

Split Valuation

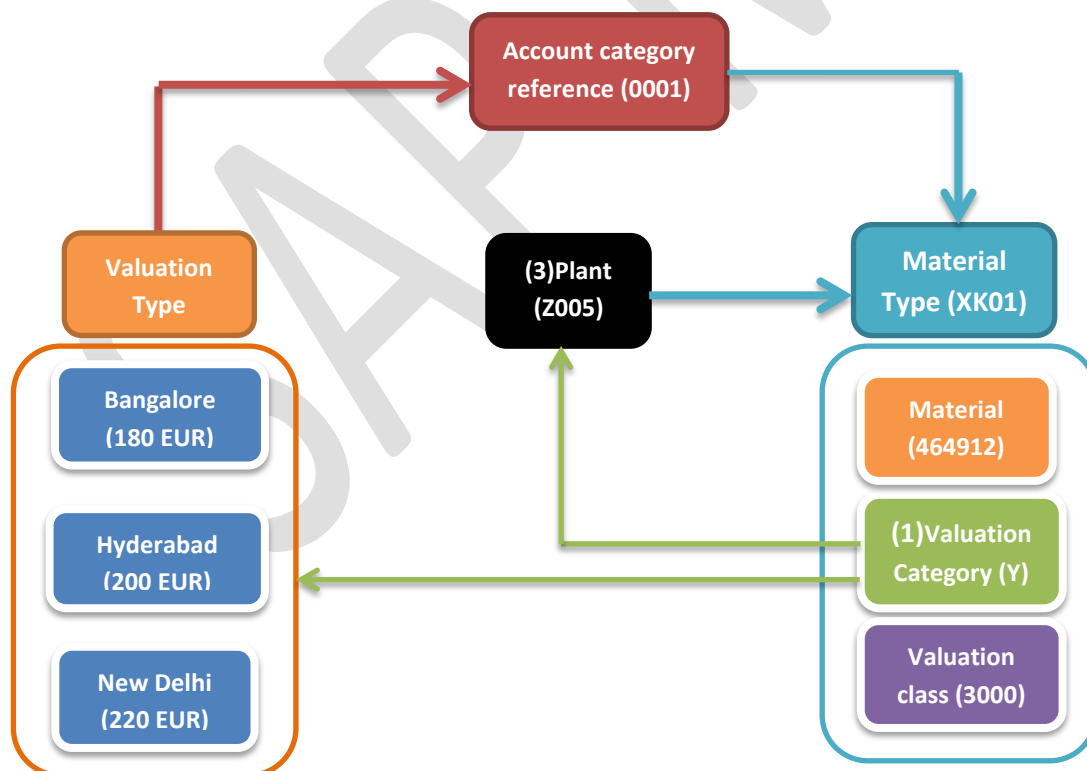
“Split valuation is the process to evaluate the material in same plant/valuation area with different values”

Procurement activities in every organization one of the important part is material valuation. While creating purchase orders, material price is a mandatory field and it is automatically determined. It happens because material valuation is maintained in the SAP system in material master.

Material valuation represents integration between MM and FI modules, material valuation is responsible for the updating of G/L accounts in financial accounting.

Use For certain materials, it is necessary to value the various stocks in a particular valuation area separately. Reasons for this include:

- 1) Different origins of the material
- 2) Different grades of quality for the material
- 3) Different statuses for the material
- 4) Differentiation between in-house and external procurement
- 5) Differentiation between different deliveries

