

Automatic Purchase Order User Manual with prerequisites

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:

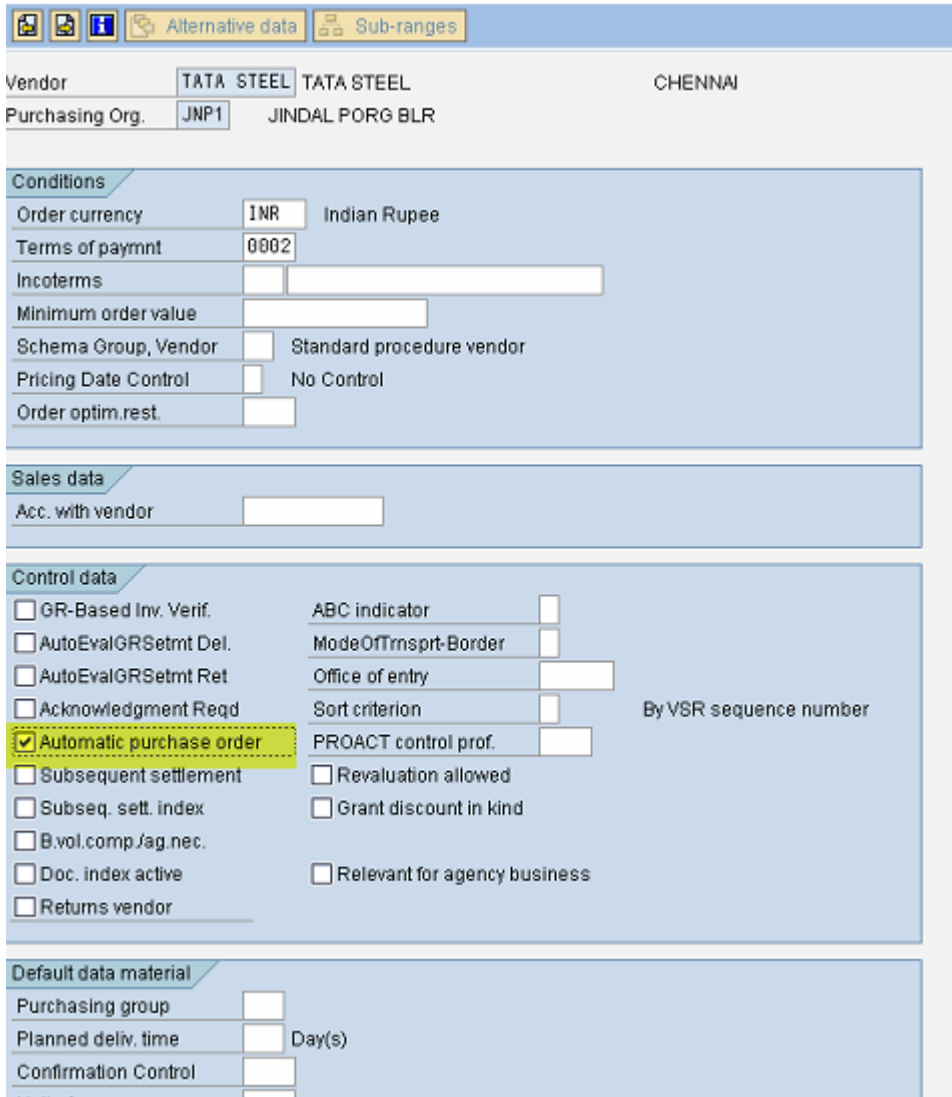
Material should have the flag for Auto PO in purchasing view as shown below. T Code-MM01/MM02

