Purchase Requisition Entry

A purchase requisition is an internal document that may be necessary to support the purchasing process when engaging a vendor to provide a supply of goods. Purchase requisitions are created to obtain internal approval for the purchase of certain goods prior to a PO being raised. The purchase requisition goes through various stages of approval and then is generally promoted to a PO. The *BatchMaster Purchase Requisition* feature facilitates the creation of the basic elements of a PO.

The *Purchase Requisition Entry* screen lets you create purchase requisitions for both inventory and non-inventory items. A PO is generated upon transferring the purchase requisition. Purchase requisitions can also be created from the *Production Module* via a *Critical Items Report*.

Go To: Purchase → Purchase Order → Purchase Requisition Entry.

⚠ **Prerequisites:** Data should be set up at the following screens before creating and transferring purchase requisitions:

- *Item Location*.
- *PO Series Master*.
- *Vendor Masters*.
- *Unit Conversions*. If any item uses a purchase unit of measure that is different from the stock unit, a unit conversion must be maintained from the stock unit to the purchase unit.

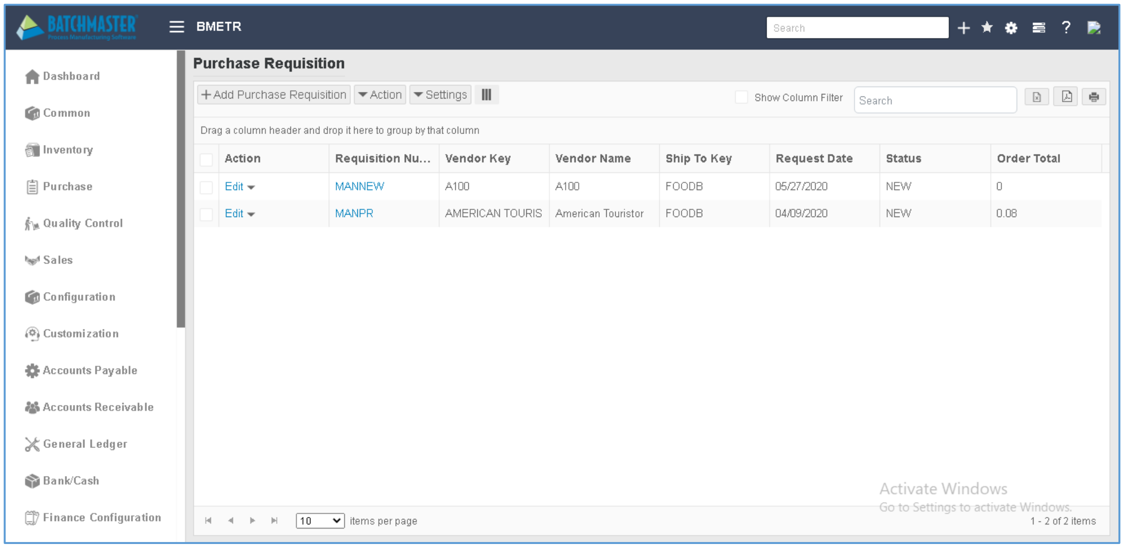
When an approval process is required:

- On the *Purchase Indent* tab of the *BW Setup* screen (the business-to-business portal connection), the approver source must be selected as *BatchMaster Enterprise*.
- Data must be maintained on the following screens:
  1. *Purchase Approver Group*.
  2. *Department Master*.
  3. *Approver Matrix*.

Based on the approver matrix defined and the department associated on the *Purchase Indent* or *Purchase Requisition* screen, the system automatically assigns the Approvers for the purchase.

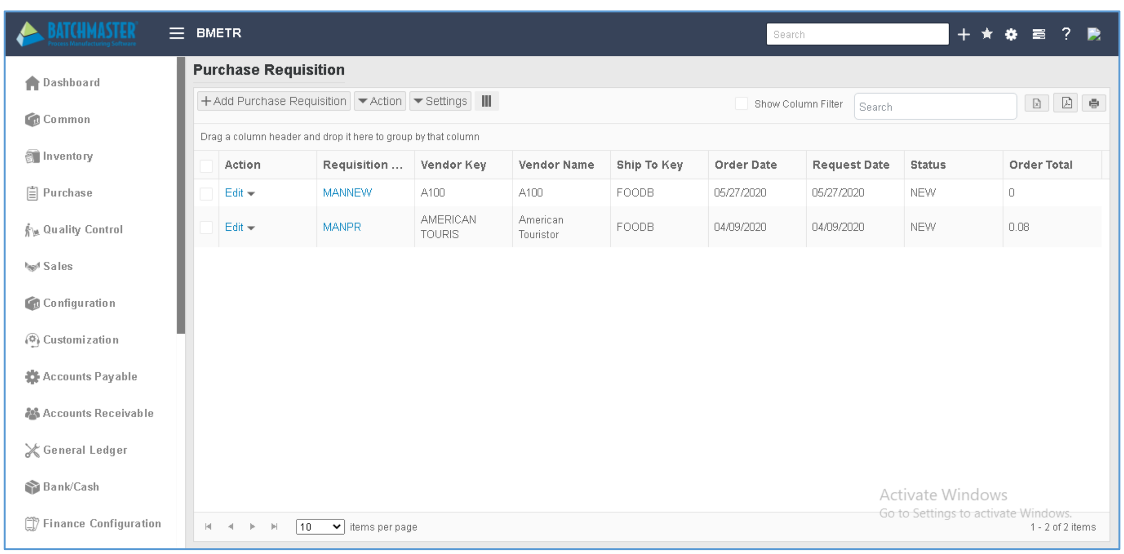
Purchase Requisition – Dashboard

You can manage purchase requisitions from this dashboard. By default, the system displays all the existing purchase requisitions as maintained for your business/company. You can click on any of the purchase requisition record to view its details.



The *Purchase Requisition* dashboard contains many elements that occupy 100% of the browser window. Resizing the window would resize the elements to fit. The elements can be rearranged, i.e., docked, resized, grouped, and stacked. The header and the side panel can't be rearranged.

After you select all the columns of the *Purchase Requisition* dashboard, the middle grid displays the selected columns.

