

# Purchase order

- Introduction
- Tabs
  - Purchase order header
  - Purchase order lines
  - PO lines > Requisition lines
  - Order tax
  - Payment schedule
  - Estimate landed cost
  - Custom fields
  - Payment schedule
- Document Actions
  - Validation
  - Action
- Process
  - Order Process
- Video
- Reports
- Preceding and Succeeding Window
  - Purchase Order Connected Window
- Forms and Process
  - Create PO from Requisition
  - Generate PO from Project

# Introduction

## Overview

Purchase orders allow buyers to clearly and explicitly communicate their intentions to sellers. They may also help a purchasing agent to manage incoming orders and pending orders.

---

## Business Case

A purchase order is a document issued by the buyer to the seller, providing ordering information like product, types, quantities, price agreed, and payment due date. In other words, a company sends a purchase order to a supplier as an official legal document with the offer to buy products or services.

# Tabs

Tabs

# Purchase order header

**Purchase Order** 3 Lines - 23.00 - Total: 25.16 INR = 25.16

Client	Sandbox	Organization	Manufacturing Discrete
Document No	990083	Order Reference	
Description			
Target Document Type	Purchase Order - Outlet		
Date Ordered	05/12/2023	Date Promised	05/12/2023
Business Partner	Renault & Nissan Business centre india	Place of supply	Karnataka
Partner Location	Chennai	Invoice Partner	RNTBCI-Renault & Nissan Business centre india
User/Contact	Renault & Nissan Business centre india	Invoice Location	Chennai
Invoice Contact	Renault & Nissan Business centre india	Invoice Contact	Renault & Nissan Business centre india
Terms and condition			

**Delivery**

Warehouse	Manufacturing-Warehouse	Delivery Terms	Transport
<input type="checkbox"/> Is Subcontracting		<input type="checkbox"/> Drop Shipment	

**Purchase Order** 3 Lines - 23.00 - Total: 25.16 INR = 25.16

Priority	Medium	Freight Terms	
<b>Invoicing</b>			
Price List	Purchase Price List	Currency	INR
Payment Rule	Cash	Company Agent	Venkatesh.E
<input type="checkbox"/> Discount Printed			
<b>Reference</b>			
Project		Campaign	
Activity			
<b>Status</b>			
Document Status	Invalid	Document Type	** New **
Total Lines	23	Grand Total	25.16
Cash Plan Line			
<input type="checkbox"/> Pay Schedule valid	<input type="checkbox"/> Approved	<input type="button" value="Document Action"/>	
<input type="checkbox"/> Approved Level 1	<input type="checkbox"/> Approved Level 2		

## Critical Fields

1. Business Partner: We can select existing/new customers here and this field is used to maintain the Vendor
2. Partner location: This field is updated automatically, based on business partner selection, and

also updates location manually

3. Warehouse: Product storage purpose, Select a warehouse where the final product is stored.
  4. Date promised: Estimated delivery date of the product to the customer
  5. Price list: The price list will be selected in the product master once we select the product price list will display automatically and the user also select manually.
  6. Company Agent : This field is used for sales rep updating purposes, the regard will display from the employee master when the sales rep field is checked
  7. Payment term: The terms of payment(immediate ,30 days, etc)
  8. Payment Rule: This field used to select the payment type
    - 8.1 Cash: After receiving the invoice, the customer pays the invoice amount through cash only
    - 8.2 Check: After receiving the invoice, the customer pays the invoice amount through a check
    - 8.3 Credit Card: Payment amount paid to vendor to use Credit Card
    - 8.4 Direct Deposit: Payment amount paid to direct vendor account number
    - 8.5 Mixed POS Payment
    - 8.6 NEFT
    - 8.7 On Credit
    - 8.8 RTGS: Payment amount paid to RTGS
  9. Is subcontracting: This check box will be ticked automatically if this purchase order document type is mentioned as service purchase order.
-

## **Critical & one-time setup fields**

1. Organization: This field is used to select the organization
  2. Target Document Type- This Field is used to select the type of document that you are going to process
- 

