**SD Configuration:**

**Enterprise Structure:**

1. Maintaining Sales Organization

Sales Organization is an organizational unit responsible for the sale of certain products or services.

IMG -> Enterprise Structure -> Definition -> Sales and Distribution -> Define, copy, delete, check Sales organization

2. Assigning Sales Organization to Company Code

This assignment ensures all the sales made through this Sales Organization are accounted for in the assigned Company Code (Company Code is created by FI Consultant).

IMG -> Enterprise Structure -> Assignment -> Sales and Distribution -> Assign Sales Organziation to Company Code

3. Maintaining Distribution Channel

Distribution Channel is the way, in which Products or Services reach Customers.

IMG -> Enterprise Structure -> Definition -> Sales and Distribution -> Define, copy, delete, check distribution channel

4. Assigning Distribution Channel to Sales Organization

This assignment ensures, a Sales Organization can supply Materials to Customers through this Distribution Channel.

IMG -> Enterprise Structure -> Assignment -> Sales and Distribution > Assign distribution channel to sales organization

5. Maintaining Division

Division is a way of grouping materials, products, or services.

IMG -> Enterprise Structure -> Definition -> Logistics - General -> Define, copy, delete, check division

6. Assigning Division to Sales Organization

IMG -> Enterprise Structure -> Assignment -> Sales and Distribution -> Assign division to sales organization

7. Setting up Sales Area

All the sales are made from a particular sales Area. For creating a Sales Order Sales Area is compulsory.

IMG ->Enterprise Structure -> Assignment -> Sales and Distribution -> Set up sales area

8. Assigning Sales Organization- Distribution Channel- Plant

Plant is created ny MM Consultant.

IMG -> Enterprise Structure -> Assignment -> Sales and Distribution -> Assign sales organization - distribution channel - plant

9. Define Shipping Points

Shipping Point is the Organizational element, which is responsible for shipping the Materials to the Customers.

IMG -> Enterprise Structure -> Definition -> Logistics Execution -> Define, copy, delete, check shipping point

10 Assigning Shipping Point to Plant

This assignment ensures that goods from different Plant can be dispatched from different Shipping Points.

IMG -> Enterprise Structure -> Assignment -> Logistics Execution -> Assign shipping point to plant

Note: Ensure to do the undermentioned configuration also though it is not in Customizing node of Enterprise Structure.

11. Defining Common Distribution Channels for Master Data Use

The purpose of this activity is to define distribution channels which have common master data..

**Procedure**

Access the activity using one of the following navigation options:

IMG Menu -> Sales and Distribution -> Master Data -> Define Common Distribution Channels

Transaction Code: VOR1

12. Defining Common Divisions for Master DataUse

The purpose of this activity is to define distribution channels which have common master data..

**Procedure**

Access the activity using one of the following navigation options:

IMG Menu -> Sales and Distribution -> Master Data -> Define Common Division

Transaction Code: VOR2

**Pricing Procedure**

In SD, Pricing Procedure is determined based on Sales Area (Sales Organization + Distribution Centre + Division) + Customer Pricing Procedure + Document Pricing Procedure. Sales Area is determined in Sales Order Header Level. Customer Pricing Procedure is determined from Customer Master. Document Pricing Procedure is determined from Sales Document Type / Billing Type (if configured). Once the pricing procedure is determined, Condition records are fetched. If appropriate condition records are found, the price is determined. If Mandatory pricing condition is missing, system will through an error message.

**In SD, the steps to configure Pricing procedure are as under:**

**Step 1:**

Condition table: If existing condition table meets the requirement, we need not create a new condition table. Considering the requirement for new condition table, the configuration will be done in spro as follows: IMG --> Sales & Distribution --> Basic Function --> Pricing Control --> Condition Table (select the required fields combination, which will store condition record).

**Step 2:**

Access Sequence: If existing access sequence meets the requirement, we need not create a new access sequence. Considering the requirement for new sequence, the configuration will be done in spro as follows: IMG --> Sales & Distribution --> Basic Function --> Pricing Control --> Access Sequence (Access sequence is made up of Accesses (Tables) & the order of priority in which it is to be accessed. Here we assign the condition table to access sequence.

**Step 3:**

Condition Type: If existing condition type meets the requirement, we need not create a new condition type. Considering the requirement for new condition type, the configuration will be done in spro as follows: IMG --> Sales & Distribution --> Basic Function --> Pricing Control --> Condition Type. It is always recommended to copy an existing similar condition type & make the neccessary changes. Here we assign Access sequence to Condition type.