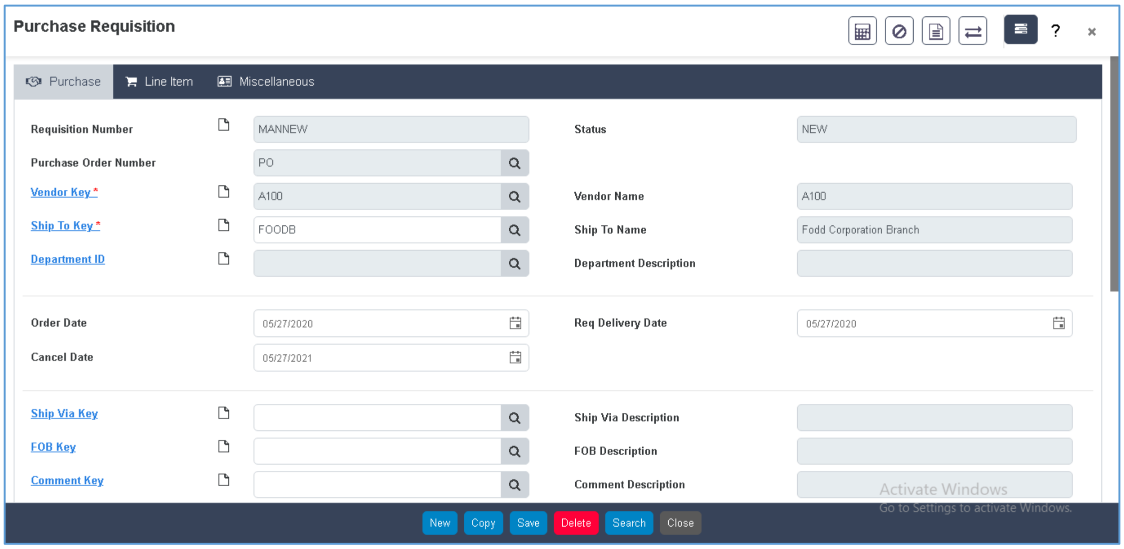


The *Purchase Requisition* dashboard provides a clear vision of the created records in a read-only mode. You can view the records as per the number of pages provided per page.

Purchase Requisition – Add Mode

To add a new purchase requisition to your BatchMaster database, click on the + *Add Purchase Requisition* button. The system displays the *Purchase Requisition* screen, where you can create new requisition records.

Purchase Tab



Requisition Number: A unique number is required for every Purchase Requisition. This number can have up to eight alphanumeric characters.

Status: This field displays the current status of the Purchase Requisition. The possible values for the status are as follows:

- **NEW**: Status of the Purchase Requisition upon creation.
- **APPROVER**: Status of the Purchase Requisition when at least one approver has approved the requisition but at least one more approval is required.
- **PROCESS**: Status of the requisition upon completion of all the required approvals.
- **TRANSFERRED**: Status upon transfer to a Purchase Order.
- **CANCELLED**: Status upon cancellation of the purchase requisition. A purchase requisition can be cancelled only if it has not been transferred yet.

Purchase Order Number: Once a requisition is transferred to a purchase order, this field specifies the Purchase Order number thus created.

Vendor Key: This the Vendor to whom a Purchase Order will be issued based on this requisition. This is a mandatory field.

Vendor Name: This field displays the description associated with the vendor key. This is a read-only field.

Ship To key: This is the Branch of the BME Company to which the good will be shipped. This is a mandatory field.

Ship To Name: This field displays the description associated with the Ship To Key. This is a read-only field.

Department ID: This field is used specify the department from which the purchase requisition is created. Based on the department ID associated here system will automatically default the applicable approvals as maintained on the Approver Matrix. Here it is to be noted that the approvals tab will only be available if necessary settings are made on BW Setup screen.

Department Description: This field displays the description associated with the Department ID. This is a read-only field.

Order Date: While creating a new order, this field is defaulted to the current server date.

Req Delivery Date: This is the date by which the ordered items should be delivered by Vendor. This field is defaulted to current server date while creating a new order. However, it may be changed to any date that is greater than or equal to the Order date.

Cancel Date: Purchase receipts for this order cannot begin after this date. This field is defaulted to a date that has been arrived at by adding the 'Days to Calculate Cancel Date' as defined at Parameters Setup to the Order date. This date may be changed to any date that is greater than requested delivery Date.

Ship Via Key: This field specifies the shipper or transporter to be used by the vendor for transporting the material. The field is defaulted with the Ship Via key as has been specified in the selected Vendor's details. It may, however, be modified.

Ship Via Description: This field displays the description associated with the Ship Via Key. This is a read-only field.

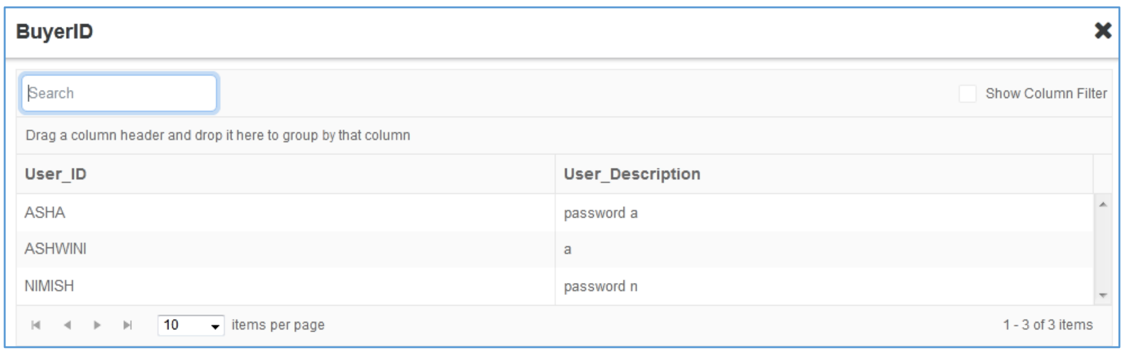
FOB Key: This field displays the free-on-board terms agreed upon. It is defaulted to the FOB key as maintained in the Vendor's record. The FOB Key can be changed if so required.

FOB Description: This field displays the description associated with the FOB Key. This is a read-only field.

Comment Key: This field displays the description associated with the Ship Via Key. This is a read-only field.

Comment Description: This field displays the description associated with the Comment Key. This is a read-only field.

Buyer Id: This field is for reference or reporting purposes only. It contains the information relating to the vender/purchaser for the respective Purchase Requisition. The lookup provided next to the fields helps the user to add Buyer Ids i.e. allows modification to Buyer Id field. When user click the associated lookup it will list the various BME users as maintained in BatchMaster Online.



Tax Level: Taxes in BatchMaster Online may be applied to an order at one of these levels:

- **Line Level**: If the selected Tax Level is 'Line Level', then entering a line item fetches the tax key from either the item location or the vendor master as specified on the field 'Default Tax Rate' at the Purchase Setup screen.
- **Order Level Tax**: If the Tax Level selected in this field is 'Order Level', then the field 'Order Level Tax' on this tab becomes enabled and the user has to select a Tax Rate key that would apply to the entire requisition.
- **None**: If the selected Tax Level is 'None', taxes will not apply to this requisition.

Order Level Tax: This field becomes enabled only if the Tax Level is selected as 'Order Level'. The Tax Rate Key selected here applies to all the line items of this Purchase Requisition.

