



# SAP P2P, O2C

By: CMA Jayesh P Desai  
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# About



CMA Jayesh P Desai

FCMA, CFA, CISA  
CIA, PMP, UCLA (PGPX)  
Registered Valuer (IBBI)

Jayesh P Desai & Co.  
[www.jayeshdesai.com](http://www.jayeshdesai.com)  
[Jayeshdesai@rediffmail.com](mailto:Jayeshdesai@rediffmail.com)



- Worked on SAP since 1997 as end-user, core team member, consultant and delivery manager
- End-user experience in SAP FI (AP, AR, GL, AA), SAP CO (CCA, PC, PA, PCA)
- Implemented 4 projects in SAP FICO with integration
- Specialised in Product Costing, Profitability Analysis
- Delivered on several large and global SAP & Data Analytics projects
- Head SAP Team (all modules), Head Data Analytics
- Worked with General Motors, Shaw Wallace, Bayer, Colgate, IBM, General Mills

# Content

- Integration
- Procure to Pay
- Order to Cash
- Plan to Produce

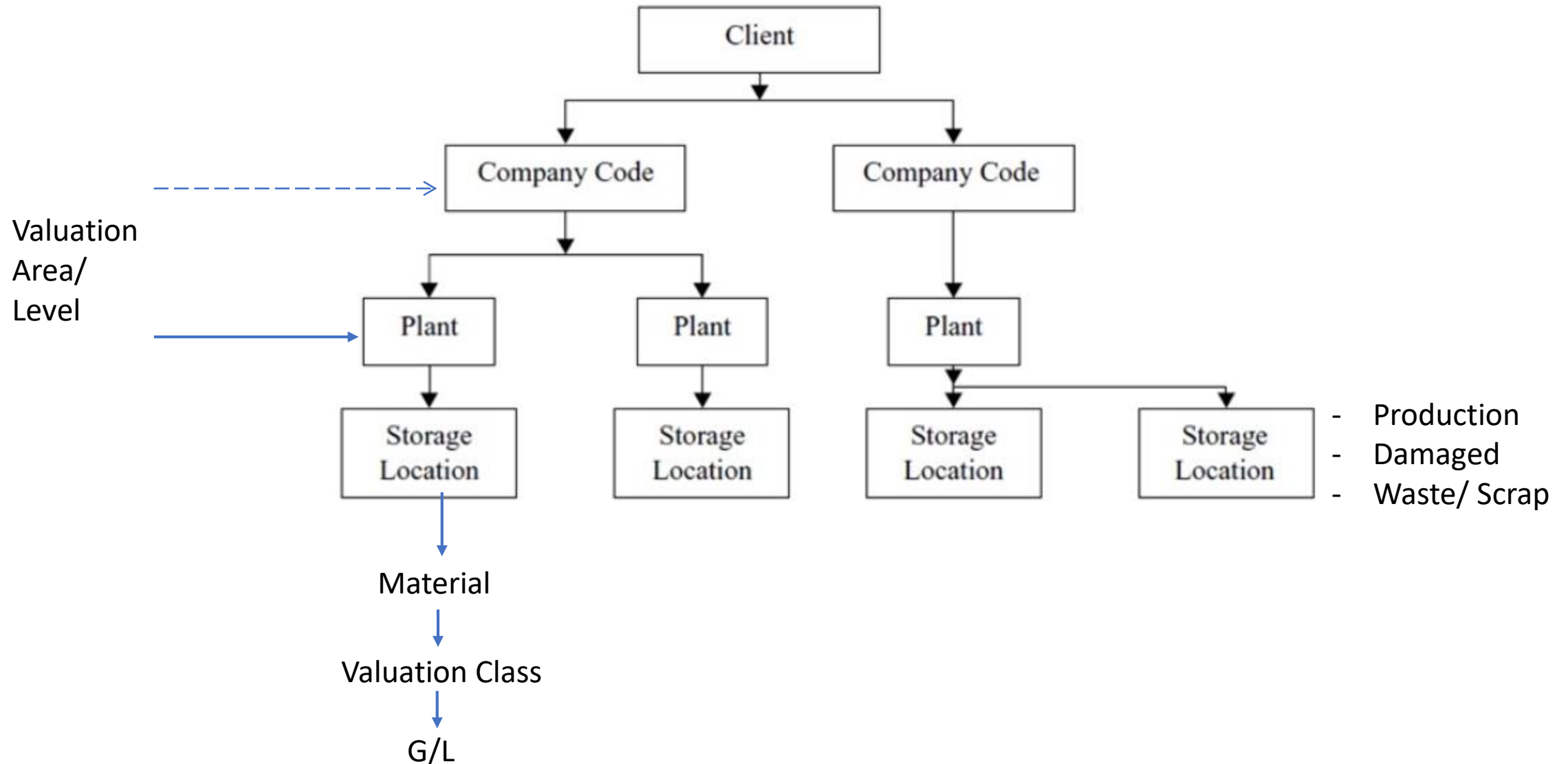




# PROCURE TO PAY



# P2P – Understanding MM



# Plant in SAP

## Org Structure

- The plant is an operating area or branch within a company.
- The plant is assigned to a single company code. A company code can have several plants.
- Several storage locations in which material stocks are managed can belong to a plant.
- A single business area is assigned to a plant and to a division.
- A plant can be assigned to several combinations of sales organization and distribution channel.
- A plant can have several shipping points. A shipping point can be assigned to several plants.
- A plant can be defined as a maintenance planning plant.

## Importance

The plant plays an important role in the following areas:

### **Material valuation**

If the valuation level is the plant, the material stocks are valued at plant level. Each plant can have its own account determination.

### **Inventory management**

The material stocks are managed within a plant.

### **MRP**

Material requirements are planned for each plant. costing  
In costing, valuation prices are defined only within a plant.

### **Plant maintenance**

If a plant performs plant maintenance planning tasks, it is defined as a maintenance planning plant.

