



# Special Stock & Special Procurement In SAP S/4HANA Finance



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In some cases, logistic processes require special procurement types to be used:

- Consignment
- Subcontracting
- Stock Transfer Using Stock Transport Order
- Third-Party Processing
- Returnable Transport Packaging
- Pipeline Handling
- For the purposes of the special procurement types, there are special stock types.

S*	Special stock descr.
E	Orders on hand
K	Consignment (vendor)
M	Ret.trans.pkg vendor
O	Parts prov. vendor
P	Pipeline material
Q	Project stock
V	Ret. pkg w. customer
W	Consignment (cust.)
Y	Shipping unit (whse)

Item categories you can use in purchasing documents,

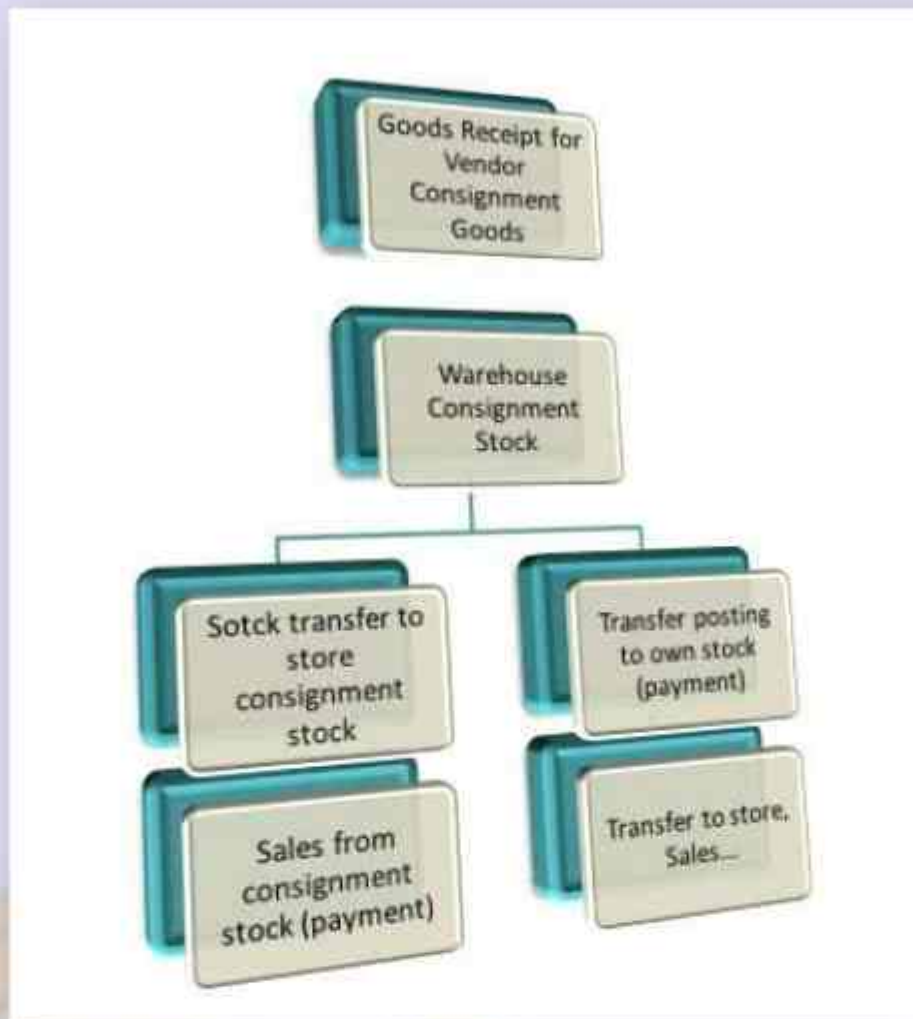
Standard
B Limit
K Consignment
L Subcontracting
S Third-party
T Text
D Service

We will see how these special procurement types and special stock types are used in the following processes.

### Consignment

Consignment means that the goods procured are still in vendors ownership, but our company is keeping the material on stock and is able to sell it directly. Goods become the property of our company only in the case of consuming.

You can see two possible consignment scenarios / processes in the diagram below.



In both cases, the base of the process is a goods receipt for vendor consignment goods. After that, we will have consignment goods in our warehouse. If we want to sell the goods from consignment stock, we can do a stock transfer from warehouse to store consignment stock and sell directly from consignment stock.