Tax Description: This field displays the description associated with Order level tax. This is a read-only field.

Discount Level: Discounts in BatchMaster Online may be defined and applied at one of these two levels:

- **Line Level**: If the selected Discount Level is 'Line Level', then the discount will be picked from one of the Quantity Discounts. If discount has not been defined anywhere in the discount sources this discount is taken as zero. Extra discount can be specified in addition to the Line Discount.

- **Line and Order**: If the Discount Level selected is 'Line and Order', then the discount percentage specified in the Order Discount field applies in addition to the Line and Extra discounts.

Order Discount %: If the discount level is 'Line and Order', a discount percentage may be entered here.

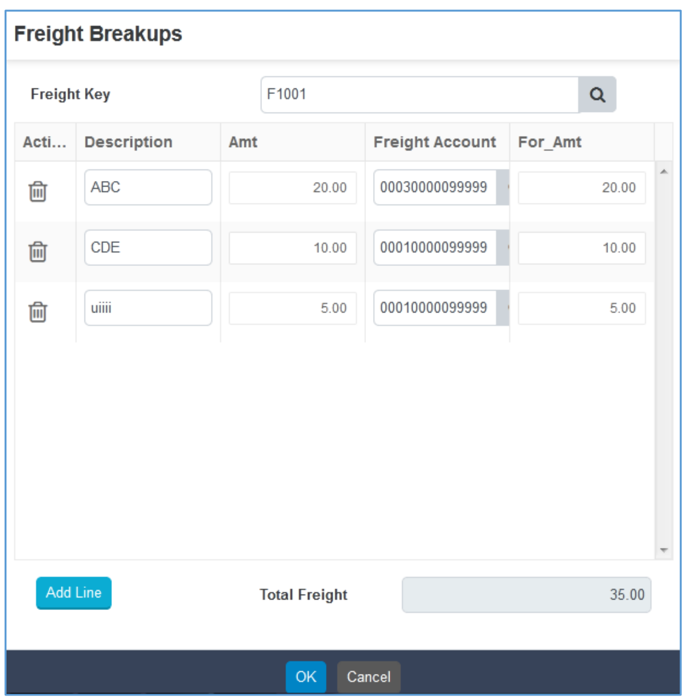
Terms Key: The Terms key is defaulted from the Vendor master. This key may be changed.

Terms Description: This field displays the description associated with the terms key. This is a read-only field.

Terms Discount: This is the discount percentage as specified for the terms key selected on this requisition.

Non Taxable Freight: This is the non-taxable freight amount applicable to this order. This amount is added to the Order Total.

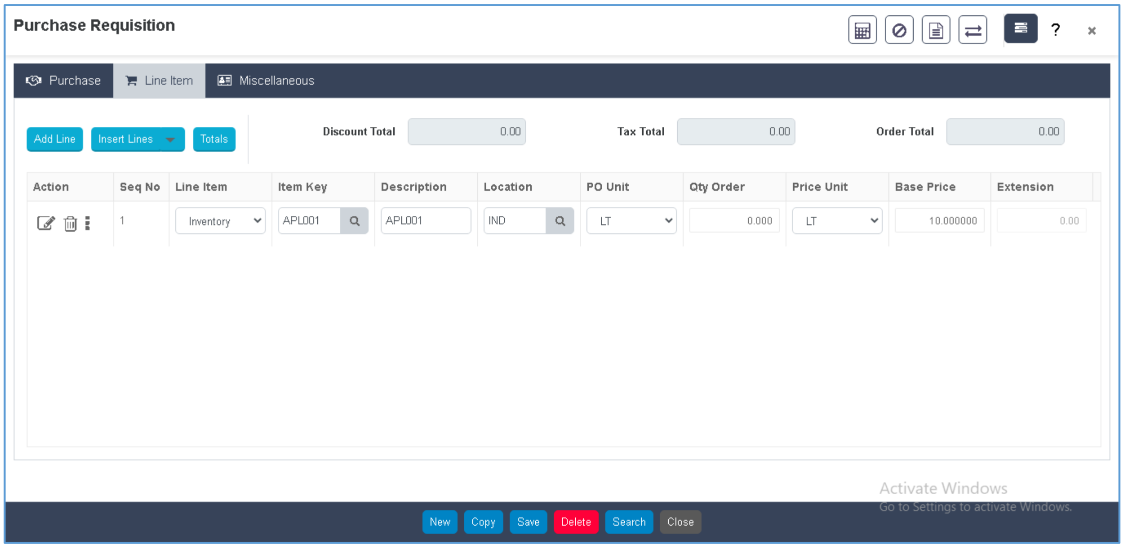
Freight Breakups Button: Click this button to view the various types of freight along with their description for this Purchase Req. This amount is displayed as Nontaxable Freight Amount and is added to the PO Total.



Currency: The Currency for the selected Vendor is defaulted from the Vendor Class. The various amounts on the *Purchase Requisition* screen are shown in this currency.

Currency Description: This field displays the description associated with the currency. This is a read-only field.

Line Item Tab



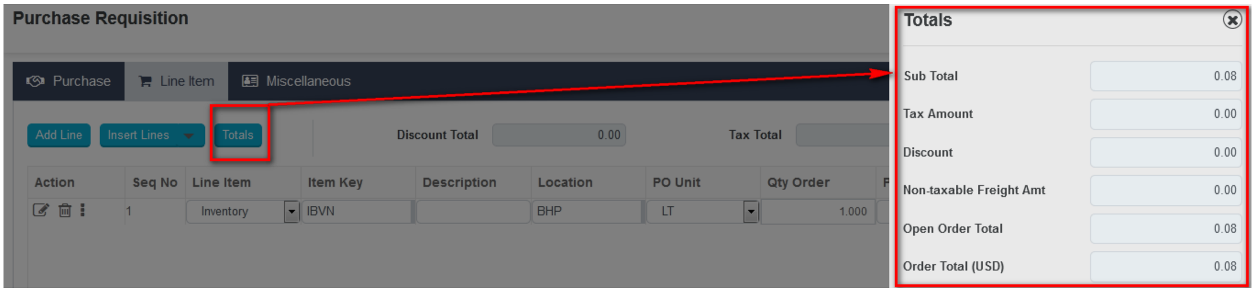
Add Line Button: Click on this button to add a line item on the Purchase Requisition.

Insert Lines Button: You can also set the default value for inserting lines in the PO using the Insert Lines button. When the default option to insert lines in the PO is selected at the Purchase Setup screen, the system automatically opens the lookup when the Insert Line button is clicked. Using the drop-down available on the Insert Lines button, you can set the default action for the Insert Lines button as one of the following:

- Inventory.
- Non-Inventory.
- Add Vendor Item.