# Movement Type

- Any transaction in MM with the respect to material movements happens with a movement type. Each Material movement such as goods receipt against purchase order, goods issue to production order, scrapping of goods, transfer of goods, goods issue for sale, initial stock upload, has a Movement type defined in the system. Thus the various account assignments (**transaction keys**) are linked to an MM movement type.
- In the Material master we have various views such as the Basic view, purchasing view, Sales view, MRP view, Quality view, the **Accounting** and the **costing view**. In the Accounting view of the Material master we update the valuation class. Each material type will have a certain valuation classes. The valuation class will determines the GL codes for the stock postings.

# Material Type, Valuation Class

For Company Code 0005

Material Type	Description
ROH	Raw Material
VERP	Packaging
HALB	Semi-finished product
FERT	Finished product
HAWA	Trading goods

Valuation Class	Description	Account
3000	Raw materials 1	300000
3001	Raw materials 2	300010
3002	Raw materials 3	300010
3030	Operating supplies	303000
3040	Spare parts	304000
3050	(Returnable) packaging	305000
3100	Trading goods	310000
3200	Services	300000
7900	Semi-finished products	790000
7910	Semi-finished (external)	790010
7920	Finished products	792000
7925	Finished products MTO	792500



# Account Determination (SPRO)

T-code: OBYC

Group <input type="button" value="RMK"/> Materials Management postings (MM)		
Procedures		
Description	Transaction	Account determ.
Neutral provisions	RUE	<input checked="" type="checkbox"/>
Brazilian taxes for transfer posting	TXO	<input checked="" type="checkbox"/>
Gain/loss from revaluation	UMB	<input checked="" type="checkbox"/>
Gain/loss from revaluation	UMD	<input checked="" type="checkbox"/>
Unplanned delivery costs	UPF	<input checked="" type="checkbox"/>
Input tax	VST	<input checked="" type="checkbox"/>
WGB < missing >	WGB	<input checked="" type="checkbox"/>
Goods issue inflation revaluation	WGI	<input checked="" type="checkbox"/>
Goods receipt inflation revaluation	WGR	<input checked="" type="checkbox"/>
WIP from Price Differences (Int. Acty)	WPA	<input checked="" type="checkbox"/>
WIP from Price Differences (Material)	WPM	<input checked="" type="checkbox"/>
GR/IR clearing account	WRX	<input checked="" type="checkbox"/>
GR/IR clearing acct (mat. ledger) (old)	WRY	<input checked="" type="checkbox"/>

