

MRN1 - Lowest Value Determination Based On Range Of Coverage

STEP 1

Start the transaction MRN1

i Determine Lowest Value:
Range of Coverage: initial
screen

STEP 2

1. Enter the **company code**
2. **Key date**: Last day of the month = reference date for the calculation of R.O.C.
3. **Material type**: ZMAT : Finished products & RM & SF
4. Click on **Valuation level** to open a new window

STEP 3

Select "Company Code"

STEP 4

Click on

Material Stocks

Enter:

- "Upper limit" = "key date"
- "Lower limit" = "Upper Limit" – 12 months

The range of dates corresponds to the period of analysis of the monthly stocks

and enter



STEP 5

Click on

Material Consumption

1. Select and enter the range of date in the first range as the analysis period for the determination of consumptions.

and enter



The option "Determine consumption via user exit" can be selected to apply the rules to calculate the range of coverage (average consumption).

STEP 6

Click on

Base Price

It is the standard cost of the month

- If the transaction is run before the end of the month:
 - Select the **current material price**
- If the transaction is run after the end of the month:
 - Select the **Mat. Price Prev. Month**

and enter



STEP 7

1. Check "Database Update" and 2 new buttons appear.
 - Never click on "Change Material Price"
2. Click on
3. Check "Tax Price 1" to store the price calculated by the system

Update Prices

and enter



Then start the calculation by clicking on



Ignore the warning message

⚠ No material number interval entered. Please check

Enter ↵

by clicking on

STEP 8

The report is displayed

1 Determine Lowest Value: Range of Coverage 16.10.2015

ValA	Material	Material Description	MTyp	Average Stock	BUn	Average Consumption	BUn	Range of Coverage	Base Price	% Deduct.	New Price	Price Unit
7603	132395	TY S 218L2 V30 BLACK 25KG PB/A	ZMAT	12,975.000	KG	4,856.250	KG	2.672	2,724,420	0.0	2,724,420	1,000
7603	132438	TY A 216 NATURAL 1000KG BB/A	ZMAT	0.000	KG	0.000	KG	0.000	2,982,959	0.0	2,982,959	1,000
7603	132449	TY SX 218 V50 BLACK 38N-K 25KG(KP) PB/A	ZMAT	10,175.000	KG	6,002.500	KG	1.695	2,180,568	0.0	2,180,568	1,000
7603	132664	TY A 216L2 V15 GREY 2355 25KG(KP) PB/A	ZMAT	850.000	KG	1,660.417	KG	0.512	3,263,336	0.0	3,263,336	1,000
7603	132894	HYDROGEN PEROXIDE 5% BULK	ZMAT	810.000	KG	787.500	KG	1.029	590,000	0.0	590,000	1,000
7603	132929	TY A 216L2 V15 GREY 2355 25KG(KP) PB/A	ZMAT	850.000	KG	1,660.417	KG	0.512	3,263,336	0.0	3,263,336	1,000
7603	133114	STABAMID 27AE4 K BULK PROCESS	ZMAT	1,000.000	TO	3.983	TO	0.000	2,374,366	0.0	2,374,366	1
7603	133133	TY eXten D 219WFC V30 BLACK 25KG(612)/E	ZMAT	0.000	KG	0.000	KG	0.000	4,285,753	0.0	4,285,753	1,000
7603	133170	STABAMID 27AE4 K BIG BAG 1100 KG	ZMAT	1.987	TO	3.392	TO	0.586	2,374,366	0.0	2,374,366	1
7603	133184	MACKTERRA SSB-70CT PASTILLE 25KG BAGS	ZMAT	0.000	KG	0.000	KG	0.000	3,200,000	0.0	3,200,000	1,000

- Material Master Data** & plant code.
- Stock quantity** at the end of the month (execution date)
- Average consumption** on the last 12 months
- Number of months** needed to consume the whole stock with the average consumption = Average stock (2) / Average consumption (3)
- Base price** used for the calculation of impairment (= standard cost)
- % Deduct** calculated in function of range of coverage (4)
 - Range of coverage < 12 = 0 %
 - 12 < Range of coverage 24 = 50 %
 - 36 < Range of coverage = 100 %
 - 24 < Range of coverage 36 = 75 %
- New price** on which the range of coverage is applied = (100 - % Deduct (6)) x Base price (5)