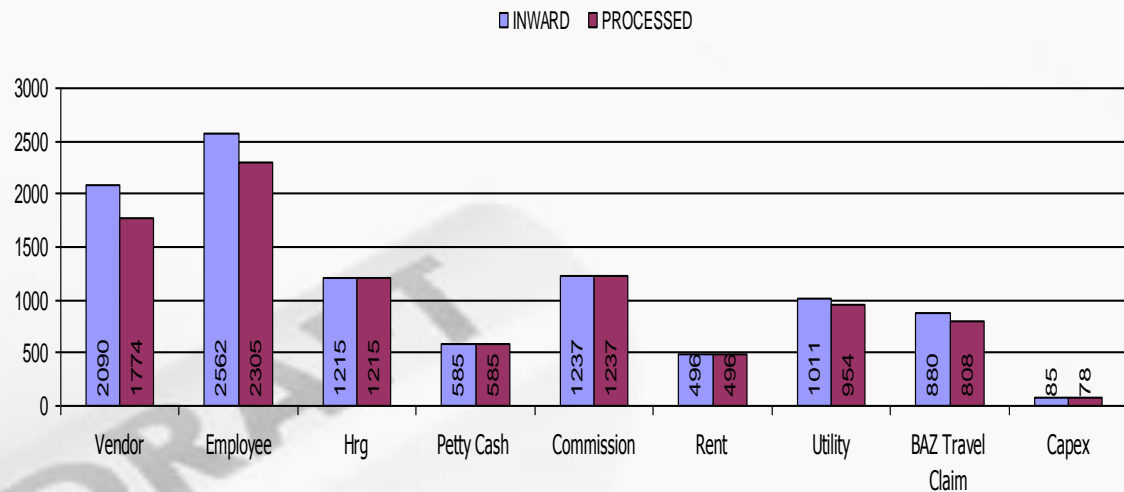
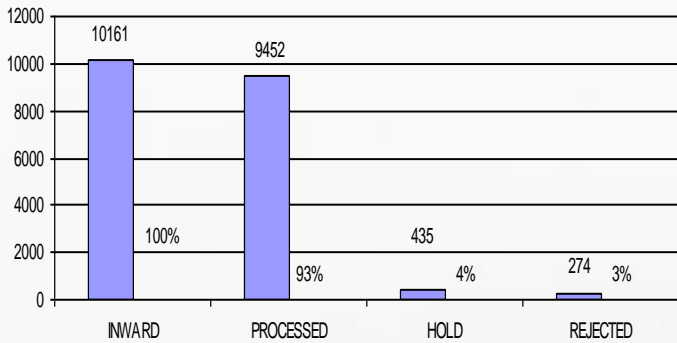
Help Desk

- Receipt of Query
- Update in Osource System
- Access information from available systems
- Seek clarification from SME/ Users
- Reply and close

Accounts Payable – Osource Technology Solution Overview



Accounts Payable – Dashboard Samples



Vendor Payments Claims on Hold as of 31st Jan 2010

Agreement Required	211
Annexure - Items	78
Approval	2
Approval - Finance	9
Approval - Previous financial	2
Approval - Procurement	3
Capex confirmation	1
Double Payment	1
E-code	15
Invalid Agreement	8
Invoice - mismatch	19
Invoice - missing	1
Invoice issues	8
Original bill required	13
Rate difference	10
Renewal Agreement	54
Supporting	16
Taxation	27
Wrong period	6
Grand Total	484

Ageing	Vendor Claims
0-7 Days	87
7 -15 Days	57
15-30	107
30-90	156
90 above	77
Grand Total	484

Reasons for Claims on hold	Employee Claim
Non Approved Claim	33
Other	1
Raise Into Baz	2
Supporting Missing	20
Conveyance Details Required	26
Grand Total	82
Total Claims are Hold as on 31st Jan 2010	

Ageing	Employee Claim
0-7 Days	32
7 -15 Days	24
15-30	12
30-90	14
90 above	0
Grand Total	82

