

# SAP Procure to Pay (P2P) Different Scenarios

## Introduction (P2P – Process)

In this document, I would like to explain the different scenarios in the procurement process. The procurement process starts from purchase requisition and ends with payment to the vendor. Hence this process is popular with the word 'P2P' Process. It deals with procuring materials, services, different contracts associated with procurement. I have explained few popular scenarios in this blog post. It is a 3-way matching rule (PO-GR-IV). We will understand the master data activities like a material master, purchase Info record, source list, and transaction activities like Purchase Requisition, Purchase Order, Goods Receipt, and Invoice Posting.



### Purchase Requisition: (T-Code- ME51N)

Purchase Requisition is raised by the stores department to the Purchase department internally.

Generally, In the organization, the production department team checks with the store's department team for the required stock/materials. If the stock is available in the warehouse, then the store's department will send the stock to the production department. If the stock is not available in the warehouse, then the store's department will raise the purchase requisition to the purchasing department. Here there's no accounting document. The store's department simply enters the required material and quantity in the purchase requisition.

### Purchase Order: (T-Code- ME21N)

The Purchasing department will negotiate the required materials/services with the external vendors, and they will finalize the vendor. The purchase order will be raised by Purchasing Department to the vendor with the agreed price, materials/services, quantity, delivery terms, and payment terms. This kind of information we can find in the Purchase order. If there is any release process (Approval Process) for a Purchase order, we need to get the approvals first before issuing PO to

the vendor. We have different types of PO Processes like Standard(Stock) PO, Service PO, Capex PO (Capital expenditure Purchase order), Opex PO (Operational expenditure purchase order), Consumption PO, Scheduled agreement, and Stock Transport (STO)Purchase orders. There's no accounting document at the time of PO creation.

### Goods Receipt: (T-Code- MIGO)

The warehouse department receives the goods from the vendor as per delivery terms. Warehouse department enters Goods Receipt against the Purchase Order in the SAP system. They simply verify the stock and enter the delivered quantity while posting Goods Receipt. In this process, the system will generate two documents – Material document in MM and accounting document in FI.

#### Accounting Entry for MIGO

Account Description	Currency	DR	CR
Stock/Inventory GL account	INR	10000	
GR/IR Clearing Account	INR		10000

### Accounting Entry for MIGO Services Entry: (T-Code- ML81N)

Companies not only procure the materials but also procure different kinds of services from the vendor. We may take services for cleaning or services for IT support/implementation service (ex: SAP implementation). The respective manager department will verify whether the services received or not. It may be measured thru the number of hours (ex: timesheet) or persons worked. The services will be tracked thru the service entry sheet and there is no accounting entry just for creating service entry. The service entry should be released to generate an accounting document. In this process, the system will generate two documents – A service document in MM and an accounting document in FI.

### **Accounting Entry for MIGO**

Account Description	Currency	DR	CR
Expenses GL account	INR	10000	
SR/IR Clearing Account	INR		10000

### **Invoice Receipt: (T-Code- MIRO)**

The accounting Payable team receives the invoices from the vendor. At this stage, a “3-way check will be performed by the standard system automatically. The invoices will be verified automatically against Purchase Order and the Goods Receipt document for the correct price and quantity. It is common practice that the invoice will be blocked for payment as soon as it posted. In this process, the system will generate two documents – The material document in MM and the accounting document in FI. Once the invoice is approved/released and the treasury department will process the payment.

### **Accounting Entry for MIRO**

Account Description	Currency	DR	CR
GR/IR (or) SR/IR Clearing account	INR	10000	
Vendor	INR		10000

### **Vendor Payment- (T-Code- F-53/F110)**

Based on the due date of the invoice, the invoices will be released for payment. The treasury department will make the payment. They use F-53 / F110 (Manual/Automatic) for outgoing payment. In this process, the system will generate one accounting document in FI.

Account Description	Currency	DR	CR
Vendor	INR	10000	
Bank account	INR		10000

## Process -1. Standard (Stock) Purchase Order Process

In this process, I'll show you how to create an inventory purchase order. It means that companies buy in bulk and use it internally as needed.

### 1.1 Purchaser Order Creation- T-Code-ME21N

S.	Item	A	I	Material	Short Text	PO Quantity	O...	C	Delv. Date	Net Price	Curr...	Per	O...	Matl Group	PInt	Stor. Location	B
10				PIL-RM1		100 KG	03/16/2021			1000 INR			PIL1	PIL	MUM		

Click on enter and save.

Standard PO created under the number 4500000316

### 1.2 Goods Receipt - MIGO

Enter the purchase order number and click on enter.

Document Date	Delivery Note	Bill of Lading	HeaderText
03/16/2021			

Enter the Quantity in Delivery Note. If everything is ok. Click on Item Ok check box and Save

**Goods Receipt Purchase Order 4500000316**

Hide Overview | Hold | Check | Post | Help

Goods Receipt | Purchase Order | GR goods receipt 101

My Documents

- Purchase Orders
  - 4500000316
  - 4500000315
  - 4500000314
  - 4500000313
  - 4500000311
  - 4500000310
  - 4500000309
  - 4500000308
  - 4500000307
  - 4500000305
- Orders
  - Blank
  - Reservations
    - Blank
- Material Documents
  - 5000000338
  - 5000000337
  - 5000000336
  - 5000000335
  - 4900000030
  - 5000000334
  - 4900000026
  - 5000000333
  - 5000000332
  - 5000000331
- Held Data
  - Blank

General Vendor

Document Date: 03/16/2021 | Delivery Note: | Vendor: ABC vendor

Posting Date: 03/16/2021 | Bill of Lading: | HeaderText: | Individual Slip

Line	Mat. Short Text	OK	Qty in UnE	E...	SLoc	Profit Center	Batch	Valuation ...	M...	D...	Stock Type	Pint	S...
1	RAWMATERIALS-1	<input type="checkbox"/>	100		KG	MUMBAI LOCATION	1000		101	+ Unrestrict...	MUMBAI PL...		

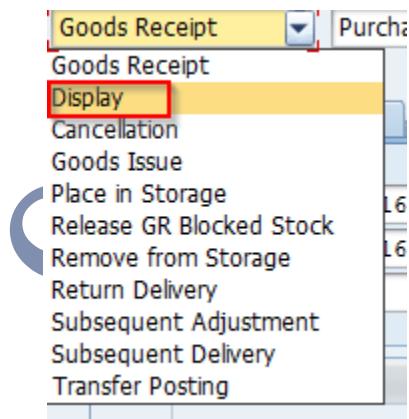
Material Quantity Where Purchase Order Data Partner Account Assignment

Qty in Unit of Entry: 100 | Qty in SKU: 100 | Qty in Delivery Note: 100 | Quantity Ordered: 100

SAP

Material document 5000000339 posted

If you want to verify the receipt of the goods, select the Display option. It shows Goods Receipt Document.



**Display Material Document: Data Entry View**

Document Number: 5000000006 Company Code: PIL Fiscal Year: 2021

Document Date: 03/16/2021 Posting Date: 03/16/2021 Period: 3

Co...	Itm PK	Account	Description	Profit Center	Order	Cost Center	Amount Curr.	LCurr	Amount in LC	LC2 amount	LCur2
PIL	1 89	200121	inventory raw.LOCAL	1000			10,000.00 INR	INR	10,000.00	133.33	USD
	2 96	100525	GR/IR CLEARING RM	1000			10,000.00- INR	INR	10,000.00-	133.33-	USD

### 1.3 Invoice Receipt - MIRO

Enter the Invoice Date, Reference, and PO number then click enter

**Enter Incoming Invoice: Company Code PIL**

Show PO structure Show worklist | Hold | Simulate | Messages | Help

Transaction: Invoice

Basic Data

Invoice date: 03/16/2021 Reference: STANDARD PO-1

Posting Date: 03/16/2021

Amount

Tax Amount

Bus.place/sectn

Text

Company Code: PIL PIDILITE INDUSTRIES MUMBAI

PO Reference

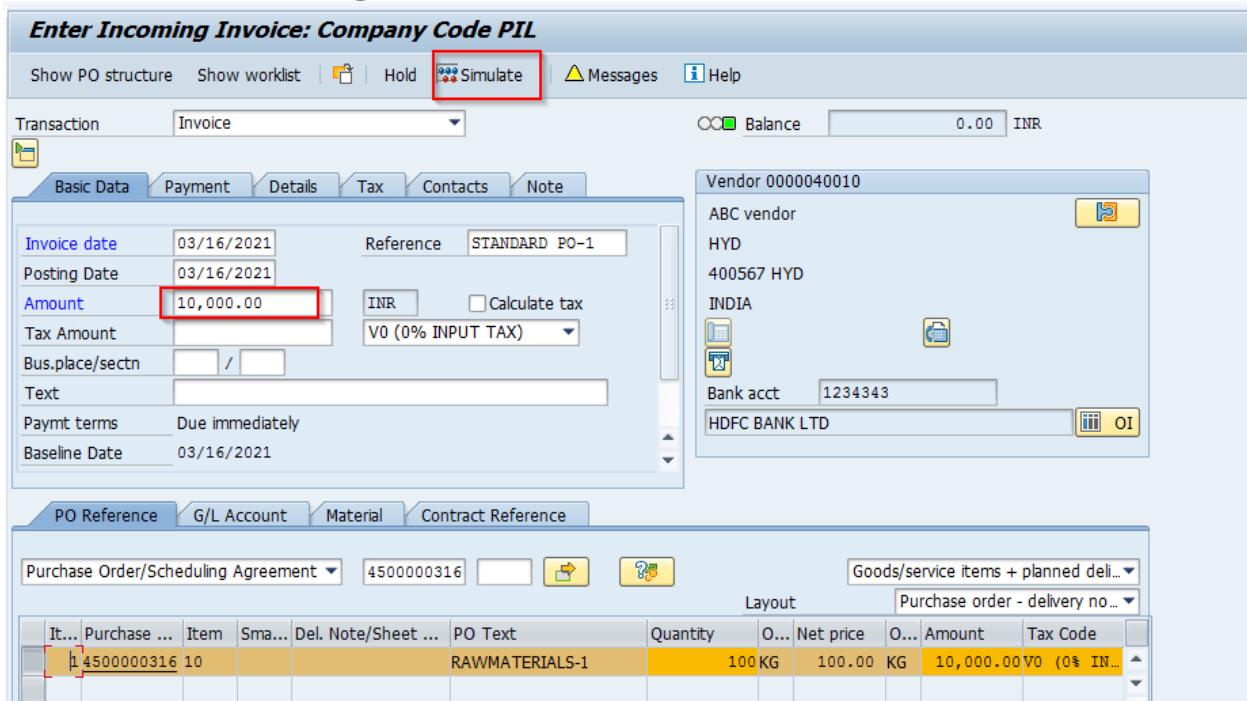
G/L Account

Material

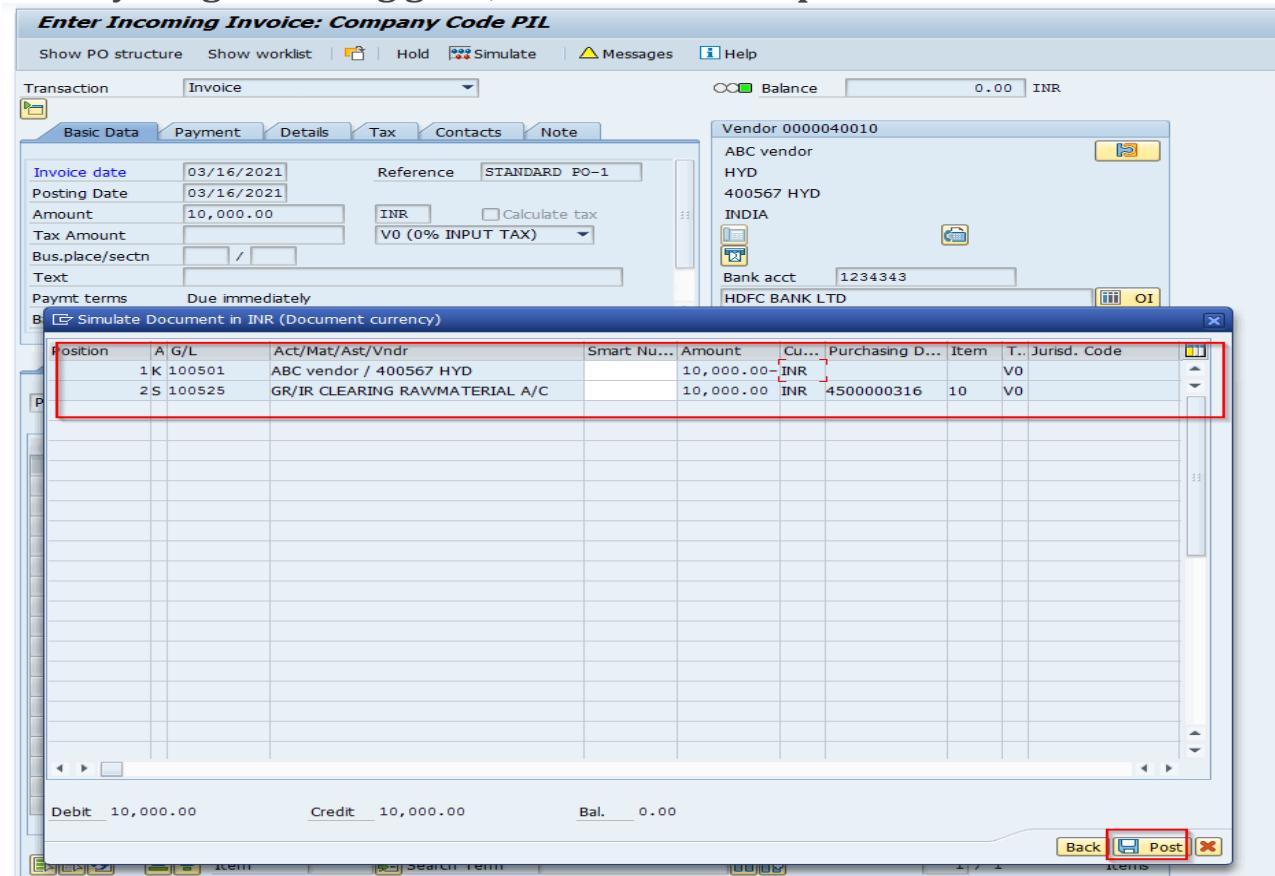
Contract Reference

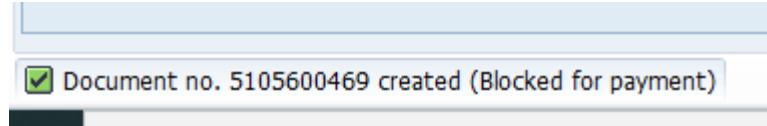
Purchase Order/Scheduling Agreement: 4500000316

If you want to see the accounting entries before save, click on simulate and check accounting entries.



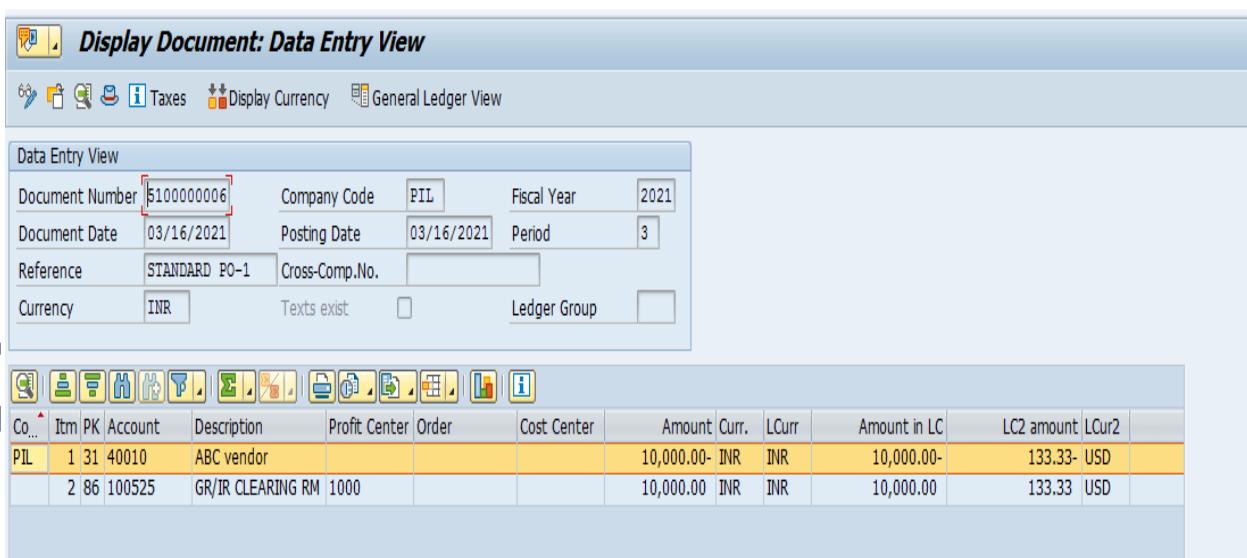
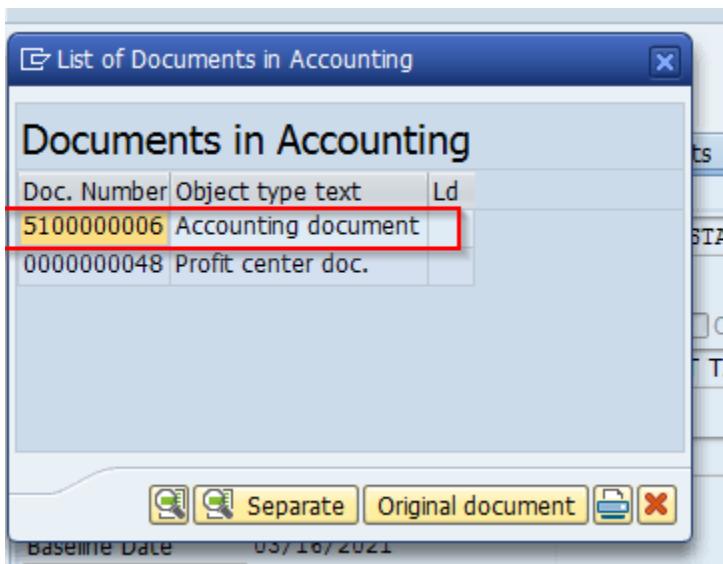
If everything is looking good, then click on the post.





If you want to view Accounting Documents, From the Menu - Invoice Document- Display

Click on Follow-on- Documents and Double click on the accounting document



## 1.4 Verify Material/Stock Report - MB5B

Enter the Material, Plant, and company code details and execute.

**Stock on Posting Date**

Material Number	PIL-RM1	to		
Company Code	PIL	to		
Plant	PIL	to		
Storage Location	MUM	to		
Batch		to		
Valuation Type		to		
Movement Type		to		
Special Stock Indicator				
Selection Date		to		

**Stock Type**

Storage Loc./Batch Stock  
 Valuated Stock  
 Special Stock

**List Scope**

► Category

**Material Stocks Between 01/01/0000 and 12/31/9999**

Material Stocks Between 01/01/0000 and 12/31/9999									
Valuation Area PIL Material PIL-RM1 Description RAWMATERIALS-1									
Stock/Value on 01/01/0000 0 KG 0.00 INR Total/Val. of Receipts 470 KG 49,800.00 INR Total/Value of Issues 240- KG 25,500.00- INR Stock/Value on 12/31/9999 230 KG 24,300.00 INR									
SLoc	MvT	S	Mat. Doc.	Item	DocumentNo	Pstng Date	Quantity	BUn	Amount in LC
					5100000002	03/15/2021	0 KG		1,000.00
					5100000003	03/15/2021	0 KG		300.00
MUM	201	4900000025	1	4900000000	03/15/2021	20- KG			2,000.00-
MUM	201	4900000026	1	4900000001	03/15/2021	130- KG			14,000.00-
MUM	201	4900000027	1	4900000002	03/15/2021	40- KG			4,000.00-
MUM	501	4900000028	1	4900000003	03/15/2021	100 KG			11,000.00
MUM	501	4900000029	1	4900000004	03/15/2021	50 KG			5,500.00
MUM	201	4900000030	1	4900000005	03/15/2021	50- KG			5,500.00-
MUM	101	50000000331	1	5000000000	03/15/2021	100 KG			10,000.00
MUM	101	50000000333	1	5000000002	03/15/2021	50 KG			5,000.00
MUM	101	50000000334	1	5000000003	03/15/2021	70 KG			7,000.00
MUM	101	50000000339	1	5000000006	03/16/2021	100 KG			10,000.00

## 1.5 Goods Issue for Consumption – MIGO

Let's say, we have procured stock. Now the production department requested some material in the manufacturing process or some other purpose. Then we need to issue material internally. The material will be moved from the warehouse department to the production department.

The system will generate an accounting document.

Display Document: Data Entry View

Display Currency General Ledger View

Data Entry View									
Document Number	4900000006 <th>Company Code</th> <td>PIL</td> <th>Fiscal Year</th> <td>2021</td>	Company Code	PIL	Fiscal Year	2021				
Document Date	03/16/2021	Posting Date	03/16/2021	Period	3				
Reference		Cross-Comp.No.							
Currency	INR	Texts exist	<input type="checkbox"/>	Ledger Group					
CoCd	Itm	Pf	Account	Description	Profit Center	Cost Center	Amount	Curr.	LCurr
PIL	2	81	400000	RAWMATERIAL CONSUMPT	1000	PIL100	5,282.61	INR	INR
PIL	1	99	200121	Inventory RM-Local	1000		5,282.61-	INR	INR

## 1.6 Material Report – MB5B

It shows the consumption information.

Material Stocks Between 01/01/0000 and 12/31/9999

Valuation Area	PIL	Material	PIL-RM1	Description	RAWMATERIALS-1				
Stock/Value on 01/01/0000				0	KG	0.00	INR		
Total/Val. of Receipts				470	KG	49,800.00	INR		
Total/Value of Issues				290-	KG	30,782.61-	INR		
Stock/Value on 12/31/9999				180	KG	19,017.39	INR		
SLoc	MvT	S	Mat. Doc.	Item	DocumentNo	Postng Date	Quantity	BUn	Amount in LC
					5100000002	03/15/2021	0	KG	1,000.00
					5100000003	03/15/2021	0	KG	300.00
MUM	201		4900000025	1	4900000000	03/15/2021	20-	KG	2,000.00-
MUM	201		4900000026	1	4900000001	03/15/2021	130-	KG	14,000.00-
MUM	201		4900000027	1	4900000002	03/15/2021	40-	KG	4,000.00-
MUM	501		4900000028	1	4900000003	03/15/2021	100	KG	11,000.00
MUM	501		4900000029	1	4900000004	03/15/2021	50	KG	5,500.00
MUM	201		4900000030	1	4900000005	03/15/2021	50-	KG	5,500.00-
MUM	101		5000000331	1	5000000000	03/15/2021	100	KG	10,000.00
MUM	101		5000000333	1	5000000002	03/15/2021	50	KG	5,000.00
MUM	101		5000000334	1	5000000003	03/15/2021	70	KG	7,000.00
MUM	201		4900000031	1	4900000006	03/16/2021	50-	KG	5,282.61-
MUM	101		5000000339	1	5000000006	03/16/2021	100	KG	10,000.00

## 1.7 Payment-F-53/F110

Account Description	Currency	DR	CR
Vendor	INR	10000	
Bank account	INR		10000

## 2. Capex (Capital Expenditure) Purchase Order Process

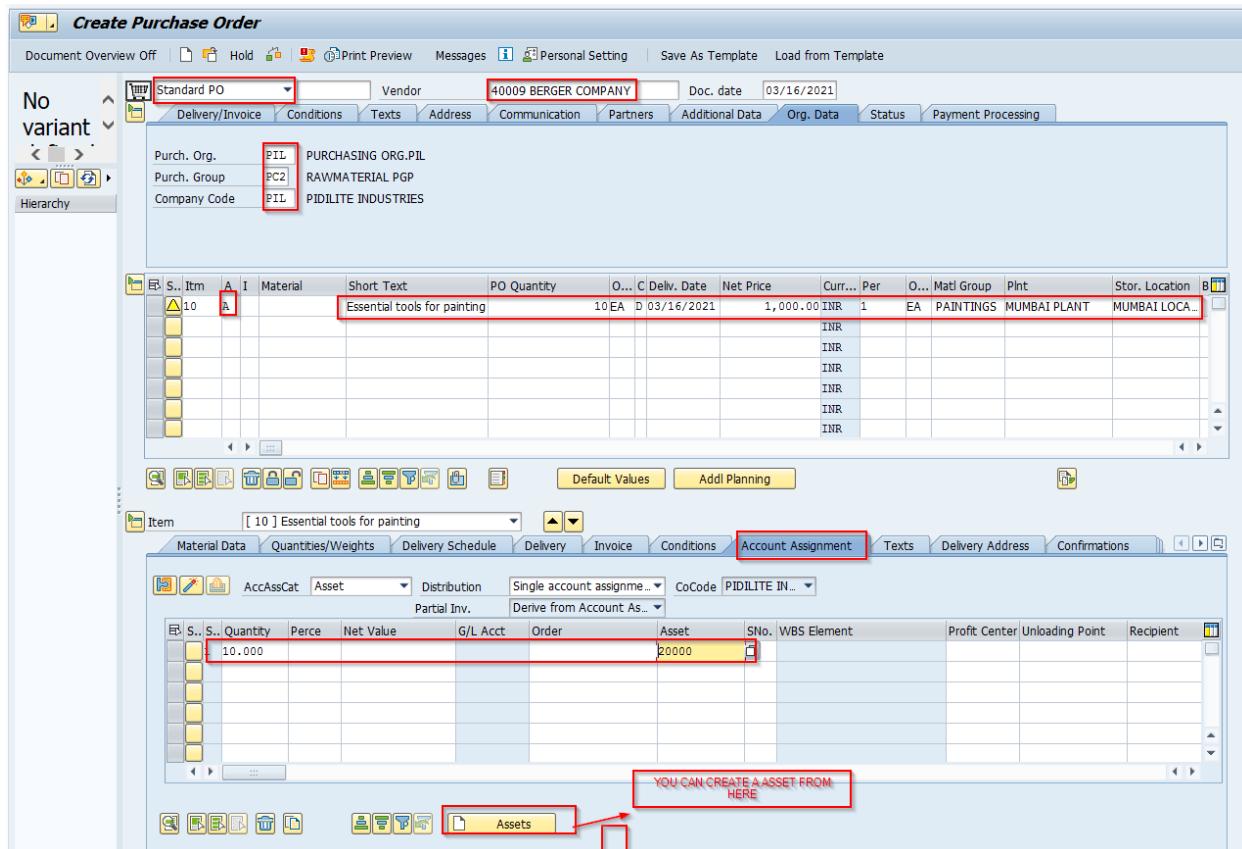
In this procedure, I will demonstrate how to create an Asset purchase order. Already created an asset in the SAP system using transaction code- AS01. It is also possible to create an asset during the purchase order creation.

Enter the Vendor number against the Asset PO/Standard PO then click on enter. Enter Purchase org, Purchase Group, and Company code information in the header part.

At the line-item level there you need to select the Account assignment - 'A' (Asset related) enter short text, quantity, delivery terms, plant, and storage location.

Please choose the Asset under the account assignment tab if you have already created it through AS01 otherwise you can create from here. (There is an Asset creation option under there) then Save it.