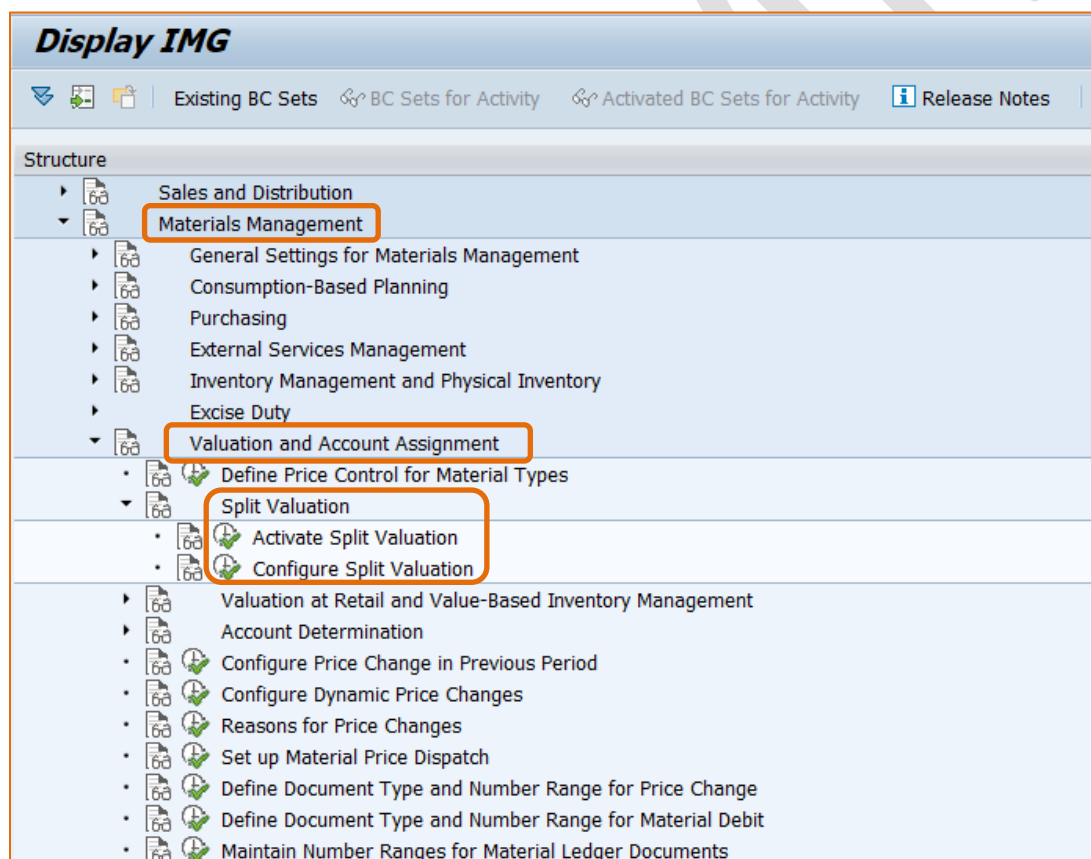


Plant	Z005
Material	464912 (Aluminum)

Bangalore Venodor	Hydrabad Vendor	New Delhi
180	200	220

For my Mumbai client, Who has a Production facility for HVAC Ducting material they procure some Raw materials like Aluminum from three different Vendors one is in Bangalore, and second is at Hyderabad and the third is at New Delhi there is a difference in the quality, delivery charges, state taxes, due to this reasons price of all three vendors are different and because of that my client's requirement is to have a different stock account as well as different valuation of stock for that material this requirement I can fulfill by using split valuation.

PATH FOR Split valuation



STEP-1

Activate Valuation

PATH: SPRO → Materials Management → Valuation and account assignment → Split valuation → Activate Split valuation

Activate Valuation

Material valuation

☒ Split material valuation active

☐ Split material valuation not active

Here we have to activate split valuation for material

STEP-2

Create Global Valuation Category

Valuation Category is the criteria on which material is split valued.

PATH: SPRO → Materials Management → Valuation and account assignment → Split valuation → Activate Split valuation

Split Valuation of Materials

Global Types Global Categories Local Definitions

Global Valuation Categories

Create Change Delete Types -> Cat.

Valuation Cat.	DVT ExtPr	ExP	DVT InhPr	Inh	DVT Promo.	PrM	Autom.
0 COMPOSITION		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
1 INT/EXT-41	EXT-41	<input type="checkbox"/>	INT-41	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
2 INT/EXT 42	EXT-42	<input checked="" type="checkbox"/>	INT-42	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
3 int/ext-43	EXT-43	<input checked="" type="checkbox"/>	INT-43	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
4 INT/EXT-44	EXT-44	<input checked="" type="checkbox"/>	INT-44	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

Create Valuation Category

Create

Valuation Category

Attributes

Description

Default: ext.procure.

☐ ext.procurement mand

Default: in-house

☐ in-house prod. mand.

☐ val. type automatic

Here we can set whether under this valuation category in-house production or external procurement mandatory.

Global Valuation Categories

Create Change Delete Types -> Cat.