Accounts Payable – Dashboard Samples

HelpDesk Analysis From 1st January 2010 to 31st January 2010 Vendor [vendorpayment@osourceindia.com]															
Day	Date	Mails Received	Mails Answered	Attended but no revert needed	Mails Unanswered	Status of Mail (Open)	Status of Mail (Closed)	Same Day Within (12Hrs)	Mail Answered in 1 Day (24 Hrs)	Mail Answered in 2 Day (36 Hrs)	Mail Answered in 3 Day (48 Hrs)	Mail Answered in 4 Day (60 Hrs)	TAT Check	Out of TAT%	Within TAT%
Fri	1-Jan-10	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday
Sat	2-Jan-10	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday
Sun	3-Jan-10	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday
Mon	4-Jan-10	52	36	16	0	0	52	52	0	0	0	0	100%	0%	100%
Tue	5-Jan-10	62	25	37	0	0	62	62	0	0	0	0	100%	0%	100%
Wed	6-Jan-10	59	30	29	0	0	59	59	0	0	0	0	100%	0%	100%
Thu	7-Jan-10	69	28	41	0	0	69	69	0	0	0	0	100%	0%	100%
Fri	8-Jan-10	54	39	15	0	0	54	54	0	0	0	0	100%	0%	100%
Sat	9-Jan-10	19	16	3	0	0	19	19	0	0	0	0	100%	0%	100%
Week I		315	174	141	0	0	315	315	0	0	0	0	100%	0%	100%
Sun	10-Jan-10	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday
Mon	11-Jan-10	41	18	23	0	0	41	41	0	0	0	0	100%	0%	100%
Tue	12-Jan-10	56	28	28	0	0	56	56	0	0	0	0	100%	0%	100%
Wed	13-Jan-10	54	33	21	0	0	54	54	0	0	0	0	100%	0%	100%
Thu	14-Jan-10	28	15	13	0	0	28	28	0	0	0	0	100%	0%	100%
Fri	15-Jan-10	37	16	21	0	0	37	37	0	0	0	0	100%	0%	100%
Sat	16-Jan-10	40	16	24	0	0	40	40	0	0	0	0	100%	0%	100%
Week II		256	126	130	0	0	256	256	0	0	0	0	100%	0%	100%
Sun	17-Jan-10	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday
Mon	18-Jan-10	75	28	47	0	0	75	75	0	0	0	0	100%	0%	100%
Tue	19-Jan-10	80	22	58	0	0	80	80	0	0	0	0	100%	0%	100%
Wed	20-Jan-10	46	22	24	0	0	46	46	0	0	0	0	100%	0%	100%
Thu	21-Jan-10	56	16	40	0	0	56	56	0	0	0	0	100%	0%	100%
Fri	22-Jan-10	67	18	49	0	0	67	67	0	0	0	0	100%	0%	100%
Sat	23-Jan-10	31	17	14	0	0	31	31	0	0	0	0	100%	0%	100%
Week III		355	123	232	0	0	355	355	0	0	0	0	100%	0%	100%
Sun	24-Jan-10	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday
Mon	25-Jan-10	32	20	12	0	0	32	32	0	0	0	0	100%	0%	100%
Tue	26-Jan-10	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday
Wed	27-Jan-10	45	31	14	0	0	45	45	0	0	0	0	100%	0%	100%
Thu	28-Jan-10	72	40	32	0	0	72	72	0	0	0	0	100%	0%	100%
Fri	29-Jan-10	59	31	28	0	0	59	59	0	0	0	0	100%	0%	100%
Sat	30-Jan-10	32	19	13	0	0	32	32	0	0	0	0	100%	0%	100%
Week IV		240	141	99	0	0	240	240	0	0	0	0	100%	0%	100%
Sun	31-Jan-10	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday
January-10		1166	564	602	0	0	1166	1166	0	0	0	0	100%	0%	100%

