Automatic Purchase Order

Automatic purchase order creation is one of the most important functionalities in SAP Material Management. Due to this functionality, purchasing team can save time from the manual work. In this document, I have provided the settings required to create purchase order automatically. I hope this document will be helpful to you as I am providing with screen shots.

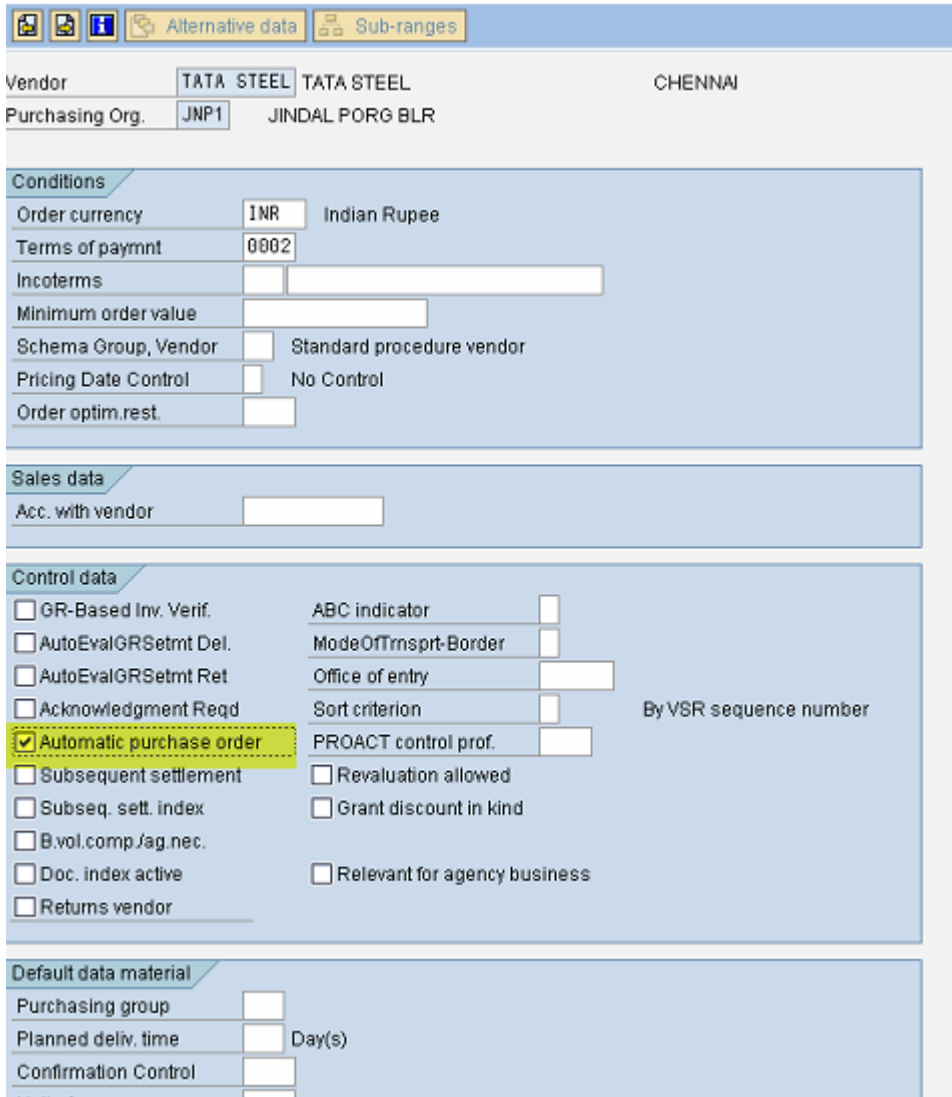Transaction Code for Automatic Purchase Order is **ME59N**

Step 1:

Material should have the flag for Auto PO in purchasing view as shown below. T Code-MM01/MM02

Step 2:

Automatic purchase order flag should be activated in purchasing data of vendor master. T Code – MK01/MK02

Step 3:

Vendor has to be fixed in Source List. This is an optional activity because Vendor can be manually given during Purchase requisition creation

T Code – ME01

Step 4:

Info Record should be maintained for the vendor and material combination as IR is the source for Price, tax code etc. T Code – ME11/ ME12

Change Info Record: Purch. Organization Data 1

| General Data | Conditions | Texts |

Info Record	5300005816		
Vendor	TATA STEEL	TATA STEEL	
Material	STEEL	steel	
Material Group	00101	Steels	
Purchasing Org.	JNP1	Plant	JN01 Standard