T-code: OBYC>BSX

Chart of Accounts <input type="button" value="INT"/>	
Transaction <input type="button" value="BSX"/>	
Account assignment	
Valuation ...	Account
3000	3000
3001	300010
3002	300010
3030	303000
3040	304000
3050	305000
3100	310000
3200	300000
7900	790000
7910	790010
7920	792000
7925	792500

For Debiting Material

T-code: OBYC>WRX

Chart of Accounts <input type="button" value="INT"/> Chart of accounts - international	
Transaction <input type="button" value="WRX"/> GR/IR clearing account	
Account assignment	
Account	
191100	

For Crediting GR/ IR account

# Other Pre-requisite

- Vendor Account Purchasing and Company Code view
- Material Master
- Purchase Order ('GR-Bsd IV' ticked)
- GL Accounts (OI managed & Auto posted)
- Posting period in MM & FI open for posting (OMSY, OB52)

# P2P Accounting

## Payment Run

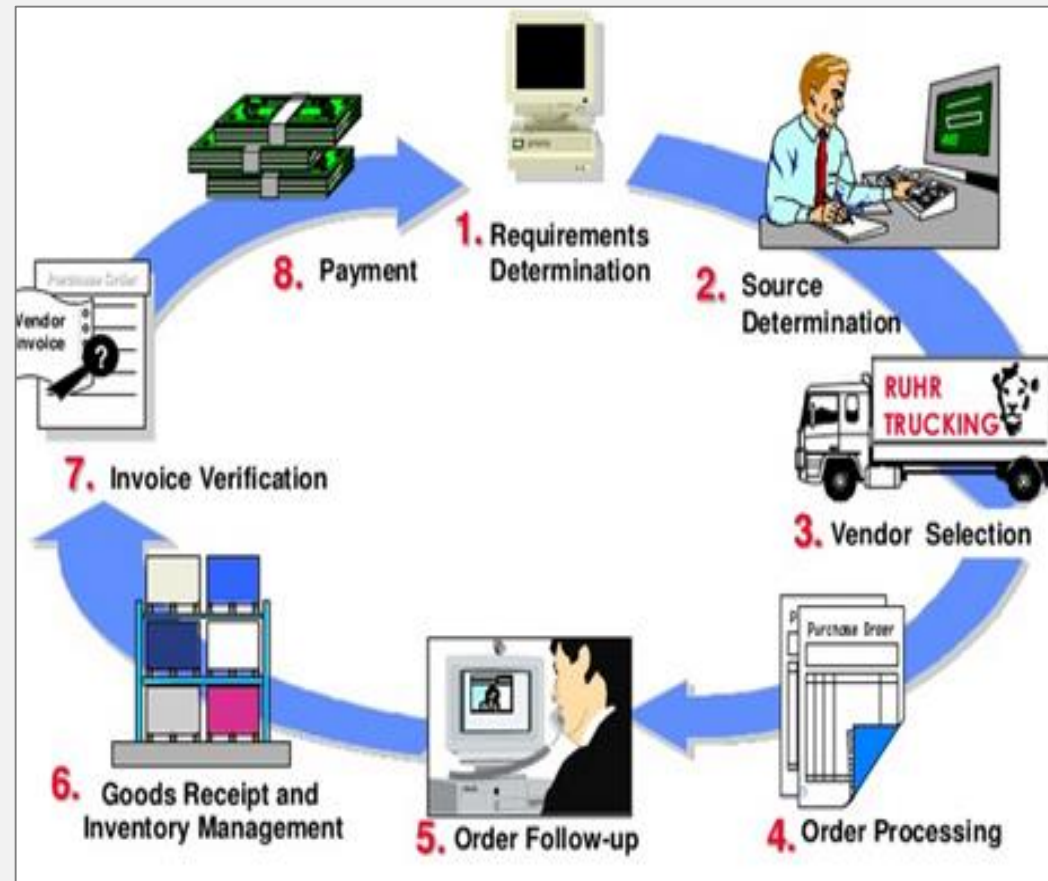
**Dr:** Vendor  
**Cr:** Bank

## MIRO

**Dr:** GR/IR  
**Cr:** Vendor

## MIGO

**Dr:** Material or  
Expense or  
AUC  
**Cr:** GR/IR



No Accounting

MK01/ FK01  
Create  
Vendor  
Master

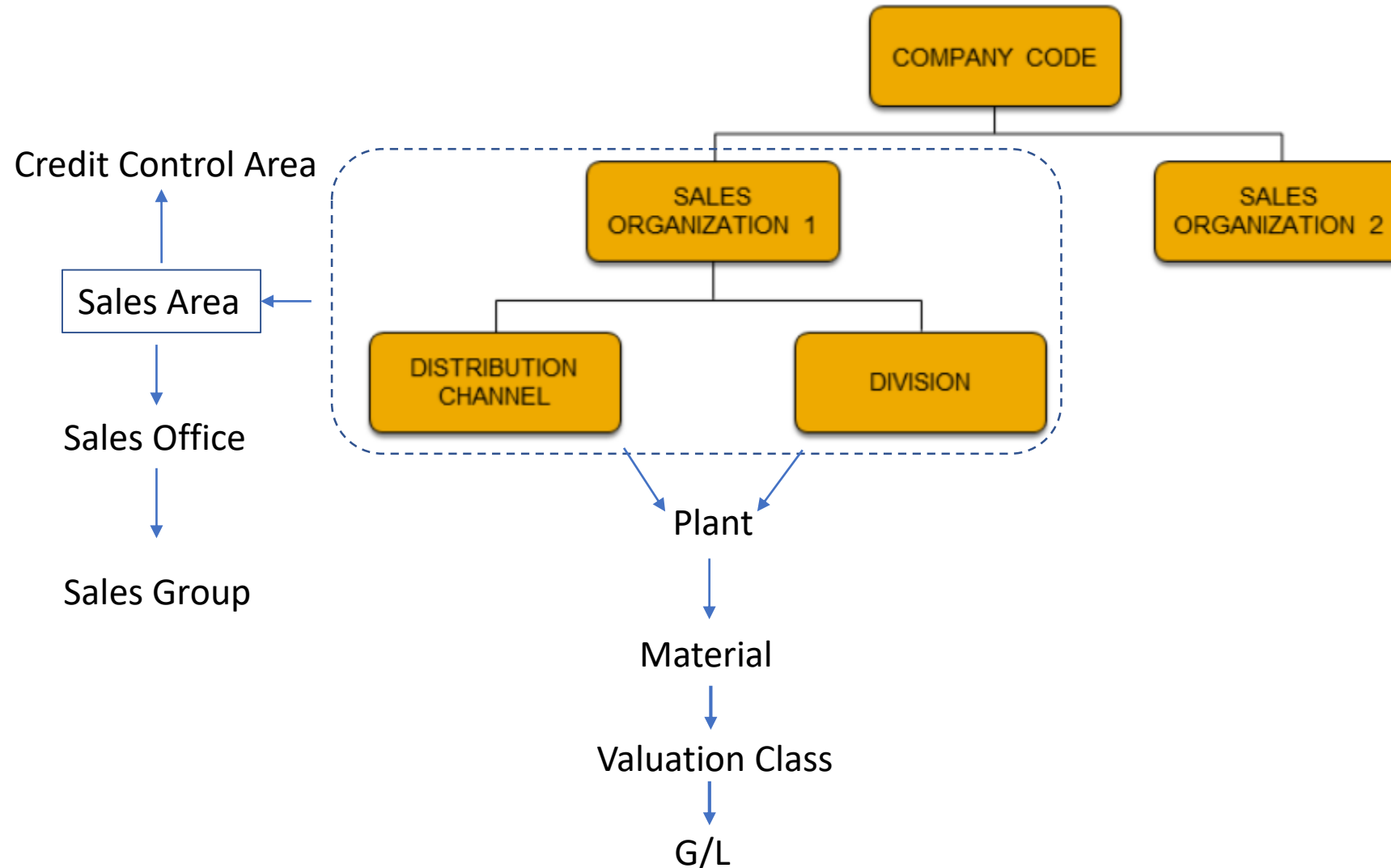
MR51N/ ME21N  
No Accounting

No Accounting

A blurred background image of three business professionals in an office setting. A woman with blonde hair is in the foreground on the left, looking down. Behind her, a man with dark hair is also looking down. To the right, a man with grey hair is smiling and looking towards the camera. They appear to be in a meeting or collaborative work environment.

