
User manual

Procurement of Services Long terms.

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Scenario

1 Procurement of Services Long terms

Types of procurement of services Long terms

Requirement is generated through Purchase Requisition by user Department and released as per DOA. After PR is released, RFQ is floated to vendor (not in sap) by the USER team and quotation comparison is done (not in sap). Considering technical and commercial recommendation, vendor is selected and NFA (note for approval) is created and send for approval in SAP. After approval of NFA, PO is created and released. Payment is done as per terms and conditions (LC/DPR).

Here in this process we are considering Road case.

1.1 Purchase Requisition Creation

a) Definition and Prerequisites

No PR is requiring for creation of contract. As this Process is design for issuing a contract irrespective of Plant (Central Contract).

b) Menu Path and Transaction code

SAP R/3 menu	N.A
Transaction Code	N.A

c) Responsibility

N.A

d) Screen Capture/ Process Steps

N.A

1.2 Purchase Requisition Release

a) Definition and Prerequisites

N.A

b) Menu Path and Transaction code

SAP R/3 menu	N.A
Transaction Code	N.A

c) Responsibility

N.A

- d) Screen capture/ Process
N.A

1.3 NFA Creation

- a) Definition and Prerequisites
NFA is Note for Approval. Without NFA, no purchase can happen.

- b) Menu Path and Transaction code

SAP R/3 menu	N/A
Transaction Code	ZNFA

- c) Responsibility
Purchase Department

- d) Screen capture/ Process
****Please refer the manual For NFA Creation.**

1.4 Creation of Long term service contract

- a) Definition and Prerequisites
Once the NFA has been approved, Long terms service contract can be created without any PR Ref.

- b) Menu Path and Transaction code

SAP R/3 menu	SAP MENU > Logistics > Materials Management > Purchasing > Outline Agreement > Contract > Create
Transaction Code	ME31K

- c) Responsibility
Purchase Department

- d) Screen capture/ Process
Step 1: Create Service contract
 - a. Enter the Vendor, Agreement type, Agreement date , Item category and a/c Assgt Cat (refer Screen Shot)
 - b. Enter the validity End date, target value, End date , INCO terms and Quotation Ref No and date.
 - c. Maintain the short text of the service
 - d. Enter the tax rate and click on service based IV
 - e. Enter the service no, quantity, price , cost centre.
 - f. Save the contract

Create Contract : Initial Screen

Vendor: 401519
Agreement Type: ZSER
Agreement Date: 23.04.2020

Organizational Data
Purch. organization: 1000
Purchasing Group: S01

Default Data for Items
Item Category: D
Acct Assignment Cat.: R

Step a)

1. Enter the vendor Name
2. Enter the agreement type
3. Enter the Item Category
4. Enter the A/c Assgt Cat.

Create Contract : Header Data

Agreement: [] Company Code: 1000 Purchasing Group: S01
Agreement Type: ZSER Purch. organization: 1000
Vendor: 401519 QUALITY ENGINEERING & SERVICES

Administrative Fields
Agreement Date: 23.04.2020 Item Number Interval: 10 Subitem Interv.: 1
Validity Start: 23.04.2020 Validity End: 30.04.2020 Language: EN

Terms of Delivery and Payment
Payment terms: CR03 Targ. Val.: 60000
Exch. Rate: 1.00000

Reference Data
Quotation Date: 13.04.2020 Quotation: 303

Step b)

1. Enter the Target value
2. Enter the INCO terms
3. Enter the Quotation date & Quotation

Create Contract : Item Overview

Agreement: [] Agreement Type: ZSER Agmt Date: 23.04.2020
 Vendor: 401519 QUALITY ENGINEERING & SERVICES Currency: INR

Item	I	A	Material	Short Text	Targ. Qty	O...	Net Price	Per	O...	Mat. Grp	Plnt	SLoc	D	Stock Segment	T...
10	D	K		Hiring of Engineer		1	AU	30,000.00	1	AU	4017				
20	D	K													
30	D	K													
40	D	K													
50	D	K													
60	D	K													
70	D	K													
80	D	K													
90	D	K													
100	D	K													
110	D	K													
120	D	K													
130	D	K													
140	D	K													
150	D	K													
160	D	K													

Step c)

1. Enter the short text
2. Enter the Price
3. Enter the Material group

Enter Material Group

Create Contract : Item 00010

Agreement Item: 10 Item Cat.: D AcctAssCat.: K
 Material: [] Plant: []
 Short Text: Hiring of Engineer Matl Group: 4017

