

SAP MM - QUOTA ARRANGEMENT

http://www.tutorialspoint.com/sap_mm/sap_mm_quota_arrangement.htm

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A particular material can be procured from different vendors depending upon the requirement. So, total requirement of a material is distributed to different vendor's i.e. quota is assigned to each source of supply. This is known as quota arrangement. The key points about quota arrangement are as follows:

- Quota arrangement divides the total requirement of material among certain sources of supply i.e. vendors and then assigns quota to each source.
- This particular quota specifies the portion of material that is to be procured from assigned vendor or source.
- Quota rating is used to determine the amount of material that is to be assigned to particular source or vendor. The source with lowest quota rating represents the valid source.
- Quota rating can be calculated by following formula:
$$\text{Quota rating} = \frac{\text{QuotaAllocatedQuantity} + \text{QuotaBaseQuantity}}{\text{Quota}}$$

Where Quota Allocated Quantity is total quantity from all orders that is procured from a particular source. Quota Base Quantity is quantity from new source of supply. Quota is total requirement of material that is given to a particular source of supply.
- The mandatory setting before creating quota is info record and source list should be maintained for the particular material. Also in material master, source list and quota arrangement usage check box should be checked. This setting can be made in material master by going to TCode MM03. In purchasing view check the quota arrangement usage and source list. Setting is now maintained for quota arrangement.

The screenshot shows the SAP MM03 'Change Material' transaction for material 1100126. The 'Purchasing' view is active. The 'Quota arr. usage' checkbox is checked and highlighted with a red box. The 'Source list' checkbox is also checked and highlighted with a red box. Other visible fields include:

- Purchasing Group: N12
- Material Group: 120016
- Plant-sp.matl status: ☐
- Valid from:
- Tax ind. f. material: 1
- Qual.f.FreeGoodsDis.: ☐
- Material freight grp:
- ☐ Autom. PO
- ☒ Batch management

Purchasing values

Purchasing value key	6	Shipping Instr.	
1st Reminder/Exped.	0 days	Underdel. Tolerance	10.0 percent
2nd Reminder/Exped.	0 days	Overdeliv. Tolerance	10.0 percent
3rd Reminder/Exped.	0 days	Min. Del. Qty in %	0.0 percent
StdValueDelivDateVar	0 days	<input type="checkbox"/> Unltd Overdelivery	<input type="checkbox"/> Acknowledgment Reqd

Other data / manufacturer data

GR Processing Time	<input type="text"/> days	<input type="checkbox"/> Post to insp. stock	<input type="checkbox"/> Critical Part
Quota arr. usage	<input checked="" type="checkbox"/>	Source list	<input checked="" type="checkbox"/>
		JIT Sched. Indicator	<input type="text"/>
		Mfr Part Profile	<input type="text"/>

Mfr Part Number		Manufact.	

Create Quota Arrangement

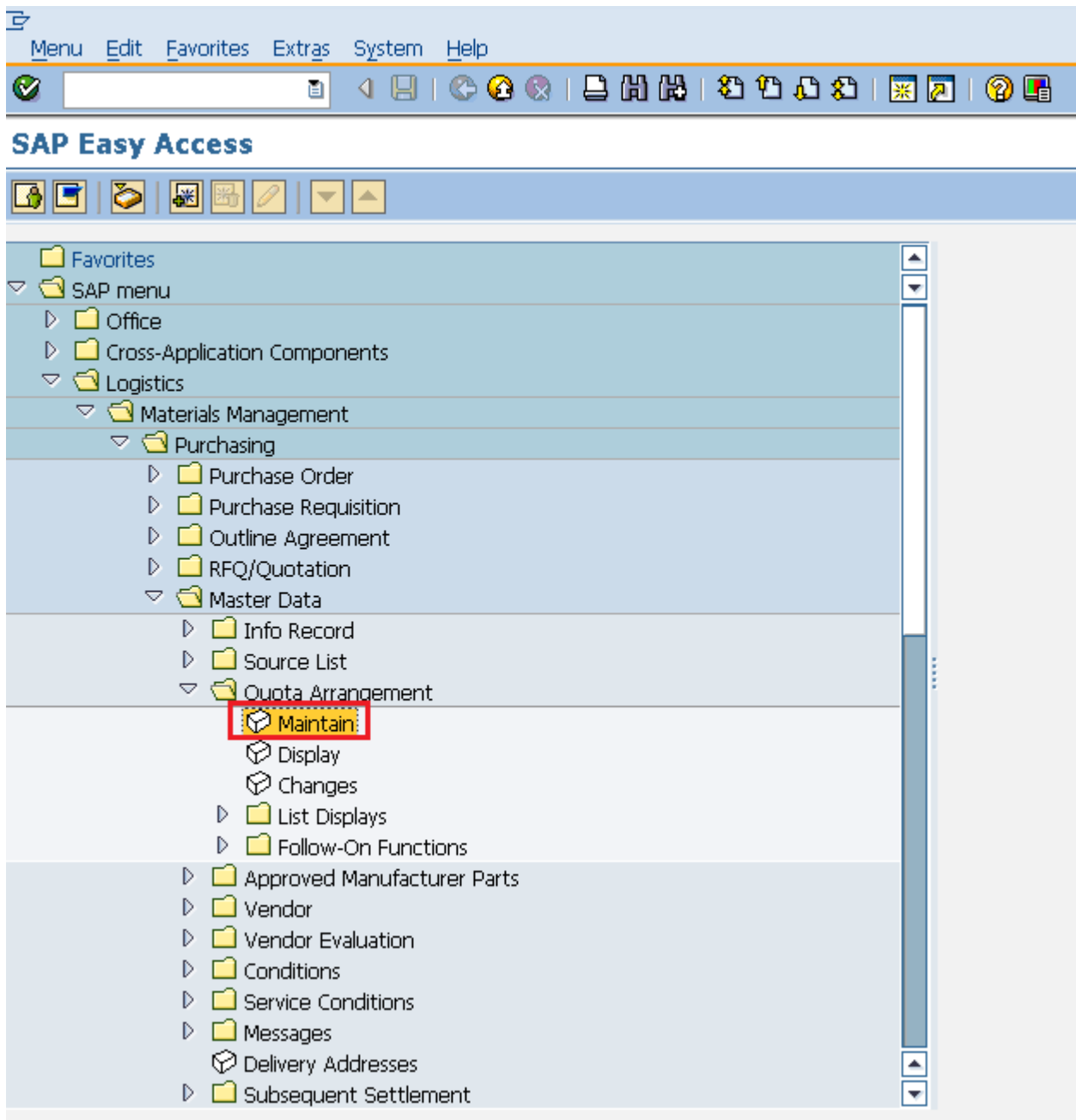
Quota arrangement divides the total requirement of a material among certain sources of supply i.e. vendors. Quota arrangement can be created by following the below steps.

Path to create Quota Arrangement:

Logistics => Materials Management => Purchasing => Master Data => Quota Arrangement => Maintain

TCode: MEQ1

On Sap Menu screen select Maintain execute icon by following the above step.



Enter the material number and plant for which quota arrangement needs to be maintained.



Header



 Item
 New Period

Quota arrangement periods

Quota Arrangement Edit Goto Extras Environment System Help

Save Arrangement [Save](#) [Extras](#) [Environment](#) [System](#) [Help](#)

Quota Arr. Items

Navigation icons: back, forward, search, etc.

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