If on the other hand, we choose not to keep the goods as consignment stock, we can do a transfer posting to own stock. Afterwards, we can send it to our store and sell it as own stock.

In the consignment process, we should create a purchase info record for the vendor/material combination, in order to predefine some information later used in the processes.

In the system, receiving the consignment stock is done in a few simple steps. RECEIVING CONSIGNMENT GOODS

Step 1)

Create a purchase order for the material using ME21N transaction.

1. Enter item category K - consignment goods.

Item	Q	Itm	A	1	Material	Short Text	PO Quantity	O.	Delv. Date	Net Price	Cu...
10			1		10599999	LCD TV 40"			10 PAL D 21.05.2013		EUR
											EUR

Step 2)

Post goods receipt in MIGO transaction.

1. You can see that movement type is 101, and the special stock indicator is K - consignment stock (vendor).
2. Check items as OK, and Post.





A01 Goods Receipt    R01 Purchase Order    GR

**General**    Vendor

Document Date: 17.05.2013    Delivery Note:    Vendor: Vendor 1  
Posting Date: 17.05.2013    Bill of Lading:    HeaderText:  
3 Collective Slip

Line	Mat. Short Text	O.	Qty in UnE	E.	SLoc	Profit
1	LCD TV 40"	<input checked="" type="checkbox"/>	10	PAL	Lager 0001	SAP-DI

Material    Quantity    Where    Purchase Order Data    Partner    Account Assignment

Movement Type: 1 101 K + GR for consgt stock    Stock type: Unrestricted use  
Vendor: Vendor 1    VENDOR1  
Plant: Werk 0001    0001  
Storage Location: Lager 0001    0001  
Goods recipient:  
Unloading Point:

After you have posted the goods receipt for vendor consignment goods, you can see the stock overview for the material has changed.

There are 120 pcs now in the Vendor Consignment row, as unrestricted.

Selection				
Material	1059999	LCD TV 40"		
Material Type	FERT	Finished Product		
Unit of Measure	PCS	Base Unit of Measure	PCS	
Stock Overview				
Client/Company Code/Plant/Storage Location/Batch/Special Stock				
		Unrestricted use	Qual. inspection	Reserved
Full		124,000	24,000	20,000
0001 SAP A.G.		124,000	24,000	20,000
0001 Werk 0001		124,000	24,000	20,000
0001 Lager 0001		124,000	24,000	20,000
Vendor Consignment		120,000		

Step 3)

Branching into two different scenarios from the process diagram.

- From this point, we can create a stock transfer to a store storage location with MIGO transaction. We can then sell the goods from the consignment stock (payment obligation is generated at the point of sales).
- In the second scenario, we can create a transfer posting to own stock (payment obligation at this point). Later on we can do whatever we like with the goods.

Let's say we have created a transfer posting to own stock upon goods arrival. We can do that by using MB1B with special stock type indicator K, and movement type 411.

We can see afterwards that our stock level is 244 pcs all on 0001 unrestricted. Our 120 pcs were transferred from consignment to own stock.

Selection			
Material	10599999	LCD TV 40"	
Material Type	FERT	Finished Product	
Unit of Measure	PCS	Base Unit of Measure	PCS
Stock Overview			
Client/Company Code/Plant/Storage Location/Batch/Special Stock			Unrestricted use
Full			244,000
0001 SAP A.G.			244,000
0001 Werk 0001			244,000
0001 Lager 0001			244,000

Step 4)

We are not creating an invoice using MIRO transaction for consignment goods. Instead, liabilities are settled in MRKO transaction for the appropriate period.

1. Execute MRKO transaction.
2. Enter Company Code and Vendor.
3. Enter the date range (you can use document date, per your preferences).
4. Choose special procurement type you want to settle for: Consignment.
5. Choose if you want to display available document or settle. Choose Display.
6. Show only withdrawals not settled or only settled withdrawals, or both. You can also restrict the displayed/settled records by material. Execute.

MRKO 1

### Consignment and Pipeline Settlement

**Selection**

Company Code	2 0001	to	
Vendor	VENDOR1	to	
Plant		to	
Material		to	
Document Date		to	
Posting Date	3 17.05.2013	to	
Material Document		to	

Consignment 4  
 Pipeline

**Processing**

Display 5  
 Settle

**Display Options**

Withdrawals not settled 6  
 Settled withdrawals

Document Number [ ] to [ ]  
Layout [ ]

Step 5)

- First we will choose to display the available documents for our selection.



