LTIMindtree Project Payment Paychain Solution

Automate construction project payment process across organizational boundaries enabling contract compliant billing and payment
All the applications in the Paychain solution will have the following functions:

- **Master Data**: Covering setup of project, client, vendor, contractor etc.
- **Progress Application**: User will be able to gather progress applications from their vendors, assemble a progress application to the client and follow this process through to approval.
- **Contract Management**: Covering both i.e. receivable and payable side contracts of different types.

Solution is based on **SAP Cloud Platform with four separate tools** as per user requirement within the overall process of construction payments.
Complete view of the data flows in the **payment chain solution** with functionality covering all the aspects of construction payments.
A Construction Paychain example is provided below where payments are made in a **complex multi-tier team structure** throughout the lifecycle of a project which is **cumbersome, time consuming and prone to errors**

### $100M Commercial Building

- Owner hires GC to complete $100M building
- GC hires subcontractors including ABC Concrete for $20M
- ABC Concrete purchases initial material from Concrete Supplier for $500K
- ABC Concrete completes 10% of their work and invoices GC ($2M)
- GC invoices Owner (Draw #1) for project progress to date of 10% ($10M) across entire project
- GC places ABC Concrete invoice on hold for “Paywhen-Paid” (released after payment from Owner of Draw #1) and for compliance:
  - Verification of Insurance Certification
  - Lien Waiver signature
  - Project Manager Hold
- Concrete Supplier requests GC to issue “Joint Check” to ABC Concrete and Concrete Supplier for materials
- Owner verifies project progress and pays GC invoice less 10% retention* ($9M)
- GC verifies compliance* items for ABC Concrete are satisfied and releases payment less 10% retention ($1.8M) upon receipt of Owner payment
- Joint Checks are cut to ABC Concrete for $1.3M and Concrete Supplier for $500K

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**About LTIMindtree**

LTIMindtree is a global technology consulting and digital solutions company that enables enterprises across industries to reimagine business models, accelerate innovation, and maximize growth by harnessing digital technologies. As a digital transformation partner to more than 700+ clients, LTIMindtree brings extensive domain and technology expertise to help drive superior competitive differentiation, customer experiences, and business outcomes in a converging world. Powered by nearly 90,000 talented and entrepreneurial professionals across more than 30 countries, LTIMindtree — a Larsen & Toubro Group company — combines the industry-acclaimed strengths of erstwhile Larsen and Toubro Infotech and Mindtree in solving the most complex business challenges and delivering transformation at scale. For more information, please visit www.ltimindtree.com.