Based on the selection made, the system displays the look-up window as either Inventory Lookup or Non-Inventory Lookup or Vendor Items (all the items that appears on non-archived purchase Orders of this Vendor). On the displayed lookup, you can enter the quantities to be ordered of the items in the Quantity field. When you click the OK button, BatchMaster WEB will automatically select those lines with a quantity entered and insert them on the Line Items grid.

Totals Button: Click this button to view all the statistics of the Purchase Requisition.



Totals: This section displays various totals and sub-totals for all the line item(s) associated with this Purchase Requisition.

> **Sub Total**: Field displays the sum of the extension amounts for all the lines entered in the purchase requisition minus the tax amounts for those lines for which the tax is included in the price.
>
> **Tax Amount**: Field displays the sum of all the tax for all the lines in the purchase requisition.
>
> **Discount**: Field displays the sum of all the discounts for all the lines in the purchase requisition.
>
> **Non-taxable Freight Amt**.: Field is defaulted with the freight amount displayed in the nontaxable freight amount field of the Purchase Tab.
>
> **Open Order Total**: Field displays the order total amount.
>
> **Order Total (Currency)**: Field displays the order total and the currency used for this requisition.

Discount Total: This field displays the sum of all the discounts for all the lines in the Purchase Requisition.

Tax Total: This field displays the sum of the Tax Amounts for all the lines in the purchase requisition.

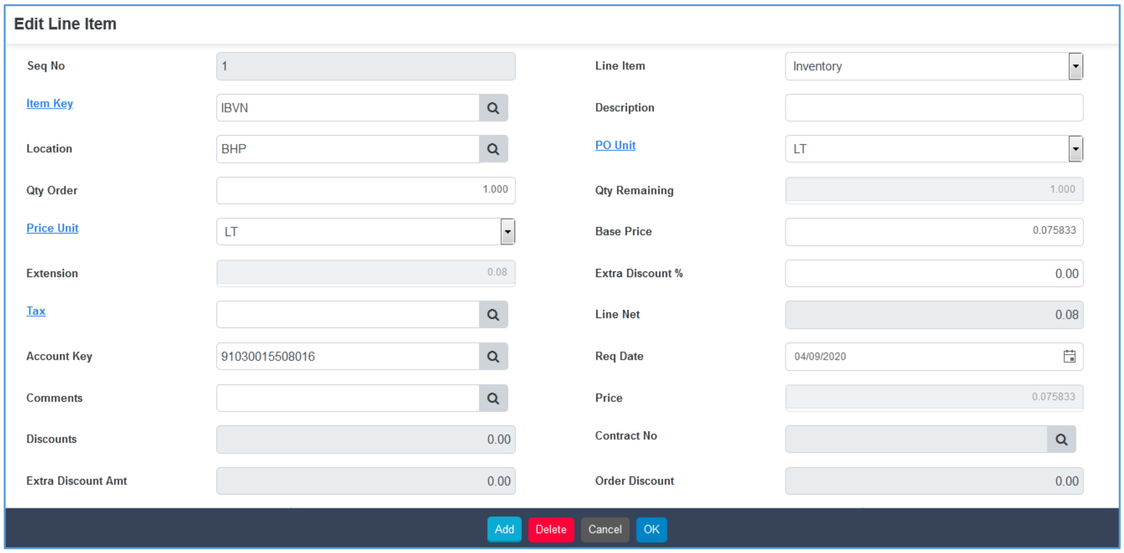
Order Total: This field displays the currency of the vendor and the Order total amount.

<u>Grid Fields:</u>

Action: Click this button to perform various activities on the created purchase requisition.

Edit: Clicking this button will open the Edit Line Item screen. The screen will fetch all the related information of the selected line item. With this screen you can edit the line item information as required.

> **<u>Edit Line Item Screen:</u>**



Seq No: This key is used for re-sequencing the Line items. This field is useful in order to change the sequence of line items at a later stage. Once user click the add line button the sequence number gets initiated with 1. Each time when a line is inserted in the grid the sequence number gets incremented by 1. This is an editable field, thus user can enter the sequence number for individual inventory line to specify its position in the sequence.

Line Type: The line type may be Inventory or Non-Inventory.

Item Key: This is the Item Key for inventory type items.

Description: This is the description associated with the item key and is editable. For non-inventory items, the user may enter a description here.

Location: This is the location for the item.

PO Unit: This is the unit in which the QtyOrder is expressed. For inventory items, this field is defaulted to the Purchase unit defined at the item master. The PO Unit may be toggled using the dropdown.

Qty Order: This is the required quantity of the line item.

Qty Remaining: On a Purchase Requisition screen, this value is equal to Qty Order.

Price Unit: This field displays the Unit of Measurement with respect to which the Base Price has been specified. For example, if an item’s PO Unit is Each and the Price UOM is dozen, then a Base price of 20 means that the price is 20 for one dozen of that item.

Base Price: This is the price that is fetched in accordance with the Pricing Methodology. The value is expressed in the currency shown on tab-1 of the Purchase Requisition. The price source for the base price is displayed on the lower left corner of this tab. The user can change the Base Price.

Extension: This is a calculated field that shows the line amount, which has been arrived at by multiplying the QtyOrder with the specified base price. See Calculations for details on how this field is calculated.

Extra Discount %: Enter the percentage of extra discount to be given for the line item.

Tax: This field displays the tax rate key applicable to this line item.

Line Net: This field displays the total amount that should be paid towards this line of this purchase requisition. See Calculations for details on how this field is calculated.

Account Key: For an Inventory line, this field is defaulted with the Inventory Control Account of the Item Class to which this Item Location belongs. When this Non-Inventory Item is not fetched via lookup, this field is defaulted to the Expense Account of the Vendor. However, when this Non-Inventory Item is fetched via lookup, this field is defaulted to the Expense Account of the Non-Inventory Item master. The account displayed may be changed. Entering a valid value in this field is mandatory.

Req Date: This is the date by which delivery of this line item is requested. This date is defaulted to the Request Date entered on tab-1, and may be modified. This field is mandatory.

Comments: These line level comments are printed on the PO. The comments may be typed or fetched via lookup.

Price: This is the pre-tax price of the item after deducting the various discounts. See Calculations for details on how this field is calculated.

Discounts: This field displays the total discount amount for the line. See Calculations for details on how this field is calculated.

Contract No: If the price source is Contract, this field displays the Contract Number from which the base price has been fetched.

Extra Discount Amt: This is the extra discount amount for each line. See Calculations for details on how this field is calculated.

Order Discount: This is the order discount amount for a line item. See Calculations for details on how this field is calculated.