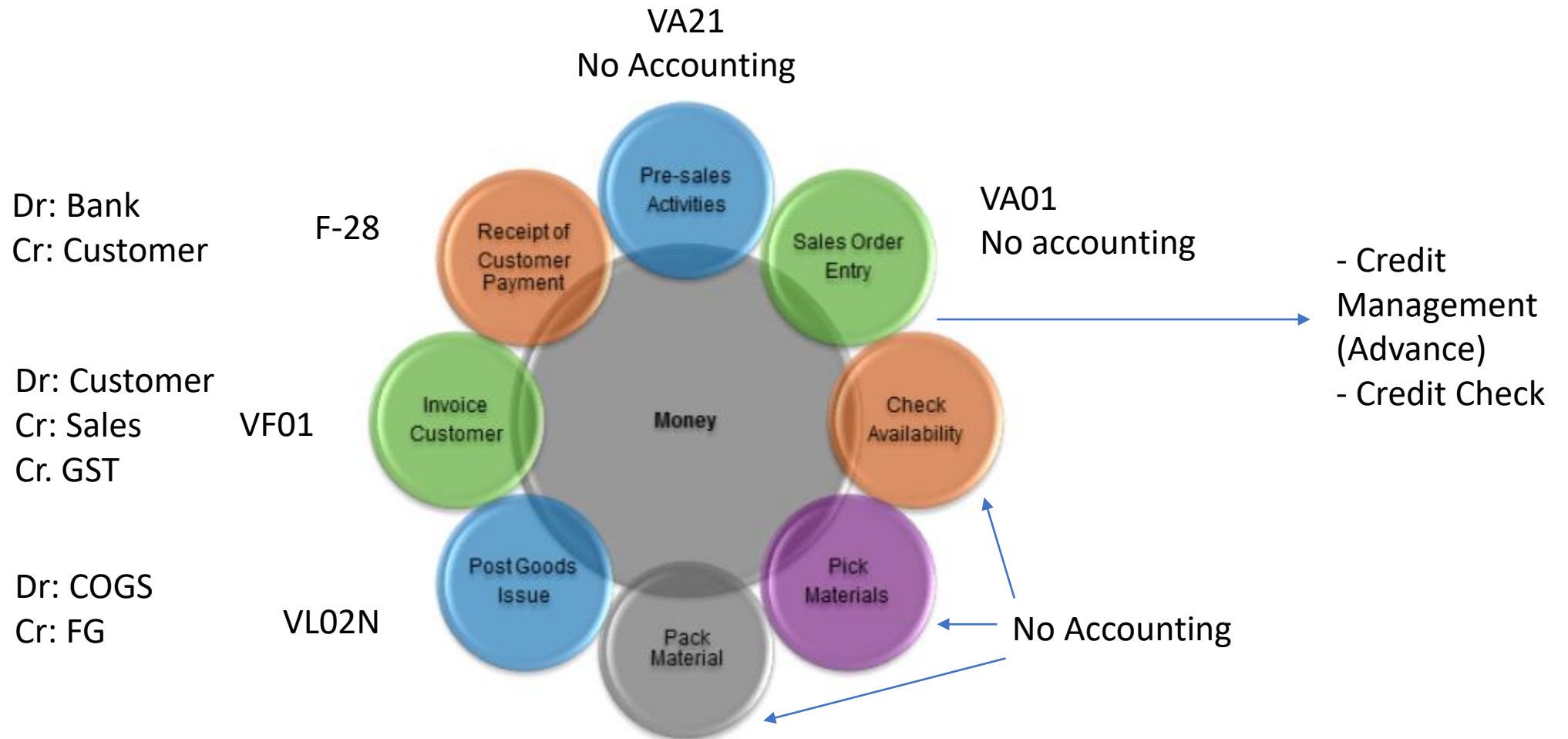
# **ORDER TO CASH**

# Business Integration with ERP





# O2C Accounting



# Account Determination (SPRO)

T-code: OBYC

Group <input type="text" value="RMK"/> Materials Management postings (MM)		
Procedures		
Description	Transaction	Account determ.
Neutral provisions	RUE	<input checked="" type="checkbox"/>
Brazilian taxes for transfer posting	TXO	<input checked="" type="checkbox"/>
Gain/loss from revaluation	UMB	<input checked="" type="checkbox"/>
Gain/loss from revaluation	UMD	<input checked="" type="checkbox"/>
Unplanned delivery costs	UPF	<input checked="" type="checkbox"/>
Input tax	VST	<input checked="" type="checkbox"/>
WGB < missing >	WGB	<input checked="" type="checkbox"/>
Goods issue inflation revaluation	WGI	<input checked="" type="checkbox"/>
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WIP from Price Differences (Int. Acty)	WPA	<input checked="" type="checkbox"/>
WIP from Price Differences (Material)	WPM	<input checked="" type="checkbox"/>
GR/IR clearing account	WRX	<input checked="" type="checkbox"/>
GR/IR clearing acct (mat. ledger) (old)	WRY	<input checked="" type="checkbox"/>

T-code: OBYC>BSX

Chart of Accounts <input type="text" value="INT"/>	
Transaction <input type="text" value="BSX"/>	
Account assignment	
Valuation ...	Account
3000	3000
3001	300010
3002	300010
3030	303000
3040	304000
3050	305000
3100	310000
3200	300000
7900	790000
7910	790010
7920	792000
7925	792500


For Crediting FG

