

### What are the sub modules in SAP MM?

SAP MM mainly contains below sub modules

Purchasing- All Procurement related activities are handled

Inventory Management- Goods Receipt, issues and transfers and Physical Inventory are handled

Logistics Invoice Verification – Invoice Receipt, Credit Memo, Invoice Block etc. are covered

### What are the important fields in PR?

Ans: PR Document type, Account Assignment Category, Item Category, Material, Quantity, Plant, Purchase Group, Valuation Price and Fixed vendor etc.

### What is the usage of document type NB? Why we use this n for what purpose?

Ans: NB is the standard document type for Purchase Order and Purchase Requisition. This will be used as reference for creating the new document types for the Procurements like Standard, Service, Subcontracting, Consignment etc.

### What is the release procedure for PR? Is it released at header level or item level?

Ans: PR release procedures are two types. One is Release Procedure with Classification and without classification.

PR can be released either at Header level or Item level depends on the requirement. This control can be set at PR document type level or Release Group Level

### What is the usage of release code?

Ans: Release code acts as Approver in Release procedure.

Suppose I have limit approval of 10,000 and user has created PO for 5000. I have approved it. Then again he made changes to 7000. Do I need to approve it again? If yes what's the procedure and if no what's the procedure and what is the configuration?

Ans: If the release changeable indicators 4,6 are used in the configuration, PO will be allowed to change in ME22N. When the value is increased, release will be triggered again so all the approvers will get the request for approving PO. So you have to approve the PO again.

If the changeability indicator is 3 and 5, system will trigger for new release if the new release strategy is occurred.

If the Changeability indicator is 2, then system won't trigger for new Release although we change the value of the PO

Why we do quantity and value update?

Ans: If the Quantity and Value update were done for any valuation area of a Material type, we can see both Stock and Value for the material.

If you maintain only stock and no value or only value without stock, you can activate either only Quantity or Value.

If the material Price is 100 INR and the quantity is 10. And also the Freight amount is 200 INR. Then what are accounting entries during Goods Receipt?

Ans: Below accounting entries will be occurred during Goods Receipt

Stock Account –BSX- 1200 Debit

GR/IR Clearing A/C – WRX- 1000 Credit

Freight Clearing A/C – FR1 – 200 Credit

When you create BOM for Components in Subcontracting Process, how can system identify the Byproducts or Scrap Materials during Goods Receipt?

Ans: When we create BOM or giving components, Byproducts or Scrap materials will be given in Negative quantity.

When the stock is lying in the Stock Transit, where will be the value of the Material?

Ans: When the stock is in transit, the value will be still at Supplying Plant

What are the accounting entries when you do the Goods Receipt for the Intra Company Stock Transport Order?

Ans: Accounting Entries will be generated only when we do the Goods Issue but there will be no accounting entries during Goods Receipt for Intra Company STO.

Is it possible to have PR release strategy at Item Level for only specific PR document type although you have activated the PR Header level release for your Release Class and Release Group combination?

Ans: Yes. We can remove the Overall Release flag to specific PR document type in PR document configuration step

What are the accounting entries when you do the Goods Receipt against Consignment Purchase order?

Ans: There will be no accounting entries when we do the GR against Consignment PO. Accounting entries will be generated only when we move the stock to own from the Consignment.

What are the prerequisite data required before uploading Master or Static data?

Ans: Material Type, Material Group, Material Description, UOM, Valuation Class, Price, MRP details and all organizational elements of FI, SD, MM and PP. For MM Purchase Organization, Purchase Group, Plant and Storage Location. For SD Sales Organization, Distribution Channel, Division. For FI Valuation class is enough. Depends on requirement and views few other data will be added. Whatever u say u should tell confidently

**What are the prerequisite data required before upload Open WO or PO?**

Ans: Exact details of all material master, service master, vendor master and correct pricing procedure

**Can we use different Release Classes in PO Release procedure?**

Ans: As per the standard SAP, we can't use more than one Release Class.

**How do you maintain Release characteristic values for Release strategies in Production System when you dont have access to OBYC?**

Ans: We can maintain with T Code CL24N or CL20N to maintain the values for different release strategies. This data is not transportable so we need to maintain in each system

**How will you ensure the consistency of CL20N data in all the systems like Development, Quality and Production?**

Ans: As CL20N data has to be maintained in each system, there is a chance data difference among different systems. So we can do one thing to have the same data in all the systems.

Remove the access to CL20N in Production system

IDOC configuration setup to transfer the data from Development to Quality and Production through daily Batch Job. Due to this development, data can be maintained in Development system only but same data will be replicated to other systems.

**Table to know the details of Special stocks with Vendor?**

Ans: MSLB

## **FIRST ROUND**

**What is direct procurement and indirect procurement? (Purchasing point of view)**

Direct procurement process is used for "Stock Material" .

Direct procurement involves materials purchased for use in the manufacturing or distribution supply chain that are "directly" related to the production of finished goods.

Indirect procurement process is used for consumables such as spare parts , office supplies etc.

Indirect procurement involves any commodity or service that a company buys that does not result directly in finished goods.

Indirect procurement can be divided into two groups: ORM (Operations Resource Management) materials such as office products and travel services, and MRO (Maintenance, Repair and Operations) materials such as replacement parts.

### Explain P2P ( *Procure to Pay* ) process ?

When you answer this question, you try to give the answer in business language. Please try to avoid using the transaction codes like ME51N, ME21N etc until interviewer asks you the T codes.

In a Company , departments like HR, Admin, Production etc will create Purchase Requisition with list of required materials. Once the PR is approved by consulted managers, it will be sent to Purchasing Department. Purchase Department will check the availability of Vendor for the material and then they create Purchase Order to the Vendor if vendor is already available.

If vendor is not available, Purchasing department will send the Quotations to different vendors and select the vendor as per the Quotation comparison process.

Once the PO is received by the Vendor, Goods will be sent by the vendor as per the Delivery date. Stores department will receive the goods.

The invoice which is sent by Vendor along with the Goods will be verified in the system by Accounts department and then the Payment will be done as per the verified amount.

### What is subcontracting process?

Subcontracting is one of the Special procurement processes available in MM. In this process, components are shared to vendor to get the final product. Below are the steps involved in this process.

Steps to perform subcontracting:

Create subcontracting inforecord (Optional)

Create subcontracting PO with item category L,

Click on Components icon in Material Data tab to view the components which are maintained in BOM using T Code CS01 else If the BOM is not maintained, components can be entered manually.

Create Transfer Posting with Movement Type 541 to issue the subcomponents to the vendor

Goods Receipt---101 (When the PO is entered in the MIGO screen, the system retrieves the components supplied to the vendor and posts them automatically with a Movement Type '543' by consuming the quantities supplied to the vendor.)

Invoice Receipt---for the services performed.

Path: ME21N ---> Enter Item Category L -->, Material (End Product), PO Quantity, Delivery Date, Net Price, Plant --> Click on Item Details --> Tab Material Data --> Components, select Explode BOM --> Click on Components button --> Enter the subcomponents --> Go back & Save.

Create Transfer Posting with movement type 541 & T Code MB1B  
GR: MIGO

### Accounting entries for subcontracting:

There will be no account entries at transfer posting 541..because as the materials supplied to the vendor are still maintained under the category '*Stock Provided to Vendor*'

While the account entries will be at 101 those are: (BSX) Stock A/c of Assembly - Dr

(BSV) Change in Subcon Stock - Cr

(FRL) Subcontracting Charges – Dr

(WRX) GR/IR Clearing A/c - Cr

(BSX) Stock A/c of Components - Cr

(GBB-VBO) Consumption A/c of Components - Dr

At the time of IR (MIRO)

(WRX) GR/IR Clearing A/c - Dr

(reconciliation acct) Vendor A/c - Cr

Vendor Payment

Vendor A/c - Dr

Bank A/c - Cr

What is movement type to issue components to vendor?

541

What is consignment item category?

K

What is movement type to GR in consignment?

101 K

Tell me about Quota arrangement? (MEQ1)

Got higher priority in source determination(quota > source list > outline agreement>inforecord)

If a material can be obtained from various sources of supply, each individual source of supply can be allocated a quota arrangement. The quota arrangement is valid for a certain period of time and specifies exactly how the receipts are to be distributed amongst each source of supply.

You can set the quota arrangement for in-house production as well as for external procurement. Sources of supply can be:

an individual vendor or outline agreement

another plant, from which material should be procured

a production version

Tell me difference between Contract and Schedule agreement?

Scheduling Agreement contains the details of delivery schedule but a contract contains only price , Quantity and no details of specific delivery dates.

Outline Purchase Agreement are subdivided into:

Contracts (Qty / Value) (Centrally agreed / Distributed ) against which release orders (releases) can be issued for agreed materials or services as and when required during a certain overall time-frame. **Only time-dependent conditions can be created.** Some Item Category 'M'(material unknown) and 'W'(material group) can be used. (ME31K , ME32K and ME33K)

Contracts can take the following forms:

#### Quantity Contracts (MK)

Use this type of contract if the total quantity to be ordered during the validity period of the contract is known in advance. The contract is regarded as fulfilled when release orders totaling a given quantity have been issued.

#### Value Contracts (WK)

Use this type of contract if the total value of all release orders issued against the contract is not to exceed a certain predefined value. The contract is regarded as fulfilled when release orders totaling a given value have been issued.

Centrally agreed / Distributed contract(DC): (many plants assigned to central purchasing organization)

The centrally agreed contract allows a central purchasing organization to create a contract with a vendor that is not specific for just one plant. In this way, the purchasing organization can negotiate with a vendor by leveraging the whole company's requirements for certain materials or services.

Scheduling agreements are created referencing a centrally agreed contract, where in materials are procured on predetermined dates within a certain time period. Either time-dependent or time-

independent conditions can be created subject to the customizing in the Document Type of the Scheduling Agreement. Item Category 'M' and 'W' can not be used. (ME31L , ME32L and ME33L)

With release documentation (in the standard system, document type LPA)

If you choose to work with document type LPA (with release documentation) then all the scheduling lines are stored into the system and are not transmitted to the Vendor. Here you have the advantage to change the scheduling agreement as and when required. The scheduling lines are transmitted to vendor in separate steps by creating schedule agreement releases. There are two types of releases available in standard SAP:

FRC - Forecast Delivery Schedule JIT - Just in Time Deliver Schedule Without release documentation (in the standard system, document type LP)

If you choose to work with document type (LP) without release documentation then release for scheduling agreement is not required. In this case schedule lines are immediately

transmitted to the vendor the moment you save them. Here you can not make the changes as per your will and wish. For any change in the schedule you have to intimate the vendor immediately

Is there any special indicator to identify subcontract item in the material master?

Special Procurement Key 30(Subcontracting) in MRP2 View.

Special Procurement Key 10(Consignment) in MRP2 View.

Explain three way match and two match invoice verification?

Three Way Match: PO—GR--IR

Two Way Match: PO--IR (Here, no GR/IR clearing happens.)

What is t-code for park invoice?

MIR7

Can we cancel a parked Invoice document?

Yes. We can cancel in T Code MIR7

What is Unit testing and Integration testing?

Unit testing is a testing of each module's individual testing. In this testing, mainly transactions wise testing will be done. This is done in Development Landscape

Integration testing is a testing where all module consultants are involved. In this testing, scenario wise testing will be done. This is done in Quality Landscape generally

Are you using any tool for testing?

Solution Manger is used to upload test cases and other data related to testing.

SOLAR02 - Configuration

STWB\_2 - Test Plan Management

STWB\_WORK - Testing



## **SECOND ROUND**

Tell me one or two tickets u recently solved?

Few support issues are provided in the separate file. You can pick any of those.

Tell me about GAP u filled in u r project?

Gap list document is provided in the Kit

What is unit testing? In which system you perform?

Unit testing is transaction code based testing and it is performed in Development system. We can have separate client as Test system in development server or we can do testing in same Golden Client.

While doing unit testing what r the errors occurred?

Generally the errors related to Master data and missing of basic configuration settings as this is the first testing in the Implementation project after the Configuration is done.

Difference between stock transfer order & Transfer Posting?

Ans:

Stock Transfer order: (always physical movement of goods)

Separate document type is available in Standard SAP. Stock Transfer Order is created with ME21N.

A goods receipt can be planned in the receiving plant.

Delivery Costs and any other charges can be given in PO Conditions. Separate Pricing procedure for STO is also available in SAP

Delivery and Billing can be done through STO and also entire process can be monitored via the purchase order history.

This process is generally preferred when client has plants in different cities or states and when client requires to monitor any other details like texts related , conditions related etc

Transfer posting: (may / may not be physical movement of goods)

This process is done through MIGO

Conditions can't be maintained. This is a transaction where only goods can be transferred so facilities which can be monitored in PO can't be done

This process is generally preferred when plants are in same city or client doesn't want to monitor freight etc details

Stock Transfers

Physical movement of material

Transfers can use a one-step or two-step procedure, or a transport order

E.g. Plant to Plant and Storage Location to Storage Location

Transfer Posting

A change in stock type, or material number

Generally, no physical movement occurs. If it occurs, then it will be during transfer posting from consignment store to own stock using Mty : 411K

E.g. Material to Material having same unit of measure(Mty: 309 - only between unrestricted stocks) and Unrestricted to Blocked(344) or Quality(322) to Blocked(350).

**Movement type of GR without PO?**

Ans: 501

**Class type for Release Strategy?**

Ans: 032

**What are the steps in ASAP and explain your involvement in implementation?**

Project preparation

Business blue print

Realization

Final preparation

Go live & support

Phase 1: Project Preparation :

During this phase the team goes through initial planning and preparation for SAP project. Define project goals and objectives . Clarify the scope of implementation . Define project schedule, budget plan, and implementation sequence. Establish the project organization and relevant committees and assign resources

#### Phase 2: Business Blueprint

The purpose of this phase is to achieve a common understanding of how the company intends to run SAP to support their business. Also, to refine the original project goals and objectives and revise the overall project schedule in this phase. The result is the Business Blueprint, a detailed documentation of the results gathered during requirements workshops.

#### Phase 3: Realization:

The purpose of this phase is to implement all the business process requirements based on the Business Blueprint. The system configuration methodology is provided in two work packages: Baseline (major scope); and Final configuration (remaining scope). Other key focal areas of this phase are conducting integration tests and drawing up end user documentation.

#### Phase 4: Final Preparation:

The purpose of this phase is to complete the final preparation (including testing, end user training, system management and cutover activities) to finalize your readiness to go live. The Final Preparation phase also serves to resolve all critical open issues. On successful completion of this phase, you are ready to run your business in your live SAP System.

#### Phase 5: Go Live & Support:

The purpose of this phase is to move from a project-oriented, pre-production environment to live production operation. The most important elements include setting up production support, monitoring system transactions, and optimizing overall system performance.

#### How does automatic account determination happen?

Ans : Whenever we create a material (valuated ) using material type(e.g. ROH) in Accounting view we have to enter valuation class. When we enter valuation class relevant G/L accounts triggered for that valuation class.

Valuation class---acts as bridge between MM and FI

Valuation class-----> account cat. Reference < ----material type

In configuration we assign account cat. Reference to valuation class and material type that means a link establish between valuation class and material type, when we create a material

by using material type relevant valuation classes triggered, if any transaction happened , in OBYC relevant G/L accounts triggered for that valuation class.