Quantity and Price

Target Quantity: 1 AU ReOrdQty: 1
 Net Order Price: 30,000.00 INR / 1 AU Price Date: []
 Qty Conversion: 1 AU <-> 1 AU

Other Data

ConfContr.: [] Acknowl. Reqd: []
 Ackn. No.: []
 Dept. Code: [] Print Price: []
 Supp. Mat.: []

GR/IR Control

Underdel. Tol.: [] % Info atReg: [] GR: []
 Overdelv. Tol.: [] % Unlimited: [] GR non-val: []
 Tax Code: 1A GR-Base: []
 S-Based IV

Step d)

1. Enter the tax code
2. Click the S-Based IV

Importing data ...

Service Specifications: Contract Specs for Item Maintain

Sh. Text: Hiring of Engineer Total Value: 0.00 INR

Line	D.	Service No.	Short Text	Quantity	Un	Gross
10		SME72154501	MNTN:EQP;MOTOR,OVRL	4	EA	1500
20						
30						
40						
50						
60						
70						
80						
90						
100						
110						
120						
130						
140						
150						
160						
170						

Step e)

1. Enter the Service No.
2. Enter the qty
3. Enter the Gross Price

Line 10

Service MNTN:EQP;MOTOR,OVRL: please enter a price

Service Specifications: Contract Specs for Item Maintain

Sh. Text: Hiring of Engineer Total Value: 0.00 INR

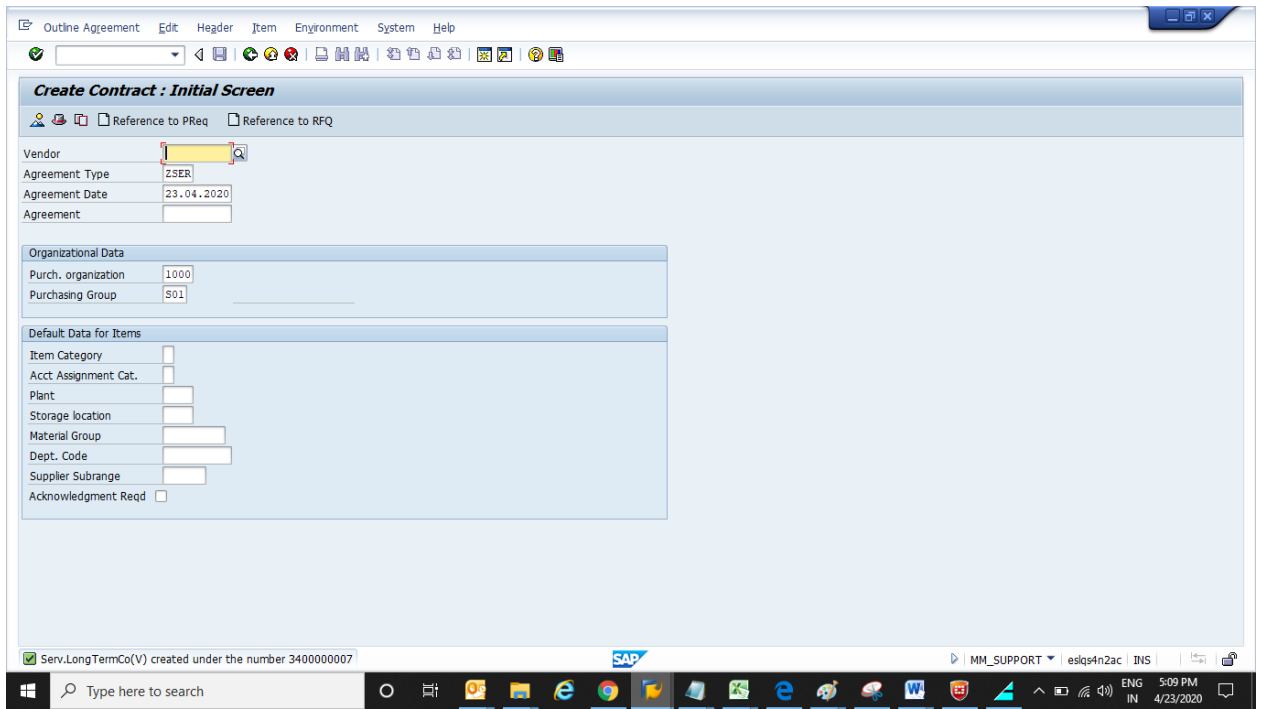
Line	Quantity	Un	Gross Price	Crcy	Cost Center	S...	Edi...	SSC Item	Ext. Service Number	Tgt Val.
10	4	EA	15000	INR	0120100					
20				INR						
30				INR						
40				INR						
50				INR						
60				INR						
70				INR						
80				INR						
90				INR						
100				INR						
110				INR						
120				INR						
130				INR						
140				INR						
150				INR						
160				INR						
170				INR						