## **Non-Critical Fields**

1. Order Reference: Notes, Document, and Important Information for this Order.
2. Description: Used to describe specifics about a purchase document or any other note, information, or data, for example.
3. Place of Supply: Where should the purchased material/item/products be delivered?(As stated by the states).
4. Invoice partner: It is an master same as vendor , if we brought item from one vendor and then we want to send invoice for another vendor for this order means we want to select this invoice vendor, otherwise both are same.
5. Invoice Location: It is an master same as vendor location , if we brought item from one vendor location and then we want to send invoice for another vendor location for this order means we want to select this invoice vendor, otherwise both are same.
- 6, User contact: He is the contact person in that particular vendor side.
7. Invoice Contact: Contact person for that invoice copy from invoice vendor side.
8. Terms & Conditions: This field is used for our internal terms and conditions updating purpose (Payment terms, other Terms etc.).

9. Delivery terms : Delivery Terms: To update the Delivery Terms (Immediately, According to customer scope, Within 45 days etc.).

10. Drop Shipment(Delivery): Used in the event When another shipment partner exists between the vendor and the customer.

11. Priority: According to importance we can set priority for that Purchase order (High, Low, Medium, Minor, Urgent).

12. Freight Terms: A freight term identifies how transportation costs are calculated.

12.1. CFR - Cost and Freight - The freight cost is paid by the Buyer and either the Seller, the Enterprise, or the Hub.

12.2. CIF - Cost, Insurance, and Freight - The freight cost is completely paid by either the Seller, the Enterprise, or the Hub.

12.3. CIP - Carriage and Insurance Paid To - The term signifies that the seller will pay freight and insurance in sending goods to someone chosen by the seller at a mutually agreeable location.

12.4. CPT - Carriage Paid To - It is an international trade term that means the seller delivers the goods at their expense to carrier or another person nominated by the seller

12.5. DAF - Delivered at Frontier - It is a term used in international shipping contracts that requires a seller to deliver goods to a border location.

12.6. DDP - Delivered Duty Paid - It is a delivery agreement whereby the seller assumes all of the responsibility, risk, and cost associated with transporting goods until the buyer receives or transfers them at the destination port.

12.7. DDU - Delivered Duty Unpaid - It is an international trade term meaning the seller is responsible for ensuring goods arrive safely to a destination; the buyer is responsible for import duties. By contrast, Delivered Duty Paid (DDP) indicates that the seller must cover duties, import clearance, and any taxes.

12.8. DEQ - Delivered Ex Quay -It was a contractual obligation whereby the seller was required

to deliver goods to the wharf at the destination port. Under DEQ, the seller bore all risks and costs until delivery. Delivered ex quay items were denoted as either duty paid or unpaid.

12.9. DES - Delivered Ex Ship - It was a trade term that required a seller to deliver goods to a buyer at an agreed port of arrival. The seller assumed the full cost and risk involved in getting the goods to that point.

12.10. Domestic FOB Destination - This Term means the seller retains the risk of loss until the goods reach the buyer. FOB term can impact inventory, shipping, and insurance costs.

12.11 . Ex Mill (Ex Warehouse, Ex Mine, Ex Factory) -The seller is obligated to place the specified quantity of goods at the specified price at his mill loaded on trucks, railroad cars or any other specified means of transport. The buyer must accept the goods in this manner and make all arrangements for transportation.

12.12. Ex Ship - "Ex Ship" means that the seller will make the goods available to the buyer on board the ship at the destination named in the sales contract. The seller bears all costs and risks involved in bringing the goods to the destination.

12.13. EXW - Ex Works - A term of sale in which for the quoted price, the seller merely makes the goods available to the buyer at the seller's "named place" of business.

12.14. Ex Works - A term of sale in which the buyer is responsible for collecting the goods at the premises of the seller accepts all costs and liabilities from that point onwards.

12.15. FAS - Free Alongside Ship -It is a contractual term used in the international export business that stipulates that the seller must arrange for goods to be delivered to a designated port and next to a specific vessel for easier transfer.