The screenshot shows the SAP Material Master - Purchasing view for material STEEL at plant JN01. The 'Autom. PO' checkbox is checked, indicating that automatic purchase order creation is enabled for this material. The 'Material Group' is set to 00101. The 'Base Unit of Measure' is T0 (Tonnes). The 'Purchasing Group' is 000. The 'Valid from' date is empty. The 'Qual.f.FreeGoodsDis.' checkbox is unchecked. The 'OB Management' checkbox is unchecked. The 'OB ref. material' field is empty. The 'Batch management' checkbox is unchecked. The 'Purchasing values' section shows '1st Rem./Exped.' as 0 days, '2nd Reminder/Exped.' as 0 days, '3rd Reminder/Exped.' as 0 days, and 'StdValueDelivDateVar' as 0 days. The 'Shipping Instr.' section shows 'Underdel. Tolerance' as 0.0 percent, 'Overdeliv. Tolerance' as 0.0 percent, and 'Min. Del. Qty in %' as 0.0 percent. The 'Other data / manufacturer data' section shows 'GR Processing Time' as empty days, 'Quota arr. usage' as empty, 'Mfr Part Number' as empty, 'Post to insp. stock' as unchecked, 'Source list' as unchecked, 'Critical Part' as unchecked, 'JIT Sched. Indicator' as empty, 'Mfr Part Profile' as empty, and 'Manufact.' as empty.

Step 2:

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

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The screenshot displays the SAP Automatic Purchase Order configuration interface. At the top, there are tabs for 'Alternative data' and 'Sub-ranges'. Below this, the 'Vendor' field is set to 'TATA STEEL' and 'CHENNAI', and the 'Purchasing Org.' is 'JINDAL PORG BLR'. The 'Conditions' section includes fields for 'Order currency' (INR, Indian Rupee), 'Terms of paymnt' (0002), 'Incoterms', 'Minimum order value', 'Schema Group, Vendor' (Standard procedure vendor), 'Pricing Date Control' (No Control), and 'Order optim.rest.'. The 'Sales data' section has an 'Acc. with vendor' field. The 'Control data' section contains a list of checkboxes: 'GR-Based Inv. Verif.', 'AutoEvalGRSetmt Del.', 'AutoEvalGRSetmt Ret.', 'Acknowledgment Reqd.', 'Automatic purchase order' (checked), 'Subsequent settlement', 'Subseq. sett. index', 'B.vol.comp./ag.nec.', 'Doc. index active', 'Returns vendor', 'ABC indicator', 'ModeOfTrnsprt-Border', 'Office of entry', 'Sort criterion', 'PROACT control prof.', 'Revaluation allowed', 'Grant discount in kind', and 'Relevant for agency business'. The 'Default data material' section includes 'Purchasing group', 'Planned deliv. time' (Day(s)), and 'Confirmation Control'. A large red watermark 'www.gain.com' is visible across the right side of the screenshot.

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

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Maintain Source List: Overview Screen

Material: STEEL
Plant: JN01 JINDAL METALS BANGALORE

Valid from	Valid to	Vendor	POrg	PPI	OUn	Agmt	Item	Fix	Bik	M	MRP Area
28.08.2015	31.12.2016	TATA STEEL	JNP1		TO			<input checked="" type="checkbox"/>	<input type="checkbox"/>		
								<input type="checkbox"/>	<input type="checkbox"/>		
								<input type="checkbox"/>	<input type="checkbox"/>		
								<input type="checkbox"/>	<input type="checkbox"/>		
								<input type="checkbox"/>	<input type="checkbox"/>		
								<input type="checkbox"/>	<input type="checkbox"/>		
								<input type="checkbox"/>	<input type="checkbox"/>		
								<input type="checkbox"/>	<input type="checkbox"/>		

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: General Data

Purch. Org. Data 1 | Conditions | Texts

Info Record: 530000581
Vendor: TATA STEEL
Material: STEEL
Material Group: 00101

TATA STEEL
steel
Steels

Vendor Data

1st Rem./Exped. [] Days
2nd Rem./Exped. [] Days
3rd Rem./Exped. [] Days
Vendor Mat. No. []
Vendor Subrange []
VSR Sort No. []
Vendor Mat. Grp []
Points [] / 1 TO
Salesperson []
Telephone []
Return Agmt []
Prior Vendor []