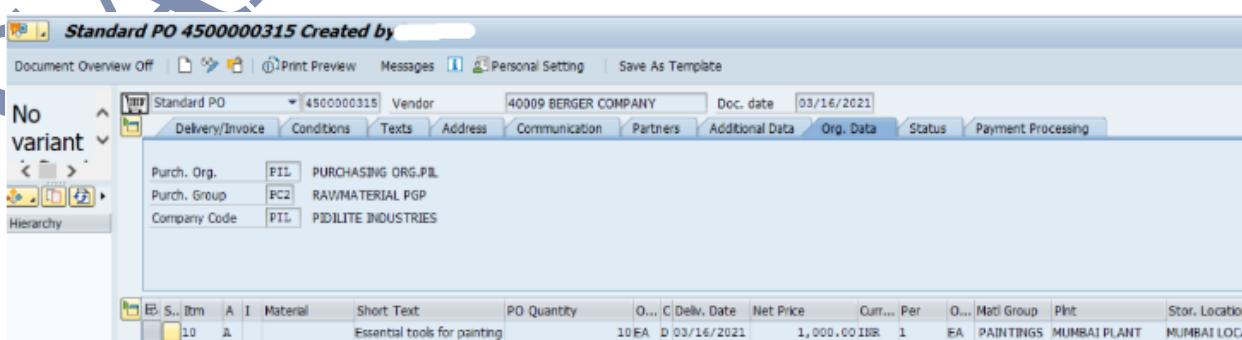


**Note:** If you want, you can create the Asset on the same screen. But here I am not creating, because I have created the Asset using (T-Code-AS01)

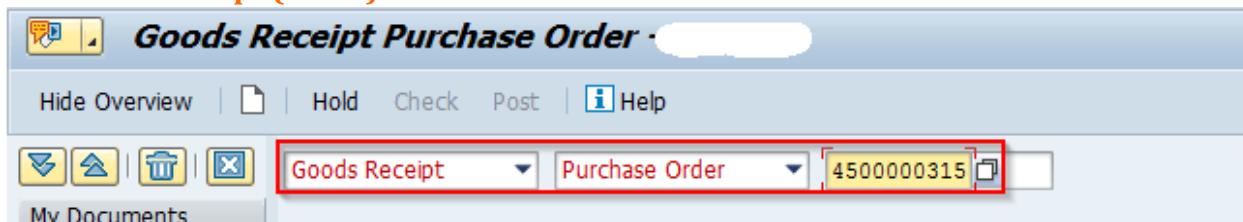
Click Save and system has been generated the below PO Document.

Standard PO created under the number 4500000315

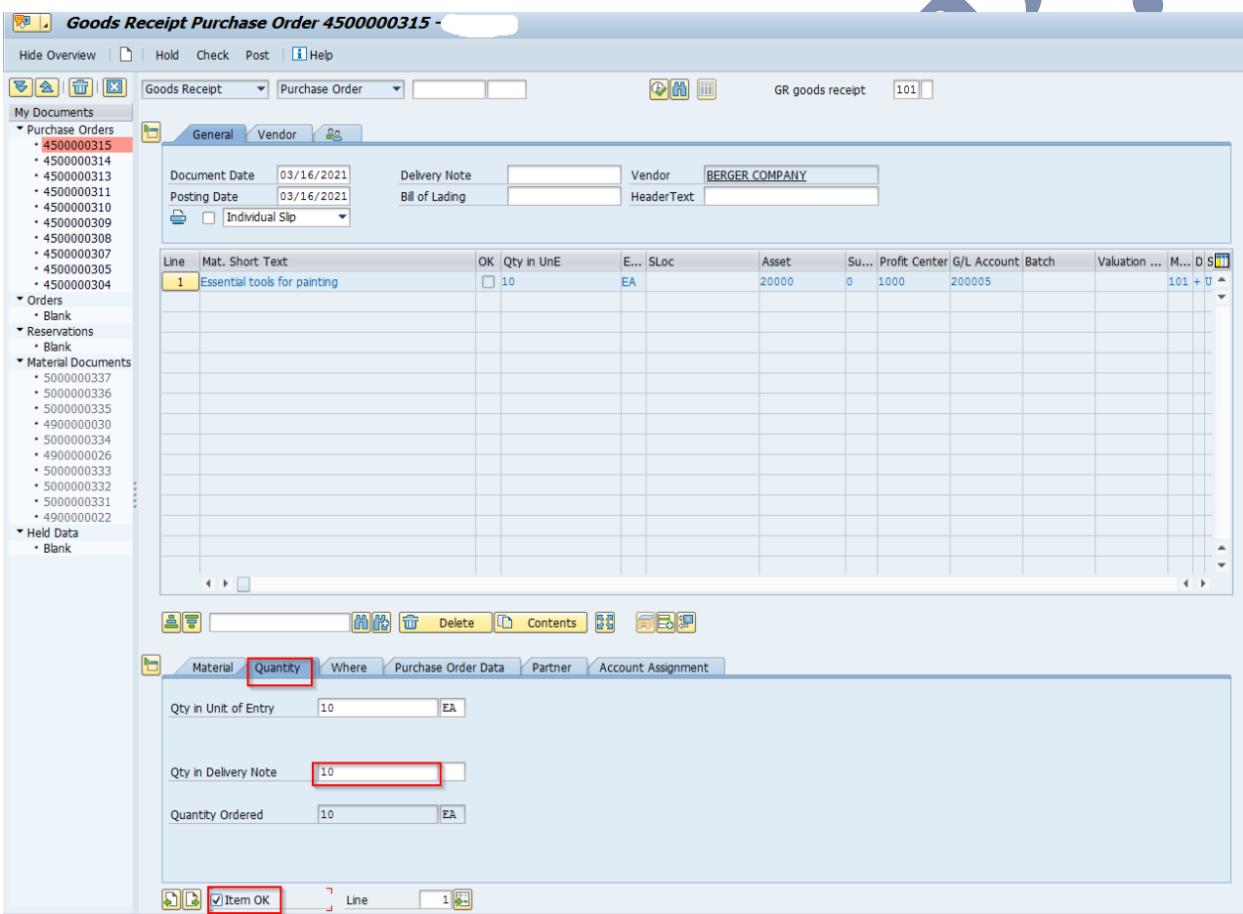
Display the PO Document: T-Code-ME23N



## 2.2 Goods Receipt (MIGO)



Click on enter, enter the quantity in the delivery note and click on the 'Item ok' check box and save.

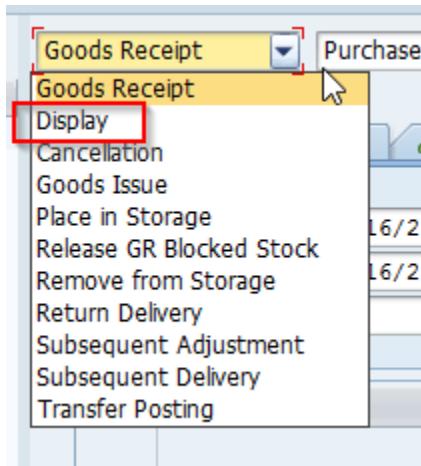


The system has generated the material Document. The System doesn't generate the FI/Accounting document during this process. It will generate only an MM document. You can see the below screens for more information.

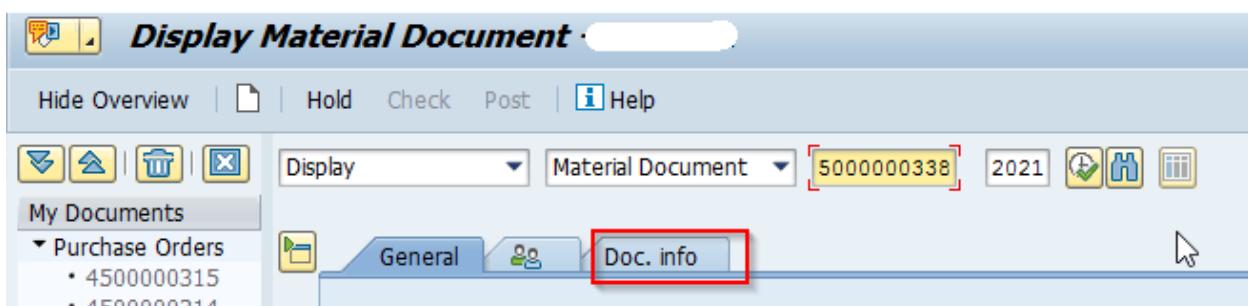
Material document 5000000338 posted

Display GRN Document:

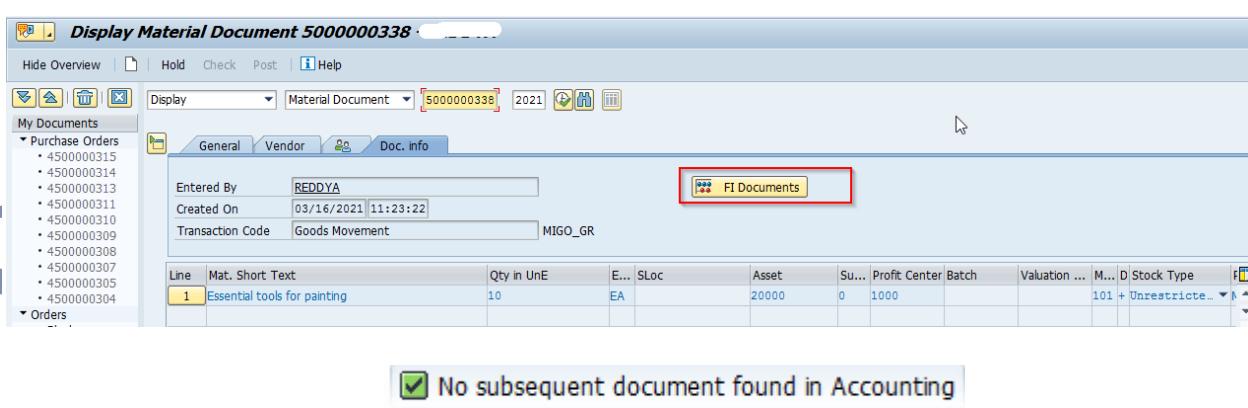
In the same screen, Under Goods Receipt select Display.



Click on Doc.info



Click on FI Documents



## 2.3 Invoice Posting (MIRO)

**Enter Incoming Invoice: Company Code PIL**

Show PO structure Show worklist Hold Simulate Messages Help

Transaction: Invoice Balance: 0.00 INR

Invoice date: 03/16/2021	Reference: ASSET PO2
Posting Date: 03/16/2021	
Amount: 10,000.00 INR	<input type="checkbox"/> Calculate tax V0 (0% INPUT TAX)
Tax Amount:	
Bus.place/sectn:	/
Text:	
Paymt terms: Due immediately	
Baseline Date: 03/16/2021	

**Vendor 0000040009**  
 BERGER COMPANY  
 DAKC  
 400678 MUMBAI  
 INDIA  
 Bank acct: 123345  
 citi operating bank, mumbai branch OI

**PO Reference G/L Account Material Contract Reference**

Purchase Order/Scheduling Agreement: 4500000315

It...	Purchase ...	Item	Sma...	Del.	Note/Sheet ...	PO Text	Quantity	O...	Net price	O...	Amount	Tax Code
14500000315	10					Essential tools for painting	10 EA	1,000.00 EA	10,000.00	V0 (0% INR)		

Click on simulate, then you can see the document in simulation view. if everything is good, just post it.

**Enter Incoming Invoice: Company Code PIL**

Show PO structure Show worklist Hold **Simulate** Messages Help

Transaction: Invoice Balance: 0.00 INR

Invoice date: 03/16/2021	Reference: ASSET PO2
Posting Date: 03/16/2021	
Amount: 10,000.00 INR	<input type="checkbox"/> Calculate tax

**Simulate Document in INR (Document currency)**

Position	A	G/L	Act/Mat/Ast/Vndr	Smart Number	Amount	Curre...	Purchasing...	Item	T..	Jurisd. Code	T...
1 K	100501	BERGER COMPANY / 4006			10,000.00	INR		V0			
3 A	200005	BUILDINGS			10,000.00	INR	4500000315	10	V0		

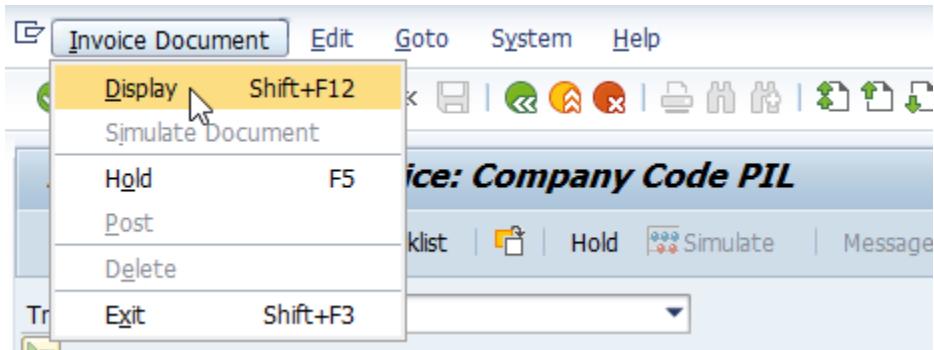
Debit: 10,000.00 Credit: 10,000.00 Bal.: 0.00

Back Post **Post**

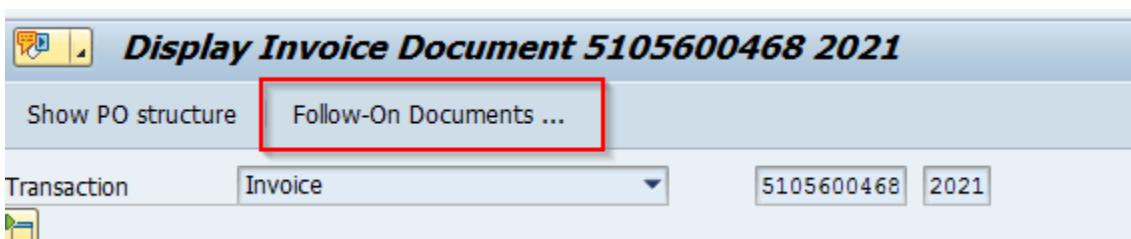
System generated an invoice document.

Document no. 5105600468 created (Blocked for payment)

Go to the Menu- Invoice document- Display. you can be able to see the IV document.



Click on follow-on-documents



the system has been generated the below documents.

List of Documents in Accounting		
Documents in Accounting		
Doc. Number	Object type	text
5100000005	Accounting document	Ld
0000000045	Profit center doc.	
5105600468	Asset Transaction	

Double click on the respected document to see the accounting entry.

## FI-Document

The screenshot shows the SAP FI-Document Data Entry View. At the top, there are tabs for Display Document, Data Entry View, Taxes, Display Currency, and General Ledger View. Below the tabs, there is a header row with fields for Document Number (5100000005), Company Code (PIL), Fiscal Year (2021), Document Date (03/16/2021), Posting Date (03/16/2021), Period (3), Reference (ASSET PO2), Cross-Comp.No., Currency (INR), Texts exist, and Ledger Group. The main area displays a table of transaction details:

Co...	Itm	PK	Account	Description	Profit Center	Order	Cost Center	Amount	Curr.	LCurr	Amount in LC	LC2 amount	LCur2
PIL	1	31	40009	BERGER COMPANY				10,000.00-	INR	INR	10,000.00-	133.33-	USD
	2	70	200005	000000020000 0000	1000			10,000.00	INR	INR	10,000.00	133.33	USD

## Asset Transaction to see the asset document.

The screenshot shows the Overview of Asset Accounting Documents. It includes fields for Acct Doc., Originals, Display purchase order, Note, Asset (20000), Floor-2, Company code (PIL), and PIDILITE INDUSTRIES. The main table displays a single transaction for asset acquisition:

01 Book deprec. / INR							
AstValDt	Amount Posted	TTy	Trans. Type	Text	Ord. Dep.	Spec. Dep.	
03/16/2021	10,000.00	100	External asset acquisition		0.00		

## FBL1N Report:

The screenshot shows the Vendor Line Item Display report. It includes fields for Selections and Dispute Case. The main table displays vendor line items, with some rows highlighted in red:

CoCd	Account	St	AccTy	Cash disc.1 due	Cash disc. amt	LC	DocumentNo	Plan. grp	Level	PBk	PM	Patng Date	Ty	DD	Amount in DC	Curr.	Bline Date	Reference	Inv. ref.	Text
PIL	40009		K	X			0.00	5100000000		B	03/15/2021	RE	10,000.00-	INR	03/15/2021	111	5100000000	INVOICE REFERENCE		
PIL	40009		K				0.00	5100000005		B	03/16/2021	RE	10,000.00-	INR	03/16/2021	ASSET PO2	5100000005			
*	PIL 40009														20,000.00-	INR				
**	PIL 40009														20,000.00-	INR				

## 2.4 Payment to Vendor (F-53/F110)

The treasury department will make the payment. They use F-53 / F110 (Manual/Automatic) for outgoing payment.

**Movement Types and Transaction Keys** With the combination of Movement Types and Transaction Keys, the system will determine the GL accounts. The configuration should be maintained in the 'T.Code-OBYC' Settings.

Movement types	Transaction Keys/Process Keys
101- Material/Goods Receipt against PO	BSX- Inventory Posting
102- Reversal of 101	WRX- Goods Receipt/Invoice Receipt(GR/IR)
201- Goods Issue to Cost Center	PRD- Price Difference/Production Order Differences
202- Reversal of 201	GBB- Off Setting Entry for Inventory Postings
261- Goods Issue to Orders	VBR- Consumption
262- Reversal of 261	VNG- Scrapping
521- Production Receipt without Production Order	BSA- Opening Stock
522- Reversal of 521	ZOF- Production Receipt without Production Order
601- Delivery(Sales)	AUF- Production Receipt with Production Order
602- Reversal of 601	VAY- Delivery where Sales account is created as Revenue Element
301- stock transfer to one Plant to another Plant	VAX- Delivery where Sales account is not created as Revenue Element
	AUA- Production Order Differences

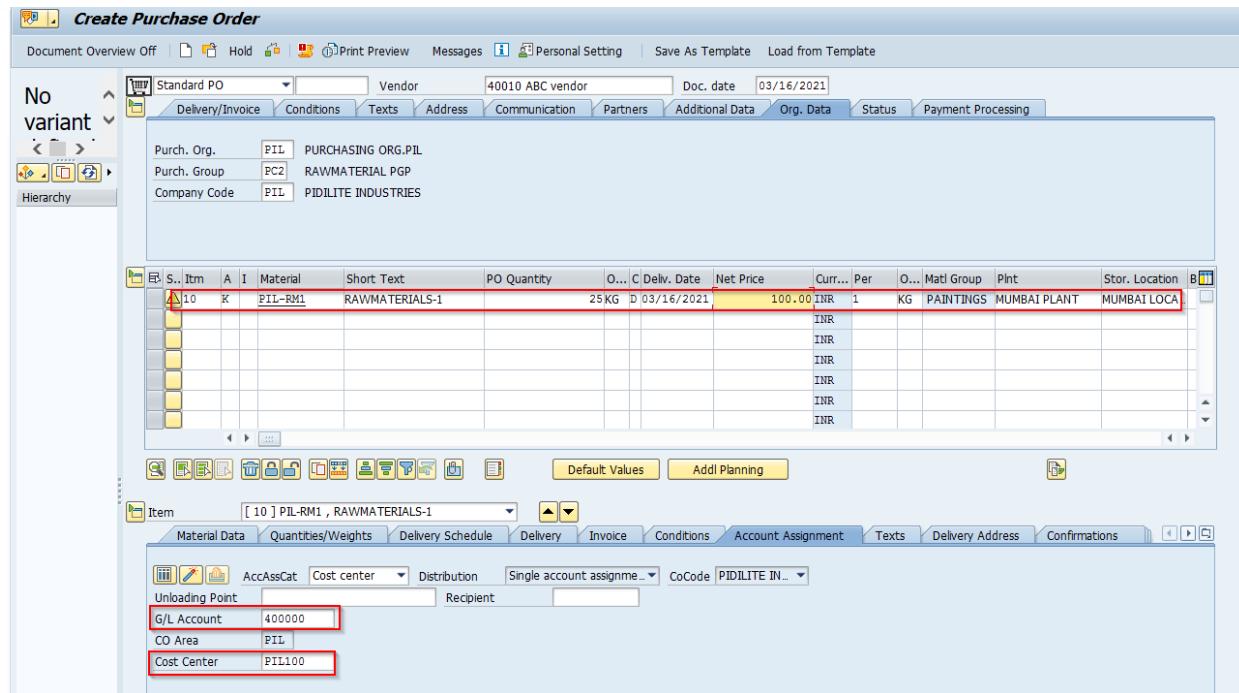
### 3. Consumption Purchase Order

#### 3.1 Purchase Order creation- T-Code-ME21N

Enter the information in the line item level like Account Assignment – K(Cost Center), Material code, Quantity, Unit of measure, Delivery date, Net-price, Currency, Material group, Plant and Storage location. Enter the required information in the below screen and click on enter.

S..	Item	A	I	Material	Short Text	PO Quantity	O...	C	Deliv. Date	Net Price	Curr...	Per	O...	Matl Group	Pint	Stor. Location
K	PTI-RM1					25KG		03/16/2021		100inr			PIL1	pil	MUM	

In the below screen, Under the 'Account Assignment' tab enter the correct GL account and Cost Center.

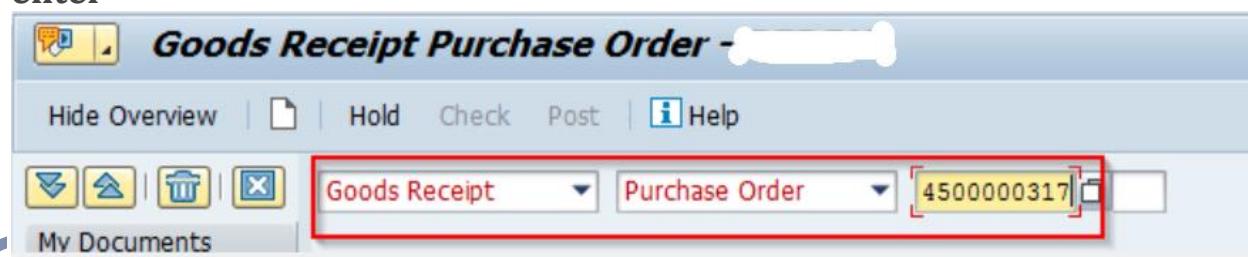


Enter and Save.

Standard PO created under the number 4500000317

### 3.2 Goods receipt - MIGO

Enter the Purchase order number against the Goods Receipt and click enter



In the below screen, Enter the quantity in the delivery note and select the item OK check box if everything looks good, and then save it. The system has generated the Accounting document.

**Goods Receipt Purchase Order 4500000317**

Hide Overview | Hold | Check | Post | Help

My Documents

- Purchase Orders
  - 4500000316
  - 4500000315
  - 4500000314
  - 4500000313
  - 4500000311
  - 4500000310
  - 4500000309
  - 4500000308
  - 4500000307
- Orders
  - Blank
- Reservations
  - Blank
- Material Documents
  - 5000000339
  - 5000000338
  - 5000000337
  - 5000000336
  - 5000000335
  - 4900000030
  - 5000000334
  - 4900000026
  - 5000000333
  - 5000000332
- Held Data
  - Blank

Goods Receipt | Purchase Order | GR goods receipt | 101

General Vendor

Document Date: 03/16/2021 Delivery Note: Vendor: ABC vendor

Posting Date: 03/16/2021 Bill of Lading: HeaderText:

Line Mat. Short. Text OK Qty in UnE E... S... SLoc Cost Center Profit Center G/L Account Batch Valuation ... M... D Stock

1	RAWMATERIALS-1	<input type="checkbox"/>	25	KG	PIL100	1000	400000		101 + Unres
---	----------------	--------------------------	----	----	--------	------	--------	--	-------------

Material Quantity Where Purchase Order Data Partner Account Assignment

Qty in Unit of Entry: 25 KG

Qty in SKU: 25 KG

Qty in Delivery Note: 25 (highlighted with red box)

Quantity Ordered: 25 KG

Item OK

Material document 5000000340 posted

## Display Goods receipt document

**Display Material Document 5000000340**

Hide Overview | Hold | Check | Post | Help

My Documents

- Purchase Orders
  - 4500000317
  - 4500000316
  - 4500000315
  - 4500000314
  - 4500000313
  - 4500000311
  - 4500000310
  - 4500000309
  - 4500000308
  - 4500000307
- Orders
  - Blank
- Reservations
  - Blank
- Material Documents
  - 5000000340
  - 5000000339
  - 5000000338
  - 5000000337
  - 5000000336
  - 5000000335
  - 4900000030
  - 5000000334
  - 4900000026
  - 5000000333
  - 5000000332
- Held Data
  - Blank

Display | Material Document | 5000000340 | 2021 | FI Documents

General Doc. Info

Entered By: RDODYA

Created On: 03/16/2021 14:10:30

Transaction Code: Goods Movement N150\_GR

Line Mat. Short. Text Qty in UnE E... S... SLoc Cost Center Bu... Profit Center G/L Account Batch Valuation ... M... D Stock

1	RAWMATERIALS-1	25	KG	PIL100	M100	1000	400000		101 + Unres
---	----------------	----	----	--------	------	------	--------	--	-------------

List of Documents in Accounting

Documents in Accounting

Doc. Number Object type text
5000000340 Accounting document
0000000050 Profit center doc.
4000000021 Controlling Document

The values will NOT go to the inventory/stock GL account. It will be consumed directed and hit the P&L GL Account-Consumption account.

Co..	Itm PK	Account	Description	Profit Center	Order	Cost Center	Amount	Curr.	LCurr	Amount in LC	LC2 amount	LCur2
PIL	1 81	400000	RAWMATERIAL CONSUMPT	1000		PIL100	2,500.00	INR	INR	2,500.00	33.33	USD
	2 96	100525	GR/IR CLEARING RM	1000			2,500.00-	INR	INR	2,500.00-	33.33-	USD

### 3.3 Invoice receipt - MIRO

Enter the Invoice date, reference, and PO number under the PO Reference tab then click enter

In the below screen, enter the Invoice amount then click on simulate to verify the accounting document

**Enter Incoming Invoice: Company Code PIL**

Show PO structure Show worklist | Hold | Simulate | Messages | Help

Transaction: Invoice

OC Balance: 0.00 INR

Basic Data		Payment		Details		Tax		Contacts		Note	
Invoice date	03/16/2021	Reference	INVOICE FOR CC								
Posting Date	03/16/2021										
Amount	2,500.00	INR		<input type="checkbox"/> Calculate tax							
Tax Amount											
Bus.place/sectn	/										
Text											
Paymnt terms	Due immediately										
Baseline Date	03/16/2021										

Vendor 0000040010  
ABC vendor  
HYD  
400567 HYD  
INDIA  
Bank acct: 1234343  
HDFC BANK LTD

PO Reference G/L Account Material Contract Reference

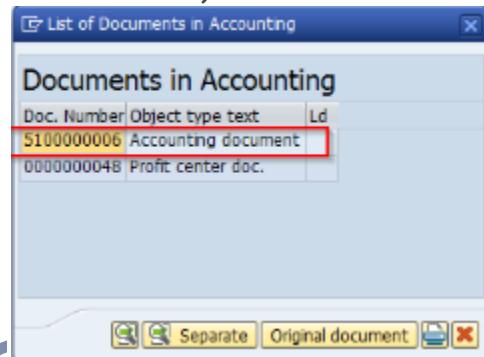
Purchase Order/Scheduling Agreement: 4500000317

It...	Purchase ...	Item	Sm...	Del. Note/Sheet ...	PO Text	Quantity	O...	Net price	O...	Amount	Tax Code
1	4500000317	10			RAWMATERIALS-1	25 KG	100.00	KG		V0 (0% IN)	

Document no. 5105600469 created (Blocked for payment)

## Display Accounting documents

From the Menu- Invoice document-Display, Click on Follow-on-documents, then double click on Accounting document



Display Document: Data Entry View

Data Entry View

Document Number	5100000007	Company Code	PIL	Fiscal Year	2021
Document Date	03/16/2021	Posting Date	03/16/2021	Period	3
Reference	INVOICE FOR CC	Cross-Comp.No.			
Currency	INR	Texts exist		Ledger Group	

Co...	Itm PK	Account	Description	Profit Center	Order	Cost Center	Amount	Curr.	LCurr	Amount in LC	LC2 amount	LCur2
PIL	1 31 40010	ABC vendor					2,500.00-	INR	INR	2,500.00-	33.33-	USD
	2 86 100525	GR/IR CLEARING RM	1000			PIL100	2,500.00	INR	INR	2,500.00	33.33	USD

### 3.4 Verify Material Report – MB5B

**Stock on Posting Date**

Database Selections

Material Number	PIL-RM1
Company Code	PIL
Plant	PIL
Storage Location	
Batch	
Valuation Type	
Movement Type	
Special Stock Indicator	

Selection Date: [ ] to [ ]

Stock Type:

- Storage Loc./Batch Stock
- Valuated Stock
- Special Stock

**Material Stocks Between 01/01/0000 and 12/31/9999**

Plant: PIL MUMBAI PLANT  
Material: PIL-RM1  
Description: RAWMATERIALS-1

Stock on 01/01/0000	0 KG
Total Receipts	470 KG
Total Issues	290- KG
Stock on 12/31/9999	180 KG

SLoc	MvT	S	Mat. Doc.	Item	Pstng Date	Quantity	BUn
MUM	201		4900000025	1	03/15/2021	20-	KG
MUM	201		4900000026	1	03/15/2021	130-	KG
MUM	201		4900000027	1	03/15/2021	40-	KG
MUM	501		4900000028	1	03/15/2021	100	KG
MUM	501		4900000029	1	03/15/2021	50	KG
MUM	201		4900000030	1	03/15/2021	50-	KG
MUM	101		5000000331	1	03/15/2021	100	KG
MUM	101		5000000333	1	03/15/2021	50	KG
MUM	101		5000000334	1	03/15/2021	70	KG
MUM	201		4900000031	1	03/16/2021	50-	KG
MUM	101		5000000339	1	03/16/2021	100	KG

Note: You can not see the Consumption related stocks information in the Material Report(MB5B).