12.16. FCA - Free Carrier - Free carrier is a trade term dictating that a seller of goods is responsible for the delivery of those goods to a destination specified by the buyer.

12.17. FOB - Free on Board - Free On Board (FOB) - The freight cost is paid by the Buyer.

12.18. FOB Origin - "FOB Origin" or FOB Shipping Point" means the buyer accepts the title of the

goods at the shipment point and assumes all risk once the seller ships the product.

12.19. Ocean Freight - Ocean freight is the method of transporting containerized cargo loaded onto vessels by sea.

9. Project: If this order is processed against a project user can tag the project for tracking.

10. Discount printed Check box(Invoicing): To print Discount Details on Report.

---

## **Serial number/Lot number (ASI)**

---

## **Zoom condition's**

1. Material receipt
  2. MRP
  3. Subcontract issue
  4. Delivery
  5. Invoice vendor
  6. Goods inward/ outward
  7. Vendor Return Request.
-

## **Validation**

1. Save Button: It will not allow to save document if Mandatory fields are missing.

# Purchase order lines

The screenshot shows the 'Purchase Order Line' form in the KONECT ERP system. The form is titled 'Purchase Order: 800437' and is for 'PO Line'. The main form area contains several input fields:

- Client:** Konnekt Demo
- Organization:** Manufacturing Discrete
- Purchase Order:** 800437\_28/08/2023
- Business Partner:** Kumar engineering
- Partner Location:** Coimbatore
- Date Ordered:** 28/08/2023
- Date Promised:** 28/08/2023
- Line:** 10
- Product:** Service-Service
- Charge:** (empty)
- Attribute Set Instance:** (empty)
- Description:** (empty)
- PrintNotes:** (empty)

At the bottom, the **Quantities** section is expanded, showing:

- Quantity:** 40
- UOM:** Each
- PO Quantity:** 40
- Delivered Quantity:** 40

On the right side, there is a sidebar with three sections:

- Quick Info:** Parent Product: Computer, Alternate Product: Milling (Raw) Machine - Milling (Raw) Machine
- Tool Tip:** Description, Optional short description of the record, A description is limited to 255 characters.
- How To:** PO Line, Purchase Order Line, The Purchase Order Line Tab defines the individual items in an order.

## Critical Fields

1. **Product:** To select the product type an item, you can select the multiple products in this line item
2. **Quantity:** Quantity that needs to be purchased order
3. **Charge:** additional document charge to add this field
4. **UOM:** The record will populate from the product and we can change the UOM manually if UOM conversion for the product.
5. **Tax:** This field is used to select tax either Interstate or intrastate and we can also change the tax.

## **Critical & one-time setup fields**

---

### **Non-Critical Fields**

1. PO Quantity: The quantity which needs to be a purchase order.
  2. Delivered Quantity: if the material receipt has completed the purchase order product quantity (Partially or fully ) this field is updated automatically
  3. On-Order Quantity: By default, it is zero.
  4. Quantity Invoiced: if the vendor invoice has raised the purchase order product (Partially or fully ) this field is updated automatically
  5. Cost price: Price per Unit of Measure including all indirect costs (Freight, etc.)
  6. Unit price: The Actual or Unit Price indicates the price for a product in the source currency.
  7. List price: The List Price is the official List Price in the document currency.
  8. Discount: If any discount for the product to the specific vendor is to be used.
- 

### **Serial number/Lot number (ASI)**

In this Field, we can set an Attribute instance for this product & we do not generate a serial number in the purchase order.

---

## **Configuration:**

Tool tip - It's helpful to display alternative products when purchasing the material.

---

## **Zoom conditions**

---

## **Customization**

Tabs

# PO lines > Requisition lines

[Purchase Order](#) > [PO Line](#) > Requisition Lines ▾ 1/1

Client	XYZ Foundation	Organization	HQ
Requisition	900123_Prasanth.p		
Line No	10		
Description			
Product	1000002_Connectors	UOM	Each
Quantity	1	Unit Price	4.00
Line Amount	4.00		

Purchase requisition lines details Update automatically when a purchase order is complete.