T-code: OBYC>GBB

# Configuration Accounting Display : Autom

◀ ▶

Posting Key



Procedures

Rules

Chart of Accounts

INT

Chart of accounts - internatio

Transaction

GBB







Offsetting entry for inventory

Account assignment				
Valuation ...	General m...	Valuation ...	Debit	Credit
0001	VAY	3040	894025	894025
0001	VAY	3050	894025	894025
0001	VAY	3100	894025	894025
0001	VAY	7900	894025	894025
0001	VAY	7910	894025	894025
0001	VAY	7920	893015	893015
0001	VAY	7925	893015	893015
0001	VBO	3000	400020	400020

For Debiting COGS

# Account Determination (SPRO)

T-code: VKOA

<b><i>Change View "General": Overview</i></b>						
60 New Entries      						
General						
	A...	CndTy.	ChAc	SOrg.	G/L Account	Provision acc.
<input type="checkbox"/>	V	KOFI	INT	0002	800000	
<input type="checkbox"/>	V	KOFI	INT	0005	800000	
<input type="checkbox"/>	V	KOFI	INT	0007	800000	
<input type="checkbox"/>	V	KOFI	INT	0020	800000	
<input type="checkbox"/>	V	KOFI	INT	1000	800000	
<input type="checkbox"/>	V	KOFI	INT	1020	800000	
<input type="checkbox"/>	V	KOFI	INT	1030	800000	

# Other Pre-requisite

- Customer Account Sales and Company Code view
- Material Master
- GL Accounts (OI managed & Auto posted)
- Posting period in MM & FI open for posting (OMSY, OB52)
- Sales Order
- SD Enterprise Structure

# Order VA01/02/03

## Display Standard Order 14338: Overview

Standard Order 14338 Net value 0,00 EUR

Sold-To Party 1000 Becker Berlin / Calvinstrasse 36 / D-13467 Berlin-Herms...

