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BPOI-003/103

DIPLOMA IN BUSINESS PROCESS

OUTSOURCING–FINANCE AND

ACCOUNTING (DBPOFA)

Term-End Examination

June, 2023

BPOI-003/103 : PROCURE TO PAY (P2P)

ACCOUNTS PAYABLE

Time : 3 Hours

Maximum Marks : 100

Note : (i) *Section—I : Question Nos. 1 to 10 are compulsory.*

(ii) *Section—II : Has 8 questions, answer any **six**.*

(iii) *Section—III : Has 6 questions, answer any **four** of which question no. **19** is compulsory.*

P. T. O.

Section—I

Fill in the blanks :

1 each

1. When the vendor is directly paid by the client's bank and the invoice is approved later it is called
2. P2P cycle consists of two parts, namely and
3. are put in place to enable the operations team to meet the target SLAs.
4. is responsible for approving the T & E requests.
5. The unique identifier for a payment run is called as

Show whether the following statements are True *or* False :

6. Productivity is the most important metric in the vendor setup process.

7. The quality control team should be a part of the AP team to be most effective.
8. Cash-in-transit is an asset account.
9. GRNI is an asset account.
10. Fatal errors are more serious than non-fatal errors.

Section—II

5 each

11. Elaborate the importance of “Procure to Pay” in an organization.
12. While selecting a vendor, what are the factors that a procurement manager should consider ?
13. List the kind of queries that are usually received by the vendor helpdesk team.
14. Briefly describe how a purchase card works in a T & E process.
15. Explain the difference between scanning and document management tools.

P. T. O.

16. Explain the use of the following source documents in the P2P processes :
- (a) Purchase requisition
 - (b) Goods received note
17. What is Purchase Order (PO) and its types ? What information is included in PO ? Explain.
18. State the controls used in vendor setup process. Why do we need to have these controls ?

Section—III

15 each

19. Explain the steps involved in invoice processing. How “three way” match is different from “two way” match in case of purchase order based invoices ? Explain with examples.
20. Explain the invoice processing cycle along with a flowchart.
21. Explain step by step, what happens after the payment register is sent to the bank to execute the payment instruction.

22. Differentiate between the following :
- (a) Critical vendors and normal vendors
 - (b) Payment run date, payment date and pay through date
 - (c) EFT and wire transfer
23. What are Service Level Agreements (SLA) ?
How “putting quality controls in place” help the team in achieving SLAs ?
24. (a) What are the circumstances under which an invoice is put on hold by the invoice processing team ?
- (b) Describe some of the best practices used by P2P teams to improve the process.