Valuation Cat.	DVT ExtPr	ExP	DVT InhPr	Inh	DVT Promo.	PrM	Autom.VTy
0 COMPOSITION		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
1 INT/EXT-41	EXT-41	<input type="checkbox"/>	INT-41	<input type="checkbox"/>		<input type="checkbox"/>	
2 INT/EXT 42	EXT-42	<input checked="" type="checkbox"/>	INT-42	<input type="checkbox"/>		<input type="checkbox"/>	
3 int/ext-43	EXT-43	<input checked="" type="checkbox"/>	INT-43	<input type="checkbox"/>		<input type="checkbox"/>	
4 INT/EXT-44	EXT-44	<input checked="" type="checkbox"/>	INT-44	<input type="checkbox"/>		<input type="checkbox"/>	
8 INT/EXT-46	EXT-46	<input checked="" type="checkbox"/>	INT-46	<input type="checkbox"/>		<input type="checkbox"/>	
9 INT/EXT-45	EXT-45	<input checked="" type="checkbox"/>	INT-45	<input type="checkbox"/>		<input type="checkbox"/>	
C COLOR		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
L LENGTH		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
M CHEMICAL		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
P INT/EXT-47	EXT-47	<input checked="" type="checkbox"/>	INT-47	<input type="checkbox"/>		<input type="checkbox"/>	
R Plant Split		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Y contry origin		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Z	MARSHAL	<input checked="" type="checkbox"/>	AMTT	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input checked="" type="checkbox"/>

STEP-3

Creation of Valuation types

Valuation Type specifies the feature of a category.

Split Valuation of Materials

Global Types Global Categories Local Definitions

Global Valuation Types

Create Change Delete

Valuation Type	Ext. POs	Int. POs	ARef	Description
11				
12	2	0	0001	Reference for raw materials
13	0	2	0001	Reference for raw materials
1504				
1512				
2 MTR	2	2	0001	Reference for raw materials

Create Valuation Type

Create Account Cat. Ref.

Valuation Type **NEW DELHI**

Attributes

Ext. Purchase Orders	2
Int. purchase orders	0
Acct cat. reference	0001 Reference for raw materials

External Purchase Orders Allowed (1) 3 Entries fo...

Ext. Purchase Orders	Short Descript.
0	No external purchase orders allowed
1	External purchase orders allowed, but warning
2	External purchase orders allowed

3 Entries found

Here I need to assign my account category reference, which will trigger this valuation type for material type.

For Other two valuation Types I have done the same.

Create Valuation Type

Create Account Cat. Ref.

Valuation Type **HYDRABAD**

Attributes	
Ext. Purchase Orders	2
Int. purchase orders	0
Acct cat. reference	0001

Reference for raw materials

☒ Valuation Type HYDRABAD was/were created



Create Valuation Type

Create Account Cat. Ref.

Valuation Type **BANGLORE-1**

Attributes	
Ext. Purchase Orders	2
Int. purchase orders	0
Acct cat. reference	0001

Reference for raw materials

☒ Valuation Type BANGLORE-1 was/were created



STEP-4

Activate Valuation types for Valuation Category

Split Valuation of Materials

Global Types

Global Categories

Local Definitions

Global Valuation Categories

Create Change Delete Types -> Cat.

Valuation Cat.	DVT	ExtPr	ExP	DVT	InhPr	Inh	DVT	Promo.	PrM
0 COMPOSITION									
1 INT/EXT-41	EXT-41			INT-41					
2 INT/EXT-42	EXT-42	<input checked="" type="checkbox"/>		INT-42					
3 int/ext-43	EXT-43	<input checked="" type="checkbox"/>		INT-43					
4 INT/EXT-44	EXT-44	<input checked="" type="checkbox"/>		INT-44					
8 INT/EXT-46	EXT-46	<input checked="" type="checkbox"/>		INT-46					
9 INT/EXT-45	EXT-45	<input checked="" type="checkbox"/>		INT-45					
C COLOR									
L LENGTH									
M CHEMICAL									
P INT/EXT-47	EXT-47	<input checked="" type="checkbox"/>		INT-47					
R Plant Split									
Y contry origin									
Z									

Valuation Category Y: Allocate Valuation Types

Valuation Category + Valuation Category - Cat. -> OUs Local Definitions Local Definitions

