



RUTGERS
UNIVERSITY

Term Project Report

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ABSTRACT

To get the over all idea about how supply chain work in any organization. We will get a clear picture with help of this project. Right from material procurement to bills/accounting. We are considering a Fitter Snacker company for this scenario with different organizational and departmental roles. In the context the executer (me) would perform the role of Planning production , buyer ,controller, accountant, salesperson . We will use NRG- A bar to demonstrate full scenario of SAP.

We will consider following steps to demonstrate the supply chain with help of SAP software.

1. Planning Production
2. Routing for Material
3. MRP Purchase Requisition
4. Orders of Production
5. Pay the vendors
6. Sales Order

Lets discuss each of step in detail flow.

Planning Production

As per the given problem the customer requirement for NRG-A bar requirement would be 200 and 180 units for December 2017 and January 2018 respectively.

As per PP lab handout 1 we will follow the steps for sales and operation plan.

Production plan creation (MRP)

We need to follow path in SAP tool to perform same. Creating planned independent requirement.(72F100)(Project additional). By this we are creating product group and performing SOP as planned independent requirement. where we mention 200 and 180 unit for December 2017 and January 2018 respectively we will follow MTS strategy

Path ->Logistic->production=>Production Planning ->Demand management -> Planned Independent Requirement ->Create

TCODE- MD61

Create Plan Order with MRP

The demand predicted by sales & order. The SAP tool will create planned order this will further spilt into

- Purchased Requisition – For Purchase additional raw material
- Production order – Planned order for internal matreial

We will follow following path for this

PATH: logistic -> production -> MRP -> Planning -> Multilevel, single item planning

TCODE- MD02

The SAP tool created production order of 7 case and planned order for semi finished product Dough NRG -A. The MRP split into BOM of NRG-A and determine the quantity of raw product we need to buy and the semi finished product need to produce. We can check this with help of TCODE CS12.

Create Routing

The purpose of routing is to define order of operation in system and resource consumption including machine, labor and material. In short we are recording/informing the step in system that tell process to perform for production.

To create routing, we follow following

Path: logistic -> production -> Master Data -> Routing -> Routing -> Standard Routing -> Create

Else we can use TCODE- CA01

We need to execute this for two times one for 72F100 and other for 72S200 so it will create two routing

Purchase Requisitions for MRP

Create Purchase Requisition

We use following path to create purchase requisition. The SAP tool will calculate exact requirement of raw source to complete the finish product as purchase requisition generated automatically

PATH: Logistics->Logistics Execution->JIT Inbound->Environment->Repetitive Manufacturing->Environment->Single-Item, Multi-Level Planning OR we can use TCODE – ME02

Assign source of purchase requisition

This requisition generated by MRP and system does not know any source information so first we need to assign source to requisitions. We can follow

PATH : >Logistics->Materials Management->Purchasing->Purchase Requisition->Follow-On Functions->Assign OR TCODE – ME56

The system will popup the we need to select the vendors as per word the Battle creek baker and Climax cereals. As this list is already linked so we get the choice to choose from registered vendors. Once we save report we get system message as purchase requisition saved

Creating Purchase order

Now we need to create purchase order SAP tool will take help of purchase requisition generated by itself to compute purchase order. In above step

We can use following path to compute this

PATH: Logistics -> Materials Management -> Purchasing -> Purchase Order -> Create -> Vendor/Supplying Plant Known OR a TCODE - ME21N

Here we will creating two purchase order for two different vendor selected (4500000063 and 4500000064)

Create Good Receipt

Post creation of purchase order we need to create good receipt. We can follow following path

PATH : Logistics-> Materials Management -> Inventory Management -> Goods Movement -> Goods Receipt -> For Purchase Order -> GR for Purchase Order

OR TCODE – MIGO

We will get system message as material document XXXXXXXXXXXX posted

Creating Production Order

Planned order to production order

To convert planned to production we can follow following path:

Logistics-> Production -> MRP-> Evaluation-> Stock/Requirement List

Production order for Dough NRG- A / Good Issue

This is first step in creating bar as we need pr prepare semi finish product first.

We can follow following path do do so:

Logistics-> Production-> Shop Floor Control-> Goods Movement-> Goods Issue

Confirmation of Production

The confirmation includes resource consumption, setup cost, labor, machine. As raw material issued it will move to produce semi finish product Dough NEG -A and confirm in SAP tool

We can follow following path to get this

: Logistics-> Production-> Shop Floor Control-> Confirmation-> Enter-> For order

OR TCODE C015

Good Receipt of Production

To confirm in system that the product has been received at other end we issue good receipt of same

We can perform this by using following path

: Logistics-> Production-> Shop Floor Control-> Goods Movements-> Goods Receipt

Or TCODE – MB31

Step for NRG-A

Perform the following steps to achieve this as we perform above. This is for the NRG A bar

Planned order to production order (NRG-A BAR)

TCODE – MD07- create production order.

Execute Good Issue (NRG-A BAR)

Good issue from storage location 200 of 500 Lb.