### What are the steps involved in AAD ?

Ans : Define valuation control ( activate valuation grouping code ) (OMWM)

For account determination, you can group together valuation areas by activating the valuation grouping code. This makes the configuration of automatic postings much easier.

Group together valuation areas (OMWD)

here you assign the valuation grouping code with combination of company code and chart of account and valuation area (plant) combination. If suppose similar account determination required

plants are grouped together , here you can assign same valuation grouping code to multiple plants (or) multiple valuation areas.

Define valuation class ( in this 3 steps involved) (OMSK)

Define account cat. Reference

Valuation class( assign here created account cat. Reference to valuation class )

Material type/account cat. reference (assign account cat. reference to material type)

Define account grouping/account modifier/account grouping code for movement types (OMWN)

Using this function, you can assign an account grouping to movement types. The account grouping is a finer subdivision of the transaction/event keys for the account determination.

The account grouping is provided for the following transactions keys:

GBB (offsetting entry for inventory posting) like VBR , VBO , VAY etc.

PRD (price differences)

KON (consignment liabilities)

The account grouping in the standard system is only active for transaction key GBB (offsetting entry for inventory posting).

## Configure automatic postings (OBYC)

In this step, you enter the system settings for Inventory Management and Invoice Verification transactions for automatic postings to G/L accounts.

You can then check your settings using a simulation function.

### What are automatic postings? (OBYC)

Postings are made to G/L accounts automatically in the case of Invoice Verification and Inventory Management transactions relevant to Financial and Cost Accounting.

The valuation level is defined in transaction OX14 where you should decide if the valuation will occur at the plant level or company code level.

To assign a plant to company code you should go to transaction OX18.

### What is the use of Valuation Group Code / valuation modifier? Is it mandatory?

Valuation grouping code is a four digit code which is using to group many plants together. Due to this VGC, number of assignments to Valuation class and G/L Account will be come down. We can say it as a mandatory. In OBYC, Valuation class and G/L A/C combinations can be assigned to any VGC, for example 0001 and plants have to be assigned with 0001 VGC in Group together valuation areas.

It will be useful to have less number of entries in OBYC. If valuation grouping code is assigned to a combination of Transaction key, valuation class and G/L account combination, it will be applicable to all the valuation areas under the VGC.

### What are account document created for transfers?

Ans: Valuation takes place at supplying plant so, accounting docs will be created at supplying plant only. So one account document created for one step or two step stock transfers between plants under same company code and two accounting documents are created for cross company codes. So no accounting docs created at receiving plant side in any transfers.

### How to create a new material type & what is the importance?

Material type is always copied from Standard material types. And then required changes can be done later as per business requirement. Materials with same basic attributes are grouped together and assigned to a material type. This allows you to manage different materials in a uniform manner in accordance with your company's requirement

What is the role of material type in AAD?

Ans : In Define valuation classes area, Material type is assigned to Account category reference and ACR is assigned to Valuation class. Due to these assignments, only specific valuation classes will be visible in Accounting 1 view when material is created.

Have you worked on subcontracting?

Ans: Yes

What are the prerequisite for MRP?

Ans: Maintain Plant Parameters for MRP. Create material having MRP views with proper data in fields like ABC indicator, MRP type, MRP controller, Lot size, Reorder Point, Procurement type, Schedule margin key etc fields

GR to Valuated GR Blocked Stock ---107(origin acceptance, when we are 99% sure about materials received and still expects confirmation)value of material already posted to our own stock , even though material is not yet arrived physically----accounting enteries same as GR 101-----for release-----109

GR to GR Blocked Stock---103(non valuated stock) -----for Release---105

How to do GR without PO & the PO generate automatically?

Ans:

Automatic Generation of PO at the time of goods receipt

If we receive a delivery for which there is no PO in the system, we can enter it as an other goods receipt, which is a goods receipt without reference to a PO(Mtyp: 501). The invoice for this delivery cannot be entered and checked with reference to the PO.

Alternatively, the SAP system provides the option of having a PO generated automatically by the system at the time of goods receipt. For this to occur, the following prerequisites must be filled:

Customizing:

Automatic PO generation must be activated for the movement type(101 or 161).

The plant for which the goods receipt is entered must be assigned to a standard purchasing organization if there is more than one Purch.Org for the plant.

A default document type for the PO must be specified for the goods receipt.

A document type must be maintained for transaction MB01 in Customizing for Materials Management under Purchasing → Define Default Values for Document Type.

The material delivered must be managed as a valuated material

A purchasing info record must exist for the vendor, the material, and the standard purchasing organization of the plant receiving the deliveries. (The conditions of the purchasing info record must be valid or link to the last purchasing document must exist in the purchasing info record).

The automatic generation of POs is only possible for receipts in the warehouse, not for consumption.

The system determines the data necessary for the automatic generation of a PO as follows:

Vendor, material, quantity, plant and storage location - manual entry by entry clerk at the time of GR

Purchase organization - Standard purchase organization of plant

Purchasing group - Purchasing group from material master

Delivery date - Posting date of GR

Price - Price from purchase info record.

Upon posting the GR, the system generates a material document, an accounting document, and a PO. Then we can enter an invoice against this PO during invoice verification process.

**Do we need to do IV after GR without PO?**

Ans: Yes. IV is required after GR you may ask to vendor for PO he may send PO after GR. So that you can do the Payment to vendor. The procedure is same. Do MIGO without PO and MIRO with PO whatever is send by vendor

**How to change material type of a material?**

Ans: We can change the material type of an existing material using t-code MMAM. But stock should be zero at the time of changing.

**What is Gate entry, Gate pass?**

Ans: Gate entry : Create inbound delivery using T-code VL31N with details of Driver name, Vehicle number , Material , Quantity, Value against PO.

Gate Pass: Gate pass will be issued at the gate whenever a material is issued or received by the plant. This print is developed using MB90 because this is not available in SAP Standard. A Z Table will be created to maintain the list of movement types for which the Gate pass is required. Ex: 301, 541 etc. A Z T code is implemented for Gate pass with material document and date as input fields.

**What a/c documents triggered in subcontract process when goods issue time?** Ans: No a/c documents generated.

**Have you worked on Reports? Which tables are used in reports?**

Ans: Worked on purchasing report. We used the tables EKKO, EKPO, MSEG, BSEG , EKBN , MKPF and BKPF.

**What are the important fields in info record ?** Ans: Material, Price , Vendor , Tax code etc

**Is it possible to create PO by using two company codes?**

Ans: not possible to create PO with multiple codes.

**Is it possible to create PO by using multiple vendors?**

Ans: Not possible to create PO with multiple vendors but, with partner determination partner can be maintained for the same vendor such as Goods Supplier, Invoice Party etc. In same PO for material one vendor and for Delivery Costs other vendors can be maintained.

Eg : Freight charges paid to another vendor. FRA1 condition type, click “ details enter other vendor”.

**What is the important role of release indicator in release strategy?**

Ans: The release indicator is a key denoting the current release status of the item or document. At the start of the release procedure, the condition is usually Blocked.

In release strategy with multiple levels, release indicator plays a big role e.g. with release strategy with 3 levels, until all 3 levels have made the releases the release of PO, should not take place. So when first person, does the release, the release indicator is always blocked, then the second person does the release, still the release indicator has blocked indicator and when the third person applies his release, the release indicator will turn into accepted and the PO is released.

ME29n is release of PO, where each and every releaser comes in and does his release one purchase order at a time.



ME28 is used for collective release of PO, where user puts in his release code and can see all PO's at one time, then they can release it one PO at a time, or can release all at one time.

ME54N is used to release PR.

ME55 is used for Collective Release of Purchase Reqs.

**What is the structure in release strategy? (Communication Structure)**

Ans: for PO CEKKO, PR CEBAN.

To view all this fields of the structure you can use transaction code SE12. In SE12 screen, in the database field provide the structure name CEKKO and click on Display button.

**How many ways are there to release PO?**

Ans: only one way to release PO with classification (Header level).

**What are tables for material master and Inforecord?**

Ans: EINA Purchasing Info Record- General Data

EINE Purchasing Info Record- Purchasing Organization Data

MAKT Material Descriptions

MARA General Material Data

MARC Plant Data for Material

MARD Storage Location Data for Material

MBEW Material Valuation

**What is the procedure of split valuation?**

Ans: The SAP R/3 System allows you to value stocks of a material either together or separately, that is, according to different valuation criteria. Split valuation is necessary if, for example:

Stock from in-house production has a different valuation price than externally procured stock.

Stock obtained from one manufacturer is valued at a different price than stock obtained from another manufacturer.

In split valuation, you can distinguish between partial stocks of a material according to certain criteria and value them separately.

The material stock is divided according to valuation category and valuation type.

The valuation category specifies which criterion should be used as the basis for differentiating between the various partial stocks.

The standard system contains several default valuation categories, for example:

B for procurement type (The stock is divided up according to whether the material is manufactured in-house or procured externally.)

H for origin (The stock is divided up according to where it was delivered from.)

The valuation type describes the characteristics of the individual stocks.

Following the configuration path:

IMG>Materials Management>Valuation and Account Assignment-->Split Valuation

Activate the Split Valuation

Configure Split Valuation:

a. Define Global types (Valuation Types)

Define Global categories (Valuation Category)

Assign Valuation types to valuation category(Using Account Category Ref) by activating required valuation types for the Valuation category.

In Local definition assign valuation categories for each valuation area.

MASTER DATA

Activate Split valuation for a material

(Add Valuation Category in material master--Accounting 1 view)

IMPORTANT: It is possible to change a valuation category if no stock and PO were created. However, once a Valuation category is assigned -- it can not be un-assigned (make blank

again). So it is not something that get changed at will. It needs to be decided on creation of material.

Create Accounting views for every valuation type.

Note: In PO , under Delivery Tab...we can see Valuation type.

**What is difference between PBOO and PBXX condition Type?**

Ans: PBXX is a condition type where no access sequence is assigned but PB00 is assigned with Access Sequence. PB00 - this condition type is determined via access sequence from info record or contract or SA or RFQ etc. means if any record for material and vendor is defined then system will search that record first and pull the price of PB00 in the PO automatically.

PBXX - if you have not defined any info or contract etc then system will suggest PBXX in PO so you can manually enter the price for PO.

**Message output determination?**

Ans: In NACE, Form and output type are assigned

**How many master datas in Material Management?**

Ans: Material Master, Vendor Master, Service Master, Purchase info record, Source list and Quota Arrangement

**What are Puchase Info record types available in SAP ?**

Ans: Standard, Subcontracting, Consignment, Pipeline.

**How to configure the system for automatic conversion of Purchase Requisition to Purchase Order?**

Tick Automatic PO in MM01

Tick Automatic PO in XK01

Maintain Source List with RP as 1-Relevant to MRP – ME01

Create Purchase Requisition with Fixed/Desired Vendor when you have more vendors in Source List Create Automatic Purchase Order – ME59N

## What are the configuration for automatic creation and selection of storage locations in Inventory Management?

Auto creation of storage location in inventory management can be created with respect to the movement type and plant. Using t-code OBM2/OBM3

For automatic storage location selection, storage location data can be specified in procurement storage location field of MRP view in Material master.

The process of assigning the material to each storage location is redundant and time consuming. We can optimize this process by enabling the automatic creation of storage location whenever a movement happens. In other words, if the automatic creation of storage location is enabled, the material master (Table MARD) would get a new entry for material, plant and storage location combination (if it does not exists) whenever a movement\* happens for a plant\*.

This setting has to be done at two places given below:

\*Plant - In SPRO goto the plant for which you want automatic creation of storage location active.

The path for this config is: spro->Materials Management->Inventory Management and Physical Inventory->Plant Parameters. Select the Plant and goto details. check the Create S.Log Automatically check box.

\*Movement Type - In SPRO goto the movement type for which you want automatic creation of storage location active.

The path for this config is: spro->Materials Management->Inventory Management and Physical Inventory->Movement types->copy, change Movement types. Here select the movement type and check the Create S.Log Automatically check box.

## How to maintain automatic determination of G/L accounts during GR/GI/Transfer posting?

Automatic account determination of GL account can be maintained using T-code OBYC by specifying GL code for specific valuation class within the posting key(TEKEY) maintained for respective movement types.

## In the Material Master the moving average price are affected by:-

Goods Receipt for Purchase Orders Transfer from Plant to Plant Invoice Receipt

Settlement Price Change

### Common configuration changes-

Define new material group (OMSF)

Define new valuation class (OMSK) and automatic posting (OBYC) Define new material account assignment group (transaction OVK5) and Customer/Material/Account keys (transaction VKOA)

### Difference between Tcode MB1A, MB1B, MB1C

Can any body let me know what is the difference between all the three...

MB1A - Enter Goods issue..

MB1B - Transfer Posting..

MB1C- Enter other goods receipts...

### Sending P.O. By Mail To Vendor

Is there any standard programm for sending P.O.'s by e-mail to vendor's emailid?

You need to do some configuration for this.

Goto NACE .

Select EF and click on OUTPUT TYPES.

Then select Output Type NEU and click on processing routines .

In that you have to add a new entry - medium 5 .

Then you need to assign a program, form routine and form.

You can use the standard program i.e. SAPFM06P, FORM routine is always ENTRY\_NEU and standard MEDRUCK.

Output next time program RSNAST00 is run.

RSNAST00 is the program used to retrigger the output types(to make one more printout of the invoice for example). It is not specific to any application. Hence it can be used for sales order outputs, delivery outputs and invoice outputs.

RSNAST00 can be used only if the output was triggered for the first time in Batch mode(i.e. it is not triggered in immediate mode(4) and triggered in batch mode(1). Those kind of outputs can be triggered n number of times using RSNAST00

When RSNAST00, is executed , it checks the NAST table which has the data a bout all the outputs and select teh only records which has NAST-VSZTP is equal to 1.

RSNASTED is the program used for triggering IDOC for the output type..where the output medium is 6.

### Partner Roles(partner functions) in Purchasing Use

The **Business Partner** "vendor" can assume different roles in its dealings with another enterprise. Accordingly, in a procurement transaction, the vendor is first the ordering address, then the supplier of goods, then the invoicing party, and finally the payee.

### How to cancel Physical Inventory Document?

Ans: There is no T Code to cancel PID. It has to be adjusted according to the requirement by posting new document

### What are the steps in Consignment process?

Ans: Means that material will be available at your factory for the usage, but still the material belongs to vendor, Whenever you procure/Use the material from the consignment stock, liability will arise to the vendor, for the consigned Qty you have to pay to vendor through MRKO (Qty\* Consignment Info Record price)

Create Consignment Info Record with Tax Code and Net price –ME11

Create Consignment PO with Item Category –K – ME21N ( Net price will be greyed out. Info record price will be taken into consideration during MRKO.)

Release Purchase Order - ME29N

Goods Receipt for Total qty – MIGO---101K

Transfer Posting from Consignment Stock to Own Stock as per requirement-MIGO – 411K

Maintain condition record for Output type KONS in MRM1 txn code. (KONS is the output type configuration required for printing/transmitting the invoice created in MRKO.)

Do Settlement as per the qty transferred – MRKO(consignment vendor receives credit memo of withdrawn quantity)

### Accounting Entries

At the time of Goods Receipt – No Accounting entries are generated at the time of goods receipt

At the time of Withdrawal or Consumption of Consignment Stock using GI with Mtype: 201K –

a. The material is valued at moving average Price (Price Control in Material Master is “V”)

Consumption Account DR (Account Assignment OBYC-GBB-VBR) / Stock A/c - Dr (BSX) if  
Transfer posting of vendor consigned stock to own stock using 411 K.

