**Process related to calculation of the closing raw material rate**

The operation management system used by EPIC is called EPICOMS. When GRN is created in the EPICOMS software, it automatically updates the quantity and value in its database. When materials are issued for production, the issued quantity and value are updated through the OMS system. This data subsequently flows into the EPICOMS software. The management thus get the updated value and quantity from the EPICOMS module. The management fetch the data regarding value and quantity of individual raw material item and thus calculate the rate for individual raw material items.

Besides, the import costs are also considered and are allocated to the closing raw material rate in proportion to the purchase cost of raw materials.