**Step 4:**

a. Pricing Procedure: It is recommended to copy a similar pricing procedure & make the neccesary changes in new pricing procedure. Pricing Procedure is a set of condition type & arranged in the sequence in which it has to perform the calculation. Considering the requirement for new Pricing Procedure, the configuration will be done in spro as follows: IMG --> Sales & Distribution --> Basic Function --> Pricing Control --> Pricing Procedure --> Maintain Pricing Procedure.

b. Pricing Procedure: After maintaining the pricing procedure the next step will be determination of pricing procedure. Configuration for determining pricing procedure in SPRO is as follows: IMG --> Sales & Distribution --> Basic Function --> Pricing Control --> Pricing Procedure --> Determine Pricing Procedure.

5. Condition record: Condition record is a master data, which is required to be maintained by Core team / person responsible from the client. During new implementation, the condition records can be uploaded using tools like SCAT, LSMW, etc.

***Normal Sales Order Cycle:-***

Step 1: Sales Document Type

IMG > Sales and Distribution > Sales > Sales Documents >

Sales Document Header:

1. Sales Document Type:The sales document types represent the different business transactions, such as Inquiry, Quotation, Sales Order, etc. To create new sales order type, always copy as with reference to similar sales order. If possible use standard sales order.

2. Define Number Ranges For Sales Documents: Maintain number range with discussion with core team.

3. Assign Sales Area To Sales Document Types:

A. Combine sales organizations / Combine distribution channels / Combine divisions: Ensure to maintain these, else Sales Order creation will give error.

B. Assign sales order types permitted for sales areas: Assign only required Sales Order Types to required Sales Area. This will minimize selection of Sales Order Type as per sales area.

Sales Document Item:

1. Define Item Categories: If possible use Standard Item Category. Incase if required to create new, copy as from standard & maintain New.

2. Assign Item Categories: If possible, use standard. Formula for deriving item category: Sales Document Type + Item Category Group + Usage + Higher Level Item Category = Item Category

Schedule Line:

1. Define Schedule Line Categories: If possible use Standard Schedule Lines. Incase if required to create new, copy as from standard & maintain New.

2. Assign Schedule Line Categories: If possible, use standard. Formula for deriving Schedule Line: Item Category + MRP Type / No MRP Type.

Step 2:

IMG > Logistic Execution > Shipping > Deliveries >

1. Define Delivery Types: If possible use Standard Delivery Type. Incase if required to create new, copy as from standard & maintain New.

2. Define Item Categories for Deliveries: If possible use Standard Item Categories for Delivery Type. Incase if required to create new, copy as from standard & maintain New.

3. Define Number Ranges for Deliveries: Ensure to maintain number range.

Step 3:

IMG > Sales and Distribution > Billing >

1. Define Billing Types: If possible use Standard Billing Type. Incase if required to create new, copy as from standard & maintain New.

2. Define Number Range For Billing Documents: Ensure to maintain number range.

3. Maintain Copying Control For Billing Documents: Maintain relevant copy controls such as Sales Order to Billing, Deliver to Billing, etc.

The configuration differs from scenario to scenario & requirement of the client.

Consignment Stock Processing:

Consignment Stock Processing

Purpose

Consignment goods are goods which are stored at the customer location but which are owned by the company. The customer is not obliged to pay for these goods until they remove them from consignment stock. Otherwise, the customer can usually return consignment goods that are not required.

Consignment Fill-Up: Consignment fill-up replenishes the stock at the customer site. Since the goods remain the property of the company, this process is not relevant for pricing and consequently not for invoicing either.

Create a sales order using order type KB.

Enter the required data on the customer, the consignment goods and the delivering plant.

Enter all other relevant data and save the order.

Create a delivery as the subsequent document for this sales order and, after picking has been completed successfully, post goods issue.

The underlying goods movement type is a stock transfer. This ensures that when goods issue is posted, consignment special stock is created for the customer concerned. If special stock of this kind already exists in the delivering plant for this customer, the goods are posted to this special stock.

Order type: KB (document category C: sales order)

Std. Delivery type: LF

Item category: KBN (not relevant for pricing and billing)

Schedule line category: E1 (relevant for deliveries, uses availability check, 631 (GI consignment: lending) to post the stock into a special consignment category in the delivering plants stock for that particular customer and material)

Copy control rules for the sales doc, item category, and schedule line category.