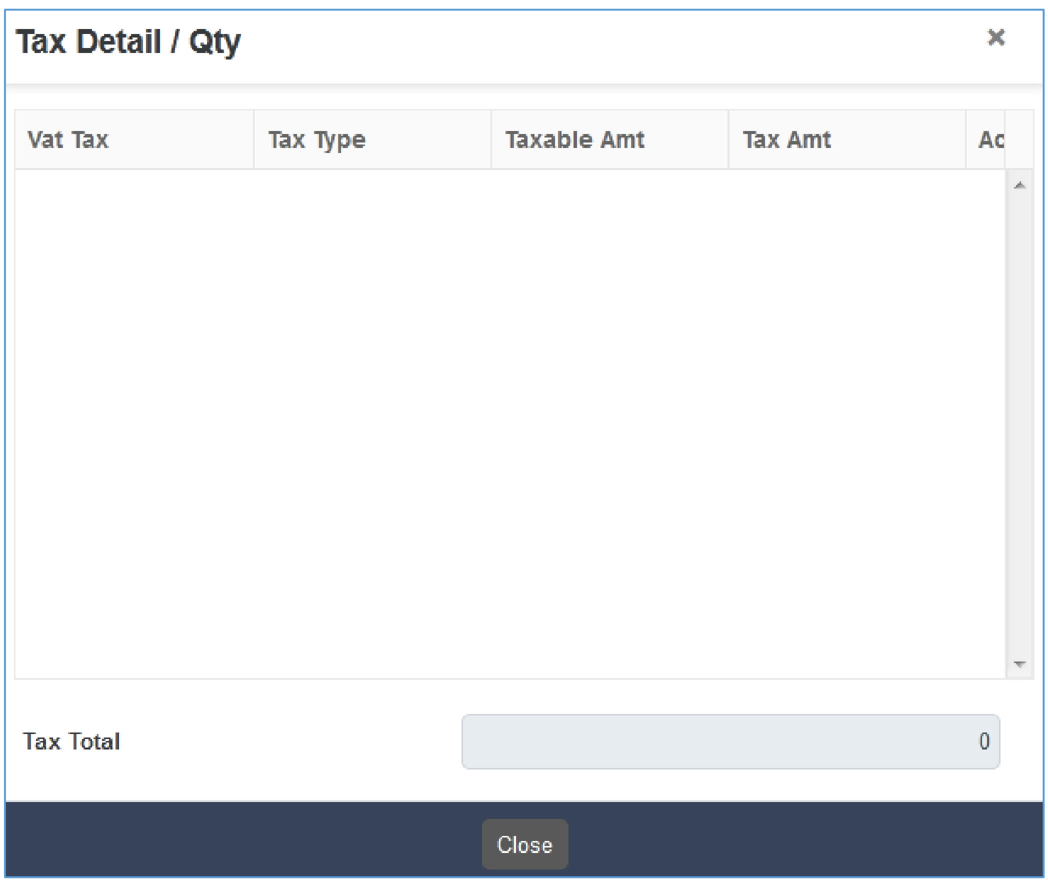
Line Discount: This column displays the line discount amount for a line item. This discount is fetched as per the Line Discount Methodology. See Calculations for details on how this field is calculated.

Qty Remaining to Received: This field displays zero.

Requisition No: This field has a use at the Purchase Order Screen and displays the reference Purchase Requisition number for a purchase order generated from a purchase requisition. It can be modified for a row on which receipts have not yet commenced.

Price Source: Field displays the price source for the base amount.

Tax Details/Quantity: Clicking this button provides a window popup having the details of Tax Distribution if the Tax Type defined as VAT on the Purchase Setup Screen. If the Tax Type is defined as Flat Tax a grid is displayed with the details of various levels of tax associated with the Line Item.



Delete: Click this button to delete the selected line item.

More Actions  **:** The following options are available under the more actions:

- **View Item Location:** Click this option to view the inventory details for all item-locations for the selected item.
- **View Tax Details:** Clicking this option provides a window popup having the details of Tax Distribution if the Tax Type defined as VAT on the Purchase Setup Screen. If the Tax Type is defined as Flat Tax a grid is displayed with the details of various levels of tax associated with the Line Item.
- **Alternate Items:** Clicking this option displays Alternate Items for the selected inventory line item.
- **Fetch Original Price:** Clicking this button re-fetches the default Base Price of this item as per the pricing methodology.
- **Override tax Amount:** Clicking this option opens a pop-up window where you may enter the percentage of tax for various tax levels for the selected line.
- **Production Issue History:** The production issue history (for the past twelve months) for a selected line item may be viewed by clicking this option.
- **View Contract:** Click this option to view all Active Contracts with all Vendors for the selected Inventory type line item. The display can be used to compare the contract prices from the different Vendors.
- **View Price Breakups:** Clicking this option displays a comparative chart of the prices quoted by various vendors for the selected item.
- **View Discounts:** Click this button to view quantity discounts available for the selected item.
- **PO History:** Click this option to view the last ten purchase orders for the selected Item-location.

Seq No: This key is used for re-sequencing the Line items. This field is useful in order to change the sequence of line items at a later stage. Once user click the *Add Line* button the sequence number gets initiated with 1. Each time when a line is inserted in the grid the sequence number gets incremented by 1.

Line Item: The line type may be Inventory or Non-Inventory. You can select the required type using the dropdown provided next to the field.

Item Key: This is the Item Key for inventory type items.

Description: This is the description associated with the item key and is editable. For non-inventory items, the user may enter a description here.

Location: This is the location for the item.

PO Unit: This is the unit in which the QtyOrder is expressed. For inventory items, this field is defaulted to the Purchase unit defined at the item master.

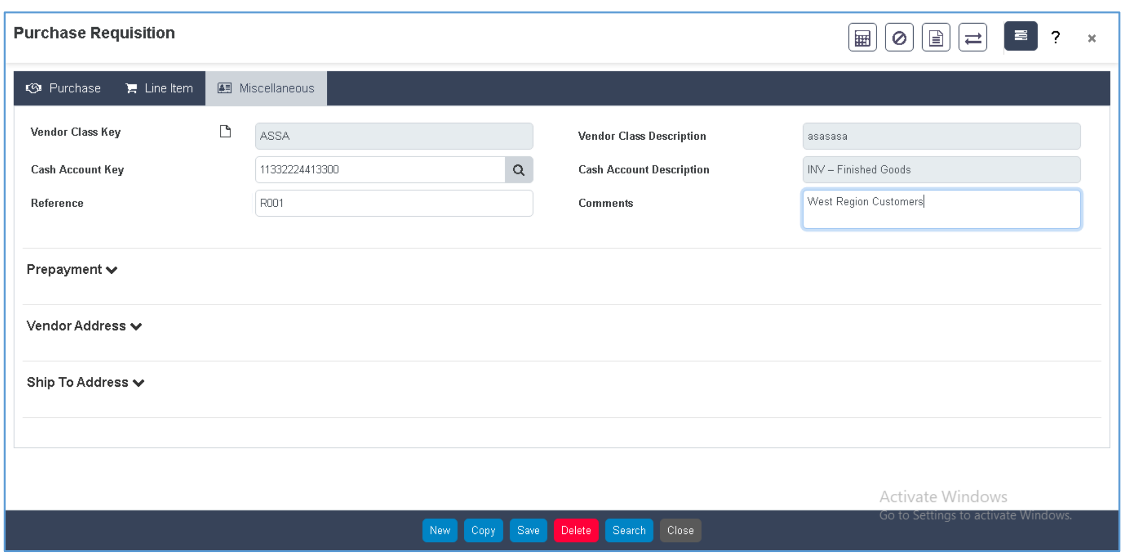
Qty Order: This is the required quantity of the line item.