Ship-To Party 1000 Becker Berlin / Calvinstrasse 36 / D-13467 Berlin-Herms...

PO Number PO date

Sales Item overview Item detail Ordering party Procurement Shipping Reason for

Delivery block Volume 0,000

Billing block Pricing date 08.05.2006

Payment card Exp.date

Card Verif.Code

Payment terms ZB01 14 Days 3%, 30/... Incoterms CIF Berlin

Order reason

Sales area 0005 / 10 / 00 Germany Frankfurt, Final customer sales, Cross-div...

All items

Item	Material	Order Quantity	Un	Description	S	Customer Material Numb
10	2000	100	PC	REA Demo Article	✓	

## Document Flow


Status overview Display document Service documents




Business partner 0000001000 Becker Berlin  
Material NGL-CONSP-1HW Bledina Cocktails de fruits


Document	Quantity	Unit	Ref. value	Currency	On	Status
Standard Order 0000011828 / 10	1.500	PC	570.000,00	EUR	08.05.2006	Completed
Standard Order 0000014338 / 10	100	PC	0,00	EUR	25.04.2012	Completed
Delivery 0080017126 / 10	100	PC			25.04.2012	Completed
Picking request 20120425 / 10	100	PC			25.04.2012	Completed
GD goods issue:delvy 4900001311 / 1	100	PC	25.000,00	EUR	25.04.2012	complete
Invoice (F2) 0090038945 / 10	100	PC	0,00	EUR	25.04.2012	FI doc. generated



# Delivery


 **Display Material Document 4900002053 : Overview**







   Details from Item   Material   Accounting Documents...

Posting Date   Mat. Slip  Name

Items
















Item	Quantity	EUn	Material	Plnt	SLoc	Batch	Re	MvT	S	S
			BUn Material Description				Reserv.No.	Itm		FIs
1	11	PC	P-102	1000	0001			601	-	
			Pump PRECISION 102							

 **Display Document: Data Entry View**

     Display Currency    General Ledger View


Data Entry View




Document Number	<input type="text" value="4900000242"/>	Company Code	<input type="text" value="1000"/>	Fiscal Year	<input type="text" value="2012"/>
Document Date	<input type="text" value="26.12.2012"/>	Posting Date	<input type="text" value="26.12.2012"/>	Period	<input type="text" value="12"/>
Reference	<input type="text" value="0080017399"/>	Cross-Comp.No.	<input type="text"/>		
Currency	<input type="text" value="EUR"/>	Texts exist	<input type="checkbox"/>	Ledger Group	<input type="text"/>

CoCd	Item	PK	SG	Account	Description	Amount	Curr.
1000	1	99		792000	Finished goods inven	6.318,95-	EUR
	2	81		893015	Cost of goods sold	6.318,95	EUR


# Invoice VF01/02/03

 **Invoice (F2) 90039199 (F2) Display: Overview of Billing Items**


 Accounting  Billing documents 







**Invoice (F2)** 90039199 **Net Value** 33.408,10 EUR

**Payer** 1032 **Institut fuer Umweltforschung / Bernauer Stras...**

**Billing Date** 26.12.2012 
















Item	Description	Billed Quantity	SU	Net value	Material
10	<b>Pumpe PRECISION 102</b>	11	PC	33.408,10	P-102