Consignment Payable A/c CR (Account Assignment OBYC-KON)

At the time of MRKO

Consignment Payable A/c DR (Account Assignment OBYC-KON)  
Vendor A/c Cr

The unit value of material comes from the Info record Price for material vendor combination  
for info category Consignment

(b) The material is valued at standard price (Price Control in Material master is "S")

Consumption Account DR (Account Assignment OBYC-GBB-VBR)

Consignment Payable A/c CR (Account Assignment OBYC-KON)  
Price Difference A/c (Dr/Cr) (Account Assignment OBYC-AKO)

At the time of MRKO

Consignment Payable A/c DR (Account Assignment OBYC-KON)

Vendor A/c Cr

What is the name of Purchase Order created against Contract?

Ans: Release Order

How many types of Scheduling agreements are available?

Ans: LP (SA with no release documentation) and LPA (SA with release documentation)

Where did you give Material Group in MM01?

Ans: MM01- Basic Data 1

What is the T Code to create new Material Type and Material Group?

Ans: OMS2 and OMSF

What is the standard material type u used to copy new material types maximum in your requirement?

Ans: Raw materials (ROH) , Services (DIEN) , Semifinished products (HALB) and Finished products (FERT)

What is the difference between Material Type: NLAG and UNBW ?

Nonstock materials (NLAG)

Nonstock materials are not held in stock because they are consumed immediately.

Nonvaluated materials (UNBW)

Nonvaluated materials are managed on a quantity basis, but not by value.

What are the integration steps with FI and SD?

Ans: MM-FI:

1.In material master Valuation class is assigned in Accounting 1 view

2.In Automatic Account Determination, Material Type is assigned to Valuation class and Valuation class is assigned to G/L Account in OBYC

3. Whenever any postings happen in system accounting documents will be generated along with each material document

MM-SD:

Organization structure elements like Sales Organization, Distribution channel, Division are assigned in Sales view of Material Master

Stock Transfer order with Delivery is the main integration with SD. Maintaining Shipping data for plants, creating plant as customer etc

What is an Account type ? (FI related--t.code: OB52 --Maintain posting period control)

It is denoted by a 1 character code and belongs. such as follows:

A- Assets D-Customer K-Vendor M-Materials account

S-General Ledger account +- All types



How to check the current open period ?

T.code: OMSY else we can go to MMRV to check current open period.

How to open periods for posting and to close the previous periods?

MMPV

How to allow posting to previous period or disallow backposting?

MMRV --this should be done after having discussion with MM and FI team. How to reverse posting periods open in advance or open closed MM period ?

MMPI --RMMMINIT

SAP Note: 487381 and they warn of inconsistency.

if we haven't posted any transactional data in to new period, we can reverse it. But this has got huge impact on Inventory valuation.

How many landscapes are available in SAP?

Ans: 3. Development- Quality – Production

What is the challenging phase in Implementation?

Ans: BPD Stage

T Code to create new Transaction Code?

Ans: SE93

T.code to check messages wrt number?

SE91

What are the details maintained in template of LSMW or BDC or BAPI?

Ans: Details of all required fields along with field name, length and type of character in sequence format.

How many clients can be maintained in Quality landscape?

Ans: Depends on requirement we can create more number of clients (001 to 999)

When the stock is in transit when you transfer to other plant, where will be the value?

Ans: Until the receiving plant does the receipt of material, value will be with Supplying Plant only

What is the difference between the stock transfer between two plants belonging to same company code and those belonging to different company code?

Ans. If you are transferring stock from 1 plant to another plant means you are debiting liability from one department and crediting to another department only (some time 1 segment to another) because inventory belongs to same company.

But when you are transferring stock from one company to Another (i.e. cross company transfer) here liability and Inventory is being transfer. So company has to pay tax to Government accordingly.

Valuation takes place at supplying plant so, accounting docs will be created at supplying plant only. So one account document created for one step or two step stock transfers between plants under same company code and two accounting documents are created for cross company codes. So no accounting docs created at receiving plant side in any transfers.

What are the fields in purchasing and Accounting view?

Ans. Base Unit of Measure, Purchasing Group, Material Group and these 3 fields are mandatory. Purchasing Value Key

Accounting view: Base Unit of Measure, Valuation Category, Currency, Valuation Class, Price control

How do you create movement types? What are the steps involved? When will you recommend a new movement type?

Ans. Transaction code is OMJJ

you can copy new movement type which is near-by old one. We will go to new movement type, if there is no

Possibility to do transaction with old movement type. steps:1)entry control data 2)short text 3)allowed Transactions 4)help text 5)up date control data 6)account grouping 7)reasons for movement

How does the PO pick up the pricing schema?

Ans. the pricing schema is determined based on Purchase Org. Schema Group & Vendor master Schema Group.

What are the steps involved in creating a pricing procedure?

Ans. To create a pricing procedure, the steps will be

1. Define Condition tables (M/03):

It is a table, which defines the structure of condition record using one or more condition keys (The Condition Keys are Vendor, Material, Purchase Organization ,plant ,material group and Purchasing info record category).

## 2. Define Access Sequences : T – Code: M/07

An access sequence is a search strategy with the aid of which the SAP System searches for valid condition records of a certain condition type from condition table..

Create access sequence by placing the different condition tables from most specific to the most general.

Select the access sequence and click on accesses and define the access no. and the condition table from which the condition records will be accessed.

Go to Fields, the relevant fields for which the condition record will be maintained is picked up from the condition table

## 3. Define Condition Types : T – Code: M/06

The condition types are used to represent pricing elements such as prices, discounts, surcharges, taxes, or delivery costs in the SAP System. These are stored in the system in condition records.

Assign the Access sequence to the condition type

Define Calculation Schema: T – Code: M/08

The main function of calculation schema is to provide framework of steps for the price determination process to specify the discounts, surcharge, freight rebate etc. In the calculation schema (pricing schema), you specify which condition types are to be

taken into account in which sequence.

## 6. Define Schema Group

These allow you to group together purchasing organizations that use the same calculation schema. You can also use them to group together vendors for whom the same calculation schema is valid. You assign vendors to schema groups in the relevant vendor master records in purchasing data view.

Create schema group for vendor

Create schema group for purchase organization

Assign schema group purchase organization to our purchase organization

## 7. Define Schema Determination:

In this step, you specify the cases in which a certain schema is used.

For standard purchase orders system determines the schema depending on the schema group of the vendor and the purchasing organization.

For stock transport orders system determines the schema depending on the supplying plant, the document type and the schema group of the purchasing organization.

Determine Calculation Schema for Standard Purchase orders:

We maintain calculation schema with combination of per each vendor schema group and each purchase organization schema group.

Determine Schema for Stock Transport:

We maintain calculation schema with combination of per each purchase organization schema group , the document type and the supplying plant .

**What are the types of special stocks available?**

Ans: In addition to it I would like to answer it like Special Stocks in SAP are

E      Orders on hand  
K      Consignment (vendor)

M      Ret.trans.pkg vendor  
Parts prov. vendor

Pipeline material

Project stock

Ret. pkg w. customer  
Consignment (cust.)

Y      Shipping unit (whse)

**What is meant by consignment stock?**

Means that material will be available at your factory for the usage, but still the material belongs to vendor, Whenever you procure/Use the material from the consignment stock, liability will arise to the vendor, for the consigned Qty you have to pay to vendor through MRKO (Qty\* Consignment Info Record price)

**How is scrap accounted in subcontracting?**

The Following Accounting Entry will appear in Scrap; (BSX) Stock A/c of Scrap – Dr

(GBB-VBO) Consumption from Subcon Stock / Inv. Change A/c - Cr

During Sale of Scrap The Following Entries will be made :

Customer Debit  
Sale of Scrap Credit

Excise Duty payable Credit

**How are the byproducts taken care of in subcontracting?**

While Creating Bill of Material in CS01 you can maintain Components with + ve Quantities and By Products / Scraps with - Ve Quantities. When you make Goods Receipt for Subcontracting Purchase Order with 101 Mov type you can see the Components with 543 Mov type and By Products / Scrap with 545 Mov type. You can take the by Products / Scrap into your Stock / Premises Using Transfer Posting MB1B 542 Mov type.

**What is meant by scales? Can scales be used in standard [purchase order](#)?**

By using scales we can fix the price of a material accordingly, for example, we can fix the material price

based on the quantity like , for quantity 1 to 100 price is Rs1000, for quantity 101 to 200 price is 900, like way , you can fix price.

Scales cannot be used directly in PO but can be pulled into the PO from various master data like info record, quota arrangement.

**How does the [system](#) calculate taxes and nondeductible taxes?**

The sytem calculates the Taxes based on the Tax rates maintained in a tax code, the Caluctaion is based on the taxing procedure assigned to the Country.

Non deductible tax is identified based on the Account key assigned to the Condition type in the Taxing procedure.

The Non deductible tax Account keys are

NAV - Non-deduct.input tax ( This will distribute the tax into a new line item)

NVV - Non-d.input tax dist ( this will Distribute to relevant expense/revenue items )

**What is meant by batches? How can the batches be searched?**

A batch is a subdivision of your stock of a material having the same characteristics.For instance:

food production uses batches to indicate the day of production.

paint production uses batches based on production date and the used ingredients. It is very hard to reproduce the same color in exactly the same way at two different moments. ore may be divided in batches based on their mineral content.

You can search batches using the standard search facility (match code, key F4) based on the naming convention of the batches or, if you use batch classification, based on the characteristics of the batches.

### What is meant by MRP Type and lot sizing?

MRP TYPE:

A key that controls the mrp procedure(re-order point,forecast based,time phased planing)used for planning a material.

Lot sizing:

A procedure in material requirement planning used to calculate orders and production quantities.

There are three groups of procedures exist for calculating the lot size.

static lot sizing (Lot for Lot order quantity , fixed lot size(FX) , Replenish to maximum stock level)

period lot sizing (daily , monthly , weekly)

optimizing lot sizing (Dynamic lot size)

MRP Profile: (t.code: MMD1)

Key that you can use to store MRP parameters that are independent of the material master record. It simplifies the maintenance and administration of MRP data.

It contains standard (fixed) values which can't be overwritten like MRP Type , MRP controller etc. Also default values like safety stock , reorder point etc which can be over written.

When you are creating Material Master in MM01 while entering the plant and storage location enter your MRP profile so that you do not need to enter the MRP data again

MRP Group:

A *MRP group* is an object which you can use to assign common control parameters to a group of materials for MRP.

No, it is not mandatory to have MRP Group every time. (OPPR ) we can maintain plant parameters for MRP settings. it is enough ( OPPQ )

But, say if we are making both settings in OPPR & also OPPQ , then MRP Group settings have more priority than plant parameters settings

only making settings in OPPR ( MRP Group ) will not effect MRP, untill you assign MRP Group in Material master MRP - 1 View

MRP groups are used when the plant division for planning is not enough for the division of the different materials MRP requirements.

MRP procedures:

In consumption-based planning, the following MRP procedures are available:

Reorder point planning: If planned available stock (total from plant stock and on order stock) falls short of the reorder point , then procurement proposals are triggered.

Reorder point= safety stock + (average daily requirement \* Replenishment Lead time) manual reorder point (VB)--- MRP controller runs manually.

Automatic Reorder point (VM)---system calculates using the forecast.

Forecast-based planning: (VV) uses historical values in the material forecast to estimate future requirements. System executes forecast planning at regular intervals.

Time-phased materialsof planning (R1) Also uses historical values in the material forecast to estimate future requirements. But System executes according to predefined intervals in particular rhythm.

Safety Stock:

It should cover the excess material consumption that may occur during the Replenishment Lead time.

Material status:

It limits the usability of a material . 01---The material is blocked for Purchasing and 02---The material is blocked for Inventory Management.

Plant-specific material status

In the standard material master, this field appears on the *Costing* screen, *MRP* screen,

*Production Resources/Tools* screen, *Purchasing* screen, *Quality Management* screen, and *Work Scheduling* screen.

Cross-plant material status

In the standard material master, this field appears on the *Basic Data* screen. It is valid for the whole client.

Planning levels for MRP:

Plant with storage locations planned separately. or

MRP Areas (optional and even without this we can carry out MRP)

The MRP area represents an organizational unit for which material requirements planning is carried out independently.

Plant , storage location and subcontractor.

Different options for planning run:

Total planning (background MDBT , online MD01)---MRP for a plant

Single item planning (online MD03)---MRP for a material

Planning Run types:

Regenerative planning (processing key NEUPL)

Net change planning in the total horizon (NETCH)

Net change planning in the planning horizon (NETPL)

**Control parameters for planning run:**

Processing key , create PR , SA delivery schedule lines , create MRP list.

**What is Planned Order? (MD11, MD12 and MD13)**

It is an order sent to a plant and is a MRP request for the procurement of a particular material at a determined time.(internal planning element and does not trigger procurement directly)

MD14---individual conversion of planned order to PR

MD15---collective conversion of planned order to PR



### What is Planning file entry? (MD20)

it contains all the materials relevant for planning run.

### Can it be configured in such a way that the external requisitions can also be taken into account while MRP runs in consumption-based planning if VB is selected as MRP type?

Yes , the VB MRP type can be set to include external requirements in config, it is just a flag.  
V1-- -manual reorder point with external requirements.

### What is a reference purchase organization? When can it be used?

Ref. Pur Organisation is used when we create centrally agreed contracts . You have to define 1 pur. organisation as reference pur. organisation and link other pur organisations to this ref. pur. organisation. When you create a contract using this pur. Organisation and this contract can be used by other pur organisations which are linked to this ref. pur organisation.

Ref. Pur Organisation is basically used for better negotiation. Mainly the companies who use Decentral Purchase system can get benefit with Reference Purchase Organization to use the Central contracts.

#### Standard Purchase Organization

If your plant is assigned to more then one pur. org, then one of them you need to make as standard pur. org. for Consignment, Pipeline and Stock Transfers.

In source determination for stock transfers and consignment, the system automatically utilizes this standard purchasing organization.

Other wise you get errors at the time of Goods receipts.

These purchasing info records of the standard purchase organization are likewise applied to value the receipt when a PO is automatically created through a goods receipt posting.

you can define std purchase organisation in IMG-Enterprise-definition-MM-define purchase organisation.

you can assign purchase organisation in IMG-enterprise-assignment-material management-assign std purchase organisation to plants.

### How are free items managed in a PO?

Tick the Free Item Indicator at PO Item Level. For Free items, there is no updation of stock value but takes place only at quantity level. Once you set the free item indicator, the following changes appear in PO:

1.Conditions and Invoice tabs do not appear. 2.GR non Valuated Indicator is set (Mty: 101).

### What is Free Delivery or Free of Charge Delivery ?

If you receive a free of charge delivery from the vendor without a PO having been issued beforehand, then post the free delivery as an **Other goods receipt using Mtyp: 511**.

If a delivery free of charge is posted for a material, for example as a rebate in kind, a goods receipt is posted for this material, **but no invoice receipt**. The account postings at goods receipt depend on the price control defined for the material.

### Moving Average Price (V)---No FI postings

For a material valuated at a moving average price, The stock figure is updated on quantity basis only, not on value basis. Thus the total stock quantity of the material increases in the material master record, while the total value remains unchanged. Thus, the moving average price decreases.