Price Unit: This is the Unit of Measurement with respect to which the Base Price has been specified. For example, if an item's PO Unit is Each and the Price UOM is dozen, then a Base price of 20 means that the price is 20 for one dozen of that item.

Base Price: This is the price that is fetched in accordance with the Pricing Methodology. The value is expressed in the currency shown on tab-1 of the Purchase Requisition. The price source for the base price is displayed on the lower left corner of this tab. The user can change the Base Price.

Extension: This is a calculated field that shows the line amount, which has been arrived at by multiplying the QtyOrder with the specified base price.

Miscellaneous Tab



Vendor Class Key: This is the Vendor Class key associated with the selected Vendor.

Vendor Class Description: This field displays the description associated with the Vendor Class Key. This is a read-only field.

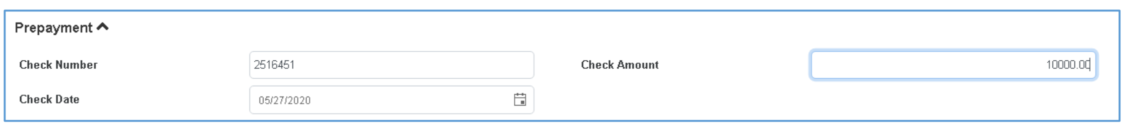
Cash Account Key: This is the cash account key of the Vendor Class of the selected vendor. The Cash Account is used to account for cash for vendors. Each defined currency should have its own cash account and this account should reflect the typical currency used with this vendor class of the vendor. This is a mandatory field.

Cash Account Description: This field displays the description associated with the Cash Account Key. This is a read-only field.

Reference: The user can enter any remarks or extra notes if required in this field for reference purposes.

Comments: The user can enter comments in this field.

<u>Prepayment Section:</u>

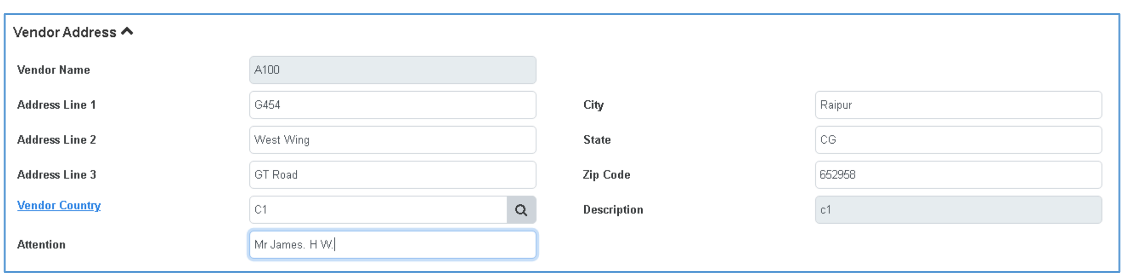


Check Number: This is the number of the check by which prepayment was sent to the vendor.

Check Amount: This is the amount of the pre-payment made by check.

Check Date: This is the date of the pre-payment check.

<u>Vendor Address Section:</u>



Vendor Name: The name of the selected vendor is displayed here.

Address Line 1: The street address of the selected Vendor is entered here.

Address Line 2: The street address of the selected Vendor is entered here.

Address Line 3: The street address of the selected Vendor is entered here.

City: The City of the selected Vendor is displayed here.

State: The State of selected Vendor is displayed here.

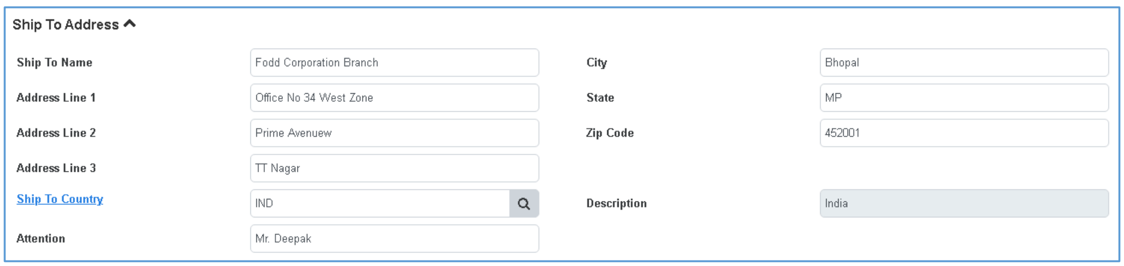
Zip Code: The Zip code of selected Vendor is displayed here.

Vendor Country: The Country and the respective country Code for the selected Vendor are shown here.

Description: This field displays the description associated with the vendor country.

Attention: This is the name of the contact person with the Vendor.

<u>Ship To Address Section:</u>



Ship To Name: This field specifies the name of the BME Company's branch to which the goods will be shipped.

Address Line 1: The street address details of the destination of the shipment are entered here.

Address Line 2: The street address of the selected Vendor is entered here.

Address Line 3: The street address of the selected vendor is entered here.

City: This specifies the city where the destination site is located.

State: This specifies the State where the destination site is located.

Zip Code: This specifies the Zip code of the destination site.