- We can see that the document is Not settled.

**Consignment and Pipeline Settlement**

Info Record Messages

CoCode	Vendor	Mat. Doc.	MatYr	Item	Doc. Date	Plant	Material	Qty Withdr	Un	Amount	Ocy	Info
0001	VENDOR1	4900547311	2013	1	17.05.2013	0001	10599999	10	PAL	28.000,00	EUR	Not settled

- Go back to the initial screen and choose Settle instead of Display. Execute.
- You can now see the message that a document 5100000001 was created.

**Consignment and Pipeline Settlement**

Info Record Messages

CoCode	Vendor	Mat. Doc.	MatYr	Item	Doc. Date	Plant	Material	Qty Withdr	Un	Amount	Ocy	DocumentNo	Year	Item	Information text
0001	VENDOR1	4900547311	2013	1	17.05.2013	0001	10599999	10	PAL	28.000,00	EUR	5100000001	2013	2	Document created

- Go back and choose to display documents, and choose to see Settled withdrawals.
- Now there is a record matching your request. You can see that the status is now Settled.

**Consignment and Pipeline Settlement**

Info Record Messages

CoCode	Vendor	Mat. Doc.	MatYr	Item	Doc. Date	Plant	Material	Qty Withdr	Un	Amount	Ocy	DocumentNo	Year	Item	Info
0001	VENDOR1	4900547311	2013	1	17.05.2013	0001	10599999	10	PAL	28.000,00	EUR	5100000001	2013	2	Settled

This completes the process for consignment stock.

### Stock Transport Order

In stock transfer process, goods are procured and supplied within a company. One plant orders the goods from another plant (they are called the receiving plant/issuing plant).

We can use a special type of purchase order – the stock transport order. The delivery process can be done either in Inventory Management or in the shipping component of logistics execution.



Step 1) Create a purchase order using ME21N.

1. Choose document type UB – Stock Transp. Order.
2. Choose Supplying Plant – 001.
3. Choose Receiving Plants Purchasing organization – 0002.
4. Purchasing group and Company Code.
5. In the item overview screen, enter material number and quantity.
6. Choose the receiving plant and Storage Location.

The screenshot shows the SAP ME21N transaction interface. At the top, the document type is 'UB Stock Transp. Ord.' (1) and the supplying plant is '0001 Werk 0001' (2). The document date is '17.09.2013'. Below this, the purchasing organization is '0002 Einkaufsorg. 0002' (3), the purchasing group is '013 Purch.Group X' (4), and the company code is '0001 SAP A.G.'. The item overview table at the bottom contains one item with material number '10599999' (5), short text 'LCD TV 40"', PO quantity '12 PCS', delivery date '17.09.2013', currency 'EUR', material group 'Material gro.', plant 'Werk 0002' (6), and storage location 'Oberst 002'.

Item	S	Item	A	I	Material	Short Text	PO Quantity	O.	Delv. Date	CU...	Matl Group	Plant	Stor. Locat...
10					10599999	LCD TV 40"	12 PCS		17.09.2013	EUR	Material gro.	Werk 0002	Oberst 002
										EUR			
										EUR			

Save the document.

Stock Transp. Order created under the number 4500018394

Step 2) Post goods issue from the issuing plant using MIGO transaction.

1. Choose A07 – Goods Issue.
2. Choose R01 – Purchase Order.
3. Enter the storage location from which goods are being issued.
4. Save the transaction – Post goods Issue.

A07 Goods Issue    R01 Purchase Order    4500018394    TF

**General**

Document Date: 17.05.2013    Material Slip:   
 Posting Date: 17.05.2013    Doc.Header Text:   
 3 Collective Slip

Line	Mat. Short Text	O.	Qty in UnE	E.	SLoc	Batch
1	LCD TV 40"	<input type="checkbox"/>	12		PCS Lager 0001	

**Material    Quantity    Where    Purchase Order Data    Stock Transfer**

Movement Type: 351    - TF to stock in trans.    Stock type: Unrestricted use

Plant: Werk 0001    0001  
 Storage Location: Lager 0001    0001  
 Goods recipient:   
 Unloading Point:

After posting, you will get a material document.