### Standard Price (S)

For a material valuated at a standard price, The stock figure is updated on quantity and a value basis. The receipt is valuated on the basis of the standard price. The offsetting posting to the stock account(quantity received \* standard price) and posting to revenue account for price differences are made.

### Explain about the Release Procedure for Purchase Order ?

### OMGSCK - Check Release Strategies (make sure there are no error messages)

You use this component if you wish to set up approval procedures for purchase requisitions or other purchasing documents. Under such a procedure, if a purchase requisition or external purchasing document fulfills certain conditions (e.g. the total order value exceeds Rs. 10,000), it has to be approved (by the cost center manager, for instance) before it can be processed further. This process

of approving (clearing, or giving the "green light" to) a proposed item of expenditure is replicated in the SAP System by the "release procedure".

Creating Characteristics of each attribute of Selection criterion (T.code: CT04)

Creating Class for Purchase order Release (T.code: CL02)

Once we have all the characteristics ready with us, we need to group them into a class. Make sure that the class type must be 032.

3. Define Release Strategy for Purchase Order (T.code: CL20N)

After the class is ready, the next is to configure the elements required in release strategy. Following elements are required.

**Release Groups:** Create a release group for your release procedure and assign it to a class. In the process, you assign release conditions to the release procedure.

**Release Codes:** Here you create the release codes you need for your release strategy and assign the codes to your release group. maximum of 8 release codes.

Number of release codes depends on number of approval levels.

Here we also decide whether workflow is triggered based on value maintained in workflow field like 1--no workflow and 9---workflow through user exit

**Release Indicator:** A release indicator is a key which shows the release status of a PO.

**Release Strategies:** Release Prerequisites , Release statuses , CLASSIFICATION and **Release Simulation:** you can check whether release is getting affected for configured release codes or not.

**Workflow:** Here we Maintain SAP user ids in the column "Agent ID" defined against release Group/Rel code/Object type(US-user and A-workcenter) through which they will be able to approve or reject a PR in SBWP(Inbox in SAP Business workplace).

**What is meant by a release strategy?**

The release strategy defines the approval process for purchase requisitions or external purchasing documents. The strategy specifies the release codes necessary and the sequence in which releases have to be affected.

**What are release groups and release codes?**

The release code is a two character ID allowing a person to release (clear, or approve) a purchase requisition or an external purchasing document.

The release codes are basically controlled via a system of authorizations (authorization object M\_EINK\_FRG).

The user with specific release code assigned can perform a respective release in a purchase order.

Release group: Release Group is a two digit Code, which is assigned to a Class(generally Class contains group of characteristics).

What are the differences between release procedure with classification and release procedure without classification? When are they used?

Release Procedure without classification

This procedure is applicable only for Purchase Requisitions. Here PR is released Item by Item only.

Release Procedure with classification

This procedure is applicable to PR, RFQ, Service Entry sheet, RFQ, PO, Contract and scheduling agreements.

Item by Item and Header level releases can be configured

For PR - both item by item and Header level release can be configured (In release group check "OvRelPReq" indicator for over all release (All line items )of document in one shot else it will be released line item wise.)

For external purchasing documents - Release is possible only at Header level. The two procedures are mutually exclusive (that is to say, you must decide in favor of one of them only - you cannot use both).

Is it possible to have a release procedure without classification for a PO?

No

What is the maximum number of levels available in SAP?

no of sessions: 6

number range: It varies for different things. @release codes: 8

Is it possible to have scales in a quotation?

NO

What is GR blocked stock? When it can be used?

Whenever you are not sure about the quality of the product received, you can put in GR blocked stock using movement type 103.

What is the movement type for return to [vendor](#)? How to reverse it?

Mvmt type 122 for return to vendor. 161 Return for purchase order:

If a purchase order item is marked as a returns item, the returns to vendor are posted using movement type 161 when the goods receipt for purchase order ( 101) is posted. Movement type 161 has the same effects as movement type 122.

### What are the tools available for data migration in SAP?

Generally data migration tool are LSMW,CATT and BDC but you can use advance tool BAPI to upload material master data and transaction data.

LSMW - Legacy System Migration Workbench (Used to upload the data from Non SAP to SAP System )

CATT - Computer Aided Test Tool ( Used to Create test cases as well as upload data )

BAPI - Business Application Programming Interface(These are published programs which is used to upload data into SAP system).

BDC - Batch Data Communication is a batch interfacing technique that SAP developed. It is mainly used for uploading data into the SAP R/3 system.

### How to give specifications for developments?

We normally prepare a business requirement document in which we specify what is required. what field & tables have to be referred for the required development.

### How do you plan for a vendor rating system and move about?

You can plan for a vendor rating system by Vendor Evaluation process in SAP.

### What is RTP?

RTP is Returnable Transport Packaging and it is a special stock. After destuffing the cargo from a container, it will be sent back to its owner & that is RTP.

### What is the movement type used in receipt of RTP?

501 M

### What is the procedure to delete the Release Strategy, I need this in correct order so that System does not pop a error?

For Defining u must come from top to bottom , so for deleting u must delete from bottom to top.

Delete release strategy delete release indicator delete release code delete release group  
delete class

delete characteristics

check release strategy ( t code - OMGSK) and make sure there isn't red indicator

### How do you make variants?

For example run report ME59N, here give 4500 as purch.org and select GOTO in the menubar.  
In it u will find variants and further u will find save variants.

### What are the documents generated in the MIGO 101 movement type? What are the accounts hit?

Material Doc, Accounting Doc.  
BSX (inventory Posting) Stock account - Debit,

WRX (GR/IR account) - Credit

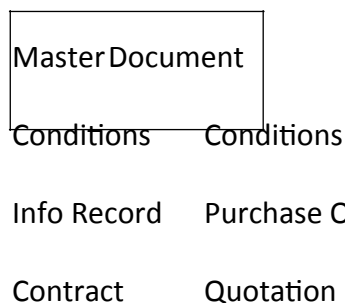
### What is the difference between master conditions (time-dependent conditions) and document conditions?

The conditions in the info record and in the contract are master conditions.

The differentiation for quotations and scheduling agreements is made through the document type (indicator "Time-dep. conditions"). The master conditions are restricted to a specific validity period, they have the characteristics of master data, and they are usually valid over a long period of time.

Master conditions that refer to more general price agreements, such as the vendor or the material type, can also be mapped (general conditions, transactions MEK\*).

Generally, the conditions in the POs are document conditions. They are only valid for this document. The document conditions may also be available for quotations and scheduling agreements if you have configured this in Customizing.



## Scheduling

### How does the price determination determine the conditions using a last purchase order?

If the info record does not contain any valid conditions, but a "last document" exists for the info record, the system copies all of the conditions from this document if the following prerequisites are met:

The net price must be zero (EKPO-NETPR = 0.00) after the system has carried out price determination.

However, the net price is not zero after price determination has taken place and the system does not copy the conditions from the last PO if master conditions that are included in the net price calculation are maintained at, for example, vendor level or material group level.

The last document is not a request for quotation. The info record has not been deleted.

The vendor and the material in the info record are identical to the vendor and the material in the last document.

The calculation schema of the last document is the same as the current schema that has been determined.

The system simply executes a copy function to transfer the conditions from the last document. The system does not check for requirements for the calculation schema.

The system does not copy the condition records of the subsequent settlement (the condition type has the condition class "C"); instead, they are always determined again to ensure that the condition records are consistent with the field contents.

If you generally do not want the system to transfer the conditions from the last PO, you can use the user parameter EVO to deactivate this.

### Why does the system not carry out price determination when a scheduling agreement is created?

Check Customizing for the document type of the scheduling agreement (transaction OMED). When a scheduling agreement is created, the system carries out price determination only if the "Time-dependent conditions" indicator is deactivated

### How is the tax code determined in purchase orders?

In the standard system, the system considers the following sources for the tax code (in this sequence): Reference item, contract, request for quotation, info record. It can also be entered manually.

Furthermore, the tax code can be automatically determined via the condition technique. For the determination of the tax code via the condition technique, condition type NAVS with assigned access sequence 003 is available in the standard system. With Transactions

MEK1/MEK2, depending on tax indicators (material, plant, account assignment, origin) you can define different tax codes in the condition tables.

In principle, you can assign this access sequence also to other condition types. The tax code is

only transferred to the purchase order if class 'D' (taxes) is the condition type. If there are several condition types of this class in the condition schema, then the first condition schema which contains a tax code has priority.

### How is the tax jurisdiction code (tax jurisdiction code) determined in purchase orders?

You activate the tax handling with tax jurisdiction codes in FI Customizing (transaction OBCO). In the standard system during the creation of a purchase order, the system considers the following sources for the tax jurisdiction code: Reference item, request for quotation, contract, plant, the account assignment object. During this process, the system overwrites the respective preceding value in this list. If, for example, you have maintained a tax jurisdiction code with the account assignment object for a purchase order item, this entry "wins" as opposed to the entry in the plant table. Besides this, the tax jurisdiction code can be entered manually.

If you use the function from Note 493515, also the tax jurisdiction code from the delivery address can be taken into account (see below.).

### How is the tax amount calculated?

Only the non-deductible part of the tax is calculated. This amount should be regarded as an additional cost item of the procurement because the tax authorities do not refund this amount unlike the deductible part of the tax. Therefore, the non-deductible part of the tax is added to the stock value during the inventory posting.

### What must I take into account for Customizing of a tax condition type for purchasing?

In order to ensure that the tax code is transferred to the purchase order and that the tax amount is calculated correctly, you should make the following settings:



Condition class: 'D' (Taxes) Calculation rule: 'B' (Fixed amount)  
Condition category: 'D' (Tax) or 'N' (Non-deductible input tax)  
Scale type: ' ' (must remain empty, this means 'can be maintained in condition record')

In addition, take into account that you have to set the tax record which is assigned to a tax code in purchasing in FI Customizing (transaction FTXP and FV11).

### The valuation level that you choose affects

the maintenance of material master records

the G/L accounts in which material stocks are managed

the G/L accounts to which transactions are posted in Materials Management

OX14- Check whether valuation area is plant or company code level

### What are trading goods?

Trading Goods

Trading goods are movable goods intended for commercial exchange. Examples of trading goods are market goods, consumption goods and durable goods. Trading goods are always bought and re-sold by your company. The material master record for trading goods therefore always contains purchasing data and sales data. Trading goods are managed in the SAP System using the key HAWA.

### Can we give purchasing group in Vendor master?

Ans: Purchasing group and business partner assignment can be given in purchasing data of a vendor

### What is meant by valuation grouping code?

Ans: Indicates a grouping of valuation areas to facilitate the administration of the table of standard accounts by minimizing the number of entries. Together with other factors, the valuation grouping code determines the [G/L accounts](#) to which a [goods movement](#) is posted

### What is the use of Purchasing Value Key?

Ans: Key defining the reminder days and tolerance limits valid, as well as the shipping instructions and order acknowledgment requirement of the [material](#) for Purchasing.

Defined in material master record.(Purchasing view)

Purchasing value key determines the following things:

Reminders keys- There are 3 keys which determine in how many days before or after the vendor has to be reminded or urging letters for the material procurement.

Over and under deliveries tolerances.

Order acknowledgement requirements in PO.

It gives all the conditions in which the procurement is made. You can have different purchasing value keys which has to be customized in IMG - MM - Purchasing - MM - Define Purchasing Value Keys / OME1 Trxn code.

**Give some information about K and L item categories?**

Ans: Dialog box is ticked for the item categories K and L generally. And Account assignment category is not allowed for K. So the same has to be done when the linkage of purchase requisitions is done. L is used for Subcontracting Procurement. For this PO, BOM explode option comes in Material Data tab in Item overview

**What is the use of checking rule in STO configuration?**

Ans: To specify which requirements and stocks are to be taken into account in calculating availability before the stock transfer is affected

**Mention some important points about pricing schema?**

Ans: In calculation schema, if a condition type is marked "manual" those condition types won't be visible in conditions. Those have to be given manually. If a condition type is marked "Statistical" in Pricing that will not get posted to FI, it will be purely for information and calculation purpose for the calculations only.

**What is meant by account key in pricing procedure?**

Ans: Account key is mainly used for Freights. Account key enables system to post to certain revenue accounts, for example freight charges. When you add freight related condition types, it will be posted to separate G/L accounts, means this will not be added to material price.

Use: To enable the system to find the relevant account for provisions (for accrued delivery costs or miscellaneous provisions, for example), you

must assign account key to each condition type that is relevant to provisions in the step Define Calculation Schema.

Account keys are EIN, FR1, FR2, FR3, FRE, etc...

For e.g. Freight Posting in GR

Condition type FRA1 assigned to Accrual FR1 and in OBYC, assign Freight Clearing A/c to FR1

### What is Accrual key?

Accruals mean accumulating:

With the aid of the account key, the system can post amounts to certain types of accruals accounts. For example, rebate accruals which are calculated from pricing conditions can be posted to the corresponding account for rebate accruals.

**Transaction event key** is the internal processing Key that are pre-defined in the system to enable transaction postings in Inventory Management and Accounting (Invoice Verification).

### What are posting Keys and How are they used while making postings?

Posting Keys are defined at Client Level.

It is a Two-character numerical key that controls posting at item level and determines whether it is Debit / Credit entry.

Posting Key

40 ( G/L account debit posting)

50 ( G/L account credit posting)

01 ( Customer invoice)

11 ( Customer credit memo)

21 ( Vendor credit memo)

25 ( Vendor payment)

31 ( Vendor invoice)

### What is an account type? (t.code: OB52 control posting periods)

A key that specifies the accounting area to which an account belongs.

Examples of account types are:

Asset accounts (A)

Customer accounts (D)

Vendor accounts (K)

G/L accounts (S)

### What is Value / valuation string?

Value string keys are for SAP internal usage. It is just a pointer to the transaction event key which is necessary for automatic account determination.

Movement types are linked to transaction keys via valuation string in OMWN T-code. The R/3 System automatically determines the value string assigned to a specific transaction.

In the standard system, value string WA01 is assigned to goods issues and other goods receipts.

value string WE01 is assigned to goods receipts (and also cancellations and return deliveries) for Standard and Subcontracting purchase order items without account assignment concerning valuated material into stock.

### What are the important fields available in MRP views?

Ans: MRP 1: MRP Group, MRP Type, Reorder Point, MRP Controller, Lot Size, Minimum Lot Size and Maximum Lot Size

MRP2: Procurement Type, Special Procurement, Safety Stock

MRP3: Period Indicator, Fiscal Year Variant, Strategy group and Availability Check MRP4: No important fields

Error: When I try to give conditions to the item in Contract creation, I am getting an error as Condition type is not allowed to give supplementary conditions

Ans: Go to the details of the respective condition type of Basic price (PB00) and assign pricing procedure to the condition type.

When stock was posted for initial stock with 561 or 501, below error is observed. For document type WE, an entry is required in field reference

Ans: Enter any reference details in GR/IR Slip and Header text in Document header.

**What is the difference between MRP List and Current Stock Requirement List?**

Ans: Stock Requirement List: It is a dynamic list, which shows the current status of requirements & sources for that material. So any changes in the procurements or needs will be shown in this list.MD04

MRP List: It is a static list, which shows the status of requirements & sources just after the MRP run. This list is not updated till the next MRP run.-MD05

**Where do we assign output type to smart form?**

Ans: Those will be assigned with T Code –NACE

**Can we give separate conditions for the service lines given under one Item?**

Ans: Yes. We can give different conditions for each service line by clicking on conditions symbol (100\$).