## 4. Stock PO with Price Differences

### Scenario:

User-created a purchase order for the value of 10,000 rupees (100 Qty, 100 rupees each quantity). The business has agreed to pay the market rates. The vendor has sent a bill for 12000 rupees. Basically, the price is increased by 20 rupees for each quantity.

1. If the stock is fully available, then the difference amount goes to the stock/ material account.
2. If the stock is fully consumed, the difference amount or price goes to the price difference account.
3. If the stock is partially consumed, like if you have a total of 100 quantities of stock, and you have consumed 40 quantities of stock. So in this case you have 60 quantity of stock is available. in this process, the system will transfer the 60 quantity of stock amount to the stock/Inventory account and 40 quantity of stock amount (or consumed stock) to the price difference account.

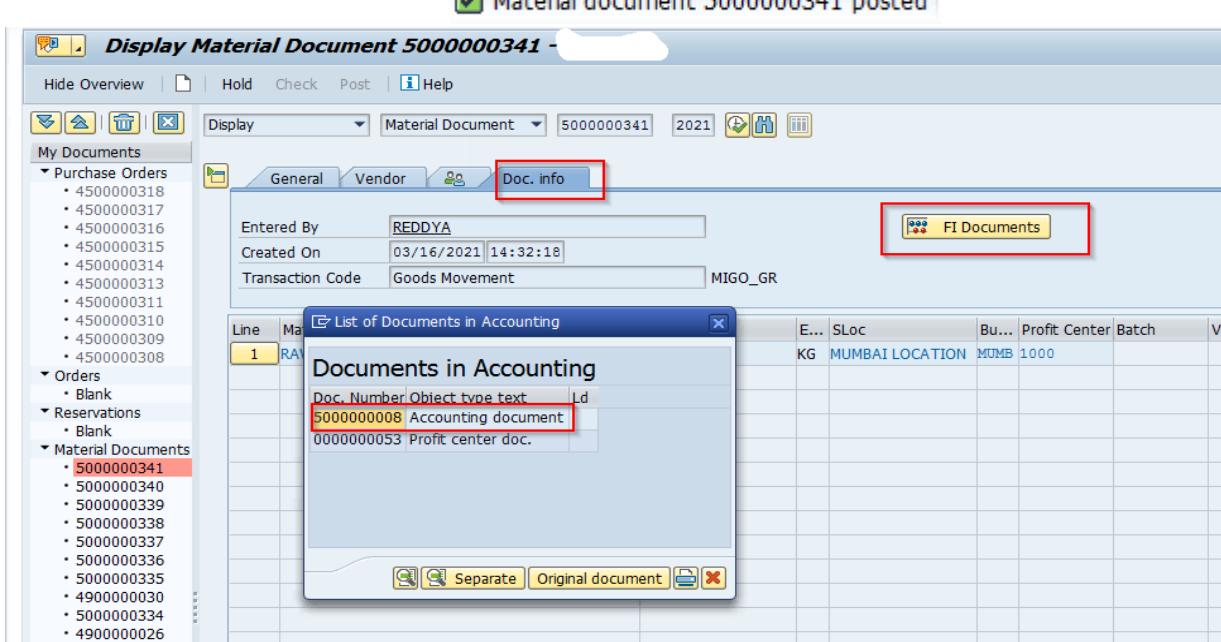
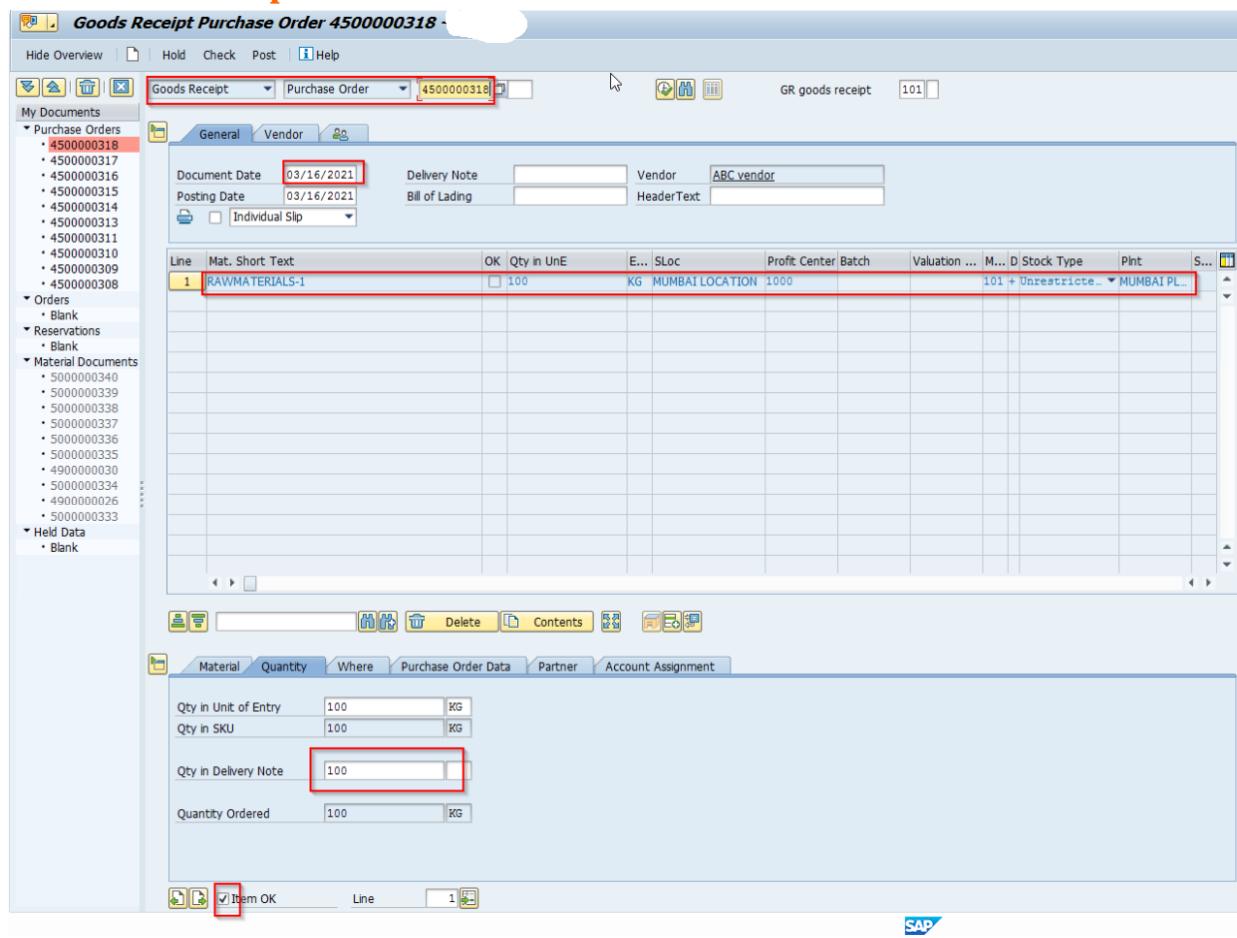
### 4.1 Purchase Order creation-ME21N

S..	Item	A	I	Material	Short Text	PO Quantity	O...	C Deliv. Date	Net Price	Curr...	Per	O...	Matl Group	Pint	Stor. Location	B
				PIL-RM1		100 KG		03/16/2021	100 inr			PIL1	pil	MUM		

Click on enter and save.

Standard PO created under the number 4500000318

## 4.2 Goods Receipt-MIGO



#### 4.3 Stock Issue to the Cost Center-MIGO

**Enter Goods Issue: New Items**

Movement Type: 201 GI for cost center  
G/L Account:   
Cost Center: PIL200 (highlighted with a red box)

F Item Material	Quantity	UnE	SLoc	Batch	Re	Plnt
PIL-RM1	50	KG	MUM		PIL	

Document 4900000032 posted

#### 4.4 Verify Material Report-MB5B

**Material Stocks Between 01/01/0000 and 12/31/9999**

Plant: PIL MUMBAI PLANT  
Material: PIL-RM1  
Description: RAWMATERIALS-1

Stock on 01/01/0000 0 KG  
Total Receipts 470 KG  
Total Issues 340- KG  
Stock on 12/31/9999 130 KG

SLoc	MvT	S	Mat. Doc.	Item	Pstng Date	Quantity	BUn
MUM	201		4900000025	1	03/15/2021	20-	KG
MUM	201		4900000026	1	03/15/2021	130-	KG
MUM	201		4900000027	1	03/15/2021	40-	KG
MUM	501		4900000028	1	03/15/2021	100	KG
MUM	501		4900000029	1	03/15/2021	50	KG
MUM	201		4900000030	1	03/15/2021	50-	KG
MUM	101		5000000331	1	03/15/2021	100	KG
MUM	101		5000000333	1	03/15/2021	50	KG
MUM	101		5000000334	1	03/15/2021	70	KG
MUM	201		4900000031	1	03/16/2021	50-	KG
MUM	201		4900000032	1	03/16/2021	50-	KG
MUM	101		5000000339	1	03/16/2021	100	KG

## 4.5 Invoice Receipt-MIRO

While creating a Purchase Order the price is 10000 Rupees for 100 quantity of stock, but at the time of invoice, the price has been increased to 12000 Rupees for 100 quantity of stock. In the below step, we are doing an Invoice for 12000 rupees.

**Enter Incoming Invoice: Company Code PIL**

Show PO structure Show worklist Hold Simulate Messages Help

Transaction: Invoice

Basic Data Payment Details Tax Contacts Note

Invoice date: 03/16/2021 Reference: CONSUMPTPN PO3

Posting Date: 03/16/2021

Amount: 12,000.00 INR Calculate tax: V0 (0% INPUT TAX)

Tax Amount: Bus.place/sectn: /

Text: PO3

Pymt terms: Due immediately

Baseline Date: 03/16/2021

Vendor 0000040010  
ABC vendor HYD 400567 HYD INDIA Bank acct: 1234343 HDFC BANK LTD OI

PO Reference G/L Account Material Contract Reference

Purchase Order/Scheduling Agreement: 4500000318 Goods/service items + planned deli... Layout Purchase order - delivery no...

It...	Purchase ...	Item	Sma...	Del. Note/Sheet ...	PO Text	Quantity	O...	Net price	O...	Amount	Tax Code
1	4500000318	10			RAWMATERIALS-1	100 KG	100.00	KG	12,000.00	V0 (0% IN...	

**Enter Incoming Invoice: Company Code PIL**

Show PO structure Show worklist Hold Simulate Messages Help

Transaction: Invoice

Basic Data Payment Details Tax Contacts Note

Invoice date: 03/16/2021 Reference: CONSUMPTPN PO3

Posting Date: 03/16/2021

Amount: 12,000.00 INR Calculate tax: V0 (0% INPUT TAX)

Tax Amount: Bus.place/sectn: /

Text: PO3

Pymt terms: Due immediately

Baseline Date: 03/16/2021

Vendor 0000040010 ABC vendor HYD 400567 HYD INDIA

Simulate Document in INR (Document currency)

Position	A/G/I	Act/Mat/Act/Vndr	Smart Nu...	Amount	Cu...	Purchasing	Item	T...	Jurisd...	Code
1	K 100501	ABC vendor / 400567 HYD		12,000.00	-INR			**		
2	5 100525	GR/IR CLEARING RAWMATERIAL A/C		10,000.00	INR	4500000318	10	V0		
3	M 200121	RAWMATERIALS-1		2,000.00	INR	4500000318	10			

Here System transferred the difference amount to the Stock/Inventory account. Because the stock is fully available in this case. If you want to verify the stock available or not, you can use the T-Code- MB5B.

## 5. Service-Related Purchase Order and Price differences scenario

We popularly call it a service order or work order. It is mainly used for services. Companies may create service codes if required. However, the service codes are not mandatory. In the case of services, we do not use the valuation class for determining SR/IR Clearing GL account. We will keep the valuation class blank in the OBYC settings.

### 5.1 Creation of Purchase Order-ME21N

Select/Enter the Vendor number against to PO, and click on Enter

Enter Header fields Information like Purch. Org, Purch. Group and Company Code then click Enter

Enter line-item fields information like Account assignment -K, Item category- D (it is for service), short text, quantity, unit of measure, delivery date, net-price, currency, material group, plant, and storage location. Enter the required information in the below screen and click on enter.

The screenshot shows the SAP ME21N 'Create Purchase Order' interface. The header section includes fields for Vendor (40009), Doc. date (03/16/2021), and various tabs like Delivery/Invoice, Conditions, Texts, Address, Communication, Partners, Additional Data, Org. Data, Status, and Payment Processing. The line item table has columns for S., Item, A, I, Material, Short Text, PO Quantity, O..., C, Deliv. Date, Net Price, Curr..., Per, O..., Matl Group, Plnt, Stor. Location, and B. A specific row is highlighted with a red border, showing 'Painting services' as the short text, 10 ea as the quantity, 03/16/2021 as the delivery date, 1000 INR as the net price, PIL1 as the material group, PIL as the plant, and MUM as the storage location. The 'A' column contains 'K' and the 'I' column contains 'D', indicating it's a service item.

In the below screen, you need to enter the G/L account (Painting services account) and Cost Center then click on Enter.

The screenshot shows the SAP ME21N interface with the 'Account Assignment' dialog open over a purchase order line item. The dialog lists 'G/L Account' (400120) and 'Cost Center' (pi1200). There are checkboxes for 'Rpt. AA on' and 'Auto repeat AA'. The background shows the purchase order line item table with the same data as the previous screenshot.

The system has been generated the PO Order number in the below screen.

The screenshot shows the SAP 'Create Purchase Order' interface. At the top, it says 'Standard PO' under 'Document Overview'. The vendor is listed as '40000 BERGER COMPANY' with a document date of '03/16/2021'. The purchase organization is 'PIL PURCHASING ORG.PIL', purchase group is 'PG1 PAINTINGS PUR.GROU', and company code is 'EII PIDILITE INDUSTRIES'. The main grid displays a single item: 'Painting services' with quantity '10', unit 'EA', gross price '10,000.00 INR', and delivery date '03/16/2021'. Below the grid, there's a message box with a checkmark and the text 'Standard PO created under the number 4500000319'.

## 5.2 Post Service Entry and Goods Receipt-ML81N

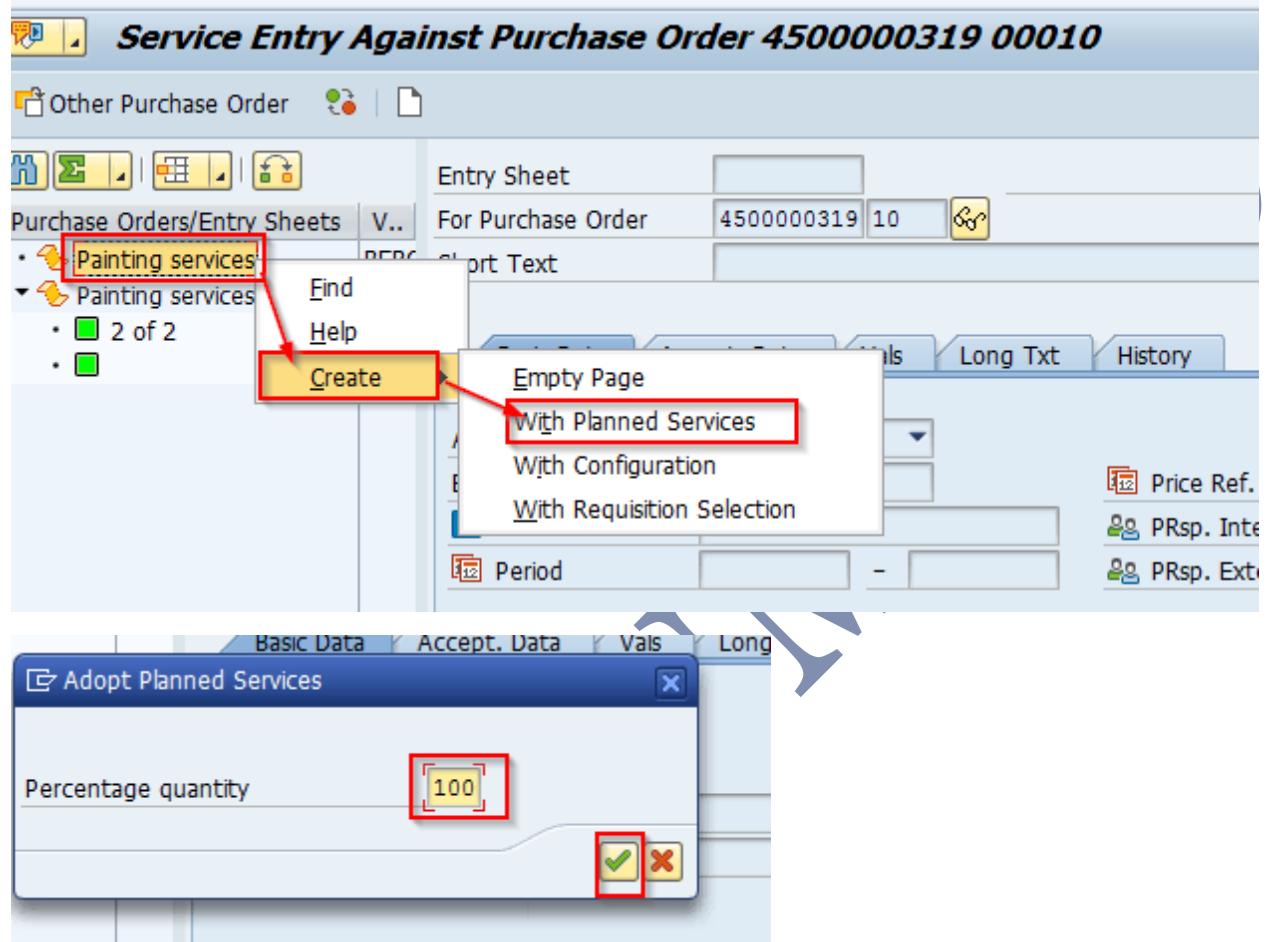
Click on Other Purchase Order in the below screen.

The screenshot shows the SAP 'Purchase Orders/Entry Sheets' screen. A red box highlights the 'Other Purchase Order' button in the toolbar. Below the toolbar, there's a tree view showing a node for 'Painting services' with two children: '2 of 2' and another unnamed node. The node '2 of 2' is also highlighted with a yellow box.

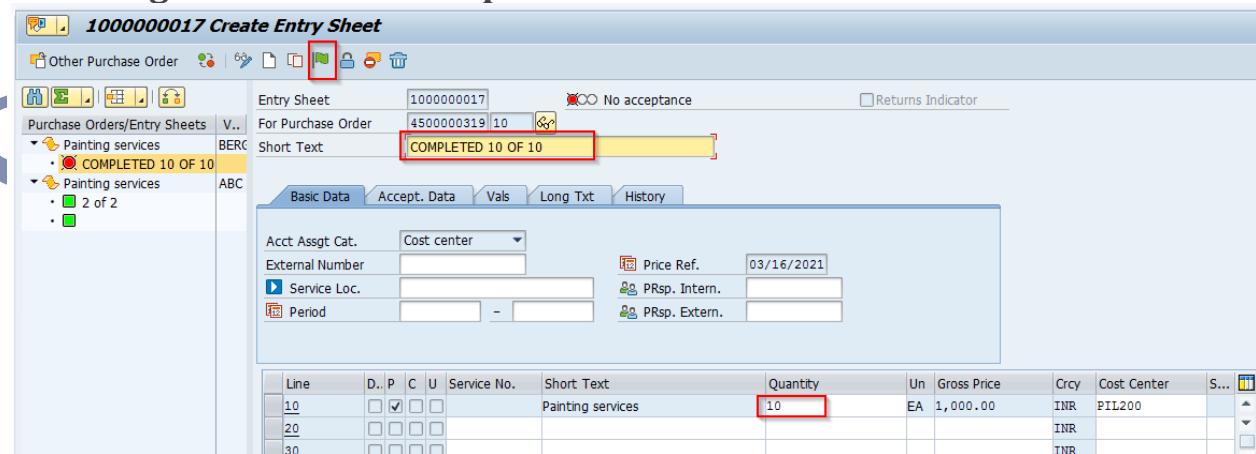
Enter the Purchase Order Number and Click on enter.

The screenshot shows the 'Select Purchase Order/Entry Sheet' dialog box. The 'Purchase Order' field contains the number '4500000319', which is highlighted with a red box. At the bottom right of the dialog, there are two buttons: a green checkmark button and a red X button, both of which are highlighted with red boxes.

In the below screen, Right-click on 'Painting Services', select 'Create', then click on 'With planned services' and Press enter



Note: When you are posting a service entry, whenever you release (green flag) and save the document, then only the system will generate the goods receipt document along with the service entry. Otherwise, you will not get the Goods Receipt document.



## Enter and Save

Service entry sheet saved, acceptance document 5000000342 posted

### 5.3 Display Purchase Order History-ME23N

In the below screen, click on Purchase Order History, then you will able to see the Goods Receipt document and Service Entry.

The screenshot shows the SAP ME23N Purchase Order History screen. At the top, it displays a message: "Service entry sheet saved, acceptance document 5000000342 posted". The main area shows a purchase order for "Painting services" with a quantity of 10. In the "Purchase Order History" tab, there is a table with three rows:

Sh. Text	MVT	Material Document Item	Posting Date	Quantity	Delivery...	Unit	Amount in LC	L.Cur	Qty in OPUn	De Order	Price Unit	Amount Crcy	Reference
WE	10	5000000342	1 03/16/2021				10,000.00	INR				10,000.00	INR
Tr./Ev. Goods receipt							+ 10,000.00	INR				+ 10,000.00	INR
Leif	1000000017		03/16/2021				10,000.00	INR				10,000.00	INR
Tr./Ev. Service entry							+ 10,000.00	INR				+ 10,000.00	INR

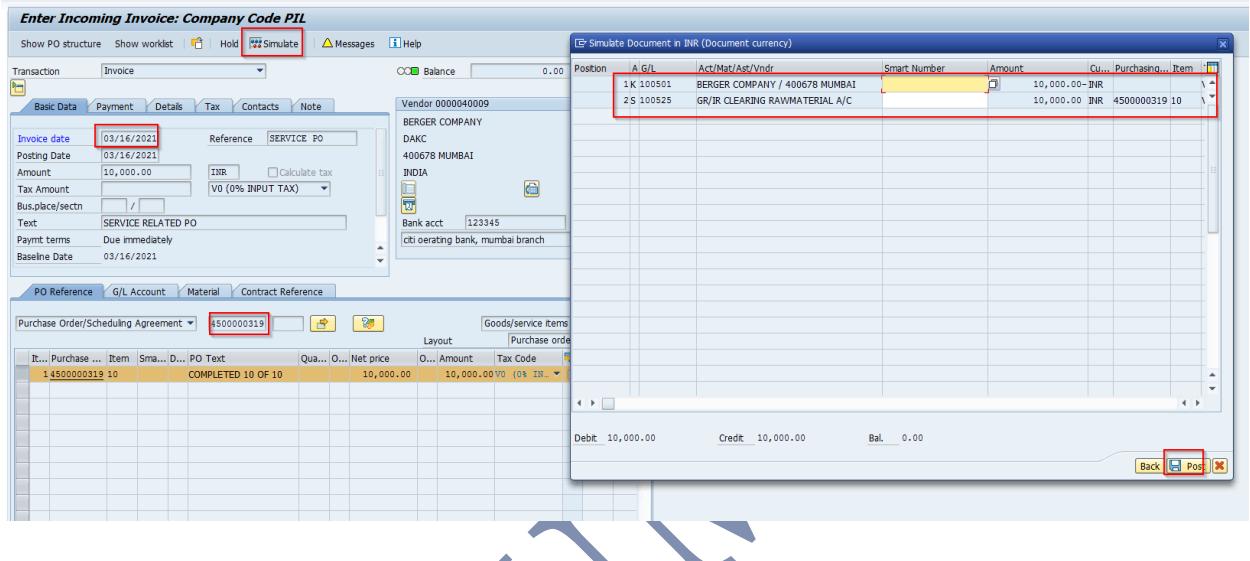
If you double click on Service Entry in the above screen, you can able to see a total of 10 quantity of painting Services has been taken in the below screen.

The screenshot shows the SAP Display Entry Sheet screen. It displays a service entry for "Painting services" with a quantity of 10. The "Basic Data" tab is selected, showing fields like Acct Assgt Cat. (Cost center), External Number, Service Loc., Period, Price Ref. (03/16/2021), PRSp. Intern., and PRSp. Extern.

