

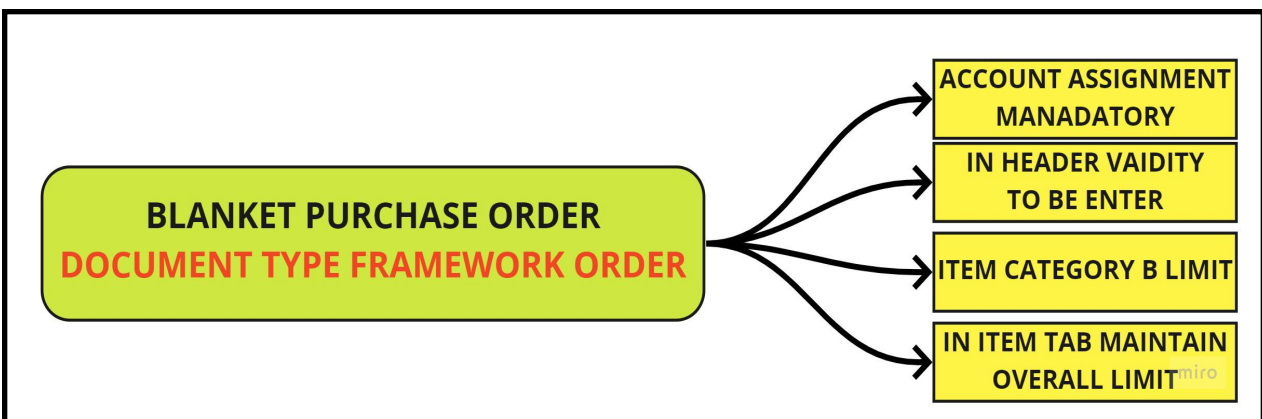
BLANKET PURCHASE ORDER

- Blanket purchase order is simplified procurement process for consumable non stock item
- A blanket purchase order (BPO) is a long-term agreement between an organization and a supplier to deliver goods or services with a set price on a recurring basis over a specified time period
- in typical procurement we have to go for P2P process , but in blanket purchase order you can make multiple invoice on single blanket order for consumable material
- we can reduce purchase team time , effort for procurement because it does not need to go purchase order
- A blanket purchase order eliminates the need to secure sourcing and negotiate contracts for each order, which allows the procurement department staff to focus on important activities over repetitive tasks.

WHEN BLANKET PURCHASE ORDER IS USED

- When quantities of the same goods or services are needed throughout a time period, typically one year.
- When unit cost can be well-defined and details can be specified.
- When a single vendor is capable of delivering throughout the length of the contract.
- When ordering in quantity facilitates more favorable contract terms, such as bulk discounts.
- When staggered deliveries minimize stocking risk and costs.

BLANKET PURCHASE ORDER



BUSINESS SCENARIO

- Suppose in plant CB50 required daily stationary material for various department
- They can not process purchase order for each item also it is time consuming to save master record for each material
- Therefore plant CB50 release blanket purchase order
- Vendor send the material against order send invoice. purchase group enter the invoice given by vendor and payment is settle

STEP 1) ENTER DOCUMENT TYPE VENDOR AND VALIDITY IN PURCHASE ORDER ME21N

The screenshot shows the 'Create Purchase Order' (ME21N) screen. Key fields are highlighted with yellow boxes and red rectangles:

- DOCUMENT TYPE:** FO Framework order
- VENDOR:** 314 KAKADE ENTERPRISES
- Validity Start:** 24.07.2022
- Validity End:** 24.08.2023
- Validity of Order:** Indicated by a yellow box pointing to the validity dates.

Other visible fields include: Doc. date (24.07.2022), VAT No. (DE123456789), and tabs for Delivery/Inv..., Conditions, Texts, Address, Communication, Partners, Additional D..., Org. Data, Status, and Payment Processing.

STEP 2) ENTER DETAILS IN ITEM TAB

The screenshot shows the 'Create Purchase Order' (ME21N) screen with the 'Item' tab selected. Key details are highlighted:

- Item Header:** S... Itm A I Material Short Text PO Quantity O... C Deliv. Date Net Price Curr... Per O... Matl Group Pln
- Item 10:** U B STATIONARY 1AU D 24.07.2022 15.000,00EUR 1 AU Elevators HAI
- Account Assignment:** Highlighted with a yellow box.
- Item Category Limit:** Highlighted with a yellow box.
- Overall Limit:** 25.000,00 EUR
- Expected value:** 15.000,00
- "Actual" Value:** 0,00

Other visible fields include: Vendor (314 KAKADE ENTERPRISES), Doc. date (24.07.2022), and tabs for Material Data, Quantities/Weights, Delivery Schedule, Delivery, Invoice, Conditions, Texts, Delivery Address, Confirmations, Condition Control, and Retail.