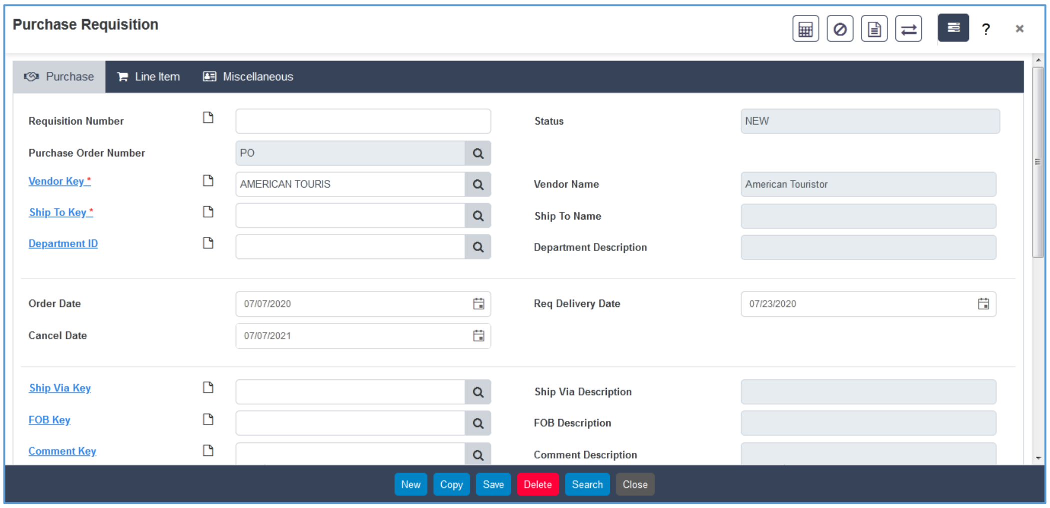
Ship To Country: This specifies the Country where the destination site is located.

Description: This field displays the country name associated with the Country ID.

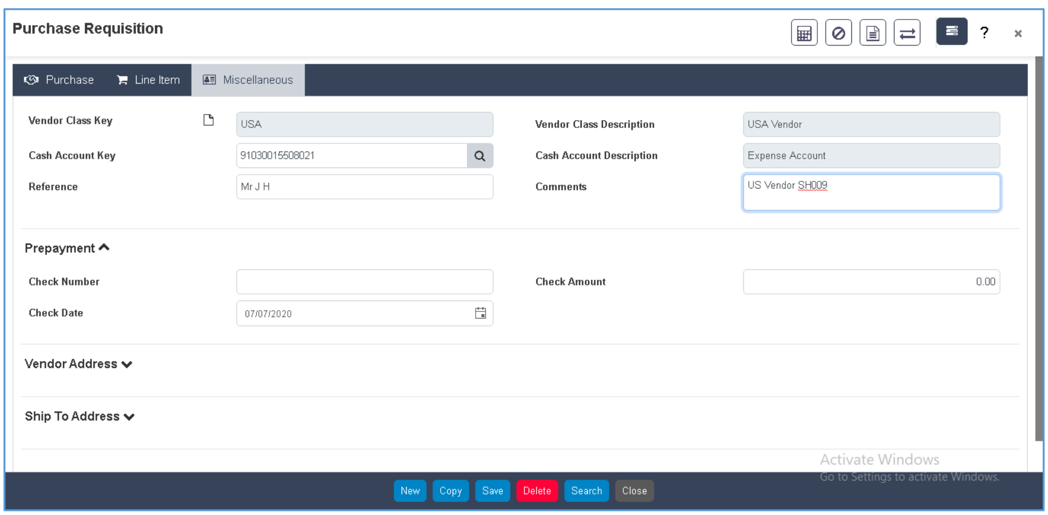
Attention: This is the name of the BME Company's representative at the destination site who may be informed of the receiving details.

Creating a Purchase Requisition and Transferring It to Purchase Order

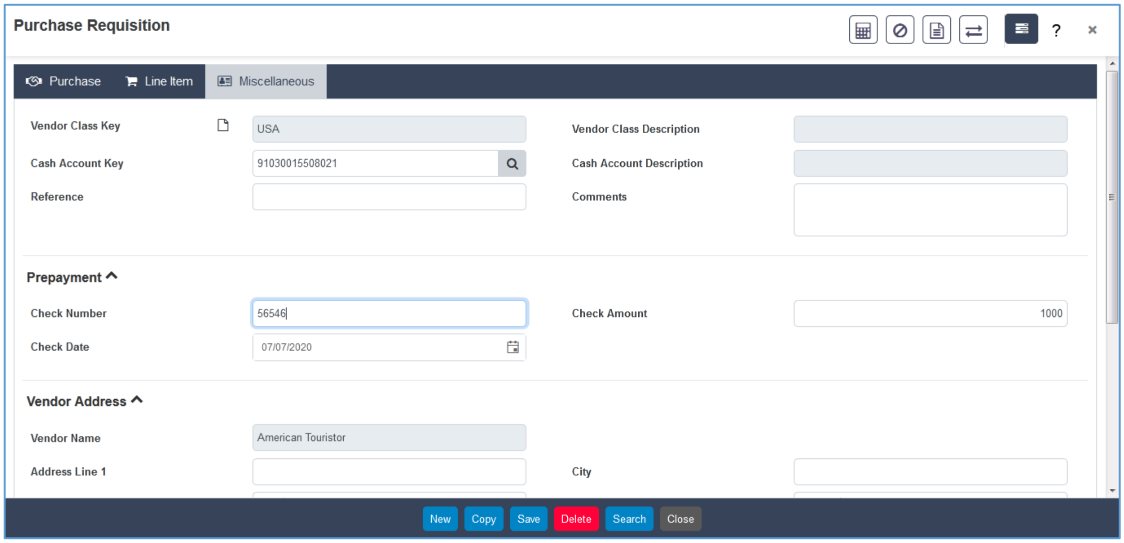
1. Open the *Purchase Requisition* dashboard.
2. Click on the *+ Add Purchase Requisition* button to open a new blank record.
    a. The *Status* field is defaulted with the value NEW.
    b. The *Order Date* and *Requested Delivery Date* fields are defaulted to the current server date. These can be modified.
    c. Changing the requested delivery date rolls down the changes to the line items automatically. You can use the date picker next to the field. Changing the date will display a confirmation message to roll down the changes to the Line Items Tab.
    d. Clicking Yes, set the Reqdate field value of the line items as the selected requested date, whereas clicking No keeps the value unchanged.
    e. The value in the *Cancel Date* fields equals the order date plus the number of cancel days defined on the *Purchase Setup* screen. Thus, it is today's date plus 365 days.
    f. The *Tax Level* field takes the value of the default tax level defined in *Parameter Setup*, which is None.
    g. The default value for the *Discount Level* field is the line level. It can be changed, if required.
    h. All other prices and amounts are set to zero.
3. Select a vendor key using the lookup next to the *Vendor Key* field. This action defaults a number of field values on the *Purchase* and *Miscellaneous* tabs from the *Vendor Master* screen, including the *Ship To Key*, *Ship Via Key*, *FOB Key*, *Comment Key*, *Terms Key*, *Currency*, *Vendor Class Key*, *Cash Account Key*, etc. The values in these fields are the defaults set at the *Vendor Master*; you can change these values if required.



4. Enter remarks or extra notes in the *Reference* and *Comment* fields of *Tab-3* (the *Miscellaneous* tab*),* if required. Specify existing prepayment details for the vendor (i.e., the prepayment check number, date, and amount).