Tabs

# Order tax

[Purchase Order](#) > Order Tax 1/1

2 Lines - 117.00 - Total: 135.90 INR = 135.90

<u>Client</u>	XYZ Foundation	<u>Organization</u>	HQ
<u>Purchase Order</u>	800728_06/02/2020	<u>Tax Provider</u>	
<u>Tax</u>	Intrastate 18%	<u>Tax Amount</u>	18.90
		<u>Tax base Amount</u>	105.00

Price includes Tax

Once the document is complete order tax tab automatically updates.

Note: This sub-tab is used for only viewing purposes.

Tabs

# Payment schedule

Purchase Order > Payment Schedule

Inserted 2 Lines - 117.00 - Total: 135.90 INR = 135.90

Client: XYZ Foundation

Organization: HQ

Purchase Order: 800728\_06/02/2020

Payment Schedule: Organizational entity within client

Active

Due Date:

Discount Date:

Amount due:  0.00

Discount Amount:  0.00

Valid

## Critical Fields

1. Payment Schedule: To update the schedule details for the payment.
2. Due Date: The date when the payment is due
3. Discount Date: Once a discount date is exceeded system does not consider the discount amount.
4. Amount due: Amount of the payment due.
5. Discount Amount: To update the discount amount details.

---

## Critical & one-time setup fields

---

## Non-Critical Fields

---

**Zoom condition's**

**Customization**

Tabs

# Estimate landed cost

Purchase Order > Estimated Landed Cost

Inserted

Client: XYZ Foundation

Organization: HQ

Purchase Order: 800728\_06/02/2020

Description:

Cost Distribution: Quantity

Amount: 0.00

Costs  
Line  
Quantity  
Volume  
Weight

2 Lines - 117.00 - Total: 135.90 INR = 135.90

## Critical Fields

- 1) Cost Element - Landed Cost
- 2) Cost Distribution - Landed cost distribution accordingly
  - 3.1. Costs Wise Landed cost Distribution
  - 3.2. Line Wise Landed cost Distribution
  - 3.3. Quantity Wise Landed cost Distribution
  - 3.4. Volume Wise Landed cost Distribution
  - 3.5. Weight Wise Landed cost Distribution
- 4) Amount - Amount of landed cost

---

## Critical & onetime setup fields

---

## **Non-Critical Fields**

1) Description - Note, data, important lines which is to be there for that Estimated cost.

---

## **Zoom condition's**

## **Customization**

Tabs

# Custom fields

Order > Custom Fields ▾

Inserted

Client	XYZ Foundation	Organization	HQ
Sequence	1	Order	80037_22/04/2019
Custom Columns			
Value Column			

## Critical Fields

1. Sequence: Method of ordering records (lowest number comes first)
  2. Custom columns: Additional field used for reporting purposes.
- 

## Critical & one-time setup fields

---

## Non-Critical Fields

1. Value Column: To note Values of column Manually.
- 

## Zoom condition's

---

## **Customization**

Tabs

# Payment schedule

Purchase Order > Payment Schedule

Inserted 2 Lines - 117.00 - Total: 135.90 INR = 135.90

Client: XYZ Foundation

Organization: HQ

Purchase Order: 800728\_06/02/2020

Payment Schedule: Organizational entity within client

Active

Due Date:

Discount Date:

Amount due:  0.00

Discount Amount:  0.00

Valid

Validate

## Critical Fields

1. Payment Schedule: To update the schedule details for the payment.
2. Due Date: The date when the payment is due
3. Discount Date: Once a discount date is exceeded system does not consider the discount amount.
4. Amount due: Amount of the payment due.
5. Discount Amount: To update the discount amount details.