Line	D..	P	C	U	Service No.	Short Text	Quantity	Un	Gross Price	Crcy	Cost Center	S...
10	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Painting services	10	EA	1,000.00	INR	PIL200	

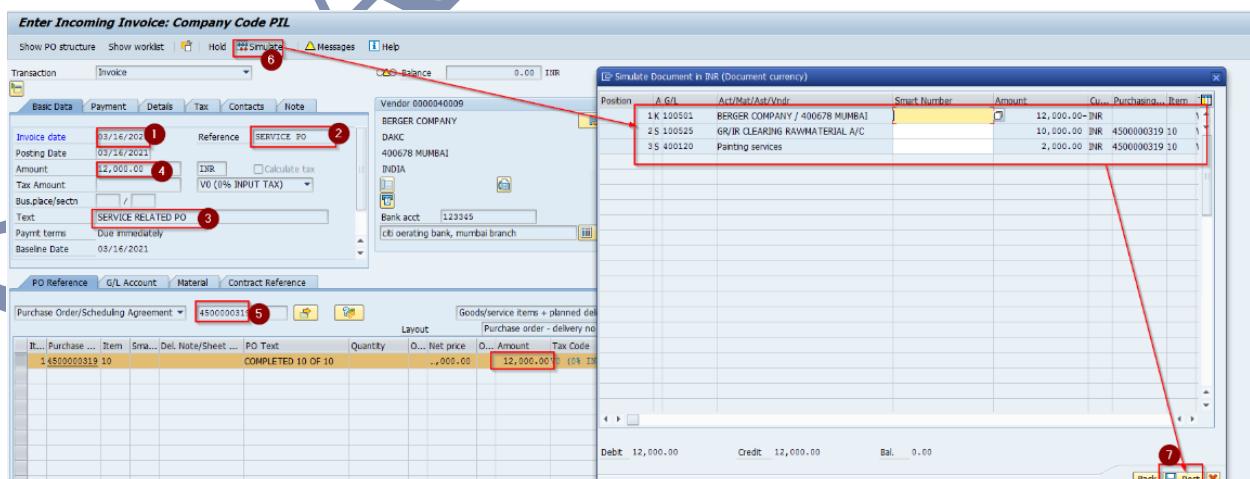
## 5.4 Invoice Receipt-MIRO

- If the Price is the same at the time of PO and Invoice, then the accounting entry will be like this on the below screen



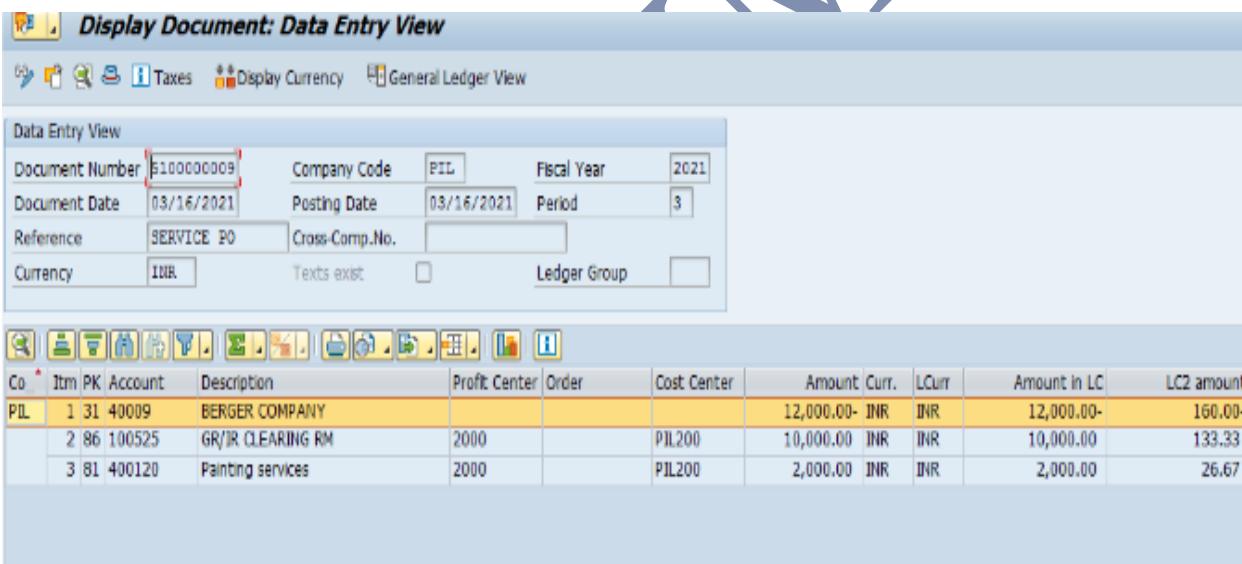
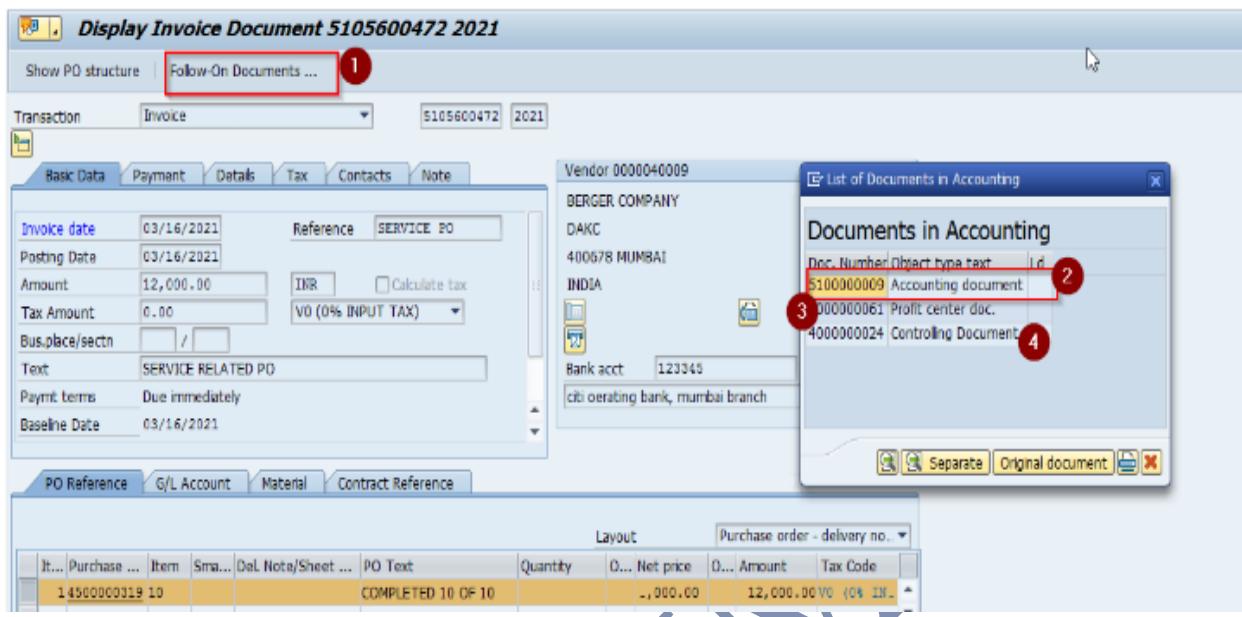
If the price is changed from 10000 Rupees to 12000 Rupees, then the values will be adjusted to the expenses GL account always. In the below screenshot, you can find the accounting entry.

Account Description	Currency	DR	CR
Vendor	INR		12000
GR/IR or SR/IR clearing	INR	10000	
Expenses account	INR	2000	



Click on post

Document no. 5105600472 created (Blocked for payment)

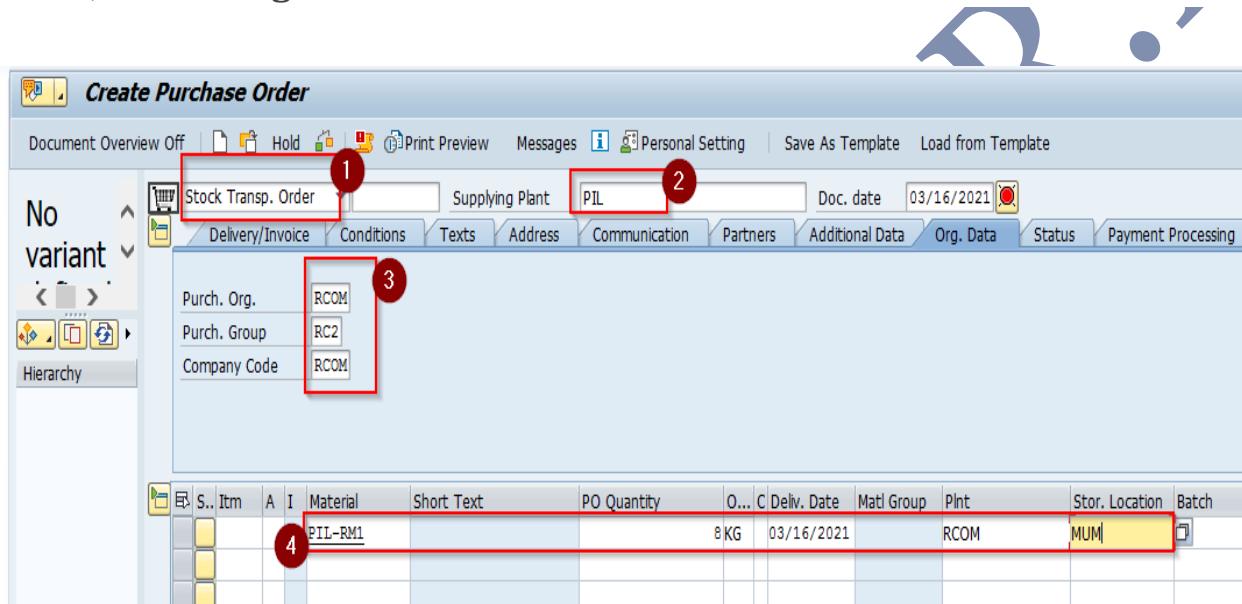


## 5.5 Vendor Payment-F-53/F110

The treasury department will make the payment. They use F-53 / F110 (Manual/Automatic) for outgoing payment.

## 6. Stock Transport Through Purchase Order (One Plant to other Plant)- ME21N

In the below screen, In the Header part, Select the Purchase Order type, 1) Stock Transp. Order, 2) Supplying Plant (Sending or from Plant), 3) Receiving Plant's Purch. Org, Purch. Group, and Company code details. In the line-item level, 4) Receiving Plant's Material, Quantity, delivery Date, Plant, and Storage location information.

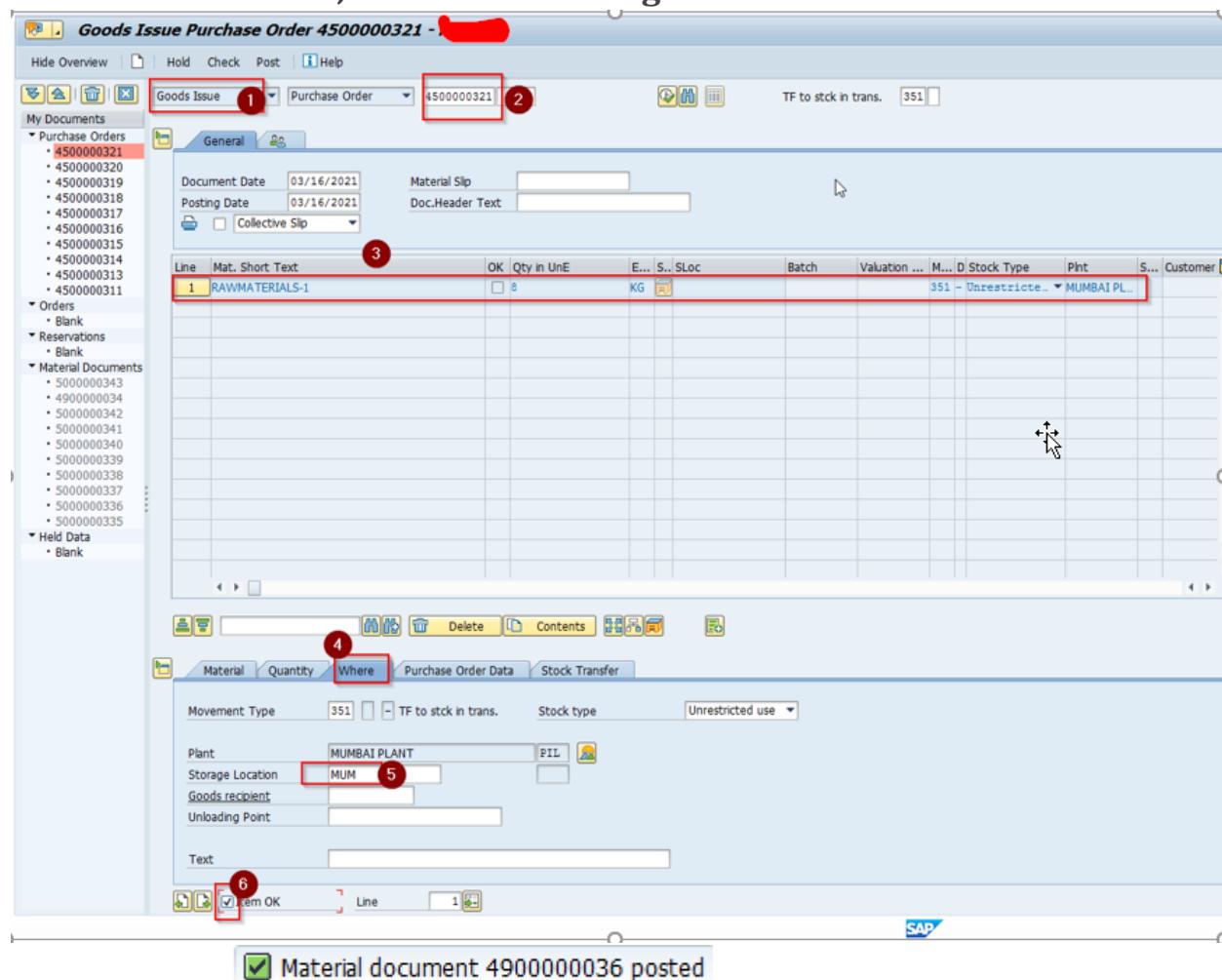


Click on enter, and the System generated the below Stock Transported Purchase Order Number.

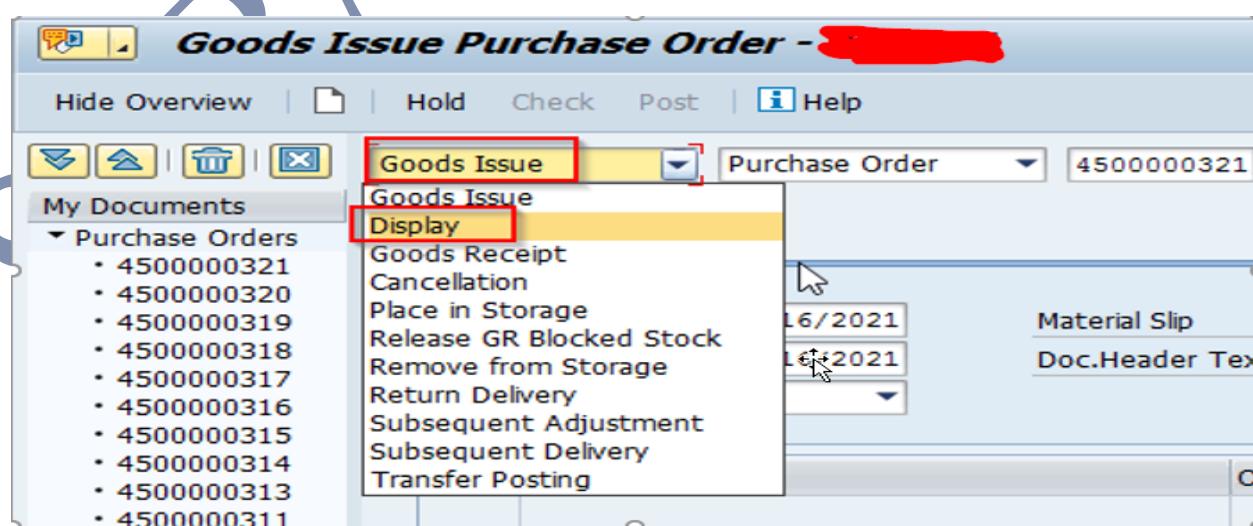
Stock Transp. Order created under the number 4500000321

## 6.1 Goods Issue-MIGO

In the below screen, Issue the Goods against the Purchase Order



Display Document in the same screen



In the below screen, the system has been generated the Documents in both the Plants. Double click on Accounting Documents in each Company code.

The screenshot shows the SAP Material Document screen (Display Material Document 4900000036). The 'Doc. Info' tab is selected (1). The 'F1 Documents' button is highlighted (2). A callout points to a modal window titled 'List of Documents in Accounting' (3), which displays two accounting documents: '4900000011 Accounting document PIL' and '4900000009 Accounting document RCOM'. The main screen also shows material movement details from RAWMATERIALS-1 to RAWMATERIALS-1, plant MUMBAI PLANT to MUMBAI PLANT, and stor. loc. MUMBAI LOCATION to MUMBAI LOCATION.

Accounting document under PIL Plant/PIL Company code (Sending Plant)

The screenshot shows the SAP Display Document: Data Entry View for document number 4900000011. The document details are: Company Code PIL, Fiscal Year 2021, Posting Date 03/16/2021, Period 3. The table below shows the accounting entries:

Co...	Itm PK	Account	Description	Profit Center	Order	Cost Center	Amount	Curr.	LCurr	Amount in LC	LC2 amount	LCur2
PIL	1 99	200121	inventory raw.LOCAL	1000			895.12-	INR	INR	895.12-	11.93-	USD
	2 01	1000000104	RELIANCE LTD				895.12	INR	INR	895.12	11.93	USD

Accounting document under RCOM Plant/RCOM Company code (Receiving Plant)

The screenshot shows the SAP Display Document: Data Entry View for document number 4900000009. The document details are: Company Code RCOM, Fiscal Year 2021, Posting Date 03/16/2021, Period 3. The table below shows the accounting entries:

Co...	Itm PK	Account	Description	Profit Center	Order	Cost Center	Amount	Curr.	LCurr	Amount in LC	LC2 amount	LCur2
RCM	1 89	200121	inventory raw.LOCAL	1000			895.12	INR	INR	895.12	11.93	USD
	2 31	40015	PIL VENDOR				895.12-	INR	INR	895.12-	11.93-	USD

## 6.2 Material Report-MB5B(Co.Code PIL / PIL Plant- Sending Plant)

In the below screen, Enter the Required information and Execute

**Stock on Posting Date**

Database Selections

Material Number	PIL-RM1				
Company Code	PIL	to			
Plant	PIL	to			
Storage Location		to			
Batch		to			
Valuation Type		to			
Movement Type		to			
Special Stock Indicator		to			

Selection Date  to

Stock Type

Storage Loc./Batch Stock  
 Valuated Stock  
 Special Stock

In the below screen, you can able to see '8' quantity of stock has Consumed in the PIL Plant (Sending Plant).

Note: We cannot see the Material Report in the Receiving Plant (RCOM) until we do the Goods Receipt.

SAY

### Material Stocks Between 01/01/0000 and 12/31/9999



Plant PIL MUMBAI PLANT

Material PIL-RM1

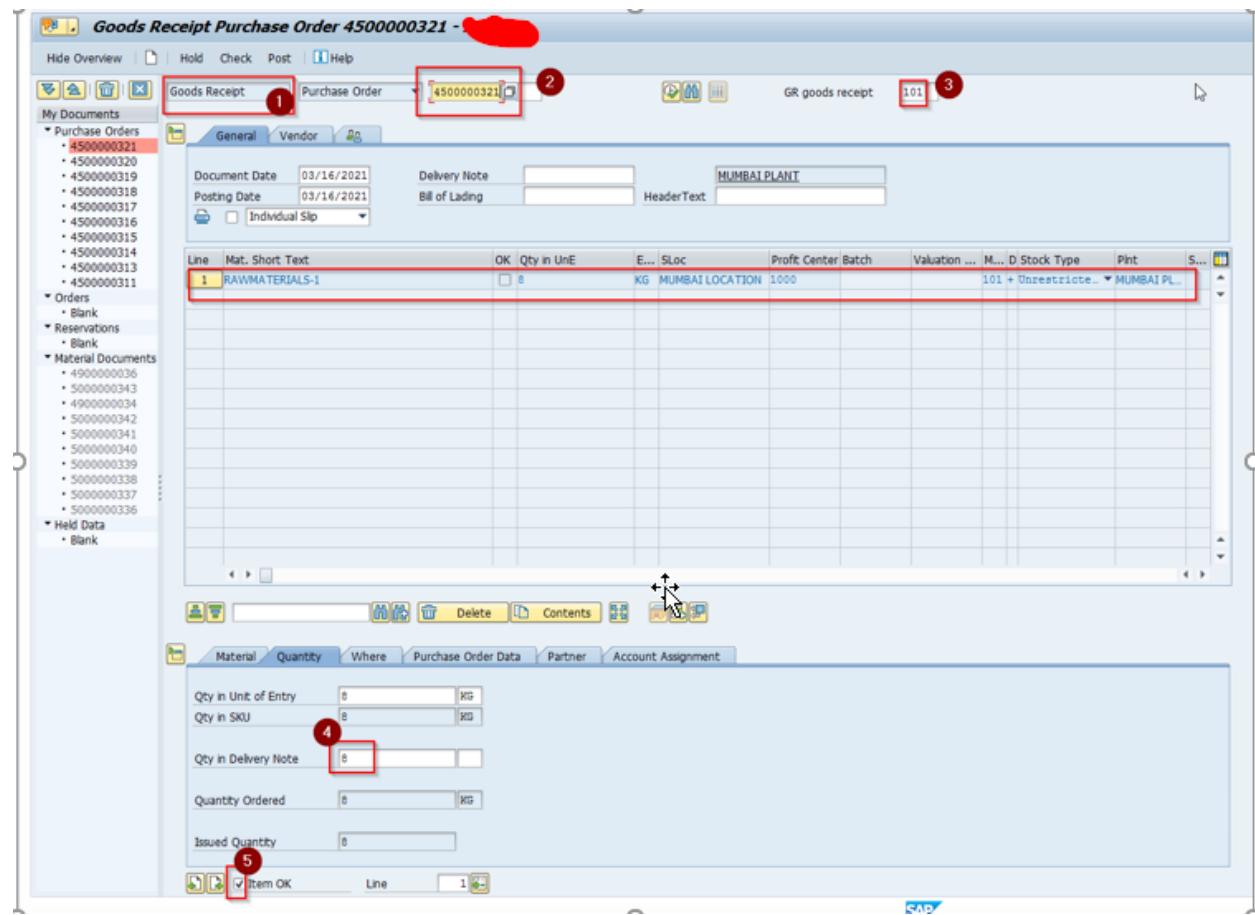
Description RAWMATERIALS-1

Stock on 01/01/0000	0 KG
Total Receipts	570 KG
Total Issues	366- KG
Stock on 12/31/9999	204 KG

SLoc	MvT	S	Mat. Doc.	Item	Pstng Date	Quantity	BUn
MUM	201		4900000025	1	03/15/2021	20-	KG
MUM	201		4900000026	1	03/15/2021	130-	KG
MUM	201		4900000027	1	03/15/2021	40-	KG
MUM	501		4900000028	1	03/15/2021	100	KG
MUM	501		4900000029	1	03/15/2021	50	KG
MUM	201		4900000030	1	03/15/2021	50-	KG
MUM	101		5000000331	1	03/15/2021	100	KG
MUM	101		5000000333	1	03/15/2021	50	KG
MUM	101		5000000334	1	03/15/2021	70	KG
MUM	201		4900000031	1	03/16/2021	50-	KG
MUM	201		4900000032	1	03/16/2021	50-	KG
MUM	301		4900000033	1	03/16/2021	5-	KG
MUM	351		4900000034	1	03/16/2021	6-	KG
MUM	301		4900000035	1	03/16/2021	7-	KG
MUM	351		4900000036	1	03/16/2021	8-	KG
MUM	101		5000000339	1	03/16/2021	100	KG
MUM	101		5000000341	1	03/16/2021	100	KG

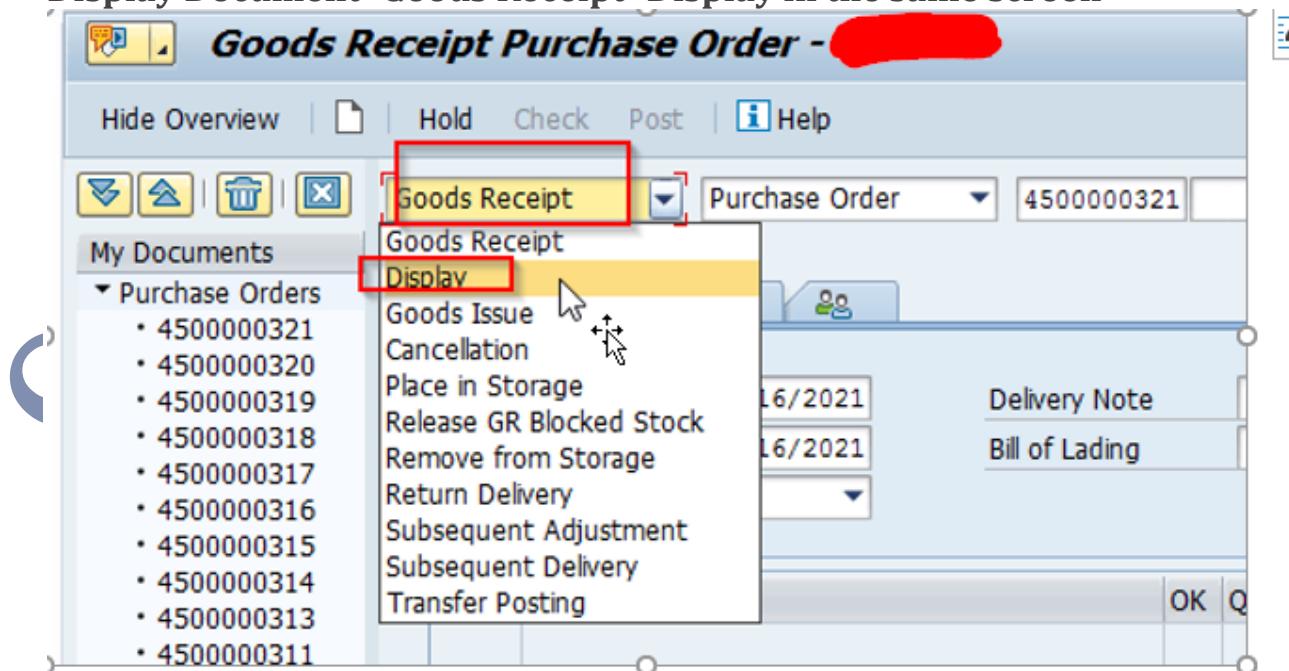
### 6.3 Goods Receipt-MIGO

To get the Material Report for the Receiving Plant, we should do Goods Receipt. In the MIGO screen, we need to select Goods Receipt against the PO.