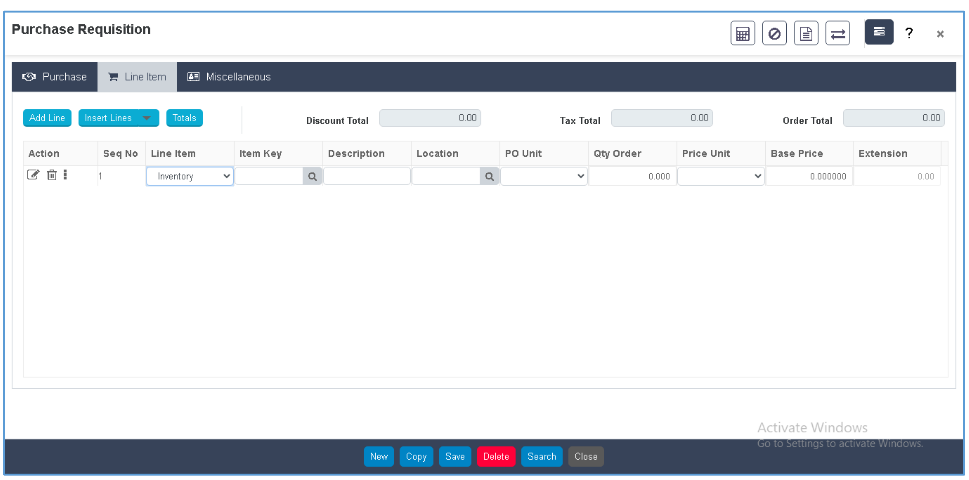


5. The vendor's contact details are defaulted from the *Vendor Master* screen to the Vendor Address section of *Tab-3* (the *Miscellaneous* tab). The branch details of your company that this vendor ships to are displayed on the Ship To section of this screen.



6. Switch to the *Line Item* tab to add line items to your requisition. Click the *Add Line* button to insert a line within the grid. Note that the *Line Type* is defaulted to Inventory type.

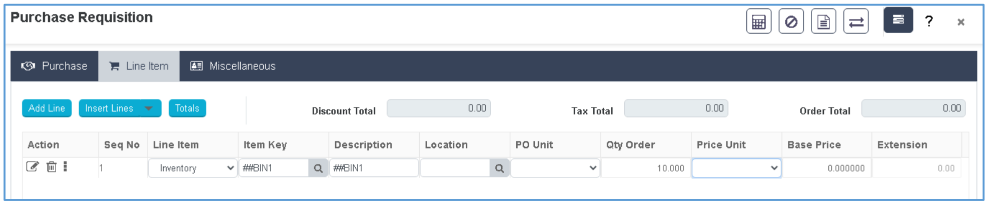
   a. All quantity and cost fields are defaulted to zero.



   b. The *Requested Date* of the *Edit Line Item* screen is defaulted to the requested delivery date of the *Purchase* tab.

7. Click in the *Item Key* field to select an item via the lookup. As soon as you select the item key, various fields on the line are defaulted from the *Item Location* screen. This includes the *Description*, *Location*, *PO Unit*, *Price Unit*, and *Account Key* fields.

8. Click on the *Qty Order* field to enter the quantity required. Note that the quantity you specify is listed in the purchase unit. After tabbing out of the field, note that the *Quantity Remaining* field is defaulted with the value in the *Ordered Quantity* field.



9. You can add more than one item in this grid by clicking the *Add Line* button. After you have finished adding all line items, click the *Save* button to save the requisition. On saving the record, the *Requisition Number* field is defaulted with an auto generated number.

10. Clicking the *Add Vendor Item* option from the *Insert Lines* button provides a lookup for all the items that appear on non-archived POs for a vendor, as an easy way to access items normally purchased from this vendor. To use this feature you must click the *Add Line* button to append a line to the grid.

11. The *Price Source* field just below the *Tax Details/Quantity* button shows the price source. The displayed value is dependent on the Unit Cost Default Method defined on the *Purchase Setup* screen. If that setup is set to *None,* the displayed value is *User Defined*.

12. Once the requisition has been approved by everyone in the group, this status becomes PROCESS. A requisition with PROCESS status cannot be modified further.

13. You are now ready to transfer your purchase requisition to a PO. Click the *Transfer to PO* button on the toolbar.

    The status of the requisition changes to *TRANSFERRED*, and no further changes can be made to it. You can see that this requisition now displays the PO number that was generated.

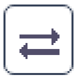
Special Functions

Calculate Tax and Discount: Click this button to get the computed tax and discount on the *Line Items* tab.

Cancel Requisition: A purchase requisition that is not yet transferred to a PO can be cancelled by clicking this button. For a line with the price source as *Contract*, the corresponding contract commitment is increased.

View Contract: Click this button to view all Active Contracts with all vendors for the selected inventory type line item. The display can be used to compare contract prices from different vendors.

You can view all the Active Contracts with the selected vendor. The display includes the contract details for all items on such contracts.



Transfer To PO: Press this button to transfer your purchase requisition to a PO. The status of the requisition changes to TRANSFERRED*,* and no further changes can be made to it.

Purchase Requisition Entry Calculations

Calculations on the Purchase Requisition Lines

Purchase Requisition Line Fields	**Price Source**	
	Contracts	**Vendor/Item Quote, Item Location, or User Defined**
Extension	Base Price (in Purchase UOM) * Order Quantity (in Purchase UOM)	Base Price (in Purchase UOM) * Order Quantity (in Purchase UOM)
Line Discount	0	(Extension * Line Discount in % / 100)
Extra Discount	0	(Extension - Line Discount) * Extra Discount in % / 100
Order Discount	0	(Extension - Line Discount - Extra Discount) * Order Discount in % / 100
Total Discount	0	Line Discount +Extra Discount + Order Discount
Price	Base Price	[(Extension - Total Discount) / Quantity Order] / Factor @
Tax Amount	Price * Tax in % / 100	Price * Tax in % / 100
Line Net	Extension + Tax Amount	Price * Order Quantity + Tax Amount

@ Factor = (100 + Tax Percentage) / 100 if Tax is included in price; else Factor = 1.

Calculation for Non-Inventory Purchase Order Lines

Purchase Order Line Field	**Calculation Logic**
Extension	Base Price * Order Quantity

Line Discount	0
Extra Discount	Extension * Extra Discount in % / 100
Order Discount	(Extension - Extra Discount) * Order Discount in % / 100
Total Discount	Extra Discount + Order Discount
Price	[(Extension - Total Discount) / Quantity Order] / Factor @
Tax Amount	Price * Tax in % / 100
Line Net	Price * Order Quantity + Tax Amount

@ Factor = (100 + Tax Percentage) / 100 if Tax is included in price; else Factor = 1.