Material document 4900547512 posted

Step 3) Do a goods receipt to a receiving plant for the stock transfer order – in MIGO.

1. Choose A01 – Goods Receipt.
2. Choose R01 – Purchase Order.

Post the Goods Receipt.



AD1 Goods Receipt    R01 Purchase Order    GR

**General**    Vendor

Document Date: 17.05.2013    Delivery Note:     Waldorf 1  
 Posting Date: 17.05.2013    Bill of Lading:     HeaderText:   
 3 Collective Slip

Line	Mat. Short Text	O.	Qty in UnE	E.	SLoc	Profit
1	LCD TV 40"	<input type="checkbox"/>	12	PCS	Obersd 002	SAP-DC

Material    Quantity    Where    Purchase Order Data    Partner    Account Assignment

Movement Type: 101    + GR stock in transt    Stock type: Unrestricted use

Plant: Werk 0002    0002   

Storage Location: Obersd 002    0002

Goods recipient:

Unloading Point:

Now the stock transfer from plant to plant is done.

Material document 5000023575 posted

You can see the plant stock now. Obersdorf plant now has 12 pcs of material 10599999.



Selection			
Material	10599999	LCD TV 40"	
Material Type	FERT	Finished Product	
Unit of Measure	PCS	Base Unit of Measure	PCS
Stock Overview			
Client/Company Code/Plant/Storage Location/Batch/Special Stock			Unrestricted use
Full			12,000
0001 SAP A.G.			12,000
0002 Werk 0002			12,000
0002 Obersd 002			12,000

Stock transport order can also be done using the delivery process. You are able to create an outbound delivery based on your purchase order (stock transport order) in transaction VL10B. Then you can post the goods issue using the VL02N transaction (change outbound delivery). Finally you can do a PGR (post goods receipt) for delivery from the receiving plant.

### Subcontracting

In subcontracting, you give components to a vendor from which a product is produced. The product is then ordered by your company through a purchase order. The components required by the vendor to manufacture the ordered product are imported in the purchase order through the BoM (Bill of Materials), and they are provided to the vendor. After the contractor has produced the finished product, we can post the goods receipt.

#### Step 1)

Create a standard purchase order for the material that has a BOM maintained.

1. Create a PO with item category L.
2. Enter the storage location where the material should be placed upon goods receipt.

S	Item	A	I	Material	Short Text	PO Quantity	O.	Delv. Date	Net Price	Cu...	Per	O.	Matl Group	Plant	Stor. Loca
10				10599999	LCD TV 40"		10PAL D	21.05.2013	2.750,00	EUR	1		PAL Material gro..	Werk 0001	Lager 0001
										EUR					
										EUR					
										EUR					
										EUR					

Step 2)

On the Material Data tab, click the Components or Explode BOM icon.

<b>Material Data</b>	Quantities/Weights	Delivery Schedule	Delivery	Invoice	Conditions	Texts	Delivery Add.
Material group	100		Revision Level				Components
Vendor mat. no.	79855999		EAN/UPC				Explode BOM
Vendor sub-range							
Batch			Vendor Batch			<input checked="" type="checkbox"/>	InfoUpdate

On the component screen, enter storage location from which the components should be issued.

I have created a fake BoM for our material (we sure can't create LCD TV 40" from two components called semiconductors and plastics), but it's enough to serve the purpose (you can create a BoM in CS01 transaction if you don't have it for your test material).

Processing Components: Component Overview										
Collective entry Detailed entry										
Material	10599999	LCD TV 40"	Plant	0001	Release Date	17.05.2013	Quantity	120,000	Delivery date	21.05.2013
Component Overview										
Material	Description	Requirement qty	U.	C	P...	P...	Supply A...	Reqmt D...	L...	
30000180	Semiconductors	120	PCS		0001	0001		17.05.2013	0010	L
30000181	Plastics	120	PCS		0001	0001		17.05.2013	0020	L

Save the PO.

✓ Standard PO 4500018399 changed

If your PO needs to be released, release it by using ME29N.