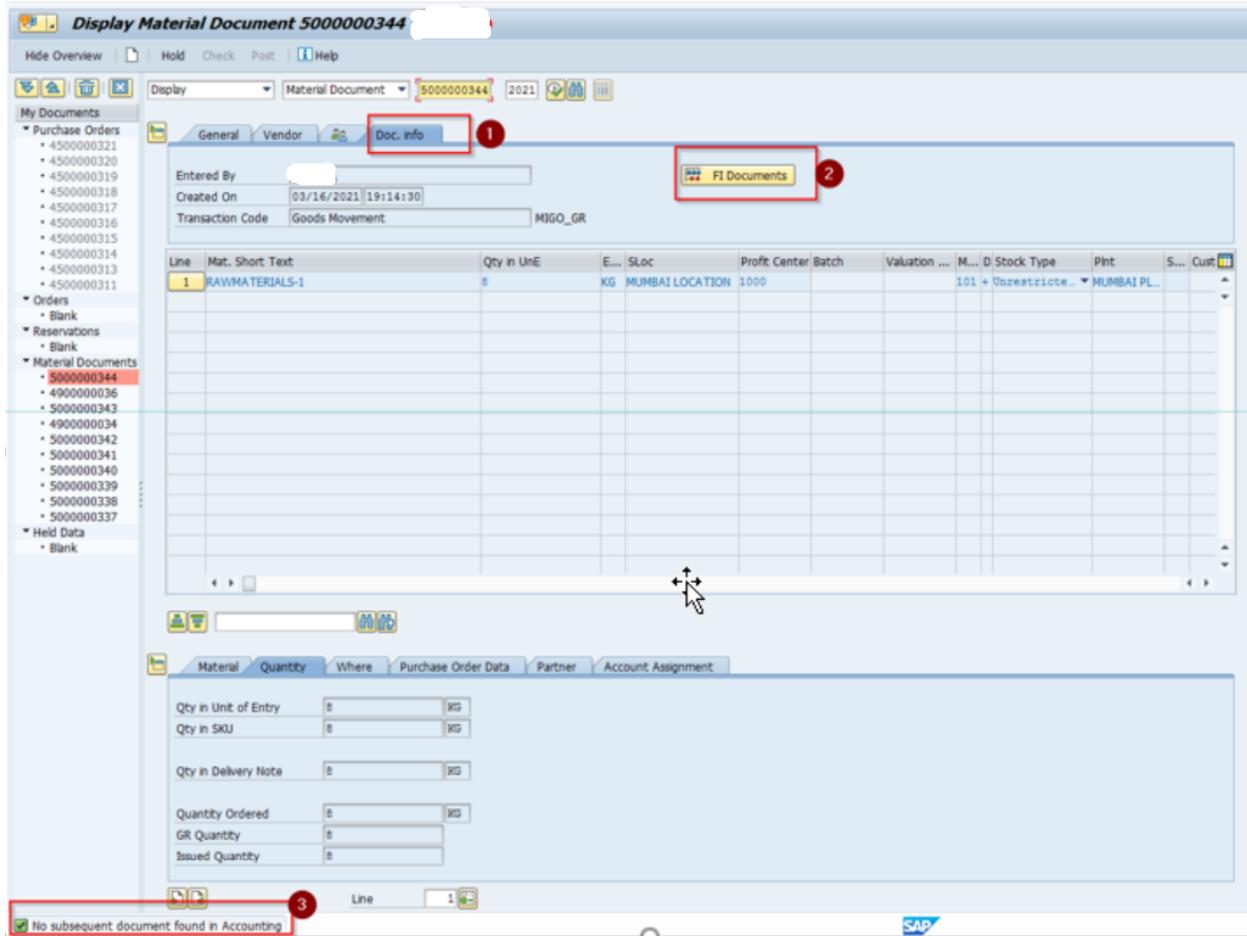


Material document 5000000344 posted

### Display Document- Goods Receipt- Display in the same screen



**Double click on Accounting Documents. The System does not create any FI- Document for Goods Receipt because there is no financial impact. But we can see the material report for Receiving plant.**



SAY

## 6.4 Material Report for Receiving Plant/Co.Code-MB5B

**Stock on Posting Date**

Database Selections

Material Number	PIL-RM1	to	
Company Code	RCOM	to	
Plant	RCOM	to	
Storage Location		to	
Batch		to	
Valuation Type		to	
Movement Type		to	
Special Stock Indicator			

Selection Date      to

Stock Type

- Storage Loc./Batch Stock
- Valuated Stock
- Special Stock

In the below screen, system updated '8' quantity of stock has been added in the plant (Receiving Plant).

**Material Stocks Between 01/01/0000 and 12/31/9999**

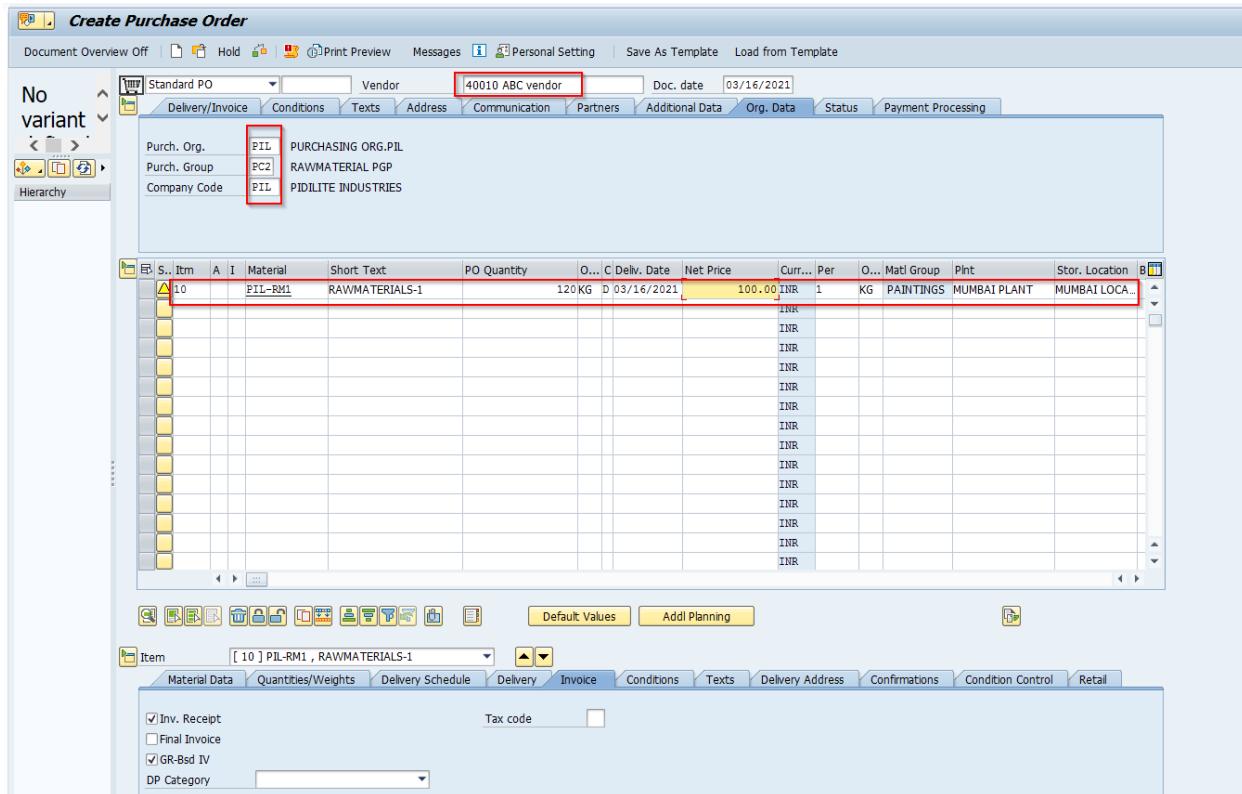
Plant RCOM MUMBAI PLANT  
 Material PIL-RM1  
 Description RAWMATERIALS-1

Stock on 01/01/0000		0 KG				
Total Receipts		26 KG				
Total Issues		0 KG				
Stock on 12/31/9999		26 KG				
SLoc	MVT	S Mat. Doc.	Item	Pstng Date	Quantity	BUn
MUM	301	49000000033	2	03/16/2021	5	KG
MUM	301	49000000035	2	03/16/2021	7	KG
MUM	101	50000000343	1	03/16/2021	6	KG
MUM	101	50000000344	1	03/16/2021	8	KG

## 7. Down – Payment against to Purchase Order

It is common in many organizations to pay some advance to the vendor before the delivery of goods and services. I am showing the same in the below steps.

### 7.1 Creation of Purchase Order-ME21N



The screenshot shows the SAP ME21N - Create Purchase Order interface. The vendor is set to '40010 ABC vendor'. The Purch. Org., Purch. Group, and Company Code are all set to 'PIL'. The item list contains one item: PIL-RM1, RAWMATERIALS-1, PO Quantity 120KG, Net Price 100.00 INR, and Material Group PAINTINGS. The status bar at the bottom indicates 'Standard PO created under the number 4500000323'.

Click on save

Standard PO created under the number 4500000323

## 7.2 Down-payment to Vendor-F-48

Post Vendor Down Payment: Header Data							
	New item	Requests					
Document Date	03/16/2021	Type	KZ	Company Code	PIL		
Posting Date	03/16/2021	Period	3	Currency/Rate	INR		
Document Number				Translatn Date			
Reference	DOWN PAYMENT-2			Cross-CC no.			
Doc.Header Text				Tax Report Date			
Trading Part.BA							
Vendor							
Account	40010			Special G/L ind	A	<input type="checkbox"/>	
Altern.comp.cde							
Bank							
Account	200131			Business Area			
Amount	10000			LC amount			
Bank charges				LC bank charges			
Value Date				Profit Center			
Text	DOWN PAYMENT-2			Assignment			

SARAH

Make sure to enter the Purchase order number and item details below.  
Click on Save to post the down payment.

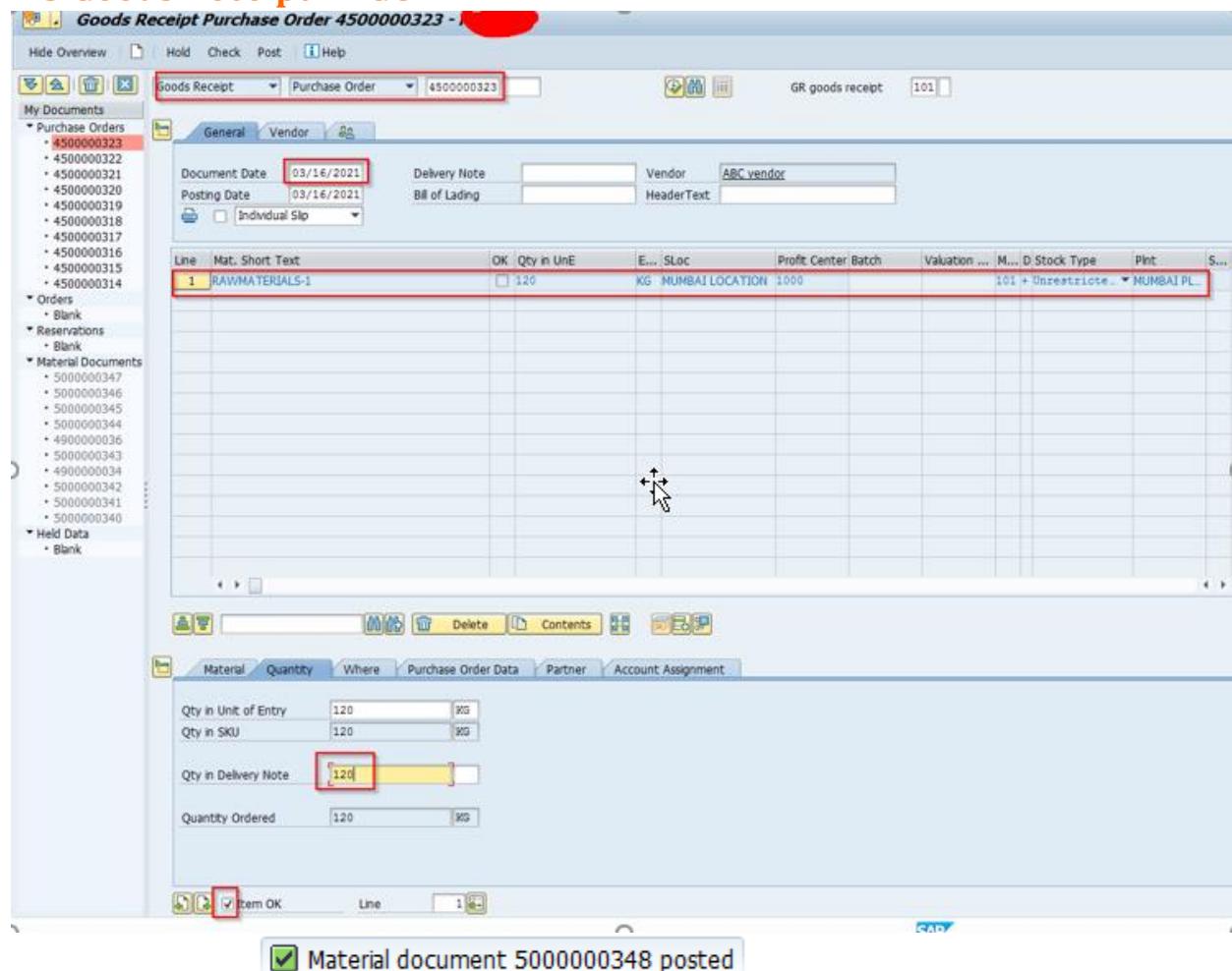
**Post Vendor Down Payment Add Vendor item**

Vendor	40010	ABC vendor	G/L Acc	200150
Company Code	PIL	HYD		
PIDILITE INDUSTRIES		HYD		
Item 2 / Down payment made / 29 A				
Amount	10000	INR	<input type="checkbox"/> Calculate tax	Bus./sectn
Bus. Area				
Due on	03/16/2021			
Pmnt Block			Pmt Method	
Discount %			Disc. Amount	
Order				
Asset			Cost Center	
Purch.Doc.	4500000323   00010		Real estate	<input type="checkbox"/>
Contract			Profit Ctr	
			Flow Type	
Assignment			WBS Element	
Text	DOWN PAYMENT-2			

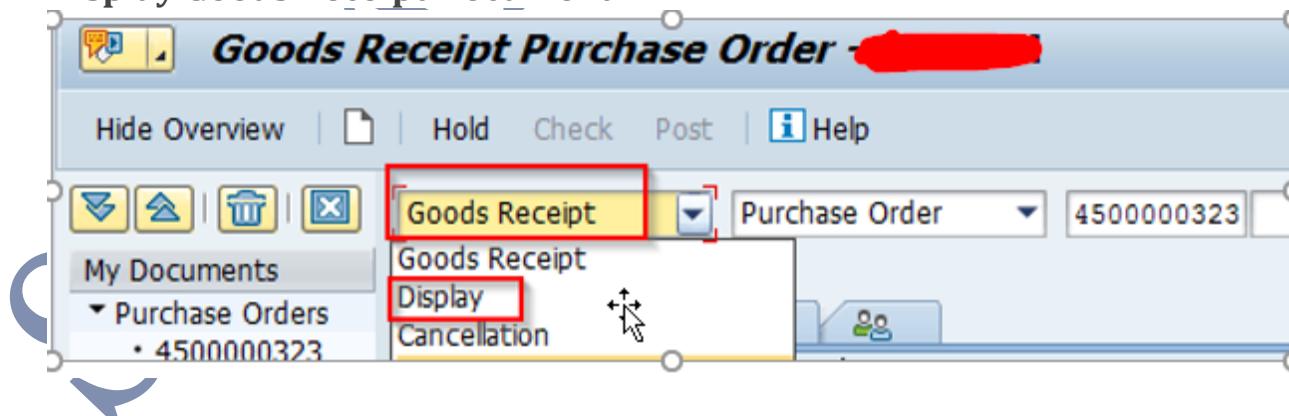
### Display Down Payment Document after posted

Co...	Itm	PK	Account	Description	Profit Center	Order	Cost Center	Amount	Curr.	LCurr	Amount in LC	LC2 amount	LCur2
PIL	1	50	200131	CITI OUTGOING BA...	1000			10,000.00-	INR	INR	10,000.00-	133.33-	USD
	2	29	40010	ABC vendor	1000			10,000.00	INR	INR	10,000.00	133.33	USD

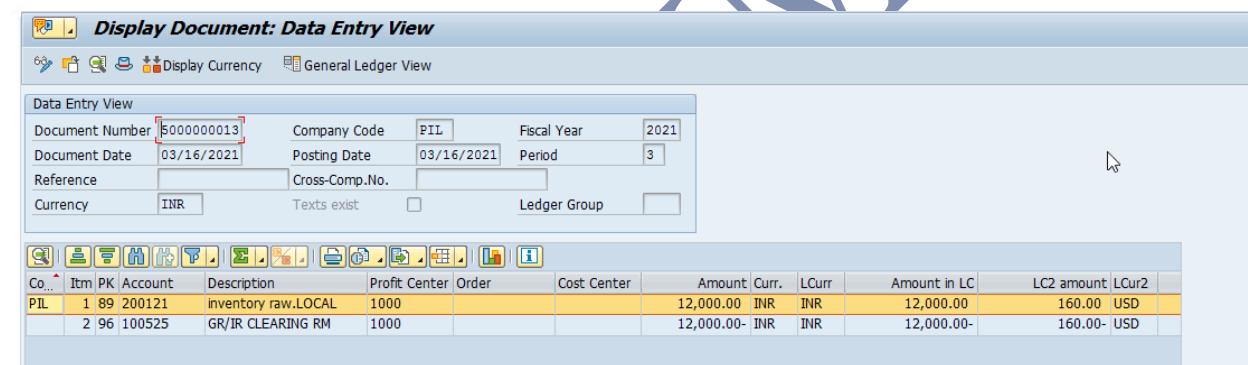
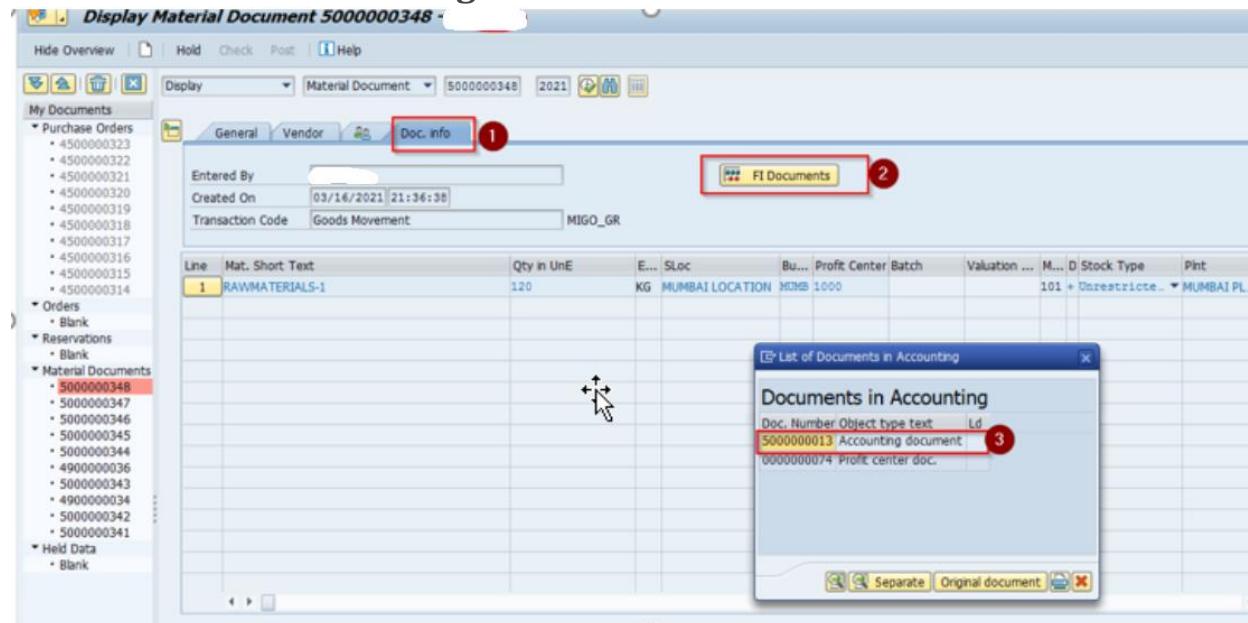
## 7.3 Goods Receipt-MIGO



### Display Goods Receipt Document

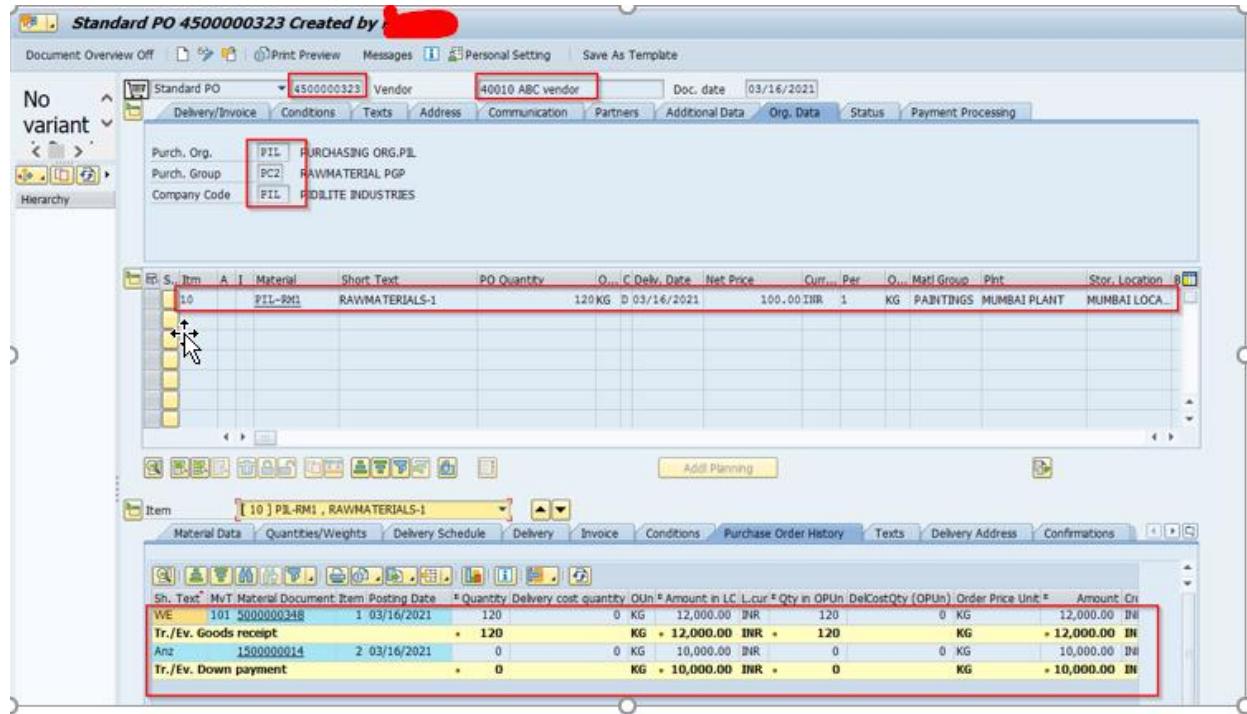


## Double click on Accounting Document



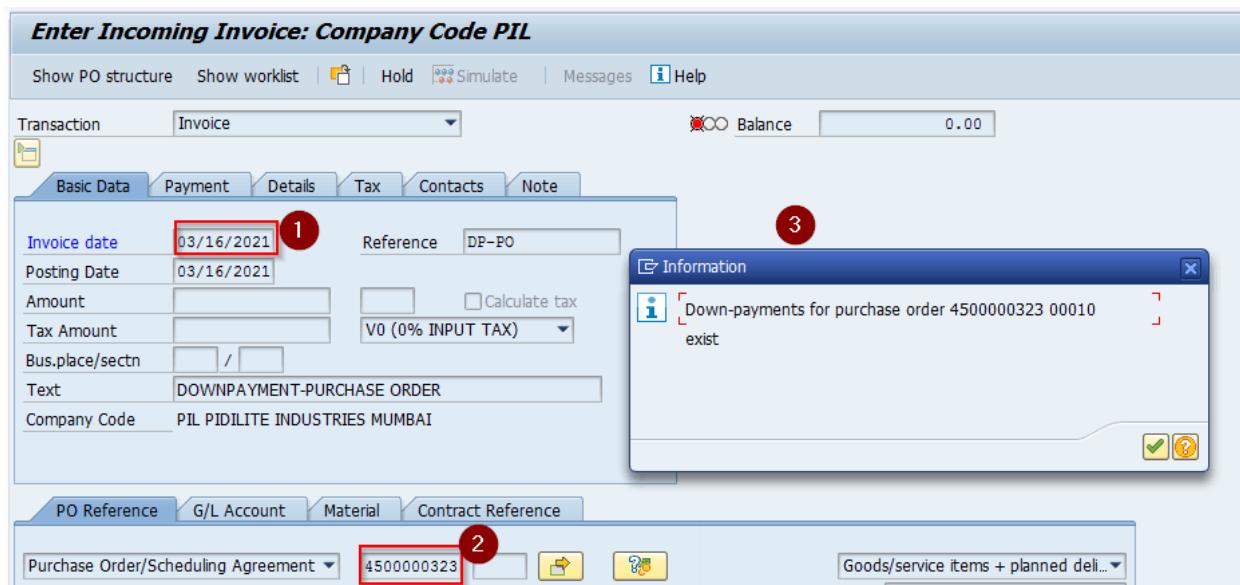
## 7.4 Display Purchase Order History- ME23N

Go to the purchase order display screen and click on purchase order history to see the Down Payment Document as well as the goods receipt document. You can double-click on each document to see the accounting entries.



## 7.5 Invoice Receipt-MIRO

Enter the Invoice date, PO Document Number, and enter  
The system shows a pop-up window- Down Payments for this PO Order,  
Click on enter.



In the below screen, enter 1) Amount-12000, 2) System shows pop-up window – Message about Down Payments for PO Order. Click on enter

**Enter Incoming Invoice: Company Code PIL**

Show PO structure Show worklist | Hold | Simulate | Messages | Down Payment Clearing | Help

Transaction: Invoice | Balance: 12,000.00 - INR

Basic Data		Payment		Details		Tax		Contacts		Note	
Invoice date	03/16/2021	Reference	DP-PO								
Posting Date	03/16/2021										
Amount	12000	INR		<input type="checkbox"/> Calculate tax							
Tax Amount		V0 (0% INPUT TAX)									
Bus.place/sectn	/										
Text	DOWNPAYMENT-PURCHASE ORDER										
Paymt terms	Due immediately										
Baseline Date	03/16/2021										

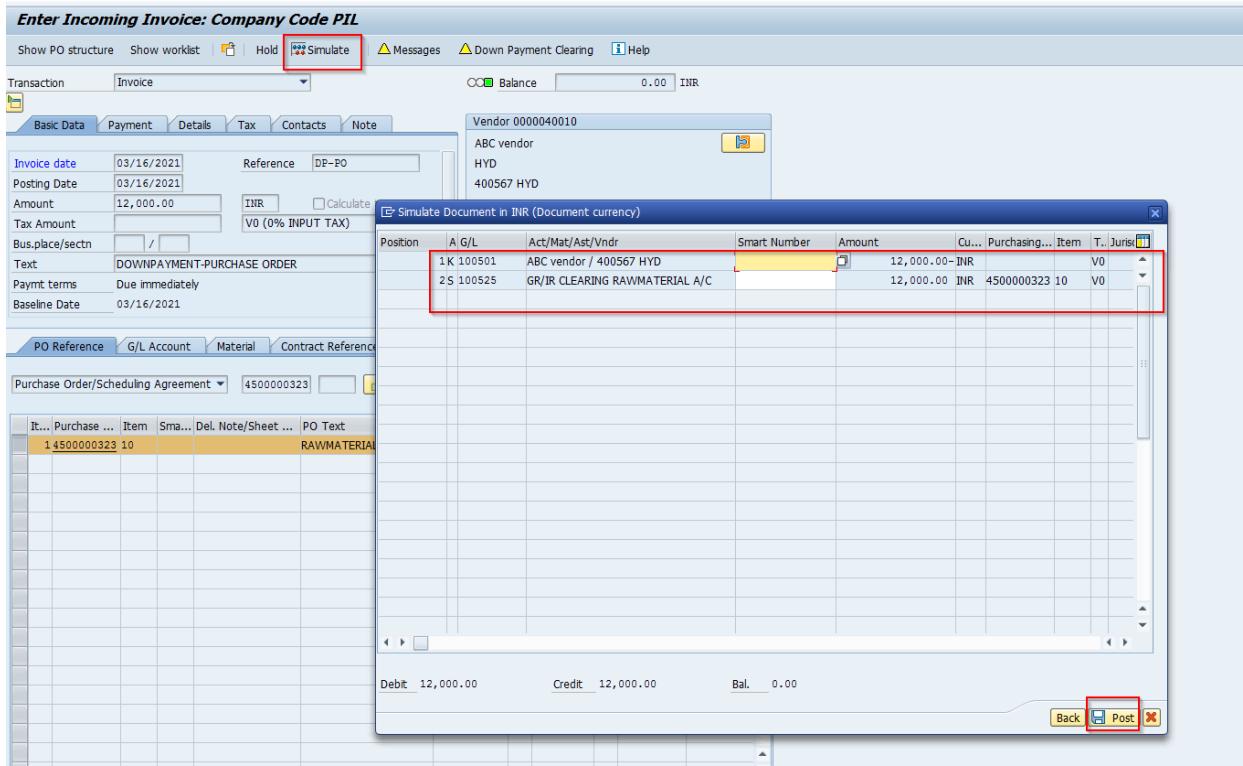
PO Reference		G/L Account		Material		Contract Reference					
Purchase Order/Scheduling Agreement		4500000323									
Goods/service items + planned deli... Layout Purchase order - delivery no...											
It...	Purchase ...	Item	Sma...	Del. Note/Sheet ...	PO Text	Quantity	O...	Net price	O...	Amount	Tax Code
1	4500000323	10			RAWMATERIALS-1	120	KG	100.00	KG	12,000.00	V0 (0% IN...