Origin Data

Certif. Cat. []
Certificate []
Valid to []
Ctry of Origin: IN
Region: 22
Number []
Manufacturer []

Supply Option

Available from []
Available to []
 Regular Vendor

Purchase Order Unit of Measure

Order Unit: TO
Conversion: 1 TO <-> 1 TO
Var. Order Unit: Not active

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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. Underl.	%	<input type="checkbox"/> No MText
Purch. Group	000	Tol. Overd.	%	<input type="checkbox"/> Ackn. Rqd
Standard Qty	100 TO	<input type="checkbox"/> Unlimited		Conf. Ctrl <input type="checkbox"/>
Minimum Qty	TO	<input type="checkbox"/> GR-Bsd IV		Tax Code <input type="checkbox"/>
Rem. Shelf Life	D	<input type="checkbox"/> No ERS		
Shippg Instr.	<input type="checkbox"/>	Procedure		
Max. Quantity	TO	Rndg Prof.		UoM Group <input type="checkbox"/>

Conditions

Net Price	3,000.00 INR / 1 TO	Valid to	31.12.9999
Effective Price	3,000.00 INR / 1 TO	<input type="checkbox"/> No Cash Disc.	
Qty Conv.	1 TO <-> 1 TO	Cond. Grp	<input type="checkbox"/>
Pr. Date Cat.	<input type="checkbox"/> 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

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Create Purchase Requisition

Document Overview On Personal Setting

NB Purch.requis. Stanc Source Determination

Texts

Header note

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: T0

Fixed Vendor: TATA STEEL TATA STEEL Supplying Plant:

Info Record: 5300005016

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 to 

Fixed Vendor to 

Contract to 

Plant to 

Supplying Plant to 

New Purchase Order

Per Purchasing Group Per delivery date

Per Plant Per Vendor Subrange

Per Storage Location **Per Requisition**

Per Item Category Per Requisition Item


Per Company Code Per Contract


Other Parameters


Generate Schedule Lines Detailed Log


Omit Faulty Items Set PReqs to "Closed"


Test Run


Material Group to 


Release Date to 


Delivery Date to 


MRP Controller to 


Purchase Requisition to 


Material 


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.	ε	No. of Items	ε	No. requis
Vendor TATA STEEL TATA STEEL																
4500017221	NB	JNP1	000			10013653	10			 Purchase order successfully created				1	*	1
										 Requisition successfully converted				0		1

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

Automatic Purchase Order User Manual with prerequisites

The screenshot displays the SAP Standard PO 4500017221 interface. The document overview shows the vendor as TATA STEEL TATA STEEL and the document date as 29.08.2015. The item list shows one item (10) with a quantity of 100 TO and a net price of 3,000.00 INR. The item details for item 10 (STEEL, steel) are shown below, including various fields for delivery, invoice, and conditions.

Item	Material	Short Text	PO Quantity	O.	C	Deliv. Date	Net Price	Curr	Per	O	Mat Group	Plnt	Stor. Location
10	STEEL	steel	100	TO		31.08.2015	3,000.00	INR	1	TO	Steels	JINDAL METALS BA	

Item Details for [10] STEEL, steel:

Field	Value	Field	Value
Overdeliv. Tol.	0.0 %	1st Rem./Exped.	0
Underdel. Tol.	0.0 %	2nd Rem./Exped.	0
Shipping Instr.		3rd Rem./Exped.	0
Stock Type	Unrestricted use	No. Exped.	0
Rem. Shelf Life	0 D	Pl. Deliv. Time	60
QA Control Key		GR Proc. Time	0
		Latest GR Date	
		Incoterms	
		Goods Receipt	<input checked="" type="checkbox"/>
		GR Non-Valuated	<input type="checkbox"/>
		Deliv. Compl.	<input type="checkbox"/>

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

Regards,



Ganesh

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