 **Display Document: Data Entry View**

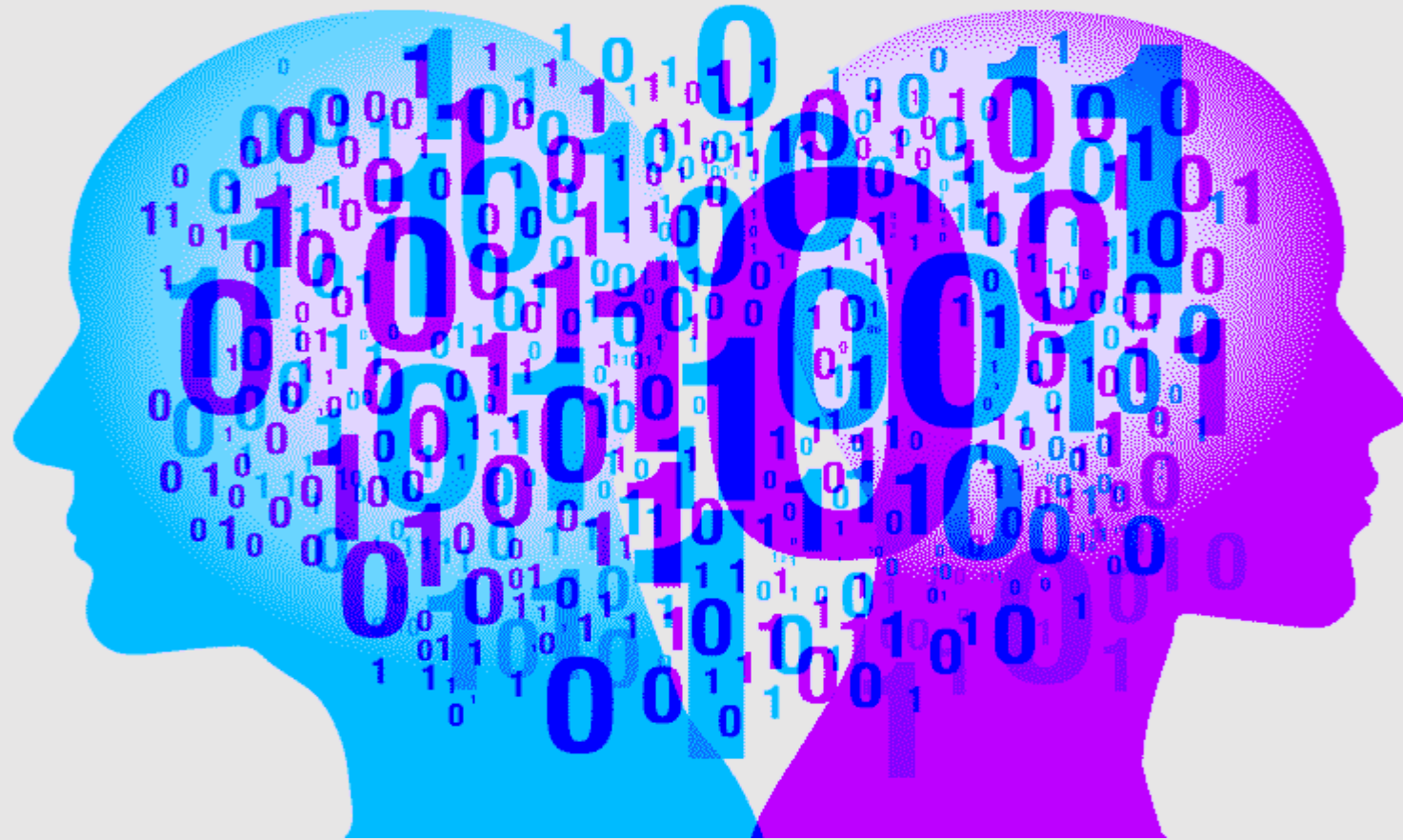
    Taxes  Display Currency  General Ledger View

Data Entry View

<b>Document Number</b>	1400000114	<b>Company Code</b>	1000	<b>Fiscal Year</b>	2012
<b>Document Date</b>	26.12.2012	<b>Posting Date</b>	26.12.2012	<b>Period</b>	12
<b>Reference</b>	0090039199	<b>Cross-Comp.No.</b>			
<b>Currency</b>	EUR	<b>Texts exist</b>	<input type="checkbox"/>	<b>Ledger Group</b>	

CoCd	Item	PK	SG	Account	Description	Amount	Curr.
1000	1	01		1032	Institut fuer Umweltforsch...	33.408,10	EUR
	2	50		800000	Sales revenues - dom	33.408,10-	EUR



Jayesh P Desai & Co.  
[www.jayeshdesai.com](http://www.jayeshdesai.com)  
[Jayeshdesai@rediffmail.com](mailto:Jayeshdesai@rediffmail.com)



# Thanks!