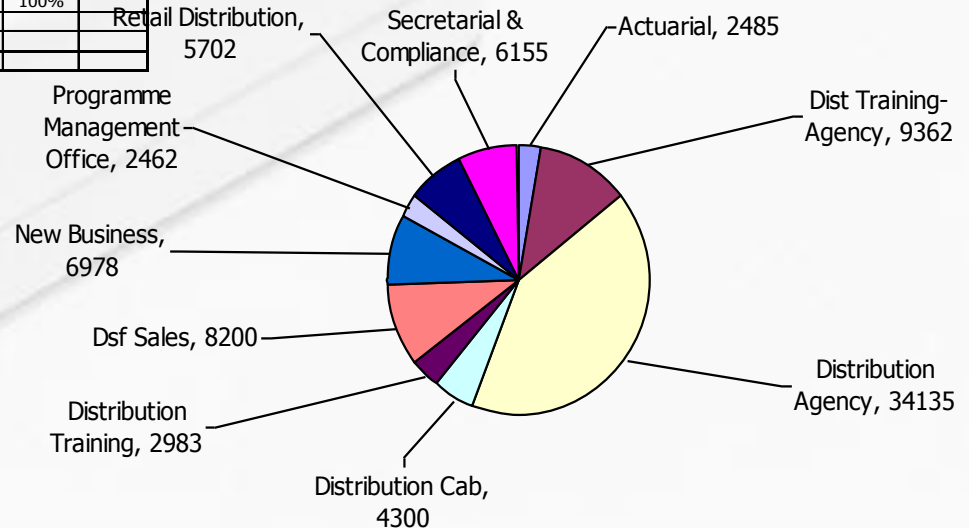
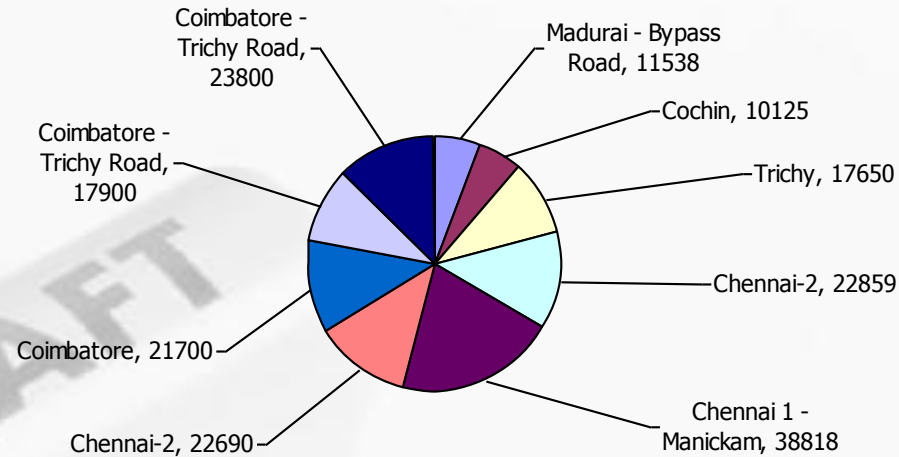
Accounts Payable – Dashboard Samples

Vendor Payments (T+2)									
	Total Inward	Claims processed in Day 0	Claims processed in 1 working Day	Claims processed within 2 working Days	Claims processed within 3 working Days	Claims processed within 4 working Days	Claims processed Above 5 working Days	Within TAT	Out of TAT
Normal Cases	1774	553	1147	74				100%	0%
Hold Cases	300								
Rejected Cases	16								
Grand Total	2090								

Employee Re-Imbursements (T+2)									
	Total Inward	Claims processed in Day 0	Claims processed in 1 Day	Claims processed within 2 working Days	Claims processed within 3 working Days	Claims processed within 4 working Days	Claims processed Above 5 working Days	Within TAT	Out of TAT
Normal Cases	2305	1517	780	8				100%	0%
Hold Cases	85								
Rejected Cases	172								
Grand Total	2562								

Utility Payments (T+1)									
	Total Inward	Claims processed in Day 0	Claims processed in 1 Day	Claims processed within 2 working Days	Claims processed within 3 working Days	Claims processed within 4 working Days	Claims processed Above 5 working Days	Within TAT	Out of TAT
Normal Cases	954	954						100%	
Hold Cases	0								
Rejected Cases	57								
Grand Total	1011								

Employee Re-Imbursements	
Standard Reason of Reject	Total
Cancelled	15
Claim Already Processed	63
Confirmation Required	2
Others	12
Raise Into Travel Module	43
Raise Into Vendor Module	10
Reinward	6
Voucher Given To Finance	15
Wrongly Raised	5
Raise Into Petty Cash	1
Total	172



Accounts Payable – SLA Score Card Model

Sr. No.	Type of Claim	TAT (Working Days)
1	Local Conveyance	4
2	Employee Reimbursements	4
3	Travel Claims	4
4	PO Claims	8
5	Non-PO Claims	5
6	Petty Cash	8
7	Utility Payments	2
8	Purchase Order (PO) Creation	3
9	Helpdesk Query Management	2