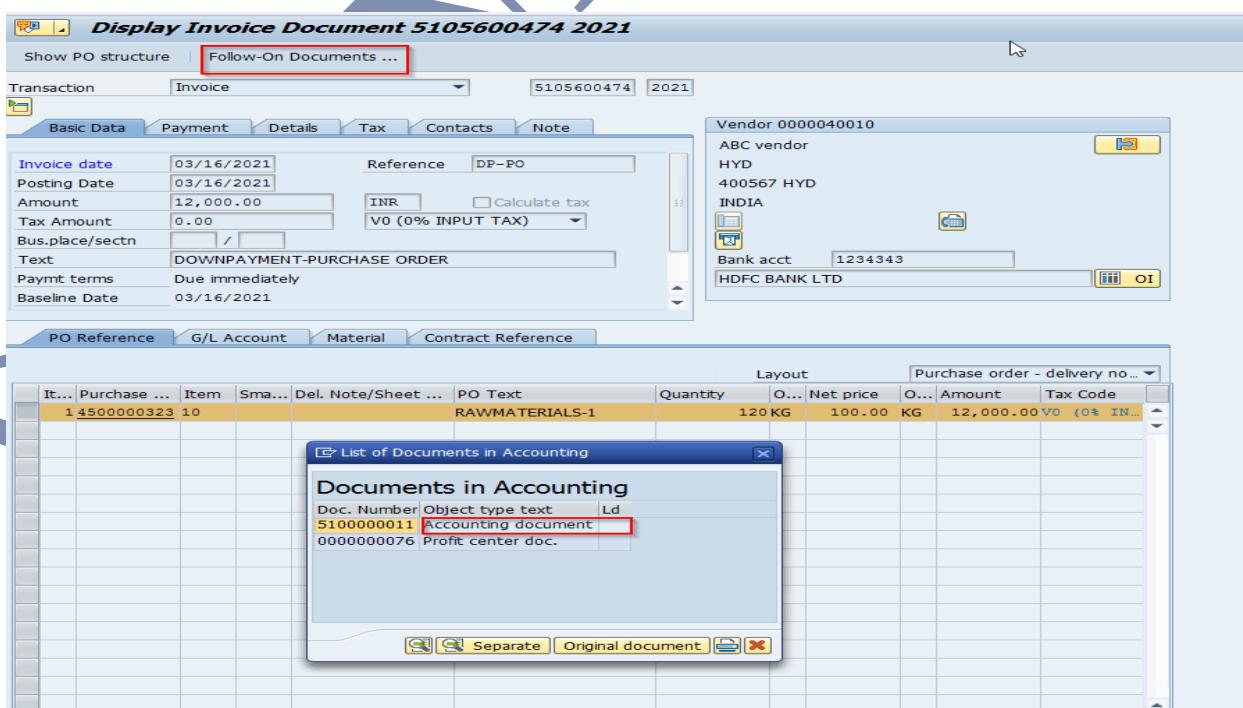
**Information**

10,000.00 INR Down Payments on Fixed Assets exist

Click on Simulate, you can able to see the Accounting entries. If everything is okay, then save. The system will generate the Invoice document with blocking status.



**Display Invoice Document- Display- Follow-on- Documents. Double click on Accounting Document and see the Invoice Document.**



**Display Document: Data Entry View**

Document Number: 5100000011 Company Code: PIL Fiscal Year: 2021  
 Document Date: 03/16/2021 Posting Date: 03/16/2021 Period: 3  
 Reference: DP-PO Cross-Comp.No.:  
 Currency: INR Texts exist:  Ledger Group:

Co...	Item PK Account	Description	Profit Center	Order	Cost Center	Amount	Curr.	LCurr	Amount in LC	LC2 amount	LC
PIL	1 31 40010	ABC vendor				12,000.00-	INR	INR	12,000.00-	160.00-	US
	2 86 100525	GR/IR CLEARING RM		1000		12,000.00	INR	INR	12,000.00	160.00	US

## 7.6 Material Report-MB5B

Enter the required information in the below screen and Execute.

**Stock on Posting Date**

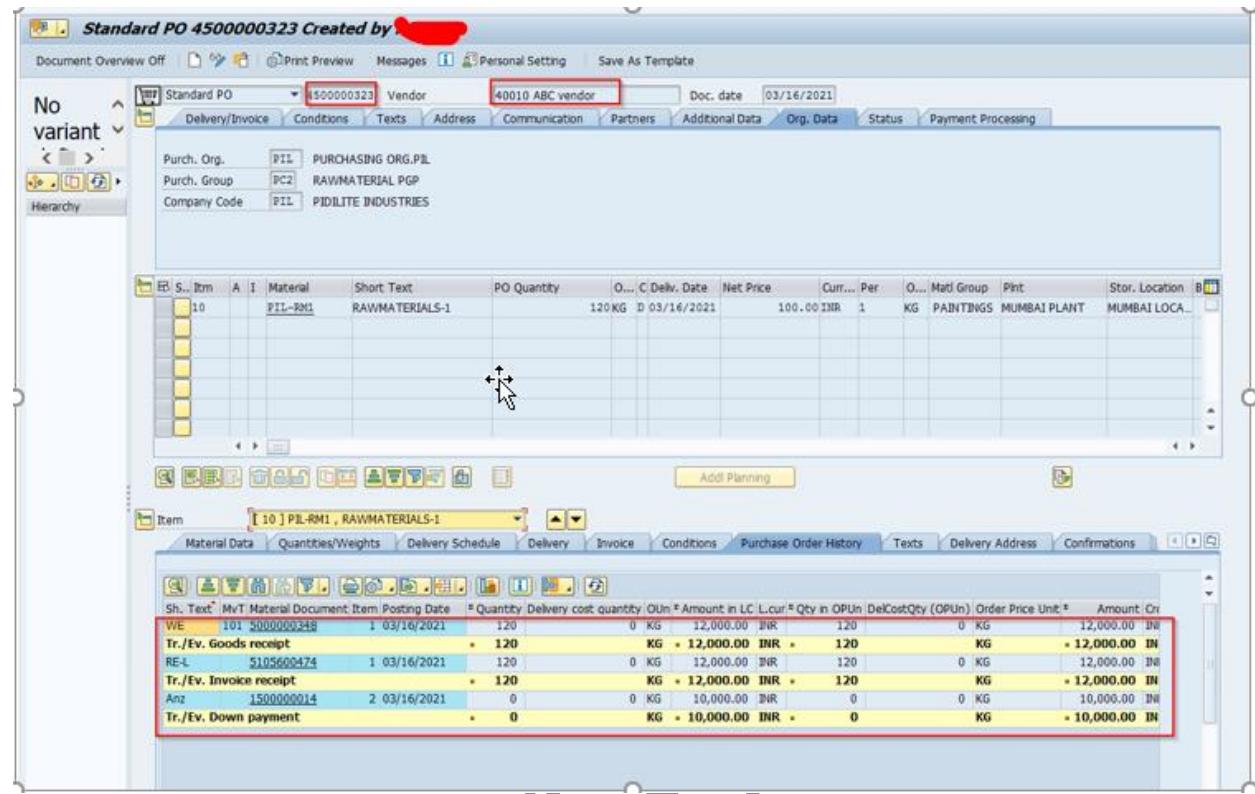
Database Selections	Material Number: PIL-RM1	Company Code: PIL	Plant: PIL	to: <input type="text"/>							
Selection Date:	<input type="text"/>	to: <input type="text"/>									
Stock Type	<input checked="" type="radio"/> Storage Loc./Batch Stock <input type="radio"/> Valuated Stock <input type="radio"/> Special Stock										

You can see the Stock or Material added to the Respected Plant.

<b>Material Stocks Between 01/01/0000 and 12/31/9999</b>							
Plant		PIL MUMBAI PLANT					
Material		PIL-RM1					
Description		RAWMATERIALS-1					
Stock on 01/01/0000		0 KG					
Total Receipts		770 KG					
Total Issues		396- KG					
Stock on 12/31/9999		374 KG					
SLoc	MvT	S	Mat. Doc.	Item	Pstng Date	Quantity	BUn
MUM	201		4900000025	1	03/15/2021	20-	KG
MUM	201		4900000026	1	03/15/2021	130-	KG
MUM	201		4900000027	1	03/15/2021	40-	KG
MUM	501		4900000028	1	03/15/2021	100	KG
MUM	501		4900000029	1	03/15/2021	50	KG
MUM	201		4900000030	1	03/15/2021	50-	KG
MUM	101		5000000331	1	03/15/2021	100	KG
MUM	101		5000000333	1	03/15/2021	50	KG
MUM	101		5000000334	1	03/15/2021	70	KG
MUM	201		4900000031	1	03/16/2021	50-	KG
MUM	201		4900000032	1	03/16/2021	50-	KG
MUM	301		4900000033	1	03/16/2021	5-	KG
MUM	351		4900000034	1	03/16/2021	6-	KG
MUM	301		4900000035	1	03/16/2021	7-	KG
MUM	351		4900000036	1	03/16/2021	8-	KG
MUM	101		5000000339	1	03/16/2021	100	KG
MUM	101		5000000341	1	03/16/2021	100	KG
MUM	101		5000000345	1	03/16/2021	30	KG
MUM	102		5000000346	1	03/16/2021	30-	KG
MUM	101		5000000347	1	03/16/2021	50	KG
MUM	101		5000000348	1	03/16/2021	120	KG

### 7.7 Verify purchase Order History-ME23N

In the below screen, you can able to see down payment, GRN, and IV Documents.



## 7.8 Vendor Payment-F-53/F110

I am doing Manual Payment-T-Code-F-53. Click on Process Open Items, System will generate the accounting entry

Post Outgoing Payments: Header Data														
<input type="button" value="Process open items"/>														
Document Date	03/16/2021	Type	KZ	Company Code	PIL									
Posting Date	03/16/2021	Period	3	Currency/Rate	INR									
Document Number					Translatn Date									
Reference	PAYMENT				Cross-CC no.									
Doc.Header Text					Trading Part.BA									
Clearing text	payment													
<b>Bank data</b>														
Account	200131				Business Area									
Amount	2000				Amount in LC									
Bank charges					LC bank charges									
Value Date					Profit Center									
Text DOWN PAYMENT-2-PAYMENT Assignment														
<b>Open item selection</b>														
Account	40010				<input checked="" type="radio"/> None <input type="radio"/> Amount <input type="radio"/> Document Number <input type="radio"/> Posting Date <input type="radio"/> Dunning Area <input type="radio"/> Others									
Account Type	K	<input type="checkbox"/> Other accounts												
Special G/L Ind	A	<input checked="" type="checkbox"/> Standard OIs												
Prmnt advice no.														
<input type="checkbox"/> Distribute by age														
<input type="checkbox"/> Automatic search														

**Post Outgoing Payments Display Overview**

Display Currency   Taxes   Reset

Document Date	03/16/2021	Type	KZ	Company Code	PIL
Posting Date	03/16/2021	Period	3	Currency	INR
Document Number	INTERNAL	Fiscal Year	2021	Translatn Date	03/16/2021
Reference	PAYMENT	Cross-CC no.			
Doc.Header Text		Trading Part.BA			

Items in document currency

PK	BusA Acct	INR	Amount	Tax amnt
001 50	0000200131 CITI OUTGOING BANK		2,000.00-	
002 25	0000040010 ABC vendor		12,000.00	
003 39A MUMB	0000040010 ABC vendor		10,000.00-	

Document 1500000015 was posted in company code PIL

## 8. Scheduling agreement Process PO

A scheduling agreement (SA) is a long-term agreement with the Vendor by predefined conditions. It has certain validity and specific quantity. We can create the SA with or without a Material Number.

SA can be created with reference to PR (Purchase Requisition), Outline agreement, RFQ, or another Scheduling agreement.

**Scenario:** We have created a Scheduling Agreement with the Vendor for a total of 25 Quantities, and we have split these 25 quantities into 10 and 15 respectively, as per our requirement. So, we need to ask our vendor to dispatch 10 quantities on 03/17/2021 and balance 15 quantities on 03/20/2021.

**Advantages of SA:** It reduces the processing time and paperwork as it replaces the traditional creation of standard PO. It enables negotiations with the vendor for more favorable conditions. Available Item Categories for Scheduling Agreement:

Standard  
Consignment  
Third-party  
Text

Document types for scheduling agreement:

LP- Without Release Documentation- It is used to transfer the message to the vendor once SA created.

LPA- With Documentation

## 8.1 Creating a Scheduling agreement - ML31L

In the below screen, enter Vendor number, Agreement type (LP- Scheduling Agreement without release), and Agreement Date. Enter the Purch. Organization and Purchasing Group. Click on enter.

**Create Scheduling Agreement : Initial Screen**

<input type="button" value=""/>	<input type="button" value=""/>	<input type="button" value=""/>	<input type="checkbox"/> Reference to PReq	<input type="checkbox"/> Reference to RFQ	<input type="checkbox"/> Reference to Contract
Vendor	40010				
Agreement Type	LP				
Agreement Date	03/17/2021				
Agreement					
<b>Organizational Data</b>					
Purch. Organization	PIL				
Purchasing Group	PC2				
<b>Default Data for Items</b>					
Item Category	<input type="text"/>				
Acct Assignment Cat.	<input type="text"/>				
Plant	<input type="text"/>				
Storage Location	<input type="text"/>				
Material Group	<input type="text"/>				
Req. Tracking Number	<input type="text"/>				
Vendor Subrange	<input type="text"/>				
<input type="checkbox"/> Acknowledgment Reqd					

In the below screen, Enter the validity start and end dates

**Create Scheduling Agreement : Header Data**

This screenshot shows the 'Create Scheduling Agreement : Header Data' screen. It includes fields for Agreement (empty), Company Code (PIL), Purchasing Group (PC2), Vendor (40010, ABC vendor), Agreement Type (LP), and Purch. Organization (PIL). In the 'Administrative Fields' section, 'Agreement Date' is set to 03/17/2021, 'Item Number Interval' is 10, 'Subitem Interv.' is 1, 'Validity Start' is 03/17/2021, 'Validity End' is 03/30/2021, and 'Language' is EN. A checkbox for 'GR Message' is also present.

In the below screen, enter Material, quantity, net price, material group, plant, and storage location. Save it. The system has created the Scheduling Agreement number.

**Create Scheduling Agreement : Item Overview**

This screenshot shows the 'Create Scheduling Agreement : Item Overview' screen. It displays an outline of agreement items. One item row is highlighted with a red box, showing Item 10, Material PIL-RM1, Short T... RAWMAT..., Targ. Qty 25 KG, Net Price 100.00 1, Mat. Grp PIL1, Plnt PIL, and SLoc MUM.

Scheduling Agreement created under the number 5500000003

## 8.2 Maintain Delivery Schedules-ME38

Enter the SA Number

This screenshot shows the 'Maintain Sch. Agmt Schedule : Initial Screen' for transaction ME38. The 'Agreement' field contains the value '5500000003', which is highlighted with a red box. The screen also features a toolbar with various icons.

In the below screen, Double click on the line item

**Maintain Sch. Agmt Schedule : Item Overview**

Agreement	5500000003	Agreement Type	LP	Agmt Date	03/17/2021						
Vendor	40010	ABC vendor		Currency	INR						
Sch. Agreement Items											
Item	Material	Short Text	Targ. Qty	O...	Open Target Qty	O...	Mat. Grp	Plnt	SLoc	D	I
10	PIL-RM1	RAWMATERIALS-1	25 KG	25		KG	PIL1	PIL	MUM		

In the below screen, specify the Delivery dates and quantities respectively. Click on enter and save. The system will Save the Delivery dates under the scheduling Agreement number.

**Maintain Sch. Agmt Schedule : Delivery Schedule for Item 00010**

Agreement	5500000003	Quantity	0 KG							
Material	PIL-RM1	RAWMATERIALS-1								
Last Transm.		Next Transmission Number	1							
Cum. Rec. Qty	0	Old Qty	0							
C	Delivery Date	Scheduled Quantity	Time	F	C	St.DelDate	Purchase ...	Item	Cum. Sch. Qty	Pre
	03/17/2021	10								
	03/20/2021	15								

Scheduling Agreement 5500000003 changed

### 8.3 Goods Receipt-MIGO

 In the below screen, Enter the Scheduling Agreement number against the Goods Receipt, enter the quantity received, and select Item ok. then save

**Goods Receipt Purchase Order 5500000003 -**

Hide Overview Hold Check Post Help

Goods Receipt Purchase Order 5500000003 Scheduling agreement number

GR goods receipt 101

My Documents Purchase Orders 5500000003 4500000324 5500000002 5500000001 4500000323 4500000322 4500000321 4500000320 4500000319 4500000318 Orders Blank Reservations Blank Material Documents 5000000351 5000000350 5000000349 5000000348 5000000347 5000000346 5000000345 5000000344 4900000036 5000000343 Held Data Blank

General Vendor

Document Date 03/17/2021 Delivery Note Vendor ABC vendor  
Posting Date 03/17/2021 Bill of Lading HeaderText  
Individual Slip

Line	Mat. Short Text	OK	Qty in UnitE	E...	SLoc	Profit Center Batch	Valuation ...	M... D Stock Type	Pint	S...
1	RAW MATERIALS-1		10		KG	IMBALI LOCATION	1000	101 + Unrestrict...	MUMBAI PL	

Material Quantity Where Purchase Order Data Partner Account Assignment

Qty in Unit of Entry 10 KG  
Qty in SKU 10 KG  
Qty in Delivery Note 10  
Quantity Ordered 25 KG

Item OK Line 1

**Material document 5000000352 posted**

**Display Document, In the below screen, Select the Display field from the Executable Action in MIGO**

**Display Document: Data Entry View**

Display Currency General Ledger View

Data Entry View

Document Number 500000017	Company Code PIL	Fiscal Year 2021
Document Date 03/17/2021	Posting Date 03/17/2021	Period 3
Reference	Cross-Comp.No.	
Currency INR	Texts exist	Ledger Group

Co... Itm PK Account Description Profit Center Order Cost Center Amount Curr. LCurr Amount in LC LC2 amount LCurr2

PIL 1 89 200121	Inventory raw.LOCAL	1000		1,000.00	INR	INR	1,000.00	13.33	USD
2 96 100525	GR/IR CLEARING RM	1000		1,000.00-	INR	INR	1,000.00-	13.33-	USD

## 8.4 Invoice Receipt-MIRO

**Enter Incoming Invoice: Company Code PIL**

Transaction: Invoice | Balance: 0.00 INR

Invoice date	03/17/2021	Reference	SA-RELATED
Posting Date	03/17/2021		
Amount	1,000.00	INR	<input type="checkbox"/> Calculate tax
Tax Amount		V0 (0% INPUT TAX)	
Bus.place/sectn	/		
Text: Invoice-SA-related			
Paymt terms	Due immediately		
Baseline Date	03/17/2021		

**Vendor 0000040010**

ABC vendor  
HYD  
400567 HYD  
INDIA  
Bank acct: 1234343  
HDFC BANK LTD

**Purchase Order/Scheduling Agreement**: 5500000003

It...	Purchase ...	Item	Sma...	Del. Note/Sheet ...	PO Text	Quantity	O...	Net price	O...	Amount	Tax Code
1550000003	10	RAWMATERIALS-1				10 KG	100.00	KG	1,000.00	V0 (0% IN...	

**Document no. 5105600476 created (Blocked for payment)**

## Display Invoice Documents -Accounting Document

**Display Document: Data Entry View**

Document Number: 510000013 | Company Code: PIL | Fiscal Year: 2021

Document Date: 03/17/2021 | Posting Date: 03/17/2021 | Period: 3

Reference: SA-RELATED | Cross-Comp.No.: | Currency: INR | Texts exist: | Ledger Group: |

Co...	Itm	PK Account	Description	Profit Center	Order	Cost Center	Amount	Curr.	LCurr	Amount in LC	LC2 amount	LCur2
PIL	1 31	40010	ABC vendor				1,000.00-	INR	INR	1,000.00-	13.33-	USD
	2 86	100525	GR/IR CLEARING RM	1000			1,000.00	INR	INR	1,000.00	13.33	USD

## 8.5 Verify Material Report-MB5B

**Stock on Posting Date**

**Database Selections**

Material Number	PIL-RM1	to	
Company Code	PIL	to	
Plant	pil	to	
Storage Location	mum	to	
Batch		to	
Valuation Type		to	
Movement Type		to	
Special Stock Indicator		to	

Selection Date  to

**Stock Type**

Storage Loc./Batch Stock

**Material Stocks Between 01/01/0000 and 12/31/9999**



Plant PIL MUMBAI PLANT  
 Material PIL-RM1  
 Description RAWMATERIALS-1

Stock on 01/01/0000      0 KG  
 Total Receipts      915 KG  
 Total Issues      396- KG  
 Stock on 12/31/9999      519 KG

SLoc	MvT	S	Mat. Doc.	Item	Pstng Date	Quantity	BUn
MUM	201		4900000025	1	03/15/2021	20-	KG
MUM	201		4900000026	1	03/15/2021	130-	KG
MUM	201		4900000027	1	03/15/2021	40-	KG
MUM	501		4900000028	1	03/15/2021	100	KG
MUM	501		4900000029	1	03/15/2021	50	KG
MUM	201		4900000030	1	03/15/2021	50-	KG
MUM	101		50000000331	1	03/15/2021	100	KG
MUM	101		50000000333	1	03/15/2021	50	KG
MUM	101		50000000334	1	03/15/2021	70	KG
MUM	201		4900000031	1	03/16/2021	50-	KG
MUM	201		4900000032	1	03/16/2021	50-	KG
MUM	301		4900000033	1	03/16/2021	5-	KG
MUM	351		4900000034	1	03/16/2021	6-	KG
MUM	301		4900000035	1	03/16/2021	7-	KG
MUM	351		4900000036	1	03/16/2021	8-	KG
MUM	101		50000000339	1	03/16/2021	100	KG
MUM	101		50000000341	1	03/16/2021	100	KG
MUM	101		50000000345	1	03/16/2021	30	KG
MUM	102		50000000346	1	03/16/2021	30-	KG
MUM	101		50000000347	1	03/16/2021	50	KG
MUM	101		50000000348	1	03/16/2021	120	KG
MUM	101		50000000349	1	03/17/2021	70	KG
MUM	101		50000000350	1	03/17/2021	65	KG
MUM	101		50000000352	1	03/17/2021	10	KG

## 9. Capex PO using Internal Order

The business is building an asset in the company and wanted to capture all expenses belongs to the in-house asset. So we have to create AUC Asset (AS01), Create Internal Order (K001), and link AUC Asset in the Internal order. Below are the Pre-requisites for Capex PO Process

### 9.1 Creation of AUC Asset-AS01

Enter the correct Asset Class, Co. code and number of assets. Click on enter

**Create Asset: Initial screen**

Master data	Depreciation areas
Capital work in progress- AUC Asset	
Asset Class	PIL60
Company Code	PIL
Number of similar assets	1

**Create Asset: Master data**

Asset	INTERN-00001	0		
Class	PIL60	CAPITAL WORK IN PROG	Company Code	PIL
<b>General</b> Time-dependent Allocations Origin Net Worth Tax Insurance Deprec. Areas				
<b>General data</b>				
Description	Painting Machinery Setup			
Acct determination	PIL600	CAPITAL WORK IN PROGRESS		
Inventory number	ABC			
Quantity				
<b>Inventory</b>				
Last inventory on			<input type="checkbox"/> Include asset in inventory list	
Inventory note				
<b>Posting information</b>				
Capitalized on	03/17/2021		Deactivation on	
First acquisition on			Plnd. retirement on	
Acquisition year	000	Ordered on		

**Create Asset: Master data**

Asset values

Asset	INTERN-00001	0	Painting Machinery Setup
Class	PIL60	CAPITAL WORK IN PROG	Company Code

General Time-dependent Allocations Origin Net Worth Tax Insurance Deprec. Areas

Interval from 01/01/1900 to 12/31/9999

Business Area:  (highlighted with red box)

Cost Center:  (highlighted with red box)

Activity Type:

Plant:

Location:

The asset 60003 0 is created

Creation of Internal Order-T-Code-K001 Select Order type and enter

**Create Internal Order: Initial screen**

Master Data

Order Type:  (highlighted with red box)

**Create Internal Order: Master data**

Settlement Rule:  (highlighted with red box) Click on this

Order: PIL-PMEXP Order type: PILZ Painting Machin...