Step 3)

In stock monitoring transaction, we will provide the components for vendor:

1. Execute the transaction ME20.
2. Enter Vendor.
3. Enter Plant.Execute.

**me20** 1

### SC Stock Monitoring for Vendor

Selection Criteria

Vendor	2 VENDOR1	to		↕
Components Provided		to		↕
Assembly		to		↕
Plant	3 0001	to		↕
Requirement Date		to		↕

With Reqt's from SC Requisitions  
 W. Ext. Receipts from Requisitions  
 With Ext. Receipts from POs

List Output

Group by Batches  
 Only SC Stocks with Shortage  
 Display Zero Lines



#### Step 4)

You will get a list of open item for transfer towards the vendor. You can see the components from our purchase order:

1. Select the components (click the boxes next to components material numbers).
2. Post goods issue.

**SC Stock Monitoring for Vendor**

Post Goods Issue   Create Delivery   Delete Reserv.   Stock Overview   Stock/Rqmts

Vendor: VENDOR1   Vendor 1   Wien

Material	Plant	Short Text	Batch	SC Stock		
Date	Document	Item	Deliv. Date	Batch	Req./Receipt Qty	Available SC Stock
✓ 30000180	0001	Semiconductors		0 PCS		
		Requirements via SC Orders		120 PCS	120 PCS	120- PCS
17.05.2013	4500018398	00010	21.05.2013		120 PCS	
✓ 30000181	0001	Plastics		0 PCS		
		Requirements via SC Orders		120 PCS	120 PCS	120- PCS
17.05.2013	4500018398	00010	21.05.2013		120 PCS	

#### Step 5)

You will be prompted to confirm the items being PGI'd.

Just confirm the right storage location and quantity. Do that for all of the components.



The screenshot shows the 'Post Goods Issue' dialog box in SAP. The fields are filled with the following data:

Vendor	VENDOR1	
Material	30000180	
Plant	0001	
Movement Type	541	
Stor. Location	0001	
Batch		
Quantity	120	PCS

At the bottom right, there are icons for a checkmark and a red X.

Step 6)

You should see this kind of screen confirming that your PGI was done successfully for 2 items.

The screenshot shows the 'GI Posting for SC Stock: Display messages' dialog box. It contains a table with the following data:

Typ	Message text
■	2 item(a) posted

At the bottom, there is a toolbar with various icons, including a checkmark, a question mark, a refresh icon, a filter icon, a printer icon, a speech bubble icon, a document icon, a magnifying glass icon, a red circle with a white 'X', a red circle with a white '0', a yellow triangle with a white '0', a green square with a white '1', and a red X icon.

Step 7)

The next screen should look like this.

Material	PInt	Short Text	Batch	SC Stock
Date	Document	Item	Deliv. Date	Available SC Stock
30000180	0001	Semiconductors		120 PCS
	Requirements via SC Orders			0 PCS
17.05.2013	4500018399	00010	21.05.2013	120 PCS
30000181	0001	Plastics		120 PCS
	Requirements via SC Orders			0 PCS
17.05.2013	4500018399	00010	21.05.2013	120 PCS

You can see that there is a material document for the components, with movement type 541.

Items									
Item	Quantity	EUn	Material	PInt	SLoc	Batch	Re	MvT	S S
		BUn	Material Description			Reserv.No.	Itm	FI	
1	120	PCS	30000180	0001	0001		541	-	
			Semiconductors						
2	120	PCS	30000180	0001			541	0	+
			Semiconductors						
3	120	PCS	30000181	0001	0001		541	-	
			Plastics						
4	120	PCS	30000181	0001			541	0	+
			Plastics						

Step 8)

You can post a goods receipt against a purchase order to receive the finished goods from the vendor.

AD1 Goods Receipt   R01 Purchase Order   4500018399   GR

**General**   **Vendor**

Document Date: 17.05.2013   Delivery Note:   Vendor: Vendor 1  
Posting Date: 17.05.2013   Bill of Lading:   HeaderText:  
 3 Collective Slip

Line	Mat. Short Text	O.	Qty in UnE	E.	Sloc	P
1	LCD TV 40"	<input type="checkbox"/>	10		PAL Lager 0001	SA

**Material**   **Quantity**   **Where**   **Purchase Order Data**   **Partner**   **Account Assignment**

Movement Type: 101   + GR goods receipt   Stock type: 2 Quality inspect...  
Plant: Werk 0001   0001  
Storage Location: Lager 0001   0001

Now you have issued the components to subcontractor, received the finished product.

You could have also created an outbound delivery for the components using ME20 transaction, and then posting goods issue through VL02N. Most of the time this type of processing is done in subcontracting.

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