Control

Pl. Deliv. Time	60 Days	Tol. Underdl.	%	☐ No MText	
Purch. Group	000	Tol. Overdl.	%	☐ Ackn. Rqd	
Standard Qty	100 TO	☐ Unlimited		Conf. Ctrl	
Minimum Qty	TO	☐ GR-Bsd IV		Tax Code	
Rem. Shelf Life	D	☐ No ERS			
Shippg Instr.					
		Procedure			
Max. Quantity	TO	Rndg Prof.		UoM Group	

Conditions

Net Price	3,000.00 INR / 1 TO	Valid to	31.12.9999
Effective Price	3,000.00 INR / 1 TO	☐ No Cash Disc.	
Qty Conv.	1 TO <-> 1 TO	Cond. Grp	
Pr. Date Cat.	No Control		
Incoterms			

Step 5:

Create Purchase requisition with required quantity. If we don't create source list with fixed vendor, vendor should be given in Purchase requisition. If source list is already created, assign source of supply needs to be clicked. This will update the vendor details

T Code – ME51N

Create Purchase Requisition

Document Overview On | ☐ ☐ | ☐ ☐ | ☐ Personal Setting

🛒 NB Purch.requis. Stand ☐ | ☑ Source Determination

Texts

	Any ...	
📄 Header note		

◄ ► | 1 Continuous-te ☐

St...	Item	A	I	Material	Short Text	Quantity	Unit	C	Delivery Date	Matl Group	Plant	Stor. Loc.	PGr	Requisnr.	Tracking	De
	10			STEEL	steel	100	TO	D	31.08.2015	Steels	JINDAL METAL		000			

◄ ►

Item | 1 [10] STEEL , steel ☐ | ▲ ▼

Material Data | Quantities/Dates | Valuation | Source of Supply | Status | Contact Person | Texts | Delivery Address

Agreement	[🔲]	Purch. Org.	JNP1	PO Unit	TO
Fixed Vendor	TATA STEEL TATA STEEL		Supplying Plant	
Info Record	5300005816			
Desrd Vndr	[ ]	Vendor Material No.	[ ]

📥 Assign Source of Supply

Step 6:

Purchase orders can be created automatically as per the purchase requisition or plant or material as per the requirement. Transaction code which we use to run this is ME59N

If we want to create PO against only one PR, PR can be given as input. If you want to create PO against all the PRs of a material, material can be given as input. Depends on the requirement, input can be given as shown below. I have highlighted few important input fields in the input screen of ME59N.

Automatic Purchase Order User Manual with prerequisites

## Automatic Creation of Purchase Orders from Requisitions

Purchasing Group		to	
Purch. Organization	JNP1	to	
Fixed Vendor	TATA STEEL	to	
Contract		to	
Plant	JN01	to	
Supplying Plant		to	

New Purchase Order

- ☐ Per Purchasing Group
- ☐ Per Plant
- ☐ Per Storage Location
- ☐ Per Item Category
- ☑ Per Company Code
- ☐ Per delivery date
- ☐ Per Vendor Subrange
- ☑ Per Requisition
- ☐ Per Requisition Item
- ☑ Per Contract

Other Parameters

- ☐ Generate Schedule Lines
- ☐ Omit Faulty Items
- ☐ Test Run

Detailed Log

Set PReqs to "Closed" 1

Material Group		to	
Release Date		to	
Delivery Date		to	
MRP Controller		to	
Purchase Requisition		to	
Material	STEEL		
Req. Tracking Number		to	
Document Type		to	
Item Category		to	
Acct Assignment Cat.		to	
Processing status		to	
PReq. processing state		to	
Requisitioner			
Short Text			

System will give a successful message as shown below

Automatic Creation of Purchase Orders from Requisitions

PO	OTyp	POrg	PGr	Agreement	Item	Purch.Req.	Item	D	S	Message Text	Mes	M	E	No.of itms	E No. requisns
Vendor TATA STEEL TATA STEEL													.	1 .	1
4500017221	NB	JNP1	000						🟩	Purchase order successfully created				1	0
						10013653	10		🟩	Requisition successfully converted				0	1

Display of the purchase order is provided below. T Code – ME23N

Automatic Purchase Order User Manual with prerequisites

Thanks for viewing this document. Give your feedback as comments and ratings. Have a good day

Regards,

Ganesh

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