Use trans MB58 or MMBE to check the stock.

Consignment Issue: The Consignment issue enables the customer to withdraw consignment goods from the special stock that are to be used or sold.

Create a sales order using order type KE.

Enter the required data for the customer, the consignment goods and the plant to which the goods are to be returned.

Enter all other relevant data and save the order.

Create a delivery as the subsequent document for this sales order and, after picking has been completed successfully, post goods issue.

The goods are then reduced by the relevant quantity in the special stock assigned to the customer. This goods issue also reduces your total stock.

Invoice the delivery which issues the consignment goods.

Order type: KE (document category C: sales order)

Std. Delivery type: LF

Invoice: F2

Item category: KEN (relevant for pricing and deliver related billing, special stock indicator W, should determine cost too)

Schedule line category: C1 (relevant for deliveries, uses availability check, 633 (GI issue: customer consignment)

Consignment returns: proceed as follows: Consignment returns enable your customer to return goods to the consignment stock that has already been issued from it.

Create a sales order using sales order type CR.

Enter the required data on the customer and the consignment goods.

Enter all other relevant data and save the order.

Create a returns delivery for the sales order (the system automatically chooses delivery type LR). The goods issue posting cancels the goods issue posting which was carried out when the consignment goods were issued. This posting records the return of the goods to the plant where goods receipt was carried out.

Create a credit memo for the consignment return you created in Step 1.

Order type: KR (document category H: returns)

Delivery type: LR

Credit for Returns Order type: RE (delivery or order related billing)

Item category: KRN (relevant for pricing and deliver related billing, special stock indicator W

Schedule line category: D0 (relevant for deliveries, no availability check, 634

Consignment Pick-Up: The company uses consignment pick-up to take back consignment goods that are faulty or excess materials that the customer does not need. This process is not relevant for billing since the goods remain the property of the company.

It may be beneficial to have a mandatory reference such as the consignment fill-up. In addition to it copy control rules can be used to further control it. In the copy control rules indicate the document flow. As the stock is coming back into the warehouse or plant, you can specify a returns shipping point to be automatically determined. No invoice is necessary, as the goods are not changing ownership.

Create a sales order using order type KA.

Enter the required data for the customer, the consignment goods and the plant to which the goods are to be returned.

Enter all other relevant data and save the order.

Create a returns delivery for the sales order (the system automatically chooses delivery type LR). The transaction is completed by the goods issue posting which initiates a transfer posting from the customer's special stock to your plant stock.

Order type: KA (document category C: sales order)

Delivery type: LR

No invoice

Item category: KAN

Schedule line category: F1 (relevant for deliveries, availability check against the stock on the customer’s consignment, 632 (Consignment pickup)

Hi

Refer below

Config Setting In Batch Management

This will help you for config setting:

Logistics general - Batch Management

1.1. Specify Batch Level

Menu Path Enterprise Structure> Batch Management --> Specify batch level and activate batch status management Transaction OMCT

1.2. Batch Number - Activate Internal Number Assignment

Menu Path Enterprise Structure> Batch Management --> Batch Number Assignment --> Activate internal batch number assignment Transaction OMCZ

1.3. Batch Creation - for Goods Movements

Menu Path Enterprise Structure> Batch Management --> Creation of new batches --> Define batch creation for goods movements Transaction

1.4. Characteristic Value Assignment -- Update Standard Characteristics

Menu Path Enterprise Structure> Batch Management --> Characteristic Value Assignment --> Update Standard Characteristics Transaction

1.5. Activate Batch Classification for Goods Movements in Inventory Management

Menu Path Enterprise Structure> Batch Management --> Characteristic Value Assignment --> Valuation for goods movements --> Activate Batch Classification for goods movements in Inventory Management Transaction OMCV

1.6. Batch Determination – Condition Table(Cross Client)

Menu Path Enterprise Structure> Batch Management --> Batch Determination & Batch Check --> Condition Tables --> Define production order condition tables Transaction OPLB

1.7. Batch Determination – Condition Table(Cross Client)

Menu Path Enterprise Structure> Batch Management --> Batch Determination & Batch Check --> Condition Tables --> Define SD condition Tables Transaction V/C7

1.8. Batch Determination – Access Sequence(Cross Client)

Menu Path Enterprise Structure> Batch Management --> Batch Determination & Batch Check --> Access Sequences --> Define Production Order Access Sequences Transaction OPLF