Step f)

1. Enter the Cost centre

Line 10

Service MNTN:EQP;MOTOR,OVRL: please enter a price



1.5 Release of contract

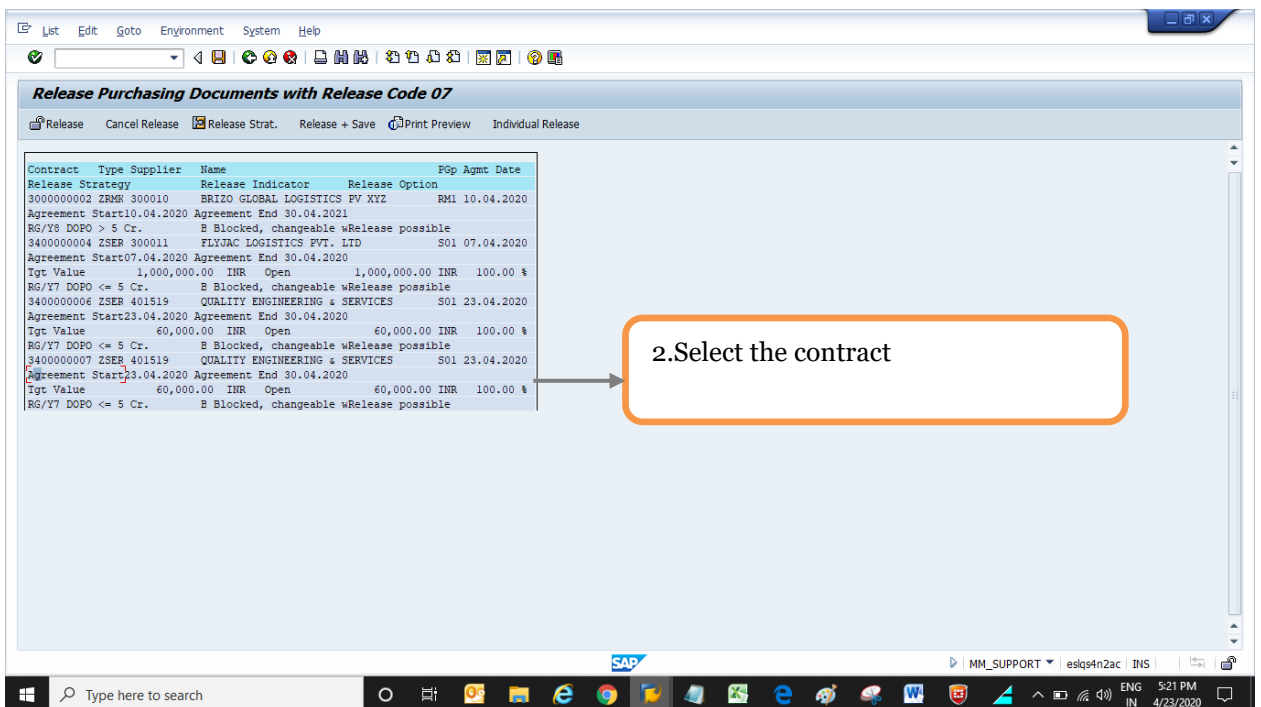
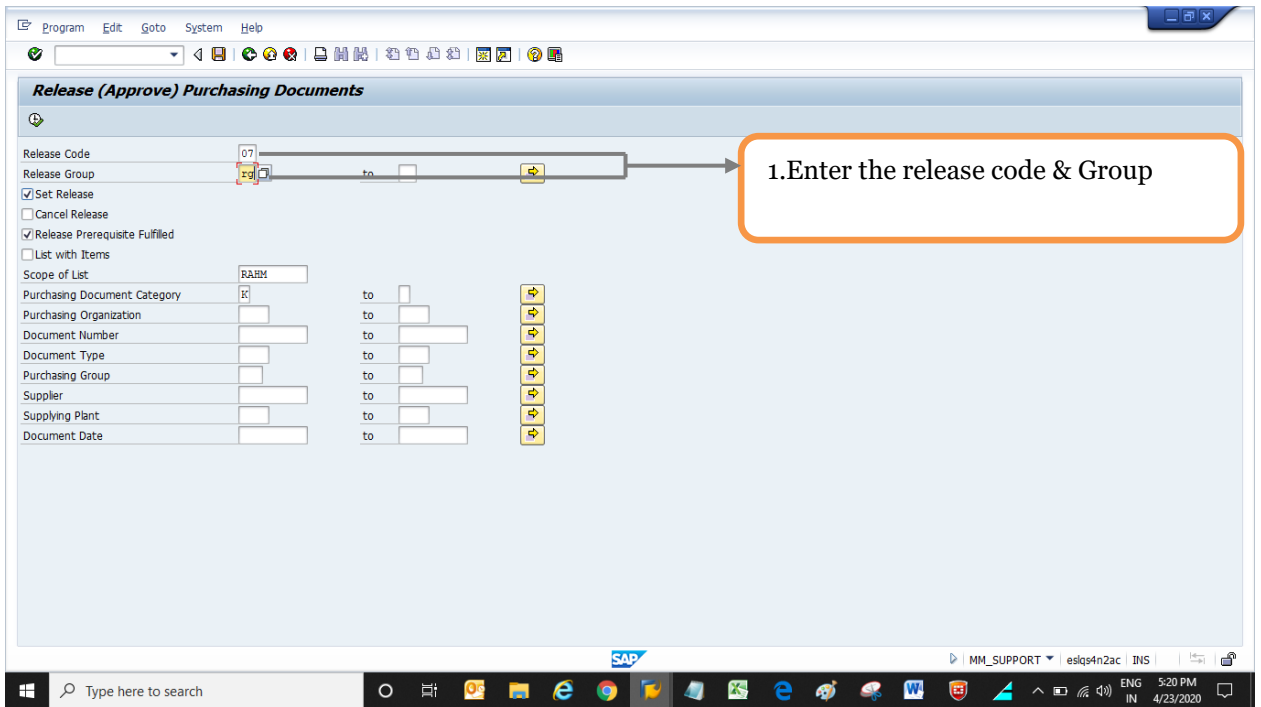
a) **Definition and Prerequisites**
Once the Contract made now it should be getting release.