Description: Painting Machinery Expenses

Assignments Control data Prd-end closing General data Investments

Assignments

Company Code:  (highlighted with red box)

Business Area:  (highlighted with red box)

Plant:

Functional Area:

Object Class: Overhead (highlighted with red box)

Profit Center:

**Maintain Settlement Rule: Overview**

Order **PIL-PMEXP** Painting Machinery Expenses

Actual settlement

Cat	Settlement Receiver	Receiver Short Text	%	Equivalence no.	Amount	A.. Se... No. S
FXA	60003-0					FUL

Order was created with number PIL-PMEXP

## 9.3 Purchase Order Creation using Internal Order-ME21N

**Create Purchase Order**

Document Overview Off | Hold | Print Preview | Messages | Personal Setting | Save As Template | Load from Template

No variant  Hierarchy

Purch. Org.	PIL PURCHASING ORG.PIL														
Purch. Group	PC1 PAINTINGS PUR.GROU														
Company Code	PIL														
S..	I	Material	Short Text	PO Quantity	O...	C	Deliv. Date	Net Price	Curr...	Per	O...	Matl Group	Plnt	Stor. Location	B
10	F		MACHINARIES FOR PAINT...	250KG	03/18/2021			100 INR		1	M0010	PIL	MUM		

**Create Purchase Order**

Document Overview Off | Hold | Print Preview | Messages | Personal Setting | Save As Template | Load from Template

No variant  Hierarchy

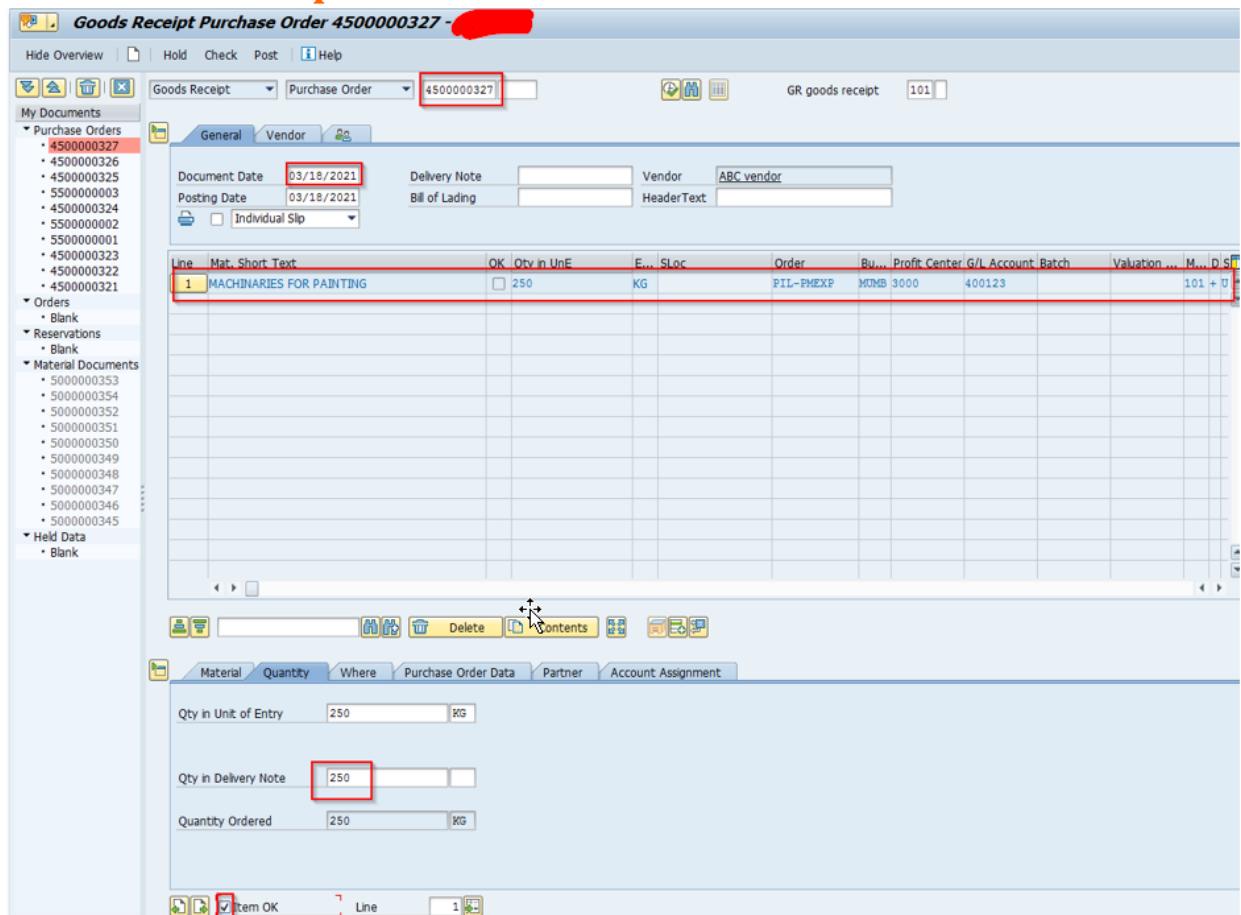
Purch. Org.	PIL PURCHASING ORG.PIL														
Purch. Group	PC1 PAINTINGS PUR.GROU														
Company Code	PIL PIDILITE INDUSTRIES														
S..	I	Material	Short Text	PO Quantity	O...	C	Deliv. Date	Net Price	Curr...	Per	O...	Matl Group	Plnt	Stor. Location	B
10	F		MACHINARIES FOR PAINT...	250 KG	03/18/2021			100.00 INR	1	KG	Heavy Equip.	MUMBAI PLANT	MUMBAI LOCA...		

**Item** [ 10 ] MACHINARIES FOR PAINTING

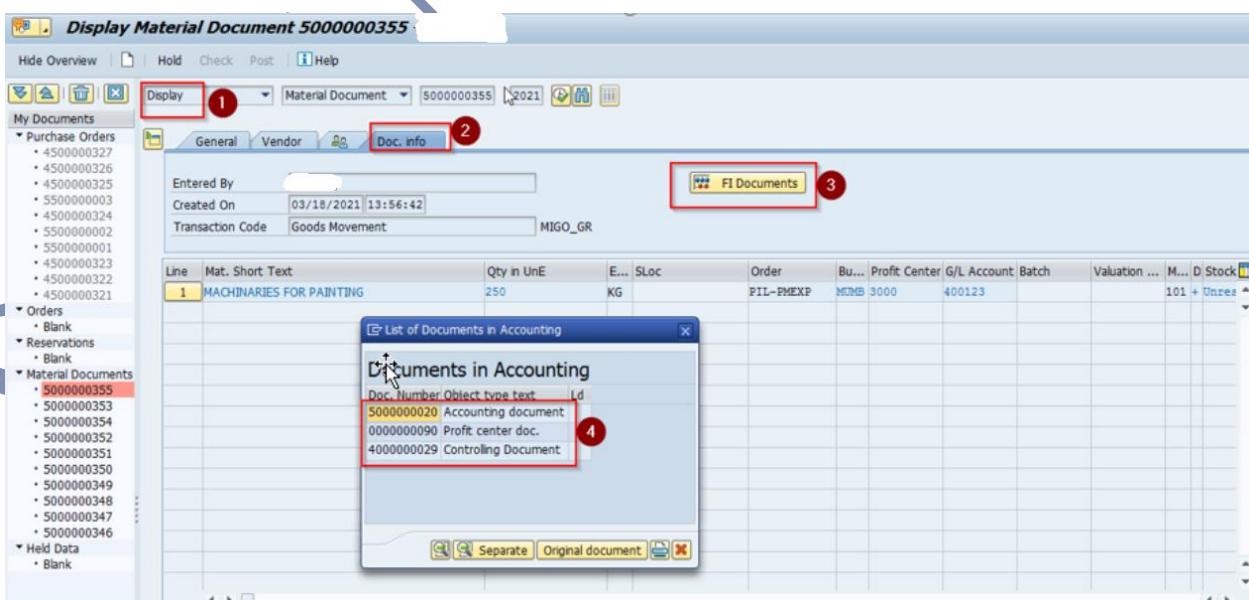
Material Data	Quantities/Weights	Delivery Schedule	Delivery	Invoice	Conditions	Account Assignment	Texts	Delivery Address	Confirmations
Unloading Point	AccAssCat	Order	Distribution	Single account assignme...	CoCode	PIDILITE IN...			
G/L Account	400123								
Asset									
CO Area	PIL								
Order	PIL-PMEXP								
Profit Center	3000								
WBS Element		Network							
Functional Area			Commitment Item						

Standard PO created under the number 4500000327

## 9.4 Goods Receipt-MIGO



Material document 5000000355 posted



**Display Document: Data Entry View**

Display Currency General Ledger View

Data Entry View

Document Number	5000000020	Company Code	PIL	Fiscal Year	2021
Document Date	03/18/2021	Posting Date	03/18/2021	Period	3
Reference		Cross-Comp.No.			
Currency	INR	Texts exist	<input type="checkbox"/>	Ledger Group	

Table:

Co...	Itm	PK	Account	Description	Profit Center	Order	Cost Center	Amount	Curr.	LCurr	Amount in LC	LC2 amount	LCur2
PIL	1	81	400123	Painting-Machin-EXP	3000	PIL-PMEXP		25,000.00	INR	INR	25,000.00	333.33	USD
	2	96	100525	GR/IR CLEARING RM	3000			25,000.00	INR	INR	25,000.00	333.33	USD

**Display Actual Cost Documents**

Document Master Record

Layout 1SAP Primary cost posting  
COarea currency INR INR  
Valuation View/Group 0 Legal Valuation

Table:

DocumentNo	Doc. Date	Document Header Text	RT	RefDocNo	User Name	Rev	RvE	Cost Elemt.		Val/COArea Crcy	Total quantity	PUM	O Offst.acct
PRW	Object	CO object name	Cost Elemt.		Cost element name		Val/COArea Crcy		Total quantity		PUM		O Offst.acct
4000000029	03/18/2021	R 5000000355 REDDYA	1 ORD PIL-PMEXP		Painting Machinery Expenses		400123		CLEANING SERVICES		25,000.00		250 KG S 100525

## Internal Order Report-KOB1



**Display Actual Cost Line Items for Orders : Initial Screen**

Further Selection Criteria...

Order PIL-PMEXP to

or

Order Group

Cost Element  to

or

Cost Element Group

Posting Data

Posting Date 03/17/2021 to 03/31/2021

Settings

Layout AAR Primary cost posting  
More Settings

**Display Actual Cost Line Items for Orders**

Document Master Record

Layout AAR Primary cost posting Active  
Order PIL-PMEXP Painting Machinery Expenses  
Report currency INR Rupee

Table:

Cost Elemt.	Cost element name	R...	R...	Rvns/ref.	#	Val in RC	OffAct	Offst.acct	Name of offsetting account	Ref. Tran.	DocTyp	DocumentNo	PR...	Name	AuxAcct...	Cost element descr.	Name of offsetting account	Tcurr	ObCur	Value TCur
400123	Painting-Mach-Exp					18,000.00	S	100525	GR/IR CLEARING RM	MKPF	WE	4000000027	1			Painting machinery... GR/IR CLEARING RAWMATERIA...	INR	INR	18,000.00	
	Painting-Mach-Exp					18,000.00	S	100525	GR/IR CLEARING RM	MKPF	WE	4000000028	1			Painting machinery... GR/IR CLEARING RAWMATERIA...	INR	INR	18,000.00	
	Painting-Mach-Exp					25,000.00	S	100525	GR/IR CLEARING RM	MKPF	WE	4000000029	1			Painting machinery... GR/IR CLEARING RAWMATERIA...	INR	INR	25,000.00	
400123	Painting-Mach-Exp					61,000.00														
						++ 61,000...														

## 9.5 Invoice Receipt-MIRO

**Enter Incoming Invoice: Company Code PIL**

Show PO structure Show worklist Hold Simulate Messages Help

Transaction: Invoice Balance: 0.00 INR

Basic Data		Payment		Details		Tax		Contacts		Note	
Invoice date	03/18/2021	Reference	INTERNAL ORDER1								
Posting Date	03/18/2021										
Amount	25,000.00	INR									
Tax Amount											
Bus.place/sectn	/										
Text: Internal Order related1											
Paymt terms: Due immediately											
Baseline Date: 03/18/2021											

PO Reference		G/L Account		Material		Contract Reference		Layout		Purchase order - delivery no...																									
Purchase Order/Scheduling Agreement		4500000327						Goods/service items + planned deli...																											
<table border="1"> <thead> <tr> <th>It...</th> <th>Purchase ...</th> <th>Item</th> <th>Sma...</th> <th>Del. Note/Sheet ...</th> <th>PO Text</th> <th>Quantity</th> <th>O...</th> <th>Net price</th> <th>O...</th> <th>Amount</th> <th>Tax Code</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>4500000327</td> <td>10</td> <td></td> <td></td> <td>MACHINARIES FOR PAIN...</td> <td>250KG</td> <td>100.00</td> <td>KG</td> <td>25,000.00</td> <td>V0 (0% IN...</td> <td></td> </tr> </tbody> </table>												It...	Purchase ...	Item	Sma...	Del. Note/Sheet ...	PO Text	Quantity	O...	Net price	O...	Amount	Tax Code	1	4500000327	10			MACHINARIES FOR PAIN...	250KG	100.00	KG	25,000.00	V0 (0% IN...	
It...	Purchase ...	Item	Sma...	Del. Note/Sheet ...	PO Text	Quantity	O...	Net price	O...	Amount	Tax Code																								
1	4500000327	10			MACHINARIES FOR PAIN...	250KG	100.00	KG	25,000.00	V0 (0% IN...																									

Document no. 5105600478 created (Blocked for payment)

## Display Invoice Document

**Display Invoice Document 5105600478 2021**

Show PO structure Follow-On Documents ...

Transaction: Invoice 5105600478 2021

Basic Data		Payment		Details		Tax		Contacts		Note	
Invoice date	03/18/2021	Reference	INTERNAL ORDER1								
Posting Date	03/18/2021										
Amount	25,000.00	INR									
Tax Amount	0.00										
Bus.place/sectn	/										
Text: Internal Order related1											
Paymt terms: Due immediately											
Baseline Date: 03/18/2021											

PO Reference		G/L Account		Material		Contract Reference		Layout		Purchase order - delivery no...																									
Purchase Order/Scheduling Agreement		4500000327						Goods/service items + planned deli...																											
<table border="1"> <thead> <tr> <th>It...</th> <th>Purchase ...</th> <th>Item</th> <th>Sma...</th> <th>Del. Note/Sheet ...</th> <th>PO Text</th> <th>Quantity</th> <th>O...</th> <th>Net price</th> <th>O...</th> <th>Amount</th> <th>Tax Code</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>4500000327</td> <td>10</td> <td></td> <td></td> <td>MACHINARIES FOR PAIN...</td> <td>250KG</td> <td>100.00</td> <td>KG</td> <td>25,000.00</td> <td>V0 (0% IN...</td> <td></td> </tr> </tbody> </table>												It...	Purchase ...	Item	Sma...	Del. Note/Sheet ...	PO Text	Quantity	O...	Net price	O...	Amount	Tax Code	1	4500000327	10			MACHINARIES FOR PAIN...	250KG	100.00	KG	25,000.00	V0 (0% IN...	
It...	Purchase ...	Item	Sma...	Del. Note/Sheet ...	PO Text	Quantity	O...	Net price	O...	Amount	Tax Code																								
1	4500000327	10			MACHINARIES FOR PAIN...	250KG	100.00	KG	25,000.00	V0 (0% IN...																									

Document no. 5105600478 created (Blocked for payment)

**List of Documents in Accounting**

**Documents in Accounting**

Doc. Number	Object type	Ld
5100000015	Accounting document	
0000000091	Profit center doc.	

Document no. 5105600478 created (Blocked for payment)

## 10. SUBCONTRACTING PROCESS

Subcontracting process is mainly used in most of industries. In subcontracting process, raw material is providing to subcontracting vendor. It's being processed by subcontracting vendor, convert it into semi-finished material and deliver back.

### 10.1: Create Bill of Material (BOM) - CS01

"A bill of Material (BOM) describes the different components that together create a product." It contains list of Raw material with quantity against which we can get a semi- finished material

**Create material BOM: Initial Screen**

Material: 1300016  
Plant: Z005 FA MUMBAI PLANT  
BOM Usage: 1  
Alternative BOM:

I will enter semi-finished material here.

**Display material BOM: General Item Overview**

Material: 1300016 (Rotar, Brake Assembled)  
Plant: Z005 FA MUMBAI PLANT  
Alternative BOM: 1

Item	ICt	Component	Component description	Quantity	Un	A...	SIs	Valid From	Valid to	Change No.	P...	SortString	Item ID
0010 L	464822		Rotar (Disk)	2	PC	<input type="checkbox"/>	<input type="checkbox"/>	27.06.2021	31.12.9999		<input type="checkbox"/>	00000001	
0020 L	464823		wheel Hub	1	PC	<input type="checkbox"/>	<input type="checkbox"/>	27.06.2021	31.12.9999		<input type="checkbox"/>	00000002	
0030 L	464824		Brake Pad	1	PC	<input type="checkbox"/>	<input type="checkbox"/>	27.06.2021	31.12.9999		<input type="checkbox"/>	00000003	

This semi-finished product I required after doing all operation by vendor.

These raw material I need to send to the vendor against which vendor will provide me semi-finished material.

This quantity will multiply in PO as per semi-finished ordered Qty.

## 10.2: Creating subcontracting PO with item category “L”

**Standard PO 4500025202 Created by AKASHH**

Document Overview On Messages Personal Setting Save As Template Load from Template

NB Standard PO Header

S. I	Item	Short Text	PO Quantity	OU	C Deliv. Date	Net Price	Curr...	Per	OPU
10	L 1300016	DISK Brake Assembled	50 PC	D	02.07.2021	5.000,00 EUR	1	PC	
						EUR			
						EUR			
						EUR			
						EUR			

Item Data Quantities/Weights Delivery Schedule Delivery Invoice Conditions Account Assignment Purchase Order History

Material group: 001 IUID-Relevant Revision Level:

Vendor mat. no.:  EAN/UPC:

Vendor sub-range:  Vendor Batch:

Batch:   InfoUpdate:

**Components**

**Processing Components: Component Overview**

Total: 1300016 Disk Brake Assembled Plant: 7005 Release Date: 26.06.2021 Quantity: 50,000 Delivery date: 02.07.2021

**PO Order quantity**

Material	Description	Requirement qty	U...	Q Plant	Pro...	Supply Area	Reqmt Date	M Item	L Batch	Req...	With...	B
464822	Rotar (Disk)	100	PC	2005			26.06.2021	9999 L		100	100	P
464823	wheel Hub	50	PC	2005			26.06.2021	9999 L		50	50	P
464824	Brake Pad	50	PC	2005			26.06.2021	9999 L		50	50	P

**As per the BOM, Raw material Quantity is multiplied automatically with semi-finished quantity.**

Standard PO created under the number 4500025202

**SAP**

## T-CODE: MMBE

Let's first check the stock overview for our raw material it is necessary that stock should be available physically as well as in system, otherwise while transfer posting I could get error of deficit stock quantity.

**Stock Overview: Basic List**

Client/Company Code/Plant/Storage Location/Batch/Special Stock	Unrestricted use	Qual. inspection
• Full	150,000	
• 1000 BestRun Germany	150,000	
• 7005 FA MI IMRAT PLANT	150,000	
• Z051 RAW	150,000	

## 10.3: Transfer posting - MIGO

### Enter Transfer Posting: Initial Screen

New Item    To Reservation...    To Purchase Order...    WM Parameters...

Reference: Purchase Order

Movement Type	541
Plant	Z005
Storage Location	

Purchase Orders

PO	Item
4500025202	10

Find POs

Material

Supplying Plant

Print

**Stock Overview: Basic List**

Selection  
Material: 464822  
Material Type: ROH  
Unit of Measure: PC

Stock Overview

Client/Company Code/Plant/Storage Location/Batch/Special Stock	Unrestricted use	Qual. inspection	Reserved	Rcpt reservation	On-Order Stock
Full	50,000				
1000 BestRun Germany	50,000				
Z005 FA MUMBAI PLANT	50,000				
Stock Provided to Vendor	100,000				
Z051 RAW	50,000				

Here we can see our raw material is transfer to stock provided to the vendor

No accounting documents are generated after transfer posting because I am responsible provide the stock to the

**Display Material Document 750000073 - AKASHH**

Show Overview | Hold | Check | Post | Help

A04 Display | R02 Material Docum... | 750000073 | 2021 |

General | Doc. info |

Entered By: AKASHH  
Created On: 28.06.2021 00:53:22  
Transaction Code: Transfer Posting MB1B

Transfer Posting | Material | Quantity | Where

From | Dest

Material: Rotar (Disk) 464822	Plant: FA MUMBAI PLANT Z005
Stor. Loc.: RAW Z051	
Spec. Stock: <input type="checkbox"/>	
Qty in UnE: 100	PC

No subsequent document found in Accounting

FI Documents

No Accounting documents are generated after transfer posting

## 10.4: Goods Receipt of semi-finished material-MIGO

**Goods Receipt Purchase Order 4500025202 - AKASHH**

Hide Overview Hold Check Post Help

A01 Goods Receipt R01 Purchase Order Plant 2005 GR goods receipt 101

My Documents +4500025202 Orders 60003287 60003805 60003286 60003285 Reservations 74205 74168 74118 74046 74043 74015 74014 73980 73979 Material Documents 750000072 750000058 750000057 750000050 4900001200 4900001199 10081 10023 780000436 780000426 Held Data Blank

Line	Mat. Short Text	OK	Qty in UnE	EUn	SLoc	Cost Center	Order
1	Disk Brack Assembled	<input type="checkbox"/>	50	PC	SEMI		
1	Rotar (Disk)	<input type="checkbox"/>	100	PC		9030	9900 9990 400020
1	wheel Hub	<input type="checkbox"/>	50	PC		9030	9900 9990 400020
1	Brake Pad.	<input type="checkbox"/>	50	PC			

Document Date: 27.06.2021 Delivery Note: Vendor: REGIME AUTOGEAR LTD  
Posting Date: 27.06.2021 Bill of Lading: HeaderText:  
GR/GI Slip No.: 1 Individual Slip

While posting goods receipt here system shows me how semi-finished material sends to vendor

**Display Material Document 750000074 - AKASHH**

Hide Overview Hold Check Post Help

A04 Display R02 Material Document 750000074 2021

My Documents Orders 60003287 60003805 60003286 60003285 Reservations 74205 74168 74118 74046 74045 74043 74015 74014 73980 73979 Material Documents 750000074 2021000069 2021000068 750000134 7965578 7965496 7965576 7965498 7965527 7965497 Held Data Blank

Line	Mat. Short Text	Qty in UnE	EUn	SLoc	Cost Center	Bus... Profit Center	G/L Account
1	Disk Brack Assembled	50	PC	SEMI			
1	Rotar (Disk)	100	PC		9030	9900 9990	400020
1	wheel Hub	50	PC		9030	9900 9990	400020

Document Date: 27.06.2021 Delivery Note: Vendor: REGIME AUTOGEAR LTD  
Posting Date: 27.06.2021 Bill of Lading: HeaderText:  
GR/GI Slip No.: 1 Individual Slip

Movement Type: 101 + GR goods receipt Stock type: Unrestricted use  
Plant: FA MUMBAI PLANT Storage Location: SEMI

**Display Material Document 750000074 - AKASHH**

Hide Overview | Hold | Check | Post | Help

My Documents

- Orders
  - 60003287
  - 60003005
  - 60003286
  - 60003285
- Reservations
  - 74205
  - 74168
  - 74118
  - 74046
  - 74045
  - 74043
  - 74015
  - 74014
  - 73990
  - 73979
- Material Documents
  - 750000074
  - 2021000069
  - 2021000068
  - 750000134
  - 7965578
  - 7965496
  - 7965576
  - 7965498
  - 7965527
  - 7965497
- Held Data
  - Blank

General Vendor Doc. info

Document Date	27.06.2021	Delivery Note		Vendor	REGIME AUTOGEAR LTD
Posting Date	27.06.2021	Bill of Lading		HeaderText	
File		1 Individual Slip	GR/GI Slip No.		

Line

1	Mat. Check Type	Brake Pad	Qty in Unit	EUN	Stoc	Cost Center	Bus... Profit Center
			50	PC		9030	0900 9990

Material Quantity Where Purchase Order Data Partner Account Assignment

Movement Type: 543 (GI into subc.stock) Stock type: Unrestricted use

Vendor: REGIME AUTOGEAR LTD Plant: FA MUMBAI PLANT

## T-CODE: MMBE Stock Overview for Raw material

**Stock Overview: Basic List**

Selection

Material	464822	Rotar (Disk)
Material Type	ROH	Raw material standard
Unit of Measure	PC	Base Unit of Measure

Stock Overview

**Raw material stock**

Client/Company Code/Plant/Storage Location/Batch/Special Stock	Unrestricted use	Qual. inspection	Reserved	Rcpt res
Full	50,000			
1000 BestRun Germany	50,000			
2005 FA MUMBAI PLANT	50,000			
Z051 RAW	50,000			

**Stock Overview: Basic List**

Selection

Material	1300016	Disk Brack Assembled
Material Type	HALB	Semi-finished product
Unit of Measure	PC	Base Unit of Measure

Stock Overview

**Semi finished stock**

Client/Company Code/Plant/Storage Local	Detailed Display	Stock	Unrestricted use	Qual. inspection	Reserved
Full			50,000		
1000 BestRun Germany			50,000		
2005 FA MUMBAI PLANT			50,000		
2052 SEMI			50,000		

## Accounting Document

The screenshot shows the SAP R/3 Accounting Document interface. At the top, the transaction code 'R02 Material Document' is selected. The 'Doc. Info' tab is highlighted. A callout arrow points from the 'Doc. Info' tab to a small window titled 'FI Documents' which lists '0100004182 Accounting document'. Another callout arrow points from the 'FI Documents' window to a larger window titled 'List of Documents in Accounting' which also lists '0100004182 Accounting document'. Below these windows, the main document creation screen is visible, showing fields like 'Movement Type' (101), 'Plant' (FA MUMBAI PLANT), and 'Storage Location' (SEMI). The bottom half of the screen displays a grid of ledger entries with columns for Account, Description, Quantity, Amount, Transaction, and Account Type.

Account	Description	Quantity	Amount	Transaction	Account Type
1000 1 89 792000	Finished goods invent	50	250.000,00	BSX	S
2 04 161100	Gravels Brust/Brunnen R	50	250.000,00	WRY	S
3 91 400020	Raw materials consum	50	250.000,00	BSV	S
4 06 417001	Purchased services	50	250.000,00	FRL	S
5 99 300000	Inventory - Raw Mater	100	200.000,00	BSX	M
6 81 400020	Raw materials consum	100	200.000,00	GBB	S
7 99 300000	Inventory - Raw Mater	50	250.000,00	BSX	M
8 81 400020	Raw materials consum	50	250.000,00	GBB	S
9 99 300000	Inventory - Raw Mater	50	150.000,00	BSX	H
10 81 400020	Raw materials consum	50	150.000,00	GBB	H

## 10.5 Invoice Verification (MIRO): Verifying invoice of vendor and payment to the vendor against services.

The screenshot shows the SAP MIRO Invoice Verification interface. The transaction code '1 Invoice' is selected. The right side of the screen displays vendor information for 'Vendor 0000101046' with company details: REGIME AUTOGEAR LTD. An orange callout box labeled 'Payment to the vendor against services for 50 pc.' points to the vendor information. On the left, the 'Basic Data' tab is active, showing the invoice date (28.06.2021), posting date (27.06.2021), amount (275.000,00), and tax amount (25.000,00). The bottom section shows a table of items with one row highlighted, indicating a payment of 250.000,00 for 50 pieces of 'Disk Brack Assembled'.

Item	Amount	Quantity
1	250.000,00	50 PC

## 11. Vendor Consignment Process

Vendor consignment is a special type of procurement process where the vendor stores his material in the company/buyer's premises with his own ownership of that material. Material remains in the liability of the vendor until it withdrew from consignment stock. This stock remains on the vendor's hand until it gets transferred by transfer posting. The vendor raises the invoice only after stock transferred into company stock.

### 11.1-CREATE INFO RECORD-ME11

*Create Info Record: Initial Screen*

Vendor Material Purchasing Org. Plant Info Record	101046 464855 1000  Info category Standard Sub-contracting Pipeline <b>Consignment</b>
---	--

This is prerequisites to maintain consignment info record with net price and Tax code.