**What is the common name for the PO which is created against contract and which will be verified from contract while creating PO?**

Ans: That PO is called as Release Order. System will check below fields when PO is created against Contract.

Validity Period, Excess of quantity or value, tax code etc

**What is meant by Match Code and what is the use?**

Ans: Match Code Object is nothing but F4 Help.

F4 Help is used to give the possible values for the Particular Field.

**Texts which are given in PR, Info record will effect at item level but not at header level**

**How to create Automatic PR to PO from MRP?**

Ans:

Basic Settings: SPRO-MM-CBP-Planning->>MRP should be activated for that particular plant.

SPRO-MM-CBP-Plant Parameter->>maintain for particular plant

Material master: Maintain MRP views with required MRP Type, MRP Controller, Lot size, Flag Auto PO

Vendor master: Flag Auto PO

We must ensure that source of supply exists for PR like Info record which is must.

Also Create source list for the material and the vendor(If more than one vendor exists for that material , then fix one of the vendor by ticking the Fix column). And give '1' in MRP field as Record relevant to MRP

MD21 - Planning file concept : where you can see the list of material required to plan for procurement.

MD03 - Run MRP . Production order or Purchase Requisition will be created

ME59N – Create Automatic Purchase Order

**What is the difference between GR Blocked Stock and Blocked Stock? Ans:**

GR blocked stock & Blocked stock both are two different terms

When customer received material just by visual inspection he observed some damage then that material is post to GR blocked stock using movement type 103, it means goods receipt is not created & that's why that stock is not company owned stock & that is non-valuation stock. Company is not liable to pay for that material. GR **Blocked stock is non-valuation.**

When customer receives material after creating goods receipt at the time of quality inspection found damage in material then that material is posted to blocked stock and as when stock is booked valuation along with quantity already takes place this material is valuation stock. **Blocked stock is valuation for inventory.**

**What is meant by inbound delivery and Outbound Delivery?**

Ans: Inbound is related to MM module and Outbound is related to SD module. Inbound delivery is required to receipt the material against PO from vendor. To create inbound delivery VL31N transaction is used.

If you want to send the material to customer Outbound delivery is required to create outbound delivery against STO VL10B transaction used.

**Automatic account assignment:** The vital components involved are movement type, Value string , valuation class, chart of account, Valuation area, business key (transaction key), and valuation grouping code, account grouping code(account modifier) & nature of G/L account and Posting keys

**What is meant by Period Indicator in MRP3 view ?**

Ans: Indicator specifying the periods in which the material's consumption values and forecast values are managed.

How to see the list of G/L Accounts?

Ans: OMWB

Explain the process of Service Procurement?

The steps for service procurement process is

A. Create PO in ME21N

When ur creating service PO (ME21N), u have to maintain item Category "D" and an account assignment category as per ur requirement (K or C or P). U can not enter ur material here only u have to maintain short text of material. Also u have to enter ur material group and plant .This is in item Overview details.In the "Item Details" , under Service tab u enter your service master or activity number u created in Service master then quantities, gross price and also under Limits tab enter Overall value limit for unplanned services.

Create SES w.r.t. PO in ML81N (click on Flag icon to Release(accept) and Save it )

MIRO w.r.t. SES

Service A/c triggered from OKB9 setting where you can do assignment of cost object ( cost center, profit center, sales order) with co.code with G/L account in OKB9 t.code and in t.code OBYC account assignment of WRX with G/L.

Else service lines/activity numbers will be assigned with valuation class during service master creation using t.code: AC03

The accounting entry after SES accepted \*Service Procurement (KBS): Dr GR/IR Clearing-service (WRX): Cr

The accounting entry after MIRO posting:

GR/IR Clearing (service): Dr

Vendor Account: Cr

Additional notes on External Service Management  
Acceptance of Service Entry Sheet

This is the equivalent of a Goods Receipt. The result of accepting a SES will be a material document with movement type 101 (GR against PO). Depending of process the SES can be

created and Accepted by different people. Typically the acceptance is done by a more senior person.A traffic light indicate the status of the SES

- Red = Not yet accepted — only SES
- Yellow = Accepted but still to be saved
- Green = accepted and saved

#### Outline Agreement (Contracts)

Services specified in PR / PO as well as Unplanned Services entered in SES can be pulled from a contract (Outline Agreement).

ML85 (Collective Release of Entry Sheets) is a standard SAP transaction code

#### In OBYC why KBS transaction key is not activated ?

In Standard SAP, for transaction event key KBS(Account-assigned purchase order), account determination is not active. You can find the same in OBYC t.code.

In account assigned PO, G/L account is entered manually or it picks up through cost center from OKB9 setting where you can do assignment of cost object ( cost center, project, sales order) with co.code with G/L account in OKB9 t.code and hence account determination will not happen through transaction event key. So This transaction event key is used only to find the posting keys and not the G/L accounts. Whereas other transaction event keys are used for account determination.

**We will assign the valuation class to the material group in SPRO settings.**

OMQW (SPRO >> Material Management>>Purchasing>> Material Master>>Entry Aids for Items Without a Material Master)

Assign Account Modification like VBR to Account Assignment category

Go to SPRO-IMG-Materials Management-Purchasing-Account Assignment-Maintain Account Assignment Categories/OME9

**What is the T Code to see the list of Info records per material?**

Ans: **ME1M**

**What is the T Code to see the report of slow moving materials?**

Ans: **MC46**

**Is there any possibility to park or hold Goods Receipt?**

Ans: Yes. It is possible to hold Goods Receipt. After entering all details, press HOLD button with reference or without reference. Then one can see the list of held purchase orders by clicking Show Overview. Press on held purchase order which you want to post and post GR normally.



### What are the accounting entries for Free Goods receipt?

Ans: After clicking 'F' in purchase order. Net price will be zero and condition tab will be disappeared. No accounting entries will be generated for the receipt of free goods.

### What is the purpose of Material Ledger?

Ans: Material ledger data is valuation and control data for a material (with a particular valuation type, if applicable) in a [plant](#) for a particular posting period. Material ledger data also contains data for movements that are relevant to the valuation of the material. This data is collected in the material ledger as it is entered in the system


### What is the definition of Bill of Lading?

Ans: A legal document between the shipper of a particular good and the carrier detailing the type, quantity and destination of the good being carried. The bill of lading also serves as a receipt of shipment when the good is delivered to the predetermined destination.

### What are the accounting entries for STO Intra and Inter Company codes?

Ans: **For Inter Company STO:** At Supplying Plant:


#### Post Goods Issue:

Stock Account will be Credited, BSX 

Cost of Goods sold Acc. will be Debited, GBB - VAY 

At Receiving Plant:

#### Post Goods Receipt:

Stock Account will be Debited, BSX 

GR/IR Clearing Acc. will be Credited, WRX 

### For Intra Company STO:

(No WRX (GR/IR clearing account) will be seen here since IR not done here.


A Product ,say, P1 is manufactured in Plant A. For some reason (eg: further processing) it is transferred to Plant B of the same company code. This process is called as Intra-Company Stock transfer. Briefly, the process steps would be as below

Plant B raises a STO (Stock Transfer Order) on Plant A

Plant A might have the stock ready with it or it may need to manufacture the same

Once stock is available in Plant A, the same will be despatched (PGI) to Plant B (Movement type 641)

### Post Goods Issue:

At Issuing Plant, Stock Account is Credited, BSX 

At Receiving Plant, Stock account is Debited, BSX (+) (Stock in Transit)

d. Plant B receives the stock and does GR (MIGO - Movement type 101).

No accounting entries for Post Goods Receipt of with delivery and without delivery intra company STO because the accounting entries are already accounted in **Post Goods Issue.**

At the time of PGI, following accounting entry will get generated; (BSX)Stock A/c - Dr - 110 INR (Receiving Plant)

(BSX)Stock A/c - Cr - 100 INR (Supplying Plant) (FR1)Freight Clearing A/c - Cr - 10 INR (Supplying Plant)

Now Post [MIRO](#) for "Planned Delivery Cost" for the freight amount.

### Use

You can use the following procedures to transfer materials from one plant to another:

Stock Transfer Between Plants in One Step

Stock Transfer Between Plants in Two Steps

Stock Transport Order Without Delivery

Stock Transport Order with Delivery via Shipping

Stock Transport Order with Delivery and Billing Document/Invoice

Features

### Stock Transfer Procedure Without a Stock Transport Order

In the stock transfer procedures described below, only Inventory Management (MM-IM) is involved. The following table explains the characteristics of stock transfer procedures without a stock transport order:

	From Plant to Plant 1 Step	From Plant to Plant 2 Steps
Movement type ( MM-IM )	301: Transfer from plant to plant	Goods issue: 303 (Remove from storage to plant) Goods receipt: 305 (Put away in plant)
Price	Valuation price (supplying plant)	Valuation price (supplying plant)
Stock after Goods issue	-----	Stock in transfer

### Stock Transfer Procedure with a Stock Transport Order

In stock transfer processing, goods are procured and supplied within a company. One plant orders the goods internally to another plant (receiving plant/issuing plant). The goods are procured with a special type of purchase order the stock transport order.

Steps:

Create a Material master in both supplying and receiving plant

Create stock transport order (STO) with item category 'U' for the receiving plant.

Create transfer posting with movement type 351 & T Code MB1B (Go to MMBE / MB52 stock overview, the stock will decrease in supplying plant and it will not update stock of receiving plant, it will be under stock in transit)

Create GR stock will update in receiving plant

This scenario is under one company code between two plants.

### Tell me about Item category Group ?

The Item Category group like NORM (standard item) maintained here is preferred over general item category group and used to determine 'Item Category in Delivery' Ex. NLC(For Inter Company) NLN(For Intra-Company).

### Where to maintain Pricing scales in SAP?

Ans: Pricing scales can be maintained in Info Record, RFQ and Contract.

## What is the difference between EDI and IDOC?

EDI (Electronic Document interchange) - EDI is the electronic exchange of business documents between the computer systems of business partners, using a standard format over a communication network.

EDI is also called paperless exchange.

Advantages:

Reduced Data entry errors

Reduced processing time

Availability of data in electronic form

Reduced paperwork

Reduced Cost

Reduced inventories and better planning

Standard means of communications

Better business process

EDI has two process

Outbound process

Inbound process

OP:

1.Application document is created. 2. IDOC is generated

3.IDoc is transferred from SAP to Operating system layer 4.Idoc is converted into EDI standards

5.Edi document is transmitted to the business partner 6.The Edi Subsystem report status to SAP

IP:

1.EDI transmission received

2.EDI document is converted into an IDOC 3.IDOC is transferred to the SAP layer 4.The application document is created 5.The application document can be viewed.

IDOC:

IDOC is a container that can be used to exchange data between any two process. Each iDoc is assigned a unique number for tracking and future reference.

iDoc Consist of several segments, and segments contain several fields. iDoc contains the following three type of records...

1. One Control Record.
2. One or many Data Record
3. One or many Status record.

### Explain about Scheduling Agreement?

Ans: A form of outline purchase agreement under which materials are procured on predetermined dates within a certain time period.

Scheduling agreement contains following procurement types

Standard

Subcontracting

Consignment

Stock transfer

### What is the meaning of "R" in R/3 systems?

R/3 stands for real time three tier architecture. This is the kind of architecture SAP R/3 system has.

R/3 means three layers are installed in Different system/server and they are connected with each other.

Presentation

Application

Database

### Where can the texts maintained for a purchase order without executing ME22N?

Ans: ME24- Maintain Supplement

### What is meant by time dependent and independent conditions?

Ans: Time Dependent Conditions: Validity periods and scales can be specified for these conditions. You can also define a price range (upper and lower limits). Conditions in Info Record and Contract are always time dependent. Because they have validity and scales. RFQ and Scheduling Agreements can be time dependent or independent. Standard system

recommends time dependent for these two documents. But it can be managed as per document type wise.

Time Independent Conditions: No validity periods and scales can be defined for these conditions. The conditions in purchase orders are always time-independent. Purchase order conditions are always time independent.

### Give the usage of Vendor Sub-range?

In the SAP System, you can maintain certain data at vendor sub-range level. For each sub-range: You can maintain different purchasing data and partners for vendor sub-ranges in the vendor master record e.g. different ordering addresses, terms of payment, or partner roles.

Your vendor Smith & Co. of Atlanta has two sub-ranges: detergents and adhesives.

All the materials belonging to the sub-range "detergents" are ordered in Memphis.

You have maintained a different ordering address in Orlando for the sub-range "adhesives" in the vendor master record.

When you order materials belonging to the sub-range "adhesives", the system determines the ordering address in Orlando via the vendor sub-range.

This saves you considerable time and effort with regard to data entry, since you need not maintain conditions for individual materials.

### Vendor Master Record

You can enter a vendor's sub-ranges in the vendor master record.

To do so, choose *Sub-ranges* on the *Purchasing Data* screen. You can create sub-ranges in different languages.

If the *Sub-ranges* button does not appear, choose *Extras*

*Addl. purchasing data, and select Allow data retention at Vendor SubRange level*

### What is meant by Invoice Block and explain few details regarding invoice Block?

When an invoice is blocked, Financial Accounting cannot pay the invoice. Invoices can be blocked either automatically or manually.

An invoice can be blocked for payment due to one of the following reasons:

1. Variance in an invoice item like Quantity Variance (Q) ,Price Variance (P) , Date Variance (D) , Variance in Order Price Quantity (G) and Quality Inspection (I)

Amount of an Invoice Item

stochastic block (You can block invoices at random to check them again)

A stochastic block is not set at item level, but for the whole invoice. If a stochastic block is set when you post the invoice, the system automatically sets an R in the field *Payment block* in the document header data; there is no blocking indicator in the individual items.

#### 4. Manual Block

You can block an invoice manually. You have two options for doing this when you enter the invoice:

You can block an invoice by entering an R in the field *Payment block* in the document header data.

You can block an item by selecting the *Ma* (manual blocking reason) field in the item list. When you post the invoice, the system automatically sets an R in the field *Payment block* in the vendor line of the accounting document. Manually blocked items are given the blocking reason Manual block (M).

#### Releasing Invoices Automatically

It is only possible to automatically release invoices if their blocking reasons are no longer valid. This can be the case for invoices blocked due to quantity, price, or schedule variances, or due to quality inspection.

You can only use the function *Release automatically* for the blocking procedure *Blocked due to variances*.

You can have the system automatically release invoices in the background. You use program RM08RELEASE for this.

#### Releasing invoices manually for manually blocked and stochastic blocked invoices.

**T.code:** MRBR is used to release the blocked invoice. This can be executed directly or in background.

**Tell me about invoicing plan ? (MRIS)**

<http://wiki.scn.sap.com/wiki/display/ERPSCM/MM-SRV+The+Invoicing+Plan>

The invoicing plan is a facility that allows you to schedule desired invoicing dates for planned procurements independently of the receipt of the relevant goods or services. It lists the dates on which you wish to create and then pay the invoices in question.

The following two types of invoicing plan are available:

Periodic invoicing plan

Partial invoicing plan

The periodic invoicing plan can be used for regularly recurring procurement transactions (e.g. rental, leasing, or subscriptions).