b) **Menu Path and Transaction code**

SAP R/3 menu	SAP Menu > Logistics > Materials Management > Purchasing > Purchase Order > Create > Release
Transaction Code	ME35K

c) **Responsibility**
Purchase department

- d) Screen capture/ Process
 1. Enter the Release code and Release group
 2. Select the Contract need to be release
 3. Click on Release



Release Purchasing Documents with Release Code 07

Release Cancel Release Release Strat. Release + Save Print Preview Individual Release

Contract	Type	Supplier	Name	FGp	Agmt	Date
Release Strategy Release Indicator Release Option						
3000000002	ZRMH	300010	BRIZO GLOBAL LOGISTICS PVT XYZ	RM1	10.04.2020	
Agreement Start10.04.2020 Agreement End 30.04.2021						
RG/Y7 DOPO > 5 Cr. B Blocked, changeable wRelease possible						
3400000004	ZSER	300011	FLYJAC LOGISTICS FVT. LTD	S01	07.04.2020	
Agreement Start07.04.2020 Agreement End 30.04.2020						
Tgt Value 1,000,000.00 INR Open 1,000,000.00 INR 100.00 %						
RG/Y7 DOPO <= 5 Cr. B Blocked, changeable wRelease possible						
3400000006	ZSER	401519	QUALITY ENGINEERING & SERVICES	S01	23.04.2020	
Agreement Start23.04.2020 Agreement End 30.04.2020						
Tgt Value 60,000.00 INR Open 60,000.00 INR 100.00 %						
RG/Y7 DOPO <= 5 Cr. B Blocked, changeable wRelease possible						
3400000007	ZSER	401519	QUALITY ENGINEERING & SERVICES	S01	23.04.2020	
Agreement Start23.04.2020 Agreement End 30.04.2020						
Tgt Value 60,000.00 INR Open 60,000.00 INR 100.00 %						
RG/Y7 DOPO <= 5 Cr. G Released wRelease Set						

3. Click on release.

Release effected with release code 07

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