*Change Info Record: Purch. Organization Data 1*

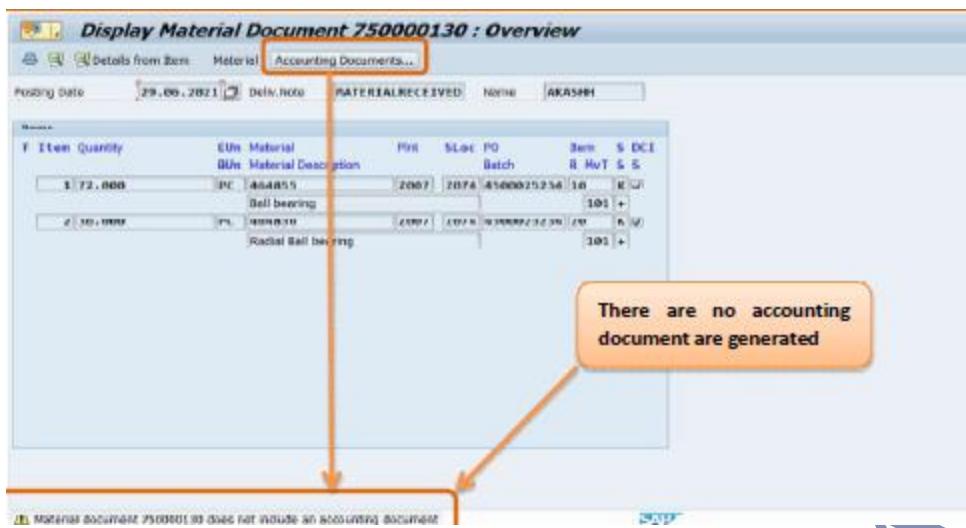
General Data: Conditions: Texts:	Info Record: 5600000249 Vendor: 101046 Material: 464855 Material Group: 001 Purchasing Org.: 1000 Vendor Consignment: REGIME AUTOGEAR LTD Radial Ball bearing Metal Processing Tax Code: 11
Control: H. Deliv. Time: 5 Days Purch. Group: 000 Standard Qty: 1.000 Minimum Qty: 1 Rem. Shelf Life: 0 Differential Invoicing: 01 Not Rate... Shippng Instr.: Max. Quantity: 1 Procedure: Rndg Prof. UoM Group: RMA Req.	Tol. Underdl: 2,0 % Tol. Overdl: 2,0 % Unlimited GR-Bsd IV No ERS Tax Code: 11
Conditions: Net Price: 300,00 EUR Effective Price: 300,00 EUR Qty Conv.: 1 PC <-> 1 PC Pr. Date Cat.: No Control Incoterms:	Valid to: 31.12.9999 No Cash Disc. Cond. Grp:

## 11.2-CREATE PURCHASE ORDER-ME21N

The screenshot shows the SAP ME21N 'Create Purchase Order' interface. At the top, it says 'Document Overview On' and has tabs for 'Delivery/Invoice', 'Conditions', 'Texts', 'Address', 'Communication', 'Partners', 'Additional Data', 'Log Data', 'Status', and 'Payment Processing'. The vendor is listed as '100948 REGIME AUTOGEAR LTD'. The document date is '29.08.2021'. The purchase organization is '2005 FA Bangalore', purchase group is '000 Chef./U.', and company code is '5000 Bechtel Germany'. A note in an orange callout box states: 'For item cat K system is no ask me to put price and there is no condition tab is maintained because we are asking for stock only not payment for now. I've maintained net price in PIR, while settlement system will take that automatically.' In the material list, two items are listed: 'K 64855 Ball bearing' and 'X 64856 Radial Ball bearing'. The quantity for both is 72,000. The unit price for the first item is 35.0000 PC. The delivery date is '04.09.2021'. The status bar at the bottom right shows 'P 307 (2) 989 \* capidco 295'.

## 11.3 -Post Good Receipt of consignment Purchase order-MIGO

The screenshot shows the SAP MIGO 'Post Good Receipt of Consignment Purchase Order' screen. It displays a table of received materials: '1 Ball bearing' and '2 Radial Ball bearing', both with quantities of 72,000. The movement type is set to '101 K + GR for consigt. stock'. The vendor is 'REGIME AUTOGEAR LTD' and the plant is 'FA BANGLORE PLANT'. A note in an orange callout box states: 'For both the materials while I posting a goods receipt special Mvt 101 (K) is generated.' The status bar at the bottom right shows 'Material document 750000130 posted'.



## Stock Overview

After receiving material into consignment stock.T-CODE: MMBE

Material	Description	Quantity
464855	Ball bearing	72.000,000

Material	Description	Quantity
464856	Radial Ball bearing	36.000,000

## 11.4- TRANSFER POSTING – MIGO

**Enter Transfer Posting: Initial Screen**

Document Date: 29.06.2021      Posting Date: 29.06.2021

Doc.Header.Text:      GR/GI Slip No.:

Movement Type: 411      Special Stock: K

Plant: 2007      Reason for Movement:

Storage Location:      Suggest Zero Lines:

**GR/GI Slip:**

- Print
- Individual Slip
- Indiv.Slip w.Inspect.Text
- Collective Slip

The special Mvt 411 (K) is used for transfer posting from consignment to own stock.

**AB4 Display**      R02 Material Document: 750000134      2021

**General**      Doc. Info

Document date: 29.06.2021      Material Slip:

Posting Date: 29.06.2021      Doc.Header.Text:

**Transfer Posting**      Material      Quantity      Where

**From:**

Material:	Ball bearing
Item No.:	464855
Plant:	FA BANGLORE PLANT
Storage Loc.:	Consignment
Location:	2074

**To:**

Material:	Ball bearing
Item No.:	464855
Plant:	FA BANGLORE PLANT
Storage Loc.:	Consignment
Location:	2074

**Stock Overview: Basic List**

Selection: Material: 464855

Once I received stock to own stock it shows me at all levels means now we are liable to pay for it.

Client/Company Code/Plant/Storage Location/Batch/Special Stock	Unreserved Stock	Qual. inspection	Reserved	Rcpt reservation
• Hill	36.000.000			
• 1000 BestRun Germany	36.000.000			
• 2007 FA BANGLORE PLANT	36.000.000			
• 2074 Consignment	36.000.000			
• Vendor Consignment	36.000.000			

## 11.5 -Consignment Settlement

In this STEP settled the consignment to pay to the vendor

### Consignment and Pipeline Settlement

**Selection**

Company Code	<input type="text" value="1000"/>	to	<input type="text"/>	
Vendor	<input type="text"/>	to	<input type="text"/>	
Plant	<input type="text" value="Z007"/>	to	<input type="text"/>	
Material	<input type="text"/>	to	<input type="text"/>	
Document Date	<input type="text"/>	to	<input type="text"/>	
Posting Date	<input type="text"/>	to	<input type="text"/>	
Material Document	<input type="text"/>	to	<input type="text"/>	

Consignment  
 Pipeline

**Processing**

Display  
 Settle

Consignment and Pipeline Settlement																
Info Record		Messages		Actions												
	CoCo	Vendor	Mat. Doc.	MatYr	Item	Doc. Date	Plant	Material	Qty Withdr	Un	Amount	Crcy	DocumentNo	Year	Item	Information text
	1000	101046	750000134	2021	1	29.06.2021	Z007	464855	36.000	PC	7.200.000,00	EUR	5100001085	2021	2	Document created
	1000	101046	750000134	2021	3	29.06.2021	Z007	464856	18.000	PC	5.400.000,00	EUR	5100001085	2021	3	Document created

**Display Document: Data Entry View**

Taxes    Display Currency    General Ledger View

Document Number	6100001085	Company Code	1000	Fiscal Year	2021
Document Date	29.06.2021	Posting Date	29.06.2021	Period	6
Reference		Cross-Comp.No.			
Currency	EUR	Texts exist	<input type="checkbox"/>	Ledger Group	

**General Ledger View**

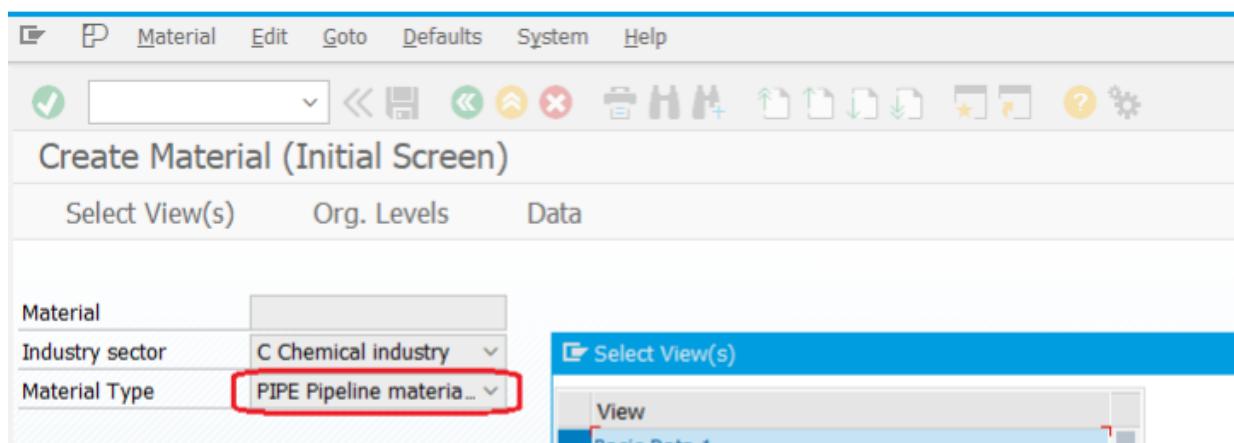
CoCd	Item PK	S	Account	Description	Quantity	Σ	Amount	Currency	Tx	TTy	TTy	Transaction	Account Type	Clr.	Debit/Credit	Material
1000	1	31	101046	REGIME AUTOGEAR LTD		13.860.000,00	-	EUR	1I			KBS	K	H		
	2	40	169900	Accounts Payable - c	36.000	7.200.000,00	-	EUR	1I			KBS	S	S		464855
	3	40	169900	Accounts Payable - c	18.000	5.400.000,00	-	EUR	1I			KBS	S	S		464856
	4	40	154000	Input tax		1.260.000,00	-	EUR	1I			VST	S	S		

## 12.Pipeline procurement process

It is the process where, material will be flowing from the vendor premises to plant premises, and pipeline material is not stored in any storage location or plant as it consumed directly as when required, because it flows directly into the production process from pipeline or via cable and coming to payment it's like consignment.

Examples of pipeline materials are electricity, oil, Gas and water.

### 12.1. Pipeline material type PIPE (t.code MM01)



### 12.2. Purchase info record with Info Category Pipeline (t.code ME11)

Purchase info record with Info Category Pipeline is mandatory for Pipeline material and while creating material master we need to select the material type as Pipeline material.

Info Record   Goto   Extras   Environment

Create Info Record: Initial Screen

Vendor	100076
Material	81
Purchasing Org.	
Plant	
Info record	

**Info category**

- Standard
- Subcontracting
- Pipeline
- Consignment

**In info record price and tax code is mandatory or else we can receive an error in MRKO posting**

Info Record   Edit   Goto   Extras   Environment   System   Help

Create Info Record: Purch. Organization Data 1

General Data	Conditions	Texts
Info record		
Vendor	100076	Rajiv gas industries pvt.ltd
Material	81	Gas
Material Group	01	Material group 1
Purchasing Org.		Plant   Pipeline

**Control**

Plnd delay time	10 Days	Tol. Underdl.	%	<input type="checkbox"/> No MText
Purch. Group	M30	Tol. Overdl.	%	<input checked="" type="checkbox"/> Ackn. Rqd
Standard Qty	100	<input type="checkbox"/> Unlimited		Conf. Ctrl
Minimum Qty		<input checked="" type="checkbox"/> GR-Bsd IV		<input type="checkbox"/> Tax Code VO
Rem. Shelf Life		<input type="checkbox"/> No ERS		
Differential Invoicing				
Shippg Instr.				
Max. Quantity		Procedure		UoM Group
		Rndg Prof.		RMA Req.

**Conditions**

Net Price	100	USD	/ 1	KG	Valid to		
Effective Price	0,00	USD	/ 1	KG	<input type="checkbox"/> No Cash Disc.		
Qty Conv.	1	KG	<->	1	KG	Cond. Grp	

## 12.3. Post goods issue with (t.code MIGO)

You can enter a pipeline withdrawal for an cost center (with movement type 201 P) or for order (with movement type 261 P). In the below screen it is issuing to cost center and special stock type is P

The screenshot shows the SAP A07 Goods Issue screen. The header displays "Goods Issue Other". The document details section shows "Document Date: 16.03.2022", "Posting Date: 16.03.2022", and "Material Slip: R10 Other". The table section contains one row: Line 1, Status OO, Material Short Text Gas, Qty in UnE 100, and EUR KG. The footer shows Movement type 201 P, Vendor Rajiv gas industries pvt.ltd, and Stock type 100076.

Material document 4900000662 posted

You can see the accounting entries of pipeline consumption

A/c Payable for Pipeline : CR -

Consumption A/C: DR +

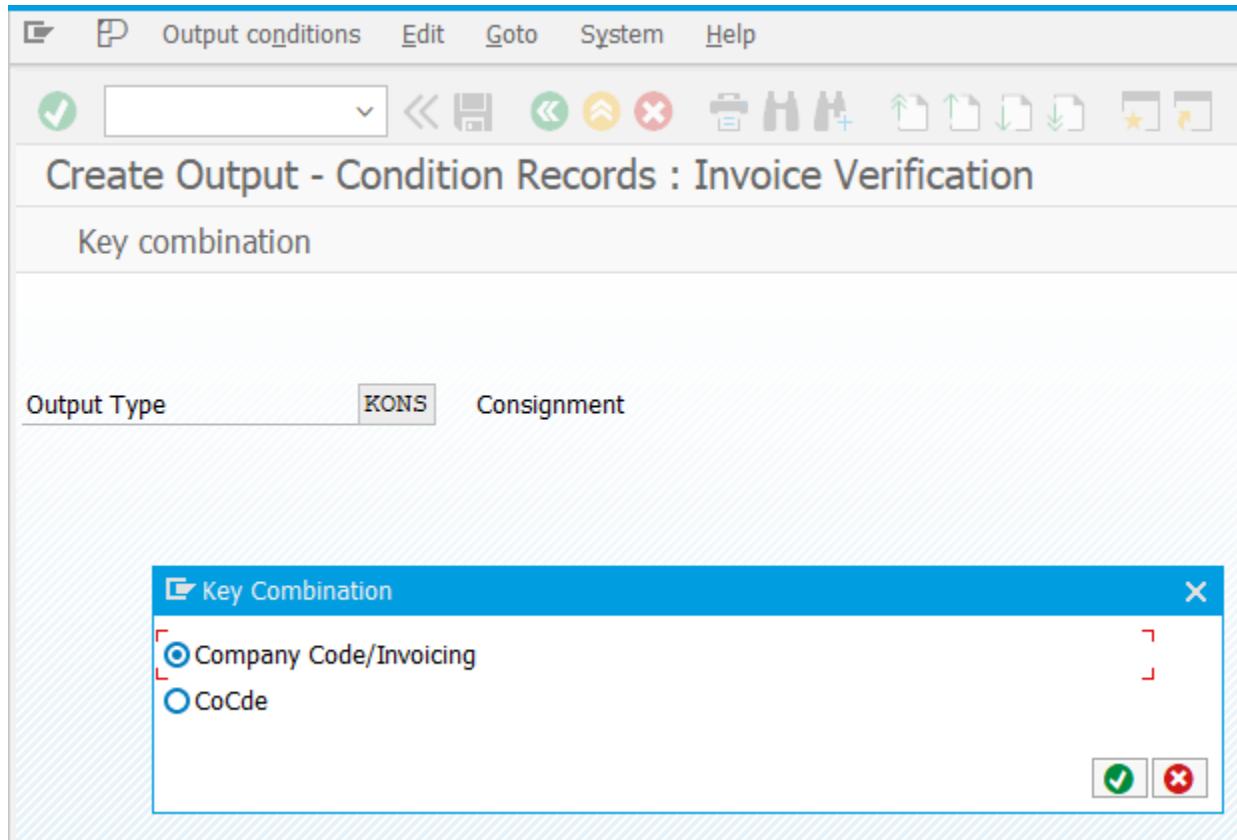
The screenshot shows the SAP Data Entry View interface. At the top, there's a toolbar with various icons for document management, settings, and help. Below the toolbar, the title bar reads "Display Document: Data Entry View". Underneath, there are two buttons: "Display Currency" and "General Ledger View". The main area is titled "Data Entry View" and contains several input fields and dropdowns. The fields include "Document Number" (4900000080), "Company Code" (empty), "Fiscal Year" (2022), "Document Date" (16.03.2022), "Posting Date" (16.03.2022), "Period" (3), "Reference" (empty), "Cross-Comp.No." (empty), "Currency" (USD), "Texts exist" (checkbox), and "Ledger Group" (empty). Below these fields is a toolbar with various icons. The main table displays two rows of data:

CoCd	Item Key	SG Account	Description	Amount	Currency	Tx	Trs
	1 91	169900	Payables-consignment	10.000,00-	USD	KON	
	2 81	400000	Consumptn, raw mat.1	10.000,00	USD	GBB	

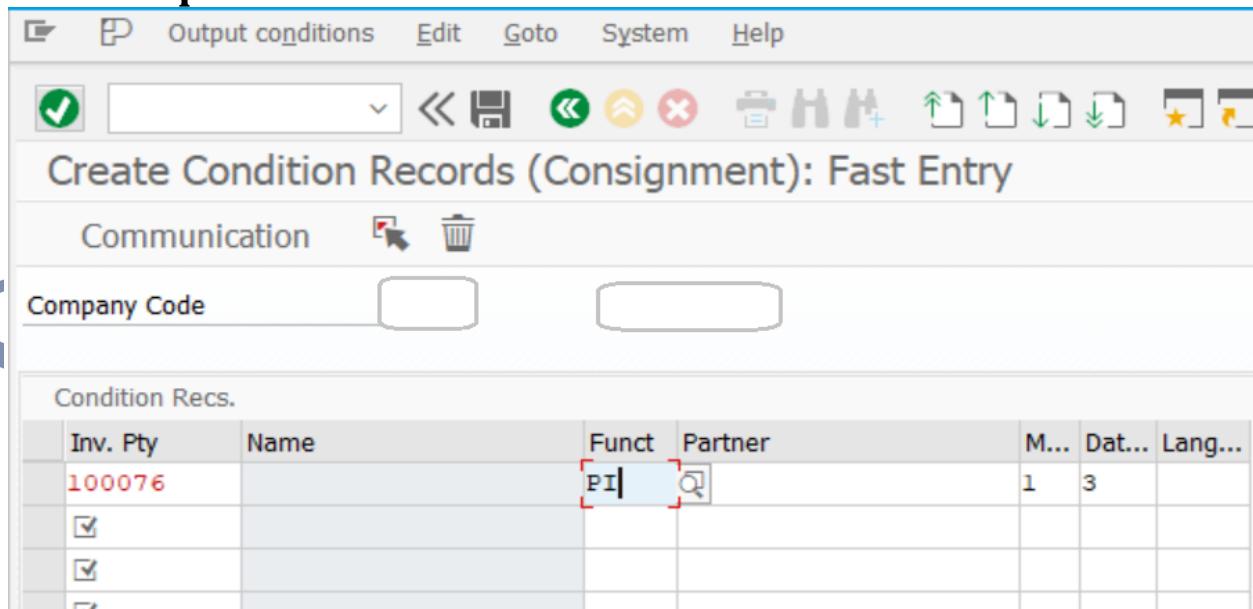
**Note: Maintain condition record with (t.code MRM1) to send pipeline settlement document to vendor or else document number will not create during pipeline settlement.**

**Give the output type as KONS and select key combination**

SAY

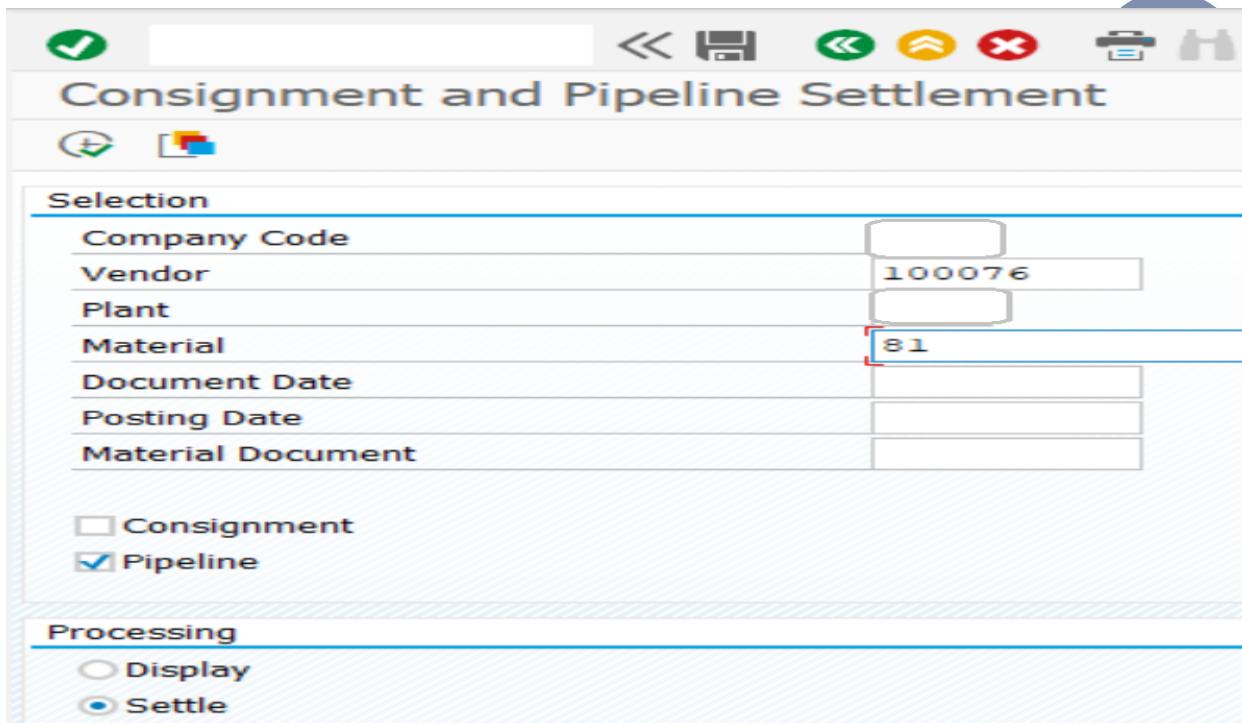


**After giving the vendor number click on communication and enter required details and save it.**



## 12.4. Automatic settlement document with (t.code MRKO)

In this transaction select pipeline option and give the selection criteria and click on execute.



You can see the below screenshot where document number generated.

CoCode	Vendor	Mat. Doc.	MatYr	Item	Doc..Date	Plant	Material	Qty	Withdr	Un	Amount	Crcy	DocumentNo	Year	Item	Information text
100076	4900000662	2022	1	16.03.2022		81		100	KG	10.000,00	USD	5100000130	2022	2	Document created	

See the accounting entries for pipeline settlement

Vendor A/C : CR -

A/c Payable For Pipeline : DR +

Document Edit Goto Extras Settings Environment System Help

Display Document: Data Entry View

Taxes Display Currency General Ledger View

Data Entry View

Document Number	5100000130	Company Code		Fiscal Year	2022
Document Date	16.03.2022	Posting Date	16.03.2022	Period	3
Reference		Cross-Comp.No.			
Currency	USD	Texts exist	<input type="checkbox"/>	Ledger Group	

CoCd	Item	Key	SG Account	Description	Amount	Currency	Tx	Trs
	1	31	100076	Rajiv gas industries pvt.ltd	10.000,00-	USD	V0	KBS
	2	40	169900	Payables-consignment	10.000,00	USD	V0	KBS

Printing/transmitting the settlement document to vendor with output type KONS for the invoice created in MRKO (t.code MR91)

Program Edit Goto System Help

Messages from Invoice Verification

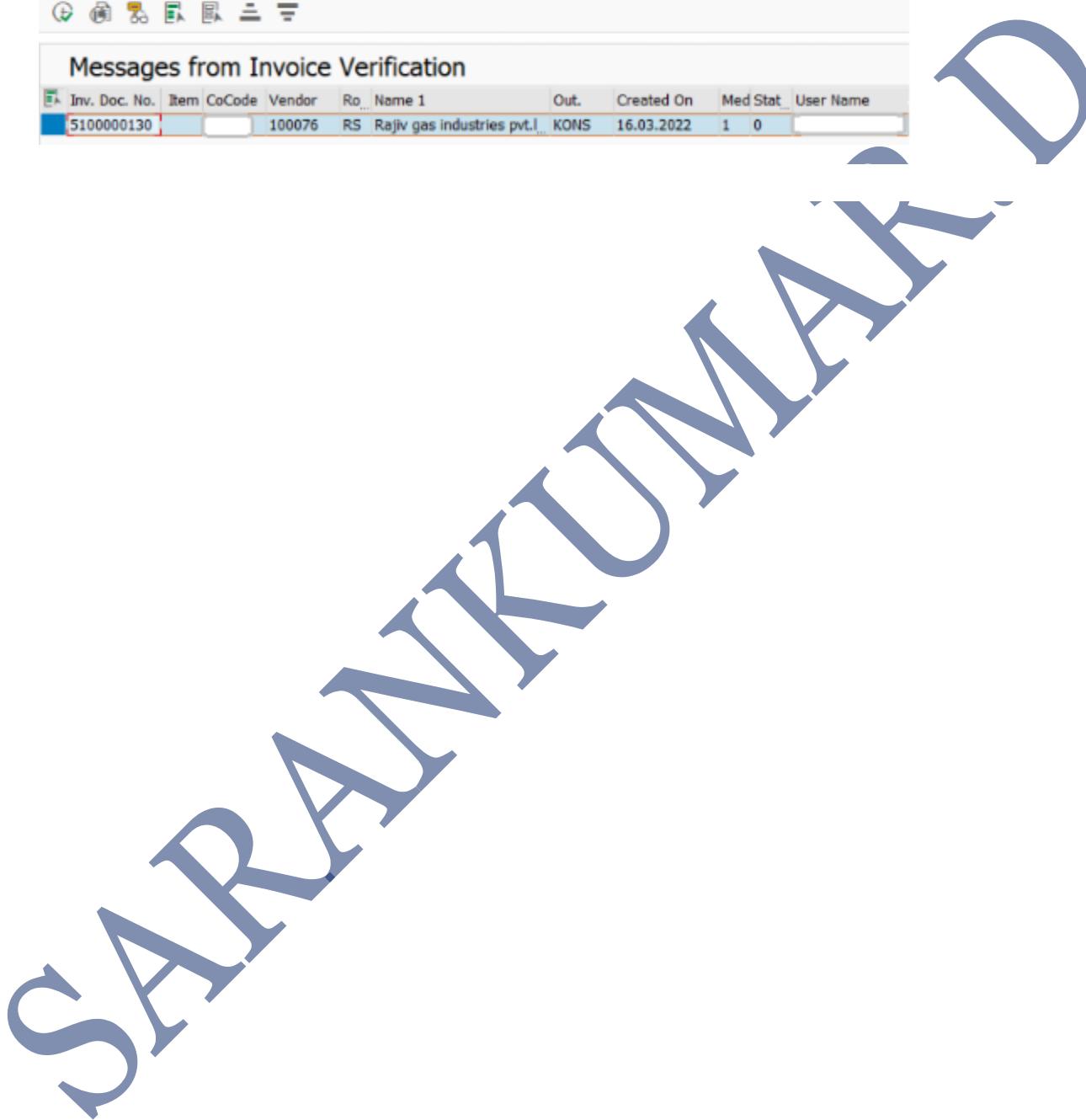
Message Data

Output Type	KONS	to		<input type="checkbox"/>
Transmission Medium		to		<input type="checkbox"/>
Created On		to		<input type="checkbox"/>
Sort order	01	Vendor/Partner function/Document number		
Processing mode	1	First processing		

Invoice Doc. Data

Document Number		to		<input type="checkbox"/>
Document Date		to		<input type="checkbox"/>
Fiscal Year	2022			
Company Code				
Vendor		to		<input type="checkbox"/>
User		to		<input type="checkbox"/>

Select the line item and click on process button



Inv. Doc. No.	Item	CoCode	Vendor	Ro...	Name 1	Out.	Created On	Med Stat	User Name
5100000130		100076	RS	Rajiv gas industries pvt.l...	KONS	16.03.2022	1	0	