It facilitates the largely automatic creation and payment of invoices within the framework of the invoice verification process. The periodic invoicing plan **uses evaluated receipt settlement (ERS)** program functionality.

The partial invoicing plan can be used for the invoicing of high-cost material or projects involving the procurement of external services that are to be subject to stage payments (such as plant construction projects, or the invoicing of individual stages of a building project following completion in each case).

**How to see the list of Z Developments in a client?**

Ans:

CMOD- Enter Z\* and press F4 It gives the list of Exits SE19- Enter Z\* and press F4 It gives the list of BADIs

SE38- Enter Z\* and press F4 It gives the list of Upload Programs, Module Pools etc Programs

SE93- Enter Z\* and press F4 It gives the list of Z Transaction Codes

**How to get the list of Rejected Purchase Orders?**

Ans: Go to EKKO table and select the Purchase Order Processing status –PROCSTAT as 8-Rejected

**How to make display/ non-editable to any condition type?**

Ans: 1. Go to M/06 and maintain field "Manual enteries" as D (Not possible to process manually) that comes under tab "Changes which can be made" .



2. In calculation schema, remove tick for Manual for that condition type.

later we can maintain values in condition records for info record etc and it will update the same in PO . Also no more manual enteries and we cant edit in PO.

### In STO or Transfer Posting Process, when will the accounting documents be created?

Ans: In Stock transfer process, always accounting documents will be created at the time of Goods Issue only because Goods Issue will be done by Supplying Plant. Material is valued at Supplying Plant and value will be still at Supplying Plant although Goods are at Stock in Transit of Receiving Plant.

Accounting documents are created for the transfer Posting between Plant to Plant only but not for Storage Location to Storage Location. This is done due to valuation area difference.

### What is the difference between BSX and BSA?

BSX is transaction Event key for Stock account or Material account. For all goods movement BSX will appear.

BSA is a General Modifier under Transaction Event key GBB. This key it designates Consumption Only.

BSA will appear in Initial stock posting using 561 Movement type

### Explain few Special Stocks Procurements?

#### Third-Party Processing

##### Purpose

In third-party processing, you place a purchase order with a vendor to deliver goods or perform a service for a third party (for example, for a customer).

This means that your company does not deliver the material. You forward the order to an external vendor instead, who then sends the material directly to the customer and invoices you.

This graphic is explained in the accompanying text

Third-party processing is carried out in the components SD (Sales and Distribution) and MM (Materials Management). By creating a third-party item in a sales order, purchase requisition, or purchase order, you can request that the vendor sends the goods directly to your customer. A document can consist of one or more third-party items.

## Activities

### Entering a Sales Order

You enter a third-party item in a sales order. The system automatically creates a purchase requisition item for each third-party item in the sales order.

### Entering a Purchase Order to Vendor

You enter a purchase order with a third-party item with reference to the requisition third-party item.

### Delivering Goods to Customer

The vendor supplies the goods to the customer. To document this step in the system, you can post a statistical goods receipt in Inventory Management. However, this is not compulsory.

### Entering a Vendor Invoice

The vendor sends you an invoice. You enter the invoice receipt in Invoice Verification. The invoice receipt is necessary before a billing document can be created in SD.

### Creating a Billing Document for the Customer

In SD, you create a billing document for the sales order. Depending on the Customizing settings (whether or not the billing-relevant indicator is set for the item category in SD), you draw up the billing document on the basis of the order quantity or on the basis of the quantity specified in the vendor invoice. If the customer is billed on the basis of the order quantity, you can create the billing document immediately after the sales order is entered. If the customer is billed on the basis of the quantity specified in the vendor invoice, you cannot create the billing document until the vendor invoice has been entered in Invoice Verification.

If you do not use the SD component, third-party orders can be handled completely in Materials Management. Here you enter a third-party order (or a purchase requisition) manually with the item category S and account assignment category X. In this procedure, the activities Entering a sales order and Creating a billing document for the customer are eliminated.

## Company's Own Special Stocks

### Definition

Stocks belonging to your company that are stored with the vendor or the customer.

In the SAP System the following types of special stocks are available:

Stock of material provided to vendor

Consignment stock at customer

Returnable packaging stock at customer

Since these special stocks are not located at your own company, they are managed at plant level and not at storage location level.

Two stock types are possible:

Unrestricted-use stock

Quality inspection stock

All stock types can be inventoried.

### Externally-Owned Special Stocks

#### Definition

Externally-owned special stocks belonging to a vendor or customer that are stored at your company.

In the ERP System, the following types of externally-owned special stocks exist:

Vendor consignment

Returnable transport packaging

Sales order stock

Project stock

Since these special stocks are located at your company, they are managed at storage location level.

These special stocks can be allocated to three different stock types:

Unrestricted-use stock

Quality inspection stock

Blocked stock

All stock types can be inventoried.

## Difference between Blanket PO and Service PO

### Blanket Order:

Used for long validity period and with the provided value limit. By its name u201Cblanket u201D which covers to required long time? We use doc type FO(for long period) and item cat. B(for value limit).Goods receipts or the entry and acceptance of services performed are not necessary in the case of a blanket PO and limit items. The invoices are posted directly with reference to the purchase order, provided that the specified value limit is not exceeded. But manual entry of invoiced amount and invoiced quantity is required during LIV process.

You can use purchase requisitions as a preceding document for this type of order. You cannot create contracts nor RFQ for this requisition. No good receipt is involved. you only post incoming invoice with respect to blanket purchase order.

Advantages of Blanket Purchase order :

Different material are procured over longer period with a single p.o. item

There is no good receipt or service entry process

Example: Procurement of stationary items or low value consumable items.

### Service Order:

Service is an intangible material & is immaterial goods that differ from other goods, particularly in wrt to production and consumption. Services are generally regarded as non-transportable and non-stockable. For Service,we do maintain Service master and create purchase order to vendor mentioning Cost Object( K or P or C) and Item Category (D) and Validity period definition is not required. When vendor performed/completed service for you , you just receive this service in term of service entry sheet(SES) and invoice verification done w.r.t. PO but proposed quantity and amount (in according to SES) is made during LIV process and payment done after invoicing.

Example:

Typical services are commercial services, transport services, bank and insurance services, goods from cultural organizations and the mass media, as well as services provided by the public security forces or the education and health sectors.

Account Assignment U

Under special cases (if allowed), an account assignment U (Unknown) can be selected when creating the PR / PO. In this case the correct account assignment category must be provided when the service entry sheet is created and also for IR during Blanket PO.

## Maintain Number Assignments for Accounting Documents

The R/3 System creates documents in Financial Accounting when incoming invoices are posted and groups together these documents using document types.

In this step, you:

Define the document types

Assign each document type to a number range

Assign document types to the Logistics Invoice Verification transactions

Standard settings

In the standard system, two document types are defined for Logistics Invoice Verification:

RE for gross posting

RN for net posting

If you do not want to specify the number assignment based on a year, enter 9999 in the "Year" field.

## Define Number Assignment for Material and Phys. Inv. Docs

The number assignment for accounting documents depends on the document type which is allocated to the transaction.

The number assignment for material documents and physical inventory documents depends on the **transaction/event type** which is also allocated to each transaction in Inventory Management.

In the standard system, the transaction/event types and number range intervals are preset for Inventory Management as follows:

Physical inventory documents

This group contains the following transaction/event types:

IB Physical inventory documents

ID Physical inventory documents for counts and differences without reference

WV Physical inventory documents for difference postings in the WM System Material documents for goods movements

This group contains the following transaction/event types:

WA Goods issues, transfer postings, other goods receipts

WE Goods receipts for purchase orders

**What is the difference between selection parameter WE101 and WE103?**

WE103 means then that SAP considers the GR blocked stock as well as already received quantity while with WE101 the GR blocked stock is not considered as received.

**Important T Codes**

**Screens in Material Master**

**Various Material Master Screen:**

MM06 - Flag for deletion.

MM04 - Display the changes done to the material master.

MMAM - Change the Material Type. for e.g. from FERT to HALB(stock must be zero during that time)

Configure the Material Master Screen MM01 / MM02 / MM03 **OMSR** - Assign the field to the field group

**OMS9** - Maintain the data screen field

## **Interview Questions from Google:**

### **3. What setting can we use to outline flexible period lengths for MRP at the plant level?**

a. Planning time fence; b. Planning calendars; c. Planned delivery time; d. Planned orders

### **4. Define the rounding profile:**

a. A rounding profile is used to adjust the ordered quantity; b. A rounding profile is used to increase or decrease quantity in a purchasing document; c. A rounding profile is used to adjust the order proposal quantity in the planning run according to the delivery unit of the supplier; d. A rounding profile is used to adjust the order proposal quantity in the planning run according to the production unit

### **5. What is the purpose of the confirmation control key:**

a. The sole purpose of a confirmation control key is to enable the system to create ASN for specific purchasing documents; b. The purpose of the confirmation control key is to make confirmations relevant for MRP and goods receipt; c. The confirmation control key regulates whether the confirmations are relevant for goods receipt or material planning and whether confirmations are mandatory for a specific purchase order; d. The sole purpose of a confirmation control key is to enable the system to create order acknowledgments for specific purchasing documents

### **6. During MRP run in which sequence the system checks the planned delivery time of a purchased material procured through scheduling agreement:**

a. Material master, info record; b. Info record, delivery time in scheduling agreement item, material master; c. Delivery time in scheduling agreement item, material master; d. Info record, delivery time in scheduling agreement item

### **7. What is the procurement proposal?**

a. The procurement proposal represents the scheduling created during planning run; b. The determination of when an inward stock movement is needed to when the stock is expected in MRP; c. A proposal made by the purchasing team to acquire goods; d. A proposal made by the planning team made based on the production plan

### **8. What transaction code is used to convert planned orders into requisitions in MRP?**

a. MD15; b. ME51N; c. ME57; d. OMGZ

### **9. What transaction could you use to do an MRP run for a single material?**

a. MD04; b. MD03; c. MD27; d. MD06

Valuation and account determination

**10. While posting a movement for a valuated material in inventory management, what data could influence the account determination to where the postings will go:**

a. The material, the movement type, the plant and the price control; b. The material type, valuation class, material type, exchange rate type; c. The movement type, the valuation area, the material's valuation class; d. The price control, valuation class and the valuation area

**11. If a goods receipt is posted for a valuated material using a purchasing material with account assignment:**

a. A stock increase occurs and a financial document is posted as specified in the account assignment; b. No stock increase occurs and also no accounting posting occurs; c. A stock increase occurs but no accounting documents; d. No stock increase occurs but we have an accounting posting

**12. The valuation class is used to:**

a. Give the possibility to assign the same account to a group of different materials that share some common properties; b. To group together a group of different materials; c. Assign different G/L accounts to materials within the same material group; d. Assign the same account to the same material in different companies

**13. The valuation level in the SAP system:**

a. Can be used to evaluate stock at storage location level; b. Can be used to evaluate stock at purchasing organization level; c. Can be used to evaluate stock at plant level or company code level; d. Can be used to evaluate stock at company level

**14. The standard price for a material, which is managed with moving average price:**

a. Changes and takes the value of the moving average price; b. It is not affected by any movements or changes in the moving average price; c. Once the standard price is maintained it can never be changed; d. When the standard price is maintained in the accounting view of a material it will have priority to any other price

**15. Which of the following elements are not determined by the account assignment category?**

a. The type of the account assignment; b. The accounts that will be charged; c. Cost center; d. The data that needs to be provided in relation to account assignment

**16. What are the benefits of the material ledger?**



a. It helps determine past and future material costs; b. It helps determine the correct accounts for material postings; c. It helps value the material in different currencies and helps determine the current price; d. It helps to record stock changes and value changes

Special processes in procurement

**17. In order to activate the vendor subcontracting process for one material you need:**

a. External procurement, special procurement type for subcontracting in the material master (MRP 2), BOM, a vendor info record for subcontracting, source list or quota arrangement where the subcontractor is specified; b. Activate special procurement as external in the view MRP 2, subcontracting vendor info record, procurement type in the purchasing view as subcontracting; c. BOM, source list or quota arrangement where the subcontractor is specified, and procurement type as subcontracting; d. Source list or quota arrangement where the subcontractor is specified, subcontracting vendor info record where the procurement type and components are specified

**18. In the vendor consignment process what documents are being invoiced with the invoice settlement process:**

a. Goods receipts; b. Withdrawals from consignment; c. Goods receipts and cancellations; d. Withdrawals from consignment and withdrawal cancellations

**19. What are special procurement types?**

a. The special procurement types indicate from where the material is procured; b. The special procurement types indicate how the material is stored after procurement; c. The special procurement types indicate how the material is processed during procurement; d. The special procurement keys which as well as the procurement type control the procurement and storage of a material

**20. What are special stocks in SAP?**

a. Stocks that must be managed separately by a company; b. External owned stocks; c. External or internal owned stocks that cannot be used directly due to quality blocks or return blocks; d. Stocks managed separately by a company because of the quality block stage or other blocking reasons

**21. What is the purpose of vendor consignment?**

a. A special invoicing process that reduces GR-IR differences; b. Reduce stock values and the risk of having obsolete stock; c. Special account assignment and stock valuation; d. Easier delivery process from the supplier to the customer

**22. Which transaction is used in order to create a delivery of goods needed for the subcontracting process?**

a. ME2L; b. ME2M; c. ME2O; d. ME2K

Master data and enterprise structure

**23. Can two plants have a common storage location?**

a. Yes; b. Yes if they have different description or addresses; c. Yes but only if they have different warehouse numbers; d. No

**24. What is a material master file?**

a. The material info record; b. It is where all information related to managing the material is stored; c. The material master contains information about available sources, costs and planning; d. It is where all stock figures are stored

**25. What data of the material master is related to company code?**

a. All data related to plant and storage is maintained at company level; b. Only the accounting data of the material; c. Only the costing data of the material; d. the entire material master is company code relevant

**26. What are the prerequisites to handle materials in batches?**

a. Activation of batch management in the material master and creation of stock handled in batches; b. Creation of batch master and of stock handled in batches; c. Activation of batch management flag in the material master and definition of the batch master; d. Creation of batch relevant stock

**27. What are purchasing info records?**

a. Master data that contains details about the material and supplier who is supplying the material; b. An element which contains the delivery instructions for a material supplied by a vendor; c. An element which contains the delivery instructions and payment details for a material supplied by a vendor; d. An element which contains information about the special procurement types for a material supplied by a vendor

**28. In the enterprise structure assignment:**

a. The plant must be assigned both to a company code and purchasing organization; b. The purchasing organization must be assigned to a company code and to a plant; c. The purchasing organization can be assigned to several company codes; d. One plant can be assigned to only one company code and only one purchasing organization

Logistics invoice verification

**29. You could post an incoming invoice for a purchasing order if:**

a. Goods receipt is posted; b. The invoice receipt indicator is active; c. The GR/IR indicator is active; d. Vendor is defined on the company code from the document

**30. What are the different types of invoice verification?**

a. Invoices based on purchase orders, Invoices based on goods receipts and Invoices without an order reference; b. Invoices posted based on a contract purchase; c. Invoices based on goods receipts; d. Invoices based on items with account assignment category