TCODE- MB1A

Confirmation of Production

Confirmation for cases -7

TCODE – CO15

Good Issue

Confirm the good receipt for 7 case as received storage location 300(finished product)

Vendor Payment

Invoice Report

Once we get the goods from vendor, we need to record the invoice for same , the amount recorder is 9400 and 19940 USD for Climax Cereals and Battle Creek Baking respectively we follow following menu path

Logistics-> Materials Management-> Logistics Invoice Verification-> Document Entry-> Enter Invoice

Post Outgoing payment

We need to post outgoing payment which will be deducted from company's account we should follow following path for same

Accounting-> Financial Accounting-> Accounts Payable->Document Entry->Outgoing Payment -> Post

Create Order For sales Distribution

To perform this following order taken

Creating an Inquiry

The SAP tool will calculate the price as per the configuration . it will consider the condition such as tax, discount, surcharge this is reflected from master data

For 5 case the total cost would be \$1200 and on that 5% discount as the order cost is more than \$1000. Which turn to be \$1140

We can use following path for same:

Logistics-> Sales and Distribution-> Sales-> Inquiry-> Create Or TCODE – VA11

Sales Order from Inquiry

We create sales order from the inquiry which we just had created as as typical scenario of placing order after inquiry. We use the beauty of SAP system to create this button “Create With Reference”

We are following the path to achieve this:

Logistics -> Sales and Distribution -> Sales -> Order -> Create-> Create with reference-> Inquiry OR we can use TCODE- VA01

Create delivery for Sales Order

Delivery is status that allow warehouse to pick pack and ship order , we need to mention shipping point while creating it.

We can follow following step for this

Logistics-> Sales and Distribution-> Shipping and Transportation-> Outbound Delivery-> Create-> Single Document-> With reference to Sales Order or we can use TCODE - VL01N

Picking the Order

When the delivery order created its confirm that the order is ready for pick , pack and ship. Storage location 300. To do this we can follow following path,

Logistics-> Sales and Distribution-> Shipping and Transportation-> Outbound Delivery-> Change-> Single Document or with TCODE -VL02N

Post Good Issue

Goods issue from inventory to customer. This will reflect on the inventory and account section of the company. This step confirm that the product has been moved from warehouse. It will update inventory to 2 and remove delivery from stock / requirement list

We use following step to confirm same.

Logistics-> Sales and Distribution-> Shipping and Transportation-> Outbound Delivery-> Change-> Single Document or can use TCODE - VL02N

Invoice the customer

After the good issue the invoice created for customer with information which we have mention while performing the steps like cost , discount etc.

PATH: Logistics-> Sales and Distribution-> Billing-> Billing Document-> Process Billing Due List or we can use TCODE - VF04

1200-60=1140

Receive the payment from customer

This invoice will trigger the customer to send payment we can perform this step by following

Path: >Accounting->Financial Accounting->Accounts Receivable->Document Entry->Incoming Payments
Or We can use TCODE- F-28

Screenshot

Final Stock Requirement of finished product

Stock/Requirements List as of 16:39 hrs

Show Overview Tree

Material: 72 F100 72 NRG-A
Plant: 72 PT MRP type: PD Material Type: FERT Unit: CS

A...	Date	MRP ele...	MRP element data	Rescheduling ...	E...	Receipt/Reqmt	Available Qty
12/18/2017	Stock						2
12/01/2017	IndReq	VSF				195-	193-
12/15/2017	PldOrd	0000010633/STCK		12/01/2017	30	7	186-
12/15/2017	PldOrd	0000010634/STCK		12/01/2017	30	7	179-
12/15/2017	PldOrd	0000010635/STCK		12/01/2017	30	7	172-
12/15/2017	PldOrd	0000010636/STCK		12/01/2017	30	7	165-
12/15/2017	PldOrd	0000010637/STCK		12/01/2017	30	7	158-
12/15/2017	PldOrd	0000010638/STCK		12/01/2017	30	7	151-
12/15/2017	PldOrd	0000010639/STCK		12/01/2017	30	7	144-
12/15/2017	PldOrd	0000010640/STCK		12/01/2017	30	7	137-
12/15/2017	PldOrd	0000010641/STCK		12/01/2017	30	7	130-
12/15/2017	PldOrd	0000010642/STCK		12/01/2017	30	7	123-
12/15/2017	PldOrd	0000010643/STCK		12/01/2017	30	7	116-
12/15/2017	PldOrd	0000010644/STCK		12/01/2017	30	7	109-
12/15/2017	PldOrd	0000010645/STCK		12/01/2017	30	7	102-
12/15/2017	PldOrd	0000010646/STCK		12/01/2017	30	7	95-
12/15/2017	PldOrd	0000010647/STCK		12/01/2017	30	7	88-

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The final Bank account for account number 100000

Balance Display: G/L Accounts For the Ledger FS

Document Currency Document Currency Document Currency Individual Account

Account Number: 100000 Project Bank
Company Code: 72 FS 72 Fitter Snacker
Fiscal Year: 2017

Display More Chars

All Documents in Currency: * Display Currency: USD Company code currency

Period	Debit	Credit	Balance	Cumulative balance
Bal. Carryforwa				
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12	1,140.00	29,340.00	28,200.00-	28,200.00-
13				28,200.00-
Total	1,140.00	29,340.00	28,200.00-	28,200.00-