Valuation Cat. Y contry origin

Assignment

Status	Valuation Type	Ex	In	ARef	Description
	AMIT	0	2	0001	Reference for raw materials
	AMIT10	2	0	0001	Reference for raw materials
	AUSLAND	2	1	0001	Reference for raw materials
	A_CLASS	2	0	0001	Reference for raw materials
	B1010	2	0	0001	Reference for raw materials
	B1111	2	0	0001	Reference for raw materials
	B5161	2	0	0001	Reference for raw materials
	B6171	2	0	0001	Reference for raw materials
	B7181	2	0	0001	Reference for raw materials
	BABY PINK	2	2	ZACC	ACC CATEGORY
	BANGLORE	2	0	0001	Reference for raw materials
Active	BANGLORE-1	2	0	0001	Reference for raw materials
	BBB111	2	0	0001	Reference for raw materials

Activate

Deactivate

Entry 27 of 276

☒ Valuation Type BANGLORE-1 was/were activated



Likewise I have activated this with other valuation types.

☒ Valuation Type HYDRABAD was/were activated



☒ Valuation Type NEW DELHI was/were activated



Step-5

Activate valuation category for Plant 2005

Split Valuation of Materials

Global Types

Global Categories

Local Definitions

Local Definitions: Select Plant

Cats. -> OU Local Types Local Categories

Plant Organizational unit name City

WDT	Hamburg	knowledge p
WF1	wify plant1	
WI01	BAJAJ PVT LTD	knowledge park
WI02	BAJAJ PVT LTD	knowledge park
WI01	Hamburg	Hamburg
XLP1	Waldorf Plant- XLSO-For Gemany	
XLP2	XLSO Plant India	
XLP3	XLSO Plant Australia	
XLP4	XLSO Plant US	
XX0	Hamburg	
XXX1	SHEKHAR1	
YA01	Plant ya01	
Z001	Test plant xyz	
Z002	sto plant	
Z003	sto plant 2	
Z005	FA MUMBAI PLANT	
Z006	FA PUNE PLANT	

In this step I have activated valuation category under my plant 2005.

Plant 2005: Allocate Valuation Categories

Local Types Local Categories

Allocation of Valuation Categories

Status	Valuation Cat.	DVT ExtPr	ExP	DVT InhPr	Inh	DVT Promo.	PrM	VT
<input type="checkbox"/>	0 COMPOSITION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	1 INT/EXT-41	EXT-41	<input type="checkbox"/>	INT-41	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	2 INT/EXT 42	EXT-42	<input checked="" type="checkbox"/>	INT-42	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	3 int/ext-43	EXT-43	<input checked="" type="checkbox"/>	INT-43	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	4 INT/EXT-44	EXT-44	<input checked="" type="checkbox"/>	INT-44	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	8 INT/EXT-46	EXT-46	<input checked="" type="checkbox"/>	INT-46	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	9 INT/EXT-45	EXT-45	<input checked="" type="checkbox"/>	INT-45	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	C COLOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	L LENGTH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	M CHEMICAL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	P INT/EXT-47	EXT-47	<input checked="" type="checkbox"/>	INT-47	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	R Plant Split	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Y contry origin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Z Valuation Category Description	HAL	<input checked="" type="checkbox"/>	AMIT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

☒ Valtn Category 2005 Y was/were activated

Activate

Deactivate

Entry

1 of

14

Plant Z005: Local Valuation Types

Change

Valuation Type	Ext. POs	Int. POs	ARef	Description
BANGLORE-1	2	0	0001	Reference for raw materials
HYDRABAD	2	0	0001	Reference for raw materials
NEW DELHI	2	0	0001	Reference for raw materials

Here we can see that by activating valuation category automatically valuation types are activated for plant.

STEP-6

Creation of material

T-CODE: MM01

Create Material 464912 (Raw material standard)

Additional Data Org. Levels Check Screen Data

Plant data / stor. 2 Accounting 1 Accounting 2 WM Execution

Material 464912 ALUMINUM

Plant Z005 FA MUMBAI PLANT

General Data

Base Unit of Measure KG kilogram Valuation Category Y

Currency EUR Current period 07

Division Price determ.