**31. What is the purpose of document parking?**

a. Document parking is used so that you can place on hold an invoice; b. Document parking is used for incomplete invoices that will not be posted into accounting; c. Document parking is used to temporarily block invoices from being posted on a held document; d. Document parking is used so that you can modify an invoice in a parked status, whereas an invoice that is placed on hold cannot be modified

**32. Which of the bellow accounts are used by invoice verification:**

a. vendor accounts , customer accounts, storage accounts; b. Tax accounts, vendor accounts, stock accounts, GR/IR accounts; c. Price accounts, freight accounts, storage accounts; d. Cash difference accounts, G/L accounts, plant accounts

**33. What is evaluated receipt settlement?**

a. Automatic logistics invoice verification; b. Automatic settlement of goods receipts from the vendor; c. Invoice verification during the consignment process; d. Consignment self billing

**34. What are the advantages of the ERS process?**

a. Invoices coming from the supplier are posted automatically; b. Goods receipt and invoice receipt are cleared automatically; c. Prices are automatically adjusted; d. Invoice verification is no longer affected by price and quantity variances

**35. How can a logistics invoice be posted:**

a. By posting to a general ledger account or by posting to a material account with or without reference to a purchasing order; b. By posting to a material account with reference to a purchasing order; c. By posting to a general ledger account with reference to a purchasing order; d. By posting to a general ledger account or by posting to a material account without reference to a purchasing order  
Purchasing

**36. What would you use to evaluate if a purchasing requisition item has been fully processed or not:**

a. Material status; b. Processing status; c. Release strategy; d. Item status

**37. You have set the final invoice indicator in a PO item, which indicates that:**

a. No more invoices are expected from the vendor; b. No more invoices can be posted on the PO item; c. No more goods receipts can be posted on the item; d. GR/IR account is automatically cleared

**38. During output determination for purchasing orders the corresponding condition records for one output message are considered as follows:**

a. The condition record of the key combination which meets the most details in the requirements is considered; b. The condition record of the last key combination which meets the requirements is considered; c. The condition record of the first key combination which meets the requirements is considered; d. All the condition records found for that message are taken into account

**39. In which customizing setting it is specified if for a non-stock procured material GR or IR are needed?**

a. Item category; b. Account assignment category; c. Material group; d. Purchasing value key

**40. What happens during the goods receipt for a PO line with multiple account assignment?**

a. The stock is increased and an accounting document is posted to the automatically determined accounts; b. No valued receipt is posted; c. A valued receipt is posted; d. A valued receipt is posted to the multiple accounts assigned

**41. What transaction can you use to print purchasing orders:**

a. ME9L; b. ME9K; c. ME9F; d. ME9O

**42. During automatic output determination could an output type be assigned more than once in one document?**

a. No, only one output of a certain type can be processed at a time; b. Yes if the message is assigned to multiple output determination procedure; c. Yes if the message has been assigned in more key combinations; d. Not automatically but it is possible to do it manually

**43. What is service procurement?**

a. It is the procurement process of non-stock goods from suppliers; b. It represents the procurement process of non-production goods in a company; c. Procurement of a wide range of services provided by other companies like cleaning services, catering, transportation, telephony etc.; d. It consists of activities like bidding, contract management, and operational procurement processes, from requisition to payment

**44. How are free items managed in a PO?**

a. By entering 0 price in the item; b. By flagging the free of charge option of the item; c. The FOC items are inserted without value and without material number; d. The FOC items must be of a non-valuated material type otherwise they will be evaluated in the PO

**45. What is a framework order?**

a. Is a purchasing order with a frame delivery schedule most likely to be used for repetitive purchasing; b. Is a purchasing order used to procure materials or services during a mentioned validity period; c. Is a PO with multiple confirmation of the delivery quantities; d. Is a PO where repetitive invoice verification will be made during the mentioned validity period

**46. What is a centrally agreed contract?**

a. it is a contract that has been agreed centrally in a company code and must be replicated identically for each plant; b. it is a contact that can be used for all the plants of a certain company code; c. it is used in companies which have central purchasing departments and procure goods for several plants, the contract has the plant field set to empty; d. it is a contract signed as general by the central department but local alterations and versions are possible

**47. What is the benefit of multiple account assignment in an item?**

a. It allows to apportion the costs associated with a PO item and the account assignment data takes the form of individual account assignment items; b. It allows to apportion the costs associated with a PO service item; c. The account assignment data takes the form of individual account assignment items for a services item in a PO; d. It allows split invoicing for the same item according to account assignment data

**48. What is a tax code?**

a. VAT code; b. A unique identification which is used for taxes by business partners; c. A tax code defines how the taxes will be calculated and posted in an SAP R/3 system; d. A tax code is usually used to calculate freight taxes.

Physical inventory

**49. Why is physical inventory required in financial accounting?**

a. To keep track of stock values; b. to keep track of the stock figures; c. It is required for the financial accounting rules and for placing an accurate value on the inventory for tax purposes; d. To keep track of the stock transactions made for a certain period

**50. Which are the steps of the physical inventory analysis?**

a. Starting the inventory count and posting the inventory differences; b. Entering the result of the inventory count in the system and recounting if necessary; c. Settling the differences between the physical count and stock in SAP; d. Posting the physical inventory count and comparing with the actual data from SAP

**51. Which transaction code is used to create physical inventory documents?**

a. MB1A; b. MIGO; c. MI01; d. MI07

**52. What happens to the inventory status after the differences are input into the system?**

a. Stock is adjusted at a newly determined value; b. The inventory status is adjusted and it corresponds to the actual value of the inventory; c. Stock situation is determined again according to the differences; d. Stock value is determined according to the differences and quantity adjustments

**53. Which transaction is used to recount the physical inventory?**

a. MI11; b. MI10; c. MI07; d. MI12

**54. When is an inventory recount needed during physical inventory?**

a. Whenever differences appear between SAP and the physical inventory; b. When a large difference is registered between the count made in SAP and the physical count; c. Whenever large differences appear in the inventory value comparing to the expected value; d. Whenever a stock reevaluation is needed

Inventory management

**55. You want to view the slow moving stock materials in your company, what report do you use for this:**

a. Transaction MC46; b. Transaction MB51; c. Transaction MC49; d. Transaction MB52

**56. The stock transfer in material management can be performed:**

a. In a one step or two step procedure between two plants; b. Only between two plants; c. Only between two storage location; d. Only in a two steps procedure within a plant

**57. What is slow moving stock?**

a. Obsolete stock; b. Stock that has not been used for a certain amount of time; c. Dead stock; d. Stock not relevant for production

**58. After creating a reservation document for a material, is the reserved stock relevant for MRP?**

a. No it is no longer relevant for MRP; b. No but you can still see it as stock figure; c. Yes , but the reserved stock is no longer includes in the available stock and a special entry for the reservation is

created in the MRP file; d. Yes but it can be used only in production processes specified in the reservation document

**59. How many types of automatic reservations exist?**

a. Two types : reservation for orders , networks or projects and stock transfer reservation; b. Two types : vendor reservation and customer reservation; c. Two types : stock reservation and storage reservation; d. Two types : blocked reservations and unrestricted use reservation

**60. During the stock transfer between two plants how are shipping details determined?**

a. From material plant and sales organization details and from the plant master; b. The shipping details are determined from the storage locations; c. From the customer code assigned to the deliver to plant; d. From the stock transport order customizing

**61. What kinds of stock types are relevant for scrapping?**

a. Reservation stock and unrestricted use stock; b. Special stocks and return stocks; c. Unrestricted use, blocked stock and quality inspection stocks; d. Blocked, quality and reservation stock

**62. How can you create a return delivery to a supplier?**

a. by creating a purchasing order with the "Returns item" flagged; b. from the MIGO transaction with or without reference to a PO; c. in the MIGO transaction but only with reference to a returns PO; d. with reference to a logistics quality notification

Procurement process

**63. Which of the payment terms from the supplier master data are considered during the creation of a purchasing document?**

a. Company code data; b. Purchasing organization data; c. Info record; d. Basic data

**64. What is the difference between a scheduling agreement and a contract?**

a. A scheduling agreement is a document used for repetitive purchasing relevant for automatic MRP scheduling , while the contract is a document used to generate other purchasing documents; b. There is no difference, scheduling agreement is a fixed contract; c. A target quantity cannot be specified for a scheduling agreement , while for a contract it can be specified; d. No target value can be specified for a scheduling agreement, while for a contract it can be specified

**65. When using confirmation control with inbound delivery for a purchasing order:**

a. You are not allowed to post a goods receipt unless you create an inbound delivery; b. You can post a goods receipt even though no inbound delivery is created; c. You can post a goods receipt no matter

what confirmation you enter; d. There no need to post a goods receipt , and inbound delivery is sufficient

**66. After creating the purchasing order for one purchasing requisition what can you do to avoid new purchasing orders to be created with reference to this Purchasing requisition?**

a. After creating the purchasing order for the entire quantity in the PR item the item is automatically closed; b. By flagging the closed option from the PR item and the item is then considered by the system; c. The system closes automatically the purchasing requisition item if a purchasing order was created for the PR for the entire quantity or for a partial quantity; d. After invoicing the purchasing order, the purchasing requisition is considered closed

**67. What is the difference between company owned special stock and external owned special stock?**

a. The difference is the ownership; b. The way they are valued , they are valued only when they are withdrawn from special stock category; c. The way they are stored, they must be stored separately because of different ownership and because the withdrawals and receipts in special stock category is evaluated differently; d. Company owned special stocks are managed in the production area while external owned special stocks are managed where they are stored

**68. What are the different types of source determination?**

a. Quota arrangements, source list, outline agreements and info records; b. Purchasing orders and scheduling agreements; c. Contracts or requests for quotations; d. Automatic source determination and manual

**69. What type of purchasing orders exists in SAP?**

a. Standard PO, framework and stock transfer orders; b. PM orders, EC orders and framework orders; c. Blanket orders, EC orders and STO orders; d. PM orders, PP orders and standard orders

**70. What are the basic types of scheduling agreements used?**

a. Standard scheduling agreements, stock transfer scheduling agreements and framework scheduling agreements with release documentation; b. Normal scheduling agreements and stock transfer scheduling agreements; c. Standard scheduling agreements, stock transfer scheduling agreements and scheduling agreements with release documentation; d. Normal scheduling agreements, stock transfer scheduling agreements and PM scheduling agreements

**71. What is the difference between a PO and a purchasing requisition?**



a. The purchasing order is created with reference to the purchasing requisition; b. The PO expresses the formal requirement to an external source for goods while the PR expresses the need for the material; c. No other purchasing documents can be created with reference to a purchasing organization; d. The PO represents the request to purchase goods while the PR represents the intention to purchase goods

**72. In order to process automatic PO generation from purchase requisition:**

a. The automatic PO flag has to be flagged in the material master and vendor master; b. The automatic PO flag has to be flagged in the vendor master and material info record; c. The automatic PO flag has to be flagged in the source list and material info record; d. The automatic PO flag has to be flagged in the source list and material master

**73. During automatic PO generation from purchase requisition, the system:**

a. Assigns automatically a source from the source determination procedure; b. Gathers as many purchase requisitions possible to form a single PO; c. Creates one PO for each purchasing requisition; d. Creates PO's only for the PR with delivery date specified in the selection variant

**74. When is the use of the automatic PO generation from purchasing requisition advised?**

a. When all settings to enable this process have been done; b. Whenever the company requires repetitive and automatic procurement process; c. When you have a well-maintained SAP system; d. When there is a mutual agreement between the supplier and the company

**75. What are item categories used for?**

a. They are used to group the different types of material storage and valuation; b. They are used to differentiate between company owned stocks and external owned stocks; c. They are used to categorize the different types of stocks and the different types of procurement processes; d. They are used to identify what type of procurement is being adopted in the purchasing document

**76. Which of the bellow does not represent an SAP standard communication method for output messages in MM?**

a. EDI; b. Fax; c. WEB-EDI; d. File transfer  
Solution manager

**77. Which of the following represents a Solution Manager Usage scenario?**

a. Create Change Requests; b. SAP Support Desk monitoring; c. SAP Education link; d. Implementation of SAP Solutions

**78. Regarding the change control management in Solution manager what does the process include:**

a. Approval process of changes, deployment of changes and analysis of changes; b. Creation and implementation of change requests; c. Overview of the transportation process of a change request; d. Creation, detailed information and transport overview for a change request

**79. How does the solution manager ensure the quality of a solution?**

a. Through an overview of the transportation process of a change request; b. By enabling traceability of all changes; c. Through support desk monitoring; d. By enabling the creation and implementation of change requests

80. How can you access the test tool in the solution manager?

**a. Transaction SCAT; b. Transaction ECATT; c. Transaction SECATT; d. Transaction CATS**

**CIN Interview Questions**

**1. How does CIN determine the tax rates?**

CIN determines taxes based on the chapter-id of the material. There are 2 levels for rate determination. First the system will check if there is an exceptional rate available. If this is available then that rate is picked up. This rate could be for a material or material and customer combination. If there are no exceptions then the system looks for chapter-id of that material. The customer will have an excise tax status, which along with the plant status will give a final excise status. Based on the excise status and the chapter-id the rates are maintained.

**2. Can I change the tax rates retrospectively?**

You can change the excise rates with any given validity period. After making the changes you will have to update the sales orders if the new tax rates have to be considered for future deliveries.

**3. Can I have a different rate for incoming and outgoing transactions for the same material?**

You can maintain exceptional rates for either incoming or outgoing based on the volume of exceptions data.

**4. What do I do if I have one chapter-id for incoming and another for outgoing and material code is the same?**

Along with exceptional rate maintenance you can maintain the chapter-id, which should be used for the outgoing transactions. This chapter-id will be used only for copying on to the document and will not be used for rate determination.

**5. Can I have some more additional rates?**

You can maintain multiple excise indicators and based on that you can have additional rates.

#### **6. What will happen if I have multiple rates with overlapping validity periods for the same chapter-id and tax indicator?**

While picking up the rate for a given transaction system will check for that validity period where the valid from is the maximum but within the pricing date and based on that pick up the rate applicable.

#### **7. How does CIN do the pricing?**

CIN uses R3 condition technique for pricing along with the pricing formulae. Details are available in the CIN knowledge bank. Template pricing procedures are provided for various sales scenarios.

#### **8. How many tax codes do I need?**

The number of tax codes will directly depend on how you want to account the sales tax. You can have CST and LST being determined by the same tax code if both can be accrued into the same account. Instead if you need separate account determination then you need separate tax codes. Also based on the tax concessions available you need to decide the various tax rates, which need to be mapped.