Expense Type - TAT

Weightage Based Score Card Model – SLA Measurement

Sr. No.	Activity	Weightage	Score	Final Score
1	TAT Adherence	20%	-	-
2	Accounting Accuracy	20%	-	-
3	Financial Accuracy	30%	-	-
4	Helpdesk Response	10%	-	-
5	MIS Reporting	10%	-	-

Accounts Payable – Selected Case Studies (Case Study 1)

Client

- Leading Pharmaceutical Company

Services Offered

- Vendor Payment
- GL Accounting
- FA Capitalization
- Statutory Compliance
- Helpdesk

Challenges

- Higher Complexity of Statutory Compliances
- Exception Management – Proactive Coordination
- Handling Unit of Measure Differences

Technology Modules

Applications SAP

Process Metrics

Parameters	Achieved
Monthly Volume	9500
TAT	T + 3
Shifts	1
SLA	98.50%
Pendency/Hold Items	8.00%
L1 Efficiency	35
L2 Efficiency	50
Productivity (Over Previous Year)	8%

Key Lessons

- Focus on Statutory Compliances – VAT, Cenvat Credit etc
- Strong Internal Controls – Enhanced Advance Knocking & 3 Way Matching Process

Accounts Payable – Selected Case Studies (Case Study 2)

Client

- Leading Insurance Company

Services Offered

- Vendor Payment
- Employee Expense Management
- Payment Processing & Dispatch
- Reconciliation
- Helpdesk/Pendency Resolution

Challenges

- Ramping up with surging volume (New Entrant in the Insurance Business)
- Stringent TAT
- Setting up of Standard Processes
- Bundling of Peripheral Activities with Core Processing

Technology Modules

Applications

BAZ

Peoplesoft

Process Metrics

Parameters	Achieved
Monthly Volume	15000
TAT	T + 2
Shifts	2
SLA	98.50%
Pendency/Hold Items	1.50%
L1 Efficiency	85
L2 Efficiency	235
Productivity (Over Previous Year)	10%

Key Lessons

- Improvised Bench Management Process & Fortnightly Volume Assessment
- Standardization of Processes

Accounts Payable – Selected Case Studies (Case Study 3)

Client

- Leading Telecom Company

Services Offered

- Vendor Payment
- FA Capitalization
- Payment Processing & Dispatch
- Helpdesk Management

Challenges

- Decentralized Model - Multiple Coordinators
- Statutory Compliance Framework
- Emphasis on Hold Items Closure – Proactive Follow up with users
- No workflow based approval system/software

Technology Modules

Applications SAP

Process Metrics

Parameters	Achieved
Monthly Volume	7500
TAT	T + 3
Shifts	1
SLA	99.50%
Pendency/Hold Items	5.00%
L1 Efficiency	45
L2 Efficiency	80
Productivity (Over Previous Year)	8%

Key Lessons

- Usage of Osource's System – Automated MIS & Efficient Performance Assessment
- Incorporation of Pendency Resolution Cell – Focus on Resolution of Hold Items

Accounts Payable – Selected Case Studies (Case Study 4)

Client

- **Leading Insurance Company**

Services Offered

- **Vendor Payment**
- **Employee Expense Management**
- **Commission, Rewards & Incentive Payouts**
- **Payment Processing & Dispatch**
- **Helpdesk Management**

Challenges

- **Large Volume**
- **Consistent Spike & Surge**
- **Constant Changes – Internal Policies**
- **Complex Technology Architecture**
- **Limited System Availability**

Technology Modules

Applications SAP
 Orion
 Crossroads

Process Metrics

Parameters	Achieved
Monthly Volume	35000
TAT	T + 2
Shifts	1
SLA	98.50%
Pendency/Hold Items	3.50%
L1 Efficiency	75
L2 Efficiency	200
Productivity (Over Previous Year)	6%

Key Lessons

- **Adoption of Rejection Cell**
- **Automation of Claim Movement**

Differentiating Factors



FAO | HRO | IT | Operations | Consulting

Mumbai | Noida | Hyderabad | Bangalore | Kolkata