Current valuation

Valuation Class 3000

VC: Sales order stk

Price control V

Moving price

Total Stock 0

Future price

Previous price 0,00

Proj. stk val. class

Price Unit 1

Standard price

Total Value

Valuated Un

Valid from

Last price change

Here I need to assign valuation category

Valuation Category (1) 1 Entry found

Restrictions

ValCat Description

Z005 Y contry origin

1 Entry found

For Split valuation price control moving average price is mandatory.

Material 464912 created



Extend material to Valuation category T-CODE: MM01

For Valuation category: Bangalore-1

Create Material (Initial Screen)

Select View(s) Org. Levels Data

Material: 464912
Industry sector: M Mechanical Engng
Material Type: ROH Raw material st...
Change Number:
Copy from...
Material:
Organizational Levels
Plant: Z005
Stor. Location: Z051
Valuation type:
Profiles
MRP profile:
☐ Org. levels/profiles only on request

Valuation Type (1) 3 Entries found

Restrictions

Maint. Val. Type

<input checked="" type="checkbox"/>	BANGLORE-1
<input type="checkbox"/>	HYDRABAD
<input type="checkbox"/>	NEW DELHI

3 Entries found

Select View(s) Default Setting

For Valuation category: Hyderabad

Create Material (Initial Screen)

Select View(s) Org. Levels Data

Material: 464912
Industry sector: M Mech
Material Type: ROH Ra
Change Number:
Copy from...
Material:
Organizational Levels
Plant: Z005
Stor. Location: Z051
Valuation type:
Profiles
MRP profile:
☐ Org. levels/profiles only on request

Valuation Type (1) 3 Entries found

Restrictions

Maint. Val. Type

<input checked="" type="checkbox"/>	BANGLORE-1
<input checked="" type="checkbox"/>	HYDRABAD
<input type="checkbox"/>	NEW DELHI

3 Entries found

For valuation category: New Delhi

Create Material (Initial Screen)

Select View(s) Org. Levels Data

Material: 464912
Industry sector: M Mechanical Eng
Material Type: ROH Raw materi
Change Number:
Copy from...
Material:
Organizational Levels
Plant: Z005
Stor. Location: Z051
Valuation type:
Profiles
MRP profile:
☐ Org. levels/profiles only on request

Valuation Type (1) 3 Entries found

Restrictions

Maint. Val. Type

<input checked="" type="checkbox"/>	BANGLORE-1
<input checked="" type="checkbox"/>	HYDRABAD
<input checked="" type="checkbox"/>	NEW DELHI

3 Entries found

Select View(s) Default Setting

STEP-7

Creation of Purchase order (ME21N) for Vendor 101046

Create Purchase Order

Document Overview On | Hold | Park | Print Preview | Messages | Personal Setting | Save As Template | Load from Template

NB Standard PO | Vendor: 101046 REGIME AUTOGEAR LTD | Doc. date: 02.07.2021

S.	Item	A	I	Material	Short Text	PO Quantity	OUn	C Del.	Date	Net Price	Curr...	Per	OPU	Matl Group	Plnt
10				464912	ALUMINUM	100	KG	D	12.07.2021	180,00	EUR		KG	Metal Proces..	FA MUMBAI PLANT

Default Values

Item: 1 [10] 464912, ALUMINUM

Material Data | Quantities/Weights | Delivery Schedule | Delivery | Invoice | Conditions | Address | Confirmations | Condition

Overdeliv. Tol. % ☐ Unlimited
Underdel. Tol. % ☐ Origin Accept.
Shipping Instr.
Stock Type: Unrestricted use
Valuation Type:
Rem. Shelf Life: D
QA Control Key:

1st Rem./Exped.
2nd Rem./Exped.
3rd Rem./Exped.
No. Exped. 0
Pl. Deliv. Time
GR Proc. Time
Incoterms

☒ Goods Receipt
☐ GR non-valuation
☐ Deliv. Compl.

! In case of split valuation, please enter a valuation type

Standard PO created under the number 4500025399

PO For vendor 101046 price is 180 EUR.

As I have maintained valuation type for this material, system ask me to enter the same, but I can decide it while doing goods receipt.

Posting Goods Receipt (MIGO)

Goods Receipt Purchase Order 4500025399 - AKASHH

Show Overview | Hold | Check | Post | Help

1 Individual Slip | GR/GI Slip No.

Line	Mat.	Short Text	OK	Qty in UnE	EUn	S.	SLoc	Batch	Valuation T...	M...	D	Stock Type
1	ALUMINUM		<input type="checkbox"/>	100	KG						101	Unrestrict...