1.9. Batch Determination – Access Sequence(Cross Client)

Menu Path Enterprise Structure> Batch Management --> Batch Determination & Batch Check --> Access Sequences --> Define SD Access Sequences Transaction V/C2

1.10. Batch Determination – Strategy Types

Menu Path Enterprise Structure> Batch Management --> Batch Determination & Batch Check --> Define Production Order Strategy Types Transaction OPLE

1.11. Batch Determination – Strategy Types

Menu Path Enterprise Structure> Batch Management --> Batch Determination & Batch Check --> Define SD Strategy Types Transaction V/C1

1.12. Batch Determination – Batch Search Procedure

Menu Path Enterprise Structure> Batch Management --> Batch Determination & Batch Check --> Define IM Search Procedure Transaction OMCY

1.13. Batch Determination – Batch Search Procedure

Menu Path Enterprise Structure> Batch Management --> Batch Determination & Batch Check --> Define Production order Search Procedure Transaction OPLG

1.14. Batch Determination – Batch Search Procedure

Menu Path Enterprise Structure> Batch Management --> Batch Determination & Batch Check --> Define SD Search Procedure Transaction V/C3

1.15. Batch Determination – Batch Search Procedure Allocation

Menu Path Enterprise Structure> Batch Management --> Batch Determination & Batch Check --> Allocate IM search procedure/activate check Transaction OMCG

1.16. Batch Determination – Batch Search Procedure Allocation

Menu Path Enterprise Structure> Batch Management --> Batch Determination & Batch Check --> Assign Search procedure to production order Transaction OPL8

1.17. Batch Determination – Batch Search Procedure Allocation(SD)

Menu Path Enterprise Structure> Batch Management --> Batch Determination & Batch Check --> Allocate SD Search procedure Transaction V/C5

1.18. Batch Determination – Activate Automatic Batch Determination(SD)

Menu Path Enterprise Structure> Batch Management --> Batch Determination & Batch Check --> Activate Automatic Batch Determination in SD -->For delivery item categories Transaction V/CL

1.19. Batch Determination – Batch Selection Class

Menu Path Enterprise Structure> Batch Management --> Batch Determination & Batch Check --> Define Selection Classes Transaction CL01

1.20. Batch Determination – Sort Rule

Menu Path Enterprise Structure> Batch Management --> Batch Determination & Batch Check --> Define Sort Rules Transaction CU70

1.21. Batch Determination – Make Settings for Batch Where-used list

Menu Path Enterprise Structure> Batch Management --> Make Settings for Batch Where-used list Transaction OMBB

Go through the explanation given below with test cases.

Business case: -

Customer orders goods to company code/Sales organization A (Eg.4211/4211).Sales org 4211 will accept and punch the order in the system with sold to party as end customer code in the system. Company code/sales org B (Eg.4436) will deliver the goods to end customer and raise an intercom any billing on 4211 with reference to delivery. This can happen only after 4211 raises invoice to his end customer to whom the material has been delivered by 4436.

SPRO Customization required:-

1. Assign plant of delivering company code (Eg.SI81) to sales org/distribution channel combination of ordering company code (Eg.4211/RT)

2. Maintain intercom any billing type as IV for sales document type OR

3. Assign Organizational Units By Plant (Eg.SI81/4211/RT/11)

4.Define Internal Customer Number By Sales Organization (Eg.4436 will create customer master for 4211 company code and that number will be maintained in this relationship:-4211/231)

5. Automatic posting to vendor account (Optional)

6. Maintain pricing procedure determination for 4211/RT/A/1/RVAA01-For customer sales and billing

Maintain pricing procedure determination for 4436/RT/A/1/ICAA01-For intercompony billing

Master data to be maintained:-

1. Create end customer master in company code/sales org 4211/RT/11

2. Create customer master for 4211 company code/sales org in 4436/RT/11

3. Maintain PR00 as price for end customer-Active in RVAA01

4. Maintain PI01 as price which has to be paid to 4436-Statistical in RVAA01

5. Maintain IV01 as inter-company Price-Active in ICAA01

Process:-

1. Create OR with sold to party as end customer.

2. Plant to be selected is delivering plant belonging to different company code. With this selection system will treat this order as intercomany sales.

3. Pricing procedure is RVAA01

4. With reference to this order delivery will be created from the delivering plant and post the goods issue for this delivery.

5. Ordering sales org will create billing document F2 with reference to delivery for end customer.

6. Delivering sales org will create intercompany billing IV with reference to delivery document.