---

## Critical & one-time setup fields

---

## Non-Critical Fields

---

## **Zoom condition's**

---

## **Customization**

# Document Actions

# Validation

## **Save**

1. System will check all mandatory fields.
- 

## **Delete**

1. System will delete the order and its historical details.

# Action

## **Document action prepare**

1. System will check the period details and master data checking.
  2. If the payment schedule is not created, the system will automatically create a payment schedule based on the payment.
- 

## **Document action complete**

1. System will complete the document and keep the order ready for processing in the Purchase order.
  2. Once document action is complete, all fields are updated in read-only.
- 

## **Document action void/reverse correct actual**

1. Void- system will reverse all the transaction data and change the document status to Void
- 

## **Document action close**

1. The system will check whether all the activity for the document is completed and change the Document status to close.

# Process

# Order Process

## **Copy lines**

Copy lines process will help you to copy the Purchase order lines from any Purchase order.

---

## **Create lines form**

Create lines form will help you to copy Requisition Details in Purchase order from any Requisition.

---

## **Product search**

In the Purchase Order Header, the Product Search option in the Process button helps to search the product by a combination of Attributes that we already configured in the Product search configuration window.

---

## **Generate Discount**

This will help you to add discounts for all products under the PO line Tab.

# Video

# Reports

## Report is well Complied set of data according Scenario

Sr.no	Report Name	Report Purpose
1	PR against PO report	This report contains information about Purchase Requisitions Against a purchase order based on a Business partner, a Product, or a Requisition document No.
2	Purchase order summary Report-Process	In accordance with Business Partner, Product & Purchase order, this Report provides complete details of Purchase orders up to Material receipt.
3	Purchase to Quality Details	This report provides information regarding the purchase order made in accordance with the Organization and Business partner in response to Material receipts and Quality inspections.
4	Purchase to Quality Summary	This report provides information about the Shipment/receipt, Invoiced and Quality check in accordance with the Purchase order.

# Preceding and Succeeding Window

Preceding and Succeeding Window

# Purchase Order Connected Window

## Preceding Window

Requisition :- [Requisition](#)

---

## Succeeding Window

Material Receipt :- [Material Receipt](#)

Invoice (Vendor) :- [Invoice \(Vendor\)](#)

Goods Inward/Outward

# Forms and Process

# Create PO from Requisition

Home (80) Summary Create PO from Requisition ✕

Create Purchase Orders from Requisitions  
Create Purchase orders from Purchase Requisitions.

Requisition

Organization

Warehouse

Document Date  To

Date Required  To

Priority

User/Contact

Product

Product Category

Business Partner Group

Consolidate to one Document

Run as Job

Saved Parameters

OK Cancel

## Parameter :-

1. **Requisition** : Drop down to select Requisitions Document numbers. The user has the option to select and proceed for a purchase order.
2. **Organization** : This field is to select organization, on a selection of organization user has option to proceed for Purchase order according to available Requisitions.
3. **Warehouse** : This field is to select Warehouse, on a selection of Warehouse user has option to proceed for Purchase order according to available Requisitions.
4. **Document Date** : Date of Document as per user concerns.
5. **Date Required** : Date on Purchase order is required is required
6. **Priority**: According to importance we can set priority for that Purchase order (High, Low, Medium, Minor, Urgent).
7. **User contact**: He is the contact person in that particular vendor side
8. **Product** : This field is to select Product, on a selection of Product user has option to proceed for

Purchase order according to available Requisitions.

9. Product Category: This field is to select Product Category, on a selection of Product Category user has option to proceed for Purchase order according to available Requisitions.

10. Business Partner Group : Groups of business partner (Agent, Customers, Employee and vendor, ect. )

11. Consolidate in One document: To consolidate several requisitions into a single purchase order, choose this checkbox.

---

## **Process Use :**

This process is used to create Purchase order from requisition automatically.

# Generate PO from Project

Home (96) Summary Generate PO from Project x

Generate PO from Project Line(s)

Project

Project Phase

Project Line

Consolidate to one Document

Run as Job

Saved Parameters

## Parameter :-

1. Project : a series of tasks that must be accomplished in order to achieve a specific result, including phases and phase lines as sequential tasks to complete a project. It is master data.
2. Project Phase : Phase lines are series of duties to complete a project which contains activities, task and task lines.
3. Project Line : Project lines are successive steps to be followed.

## Process :-

This Process is used to Generate Purchase order from project master