#### **9. How do I open up more than one tax classification?**

CIN comes with default customization to open up the tax classification fields. The procedure is as follows. You need to define as many condition types as the number of tax classification fields. The following procedure could be used

*SPRO – Sales and distribution -Basic functions-Taxes – Tax determination rules For Country ‘IN’ make entries as follows (This is precustomized in client 000)*

- Seq 1 – UTXJ
- Seq 2 – JTX1
- Seq 3 – JTX2
- Seq 4 – JTX3
- o In SPRO – Sales and Distribution – Basic functions – Taxes
  - Determine tax relevancy of master records

#### **10. How do I handle concessional excise?**

*This is explained in SAP note 335577. Having opened up the new tax classification fields you might have to do the following*

*Customer taxes maintain the possible values for JTX3 . Each unique value should denote one concession rate. For eg 1 – normal excise duty*

*Maintain the JTX3 value against the form code in J1IT -Define Form types*

*Maintain the customer tax classification in customer master if the customer has got excise exemption*

*Maintain the excise indicator in J1ID for the customer and form code and this indicator gives the final indicator*

*Forms database is used for determination of whether the form has arrived or not at the time of billing.*

*The tax classification value gets defaulted from the customer master in the sales order. This can be changed in the header billing data if required*

### **11. How do I handle sales tax concessions?**

*o SPRO – Sales and distribution -Basic functions-Taxes – Tax determination rules For Country ‘IN’ make entries as follows (This is precustomized in client 000 )*

- Seq 1 – UTXJ*
- Seq 2 – JTX1*
- Seq 3 – JTX2*
- Seq 4 – JTX3*

*o Taxes – Determine tax relevancy of master records – Customer taxes maintain the possible values for JTX1 and JTX2. Each unique value should denote one concession rate. For eg 1 – 4% . Multiple forms could correspond to a single rate. JTX1 could be used for CST and JTX2 for LST. (UTXJ could be freely used by the customers as earlier )*

*o Maintain the tax classification in customer master as well as material master ( Sales org data 2) Build access sequences based on these new fields to point to the correct sales tax code You might have to have a new access based on region of delivering plant and region of ship to party*

### **12. How will CIN handle Indian VAT?**

*SAP can handle normal VAT regulations. CIN will take a review of the VAT rule when it is implemented in India and suggest the best business process to comply with the same.*

### **13. When I create a new tax code the excise lines are grey and I cannot maintain any value.**

#### **What should I do?**

*This is happening because the Excise conditions for sales are statistical in the tax procedure for India. So while creating a new tax code you need to open the tax procedure remove the statistical flag, maintain*

100% for all excise conditions. After saving the tax code you need to make the conditions statistical once again.

**14. When I release the billing document to accounting there is an error that the account key is missing?**

*This is happening because one or more lines in the tax procedure has a condition with a value but is not marked statistical. You need to check whether the conditions JMOD, JAED, JSED and JCES are marked statistical in the tax procedure. You cannot rectify the documents, which are in error. The correction takes into effect only the future orders.*

**15. When I release to accounting I get a message tax amount greater than tax base?**

*This is happening because the tax base for some tax condition is falling less than the tax base amount. R3 does not allow the tax base to fall below the tax amount. You need to check which condition is giving the problem and based on that you can verify the tax procedure from-to settings.*

**16. Do I need to maintain the chapter-ids for each plant or can it be left blank?**

*If the same chapter-id is applicable for the material in all the plants then you need not maintain the chapter-ids for all the plants. You can leave the plant blank.*

**17. When I try printing the excise register nothing comes up?**

*Check whether you have maintained the opening balance for the item in the corresponding register (Table J\_2IACCBAL for register account balances). Next check whether you have maintained the sapscrip forms which are used for printing the registers in the CIN configuration. Finally check whether the extraction has been done for the period.*

**18. When I try printing the excise invoice the list line turns red and nothing happens?**

*This is because you have not maintained the condition record for output determination. You need to maintain the condition record for output determination at the sold to party level. Also for the documents created already you can go into Billing header – output and manually enter the output type j1io and save. Later the excise invoices can be printed.*

**19. When I try to create RG1 issues entry the line turns red and nothing happens?**

*This is happening because you are trying to create an issue entry and the stock in the register is not enough to do the issue. So you need to first update RG1 with the receipts and then go into the issues.*

**20. I have extracted the register data once but now I have added more transactions. Can I extract once more?**

*You can re-extract the data if you have added more transaction data for the given period.*

**21. I am using another package for printing registers. Can I download the data once again?**

*To prevent data inconsistency in the third party application CIN does not allow you to re download the register data once it has already been downloaded.*

**22. What is the issue classification for RG1?**

*You need to classify the RG1 entries as to whether they are receipts from manufacture or other receipts, clearances of various types so that they can be reported under the various headings as required by the Excise commissionerate.*

**23. How do I maintain the opening balances for my register for the first time?**

*You need load them manually at the initial data upload.*

**24. How do I get the opening balance for every month?**

*CIN calculates the opening balance for reporting purposes based on the transactions extracted in any period.*

**25. Are opening and closing balances of register available for me for reporting?**

*You must not pick up the opening and closing balances that are calculated by reporting because they might get changed if some one does a re extract. So they need to be recomputed dynamically. They are not stored.*

**26. Can I round the duty at the header level?**

*Duty can be rounded off in CIN only at the item level. Due to technical reasons duty round off is not provided at the header level.*

**27. When I create an excise invoice for exports what exchange rate will the system take?**

*System picks up the exchange rate which is maintained in the CIN configuration data for the company code.*

**28. With fortnightly utilization why do I need a part2 entry at the time of Excise invoice creation?**

*With fortnightly utilization you do not create an entry in the CENVAT or PLA registers. Instead CIN keeps a separate Despatch register and generates continuous serial numbers in this register that can be used for future reconciliation.*

**29. Do I need to have balances in my CENVAT accounts at the time of Excise invoice creation?**

*At the time of excise invoice creation the debit is being made into an Excise payable account. So you need not have balances in the CENVAT account. You need to have enough money at the time of fortnightly utilization or you should have made a debit through TR6 into PLA.*

### **30. What are the exceptional reports possible?**

You can list all the billing documents for which excise invoice is not created. You can get a list of all excise invoices for which billing document has been cancelled., You can also have a report of all cancelled excise invoice for which the billing document is still open.

### **31. Can I know which are the billing documents for which there is no excise invoice?**

*Excise due list gives you all billing documents for which there is no excise invoice.*

*Number range skipping happens for excise invoice. What could be the reason?*

CIN number ranges are defined as not buffered. You need to check if this has been changed. If skipping happens never reset the number range.. you must report the problem to SAP support immediately so that they can help you resolve this.

### **32. While doing excise invoice creation I get an error message that system failure during locking. What can I do?**

While creating the excise invoice, at the time of saving system tries to lock the [GLACCOUNT](#) that is getting updated with the new balances. S probably some one else could be changing the GL account data at that point of time. This is a very short phenomena and is meant to keep the data consistency.

33. While doing depot sales invoice selection, list of invoices are not getting displayed. Why?

You need to check the customization settings for LIFO or FIFO and the invoices of which period you have set. Also you need to check the excise group, which is being used. System will show you only those excise invoices, which belong to the same excise group, plant, storage location and batch.

### **34. How do I handle the A-certificate at depot?**

A- certificates come when the goods are removed after paying a provisional duty. When the final price is decided at the time of the order you need to pay the balance of the duty. There is no facility at the moment to calculate the differential duty. You have to make the payment manually using J1IS at the factory. Once this is done you can go back to the depot and capture this extra payment into your RG23D. This is recorded as a new serial no with in the original folio so that the RG23D register value tally. At the time of selection of excise invoice for sale you have the option to pick up the a-certificates for the excise invoice and then the additional duty gets added into the invoice amount. Also this is reflected in the RG23D register.

### **35. Is it possible to add some additional duty on to the depot invoice with out A certificate?**

**No you need an A certificate if you have to get an additional duty in RG23D invoice.**

**Alternative is to** write customer specific routines which are not supported by CIN.

### **36. How do I handle the returns at depot?**

If there are returns to depot, that can be captured as any other receipt. You can enter the material document no of the return receipt and the data gets copied and you can copy into RG23D.

### **37. How do I handle returns at factory?**

There are no D3 procedures at the moment which is mandated by the excise department. Legally you can take credit for all the receipts and then pay the duty when it goes out after repair or to another customer. You can Excise invoice without PO route to take the credit.

38. When I do excise invoice creation, the system issues a message not enough balance. Why?

This does not happen any more. There was a need felt that we should check the balance s even though we can pay the duty 15 days hence.

### **39. I am not able to save the excise invoice text?**

You need to check the object type for the object id J1IN. this can be done by checking the data of the view J\_1IVTXOB. The editor mode has to be set as 'Application text with SAVE key '.

### **40. How can I include more text ids for the excise invoice?**

You can use the CIN IMG text maintenance option and add more ids with descriptors. For excise invoice creation the object is J1II. For depot receipts the object is J1IG and for depot sales it is J1IJ.

### **41. Where does the excise invoice get the business area from?**

Excise invoice does not allow entry of business area. The business area in the billing document is automatically taken for the excise invoice.

### **42. Where does the excise invoice get the profit center from?**

Excise invoice picks up the profit center from the billing document if it is available there. If it is not available there then it looks at the plant specific material master data and picks up if available.

### **43. Why do I need tax jurisdiction?**

Tax jurisdiction codes are one method by which you can maintain tax rates with out having multitude of tax codes. You can maintain the LST effectively with one tax code and multiple jurisdiction.

### **44. Can I do away with jurisdiction code?**

You have to use tax jurisdiction code with the standard CIN. If you do not want to make use of that for rate determination you should at least have one jurisdiction at the federal level.

### **45. What will the system do if I have not received the form at the time of billing?**

The system will first check in the Form type maintenance whether the form is marked as required. This means that the form has to come by the time billing happens. Once you receive the form you need to



enter it into the forms data base (J1IU) for the delivery document number. If the form receipt is not maintained then the billing will do a repricing and charge full tax for the particular excise duty.

#### **46. How does fortnightly utilization determine the [ACCOUNTS](#) to be posted?**

There is no transaction type for determining the accounts of the fortnightly utilization. The credit account of the transaction type 'DLFC' is used as the debit account here. For the credit side we pick the debit accounts from the GRPO, EWPO and TR6C transactions. So it is mandatory that whether you use EWPO or not you should have maintained the account determination for all transaction types for a given excise group.

#### **47. What is transaction type 'UTLZ' used for?**

Transaction type UTLZ is used for determining the accounts when a JV is posted with an option of fortnightly payment.

#### **48. Can I have my own transaction types?**

Transaction types are used internally by CIN for various purposes. So you cannot define your own transaction types. Alternate account assignments can be done using sub transaction types.

#### **49. Where does RG1 get the data of packed/loose material ?**

Initially when you upload the balance in RG1 you need to mention the material form. Later the system assumes the same for the same material code. If you need to dynamically change this then you can make use of the user-exit. A material can be marked either as packed or loose but not both.

#### **50. What will batch utilization of modvat do?**

Batch utilization is just an interface that helps you to complete the utilization of a set of documents in one step. This simply triggers individual utilization as a BDC so that the user interaction can be minimized.

#### **51. What is the number range used for export excise invoice?**

Export invoices use the number range object j\_1iexexp whereas the local invoices use the number range j\_1iexcloc. Even though customers are free to use the same number series now there is no bar from using separate series.

#### **52. Can I create a zero duty excise invoice?**

Zero duty invoices can be created both from sales as well as using excise invoice other movements based on the business requirement. These invoices do not generate an [ACCOUNTING](#) document.

#### **53. Is it possible to cancel an excise invoice with zero duty?**

*There is no problem in canceling a zero duty excise invoice.*

*Where does the billing document get the account for excise duty payable?*

*The account determination rules of R3 billing is used for determining the account for the excise posting line in a billing document. The CIN customization has no role to play here.*

#### **54. How does the stock transfer get the assessable value from?**

This is got using the condition base value formula. For this to happen you should have maintained the assessable value in CIN master data.

#### **55. How do I know whether SD route or mm route is followed for stock transfer?**

*You need to check in SPRO – Materials Management – Purchasing – Set up Stock transport order – Assign delivery type/checking. For SD order this will be marked ‘A’*

*Based on the route followed how do I create an excise invoice?*

*If SD route is followed for stock transfer then you can use J1IIN to create excise invoice. If MM route is used for creating stock transport order then you need to use J1IS for creation of Excise invoice.*

#### **56. How to configure stock transport order?**

Stock transport order is set up in SPRO- Materials management – Purchasing – Set up stock transport order. Here first you have to define the sales area and the default customer code. You have to assign the order type to the checking rule. Finally you need to maintain the delivery type for the order type.

#### **57. I cannot create a proforma billing document for a replenishment delivery. What has gone wrong?**

Normal R3 setting does not allow a billing document to be created for a delivery type NL. You need to change the customization settings of the item category type NLN so that it becomes relevant for billing.

#### **58. When I do a receipt at the depot from my factory how do I give the excise invoice number?**

If the excise invoice already exists in the R3 system then in the detail screen of RG23D receipt you can directly enter the internal document number of the excise invoice. This will automatically allow the entry challan details to be copied.

#### **59. Should I receive the full quantity at depot or transit loss is allowed?**

You can receive some goods in the depot which is less than the dispatched. You have the option to enter the receipt quantity as well as the challan quantity at the time of RG23D receipt.

#### **60. I want to calculate the excise duties at the time of export sales. What should I do?**

There is a calculate tax button on the utilization screen of Excise invoice creation.. This option will calculate the taxes for an export invoice.

#### **61. Can I use my own layout for printing sales excise invoice?**

Yes. If you are using your own layout then you need to maintain this in the output determination procedure of billing documents for the output type j1i0.

#### **62. Can I use my own layout for printing Excise invoice other movements?**

Excise invoice other movements picks up the report layout from the output type ZEXC which has been maintained against the SD output determination – Sales documents. You can maintain your own layouts here and then they will be used for printing.

#### **63. Can I use my own layouts for register printing?**

Yes you can have your own layouts. You need to maintain the same in the CIN customization against the sap script form maintenance.

#### **64. Can I change the posting date at the time of fortnightly utilization?**

You can enter the posting date as per which you want the system to do the fortnightly posting.

#### **65. Should I keep the fi/mm period open at the time of posting fortnightly utilization?**

The current period alone should be open at the time of fortnightly utilization. It is also required that both MM as well as FI periods need to be open.

66. When I run fortnightly utilization the system is showing zero balance even though there is some balance in the GL account?

*The balances for utilization are picked up in CIN only when the MM period closing is done for the previous period. For eg. If your posting date is 5<sup>th</sup> Dec and the November period is still open system will show zero balance.*

#### **67. Can I change the document type for the ACCOUNTING document created at the time of excise invoice creation?**

Document type for excise invoice utilization is defined with in CIN customization at the company code level. You can use your own document type

#### **68. Can I post the fortnightly utilization for individual excise invoices?**

You can post the fortnightly utilization for individual invoices also. System gives a message that the CENVAT utilization is already done. But this is configurable and could be made a warning.

#### **69. Can I reverse the fortnightly utilization done?**

No you cannot reverse the posting done with fortnightly utilization. Simulate option is provided in this option for the user to check whether things are ok so that the chances of error are minimal in the actual run.

#### **70. Can I have excise rates more than 100%?**

Yes you can have excise rates higher than 100% since some of the tobacco items carry higher excise rates.

#### **71. How do I map the tax classification to form types?**

*You can maintain it along with Form type definitions in CIN IMG.*

*Can I decide not to generate folio numbers at the time of RG23D creation?*

*Yes you can keep the customization option at the Excise group level blank and also you can leave the user-exit open.*

#### **72. What will happen when I cancel a RG23D selection for sales already made?**

If you are canceling a selection before posting then the RG23D register the record will be removed. But if you have already done the posting then the RG23D record is marked cancelled and the balance in the original invoice is inflated by an equivalent amount.

#### **73. Why there is no transaction type for J2IU?**

Transaction type is used for [ACCOUNT](#) determination by CIN . This is an internal entity for CIN and has no relevance to the business process. Since there is no account determination need for J2IU there is no transaction type.