Material: ALUMINUM | Vendor Material No.:
Material Group: 001 | Valuation Type: BANGLORE-1

Val. Type: BANGLORE-1, HYDRABAD, NEW DELHI (3 Entries found)

Here while posting Goods receipt I have enter valuation type

Material document 7965261 posted

Create Purchase Order

Document Overview On | Hold | Park | Print Preview | Messages | Personal Setting | Save As Template | Load from Template

NB Standard PO | Vendor: 101048 GEARNECK AUTO LTD | Doc. date: 02.07.2021

Header

S.	Item	A	Material	Short Text	PO Quantity	OU	C	Delv. Date	Net Price	Curr...	Per	OPU	Matl Group	Plnt
10			464912	ALUMINUM	100 KG	D	12.07.2021	200,00	EUR	1	KG	Metal Proces..	FA MUMBAI PLANT	

Default Values

PO For vendor 101046

Item: 1 [10] 464912, ALUMINUM

Material Data | Quantities/Weights | Delivery Schedule | Delivery | Invoice | Conditions | Account Assignment | Texts | Delivery Address | Confirmations | Condition

Overdeliv. Tol. % ☐ Unlimited
Underdel. Tol. % ☐ Origin Accept.
Shipping Instr.
Stock Type: Unrestricted use
Valuation Type:
Rem. Shelf Life: D
QA Control Key:
1st Rem./Exped.
2nd Rem./Exped.
3rd Rem./Exped.
No. Exped. 0
Pl. Deliv. Time: 10
GR Proc. Time:
Incoterms:
☒ Goods Receipt
☐ GR non-valuated
☐ Deliv. Compl.
Latest GR Date:

In case of split valuation, please enter a valuation type

SAP ID7 (1) 800

✓ Standard PO created under the number 4500025400

SAP

✓ Material document 7965262 posted

SAP

Stock Overview: MMBE

Stock Overview: Basic List

Selection

Material: 464912 LUMINUM
Material Type: ROH Raw material standard
Unit of Measure: KG Base Unit of Measure: KG

Stock Overview

Here we can see same material is maintained at different valuation type.

Detailed Display

Client/Company Code/Plant/Storage Location/Batch/Special Stock	Unrestricted use	Qual. inspection	Reserved	Rcpt reservation
Full	200,000			
1000 BestRun Germany	200,000			
2005 FA MUMBAI PLANT	200,000			
7051 RAW	200,000			
• BANGLORE-1	100,000			
• HYDRABAD	100,000			

Check Valuation in Material Master (MM03)

Display Material 464912 (Raw material standard)

Additional Data Org. Levels

Plant data / stor. 2 Accounting 1 Accounting 2 Plant stock Stor. loc. stk W...

Material 464912 LUMINUM
Plant Z005 FA MUMBAI PLANT
Val. type BANGLORE-1

The same material value is split because of valuation type according to which stock will be calculated.

General Data

Base Unit of Measure	KG	kilogram	Valuation Category	Y
Currency	EUR		Current period	07 2021
Division			Price determ.	<input type="checkbox"/> ML act.

Current valuation

Valuation Class	3000	Proj. stk val. class	
VC: Sales order stk		Price Unit	1
Price control	V	Moving price	180,00
		Standard price	0,00
Total Stock	100	Total Value	18.000,00
Future price	0,00		
Previous price	0,00		

Display Material 464912 (Raw material standard)

Additional Data Org. Levels

Plant data / stor. 2 Accounting 1 Accounting 2 Plant stock Stor. loc. stk W...

Material 464912 LUMINUM
Plant Z005 FA MUMBAI PLANT
Val. type HYDRABAD

General Data

Base Unit of Measure	KG	kilogram	Valuation Category	Y
Currency	EUR		Current period	07 2021
Division			Price determ.	<input type="checkbox"/> ML act.

Current valuation

Valuation Class	3000	Proj. stk val. class	
VC: Sales order stk		Price Unit	1
Price control	V	Moving price	200,00
		Standard price	0,00
Total Stock	100	Total Value	20.000,00
Future price	0,00		
Previous price	0,00		

Thanks & Regards,

Akash Hiwale

E:akashhiwale20@gmail.com