STEP 3) ENTER INVOICE MIRO

Enter Incoming Invoice: Company Code 1000

Show PO structure Show worklist Hold Simulate Messages Help

Transaction 1 Invoice
Diff. Posting Not Applicable

Basic Data Payment Details Tax Contacts Note

Invoice date 24.07.2022
Posting Date 24.07.2022
Amount
Tax amount
Text
Company Code 1000 BestRun Germany Frankfurt

Reference
Calculate tax
VA VA INVOICE DATE

BLANKET PURCHASE ORDER NO

PO Reference G/L Account Material Contract Reference

1 Purchase Order/Scheduling Agreement 4300000039

Enter Incoming Invoice: Company Code 1000

Show PO structure Show worklist Hold Simulate Messages Help

Transaction 1 Invoice
Diff. Posting Not Applicable

Balance 0,00 EUR

Basic Data Payment Details Tax Contacts Note

Invoice date 24.07.2022
Posting Date 24.07.2022
Amount
Tax amount
Text
Paymt terms Due immediately
Baseline Date 24.07.2022
Company Code 1000 BestRun Germany Frankfurt

Reference
EUR Calculate tax
VA VA (19% domestic input t...)

Vendor 000000314
KAKADE ENTERPRISES
D-

CLICK TO ADD ACCOUNT AND COST

PO Reference G/L Account Material Contract Reference

1 Purchase Order/Scheduling Agreement 430000003

1 Goods/service items
6310 All information

Layout

Contract Item or Service Text	Service Selection	Tax Code	N...	Acct Assgt	Edit Own Co...
		II 1I (Input tax 1C)		Edit	

Enter Incoming Invoice: Company Code 1000

Show PO structure Show worksheet Hold Simulate Messages Help

Transaction: 1 Invoice Balance: 0,00 EUR
 Diff. Posting: Not Applicable

Basic Data Payment Details Tax Contacts Note

Invoice date: 24.07.2022 Reference:
 Posting Date: 24.07.2022
 Amount: EUR Calculate tax
 Tax amount: VA VA (19% domestic input t...
 Text:
 Paymt terms: Due immediately
 Baseline Date: 24.07.2022
 Company Code: 1000 BestRun Germany Frankfurt

Vendor: 0000000314
 KAKADE ENTERPRISES
 D-
 OI

PO Reference: 1 Purchase Order/Scheduling Agreement 4300000039
 Contract Reference: NSP(2)/800 Multiple Account Assignment for Item 000001 STATIONARY

Amount	Quantity	G/L Account	Bus...	Cost Center	Service...	Business Proces...	Order	Text
1.500,00		400000	9900	1000				

1500 AMOUNT CONSUMED ENTERED IN INVOICE

- You can receive material material from vendor upto total value 25000 mention in blanket order
- For example i entered two invoice
- You can see invoice entered against purchase order

RESULT ME21N

Framework order 4300000039 Created by CHAITANYA003

Document Overview On Print Preview Messages Personal Setting Save As Template

FO Framework order: 4300000039 Vendor: 314 KAKADE ENTERPRISES Doc. date: 24.07.2022

EP	S...	Item	A	I	Material	Short Text	PO Quantity	OUIn C	Deliv. Date	Net Price	Curre...	Per	OPU	Matl Group	Plant	Stor. Location	Batch
	10	U	B		STATIONARY			1	AU	D 24.07.2022	15.000,00	EUR	1	AU	Elevators	HAMBURG	

TWO INVOICE IS CREATED YOU CAN CREATED AS MUCH YOU CAN

Sh. Text	MvT	Material	Document	Item	Posting Date	Quantity	Delivery cost	quantity	OUIn	Amount in LC	Lcur	Qty in OPUIn	DelCostQty	(OPUIn)	Order Price Unit	Amount	Crcy	Reference
RE-L		S105610119			1 24.07.2022					1.500,00	EUR					1.500,00	EUR	
RE-L		S105610118			1 24.07.2022					2.500,00	EUR					2.500,00	EUR	
Tr./Ev.	Invoice receipt									4.000,00	EUR					4.000,00	EUR	