LOYOLA COLLEGE (AUTONOMOUS)

College of excellence

DEPARTMENT OF B.COM COMPUTER APPLICATIONS

Cordially invites you to

GUEST LECTURE ON

VALUING INVENTORY IN VOLATILE MARKETS

MANAGING INFLATION THROUGH

FIFO, LIFO, AND WEIGHTED AVERAGE.



Resource Person

G J CARLIN JEMIMAH

Vellore Institute of Technology, Chennai

DATE
5th AUGUST

TIME
9 AM - 10 AM

VENUE
CEL 9

PARTICIPANTS
III B.com (CA)

DIRECTOR OF - LIAC
DR. J.A. CHARLES

COORDINATOR AND ORGANIZER
DR. SHENEELA G C

LOYOLA COLLEGE (AUTONOMOUS)

DEPARTMENT OF B.COM COMPUTER APPLICATIONS

GUEST LECTURE ON VALUING INVENTORY IN VOLATILE MARKETS

Date: 5/8/2026 Resource person : G J Carlin Jemimah

Time: 9:00 AM to 10:00 AM

Place: CEL 9 Batch: 3rd Year Students

Director: Dr. J. A. Charles Coordinator: Dr. Sheneela G C

President: Prof. A. Delphine Valarina Vice President: Prof. Immaculate Cynthia A

Asst. Prof : Dr. Maria Selvi S

OBJECTIVES OF THE SESSION

The guest lecture on **"Valuing Inventory in Volatile Markets: Managing Inflation through FIFO, LIFO, and Weighted Average"** was organized with the objective of strengthening students' theoretical understanding and practical skills in **Material Costing and Inventory Valuation**. The session was designed to help students understand how materials are acquired, stored, issued, and valued, and how different valuation techniques influence the determination of material cost when prices fluctuate.

The session specifically aimed to:

- Strengthen students' understanding of the **concept and significance of Material Costing**.
- Explain the importance of materials as a major component of production cost.
- Familiarize students with the principles governing **material purchase, storage, issue, and valuation**.
- Develop a clear understanding of **inventory valuation under changing price conditions**.
- Introduce students to **FIFO, LIFO, and Weighted Average** methods of inventory valuation.
- Explain how inflation and price fluctuations can influence the cost assigned to materials issued and the value of closing inventory.
- Develop students' ability to interpret material transactions and arrange them systematically for valuation.

- Provide practical training in solving numerical problems based on different inventory valuation methods.
- Improve students' calculation accuracy, logical reasoning, analytical thinking, and problem-solving skills.
- Enable students to compare the results obtained under different inventory valuation techniques.
- Encourage students to understand the practical relevance of inventory valuation in cost accounting and business decision-making.



ABOUT THE SESSION

The Department of **B.Com (Computer Applications)** organized a guest lecture on **"Valuing Inventory in Volatile Markets: Managing Inflation through FIFO, LIFO, and Weighted Average"** on **5th August from 9:00 AM to 10:00 AM at CEL 9**. The programme was organized for the students of the B.Com (Computer Applications) programme with the objective of providing them with focused academic and practical exposure to an important area of Cost Accounting.

The session was conducted by **Ms. G. J. Carlin Jemimah from Vellore Institute of Technology, Chennai**, who served as the external resource person. The programme was hosted and coordinated by **Dr. Sheneela G C, Coordinator, Department of B.Com (Computer Applications)**. Three Assistant Professors of the Department also attended the programme and participated in the academic environment of the session.

The session commenced with an introduction to the **theoretical foundations of Material Costing**. The resource person explained the significance of materials in the overall cost structure of an organization and highlighted the importance of systematic material valuation in determining the cost of production and maintaining reliable accounting information.



THEORETICAL CONCEPTS COVERED

The students were given a structured understanding of **Material Costing and Inventory Valuation**, with emphasis on the relationship between material prices, material issues, and closing inventory.

The theoretical discussion covered the concept of **material cost** and the importance of determining the appropriate cost of materials consumed in production. Students were guided to understand that materials purchased at different points of time may carry different prices,

particularly when market prices are changing. This creates the need for systematic methods to determine the value of materials issued for production and the value of materials remaining in inventory.

The resource person explained the concept of **inventory valuation** and its significance in cost determination. Students were made aware that the method adopted for valuing inventory can influence the cost attributed to materials consumed and the value assigned to closing stock.

Particular attention was given to situations involving **price fluctuations and inflation**. Students learned that when the purchase price of materials changes over different periods, the organization may hold units of the same material that were purchased at different rates. Consequently, a suitable inventory valuation method is required to determine which cost should be assigned when materials are issued.

The session then introduced the principles behind the three important methods:

1. FIFO – First-In, First-Out

Students were taught the theoretical principle of **FIFO**, under which materials acquired first are considered to be issued first. The resource person explained how the sequence of purchases affects the valuation of material issues and closing inventory.

Students learned to identify the earliest available batch of materials, determine the quantity issued from that batch, and proceed to subsequent batches whenever the quantity issued exceeds the units available from the earlier purchase.

The discussion also enabled students to understand the effect of FIFO during periods of rising prices. By working with different purchase rates, students could observe how the method assigns earlier costs to material issues while later costs may remain in closing inventory.

2. LIFO – Last-In, First-Out

The theoretical principles of **LIFO** were also discussed. Students learned that under this approach, the most recently acquired materials are considered to be issued first.

The resource person explained how students should identify the latest purchase batch and allocate the required quantity from the most recent available stock before moving backwards to earlier batches.

Through this method, students were able to understand the relationship between the timing of material purchases and the cost assigned to material consumption. The discussion also helped them appreciate how inventory valuation can produce different results depending on the method applied.

3. Weighted Average Method

The session further covered the **Weighted Average Method**, where the average cost of available units is determined by considering the total cost and total quantity available.

Students were guided to understand the logic of calculating an average rate rather than assigning the entire issue to one particular purchase batch. The method helped students recognize how different purchase prices can be combined to arrive at a representative cost per unit.

The theoretical explanation was followed by practical numerical application, allowing students to move from **conceptual understanding to actual calculation**.

PRACTICAL SKILLS AND NUMERICAL APPLICATION

A major strength of the session was its emphasis on developing students' **practical problem-solving skills**. Rather than limiting the lecture to theoretical definitions, the resource person demonstrated how the concepts could be applied to numerical situations involving multiple purchases and issues of materials.

Students were trained to carefully read material transaction data and identify:

- Opening stock and its quantity and rate.
- Different purchases made during the period.
- Quantities purchased and their respective purchase prices.
- Material issues made for production.
- Balance quantities remaining after each issue.
- The appropriate cost to be assigned to each material issue.
- The quantity and value of closing inventory.

Students developed the ability to organize transaction information chronologically and systematically before beginning the calculation. This was particularly important for **FIFO and LIFO**, where the sequence of purchases directly determines which batch of materials is considered to be issued.

The students were taught to work through **FIFO sums step-by-step**, identifying the earliest available stock and allocating the issue quantity accordingly. When the quantity issued exceeded the quantity available in one batch, students learned to move systematically to the next applicable batch.

Similarly, while working with **LIFO problems**, students practiced starting from the most recent purchase and moving towards earlier purchases whenever necessary. This helped them develop a systematic approach rather than attempting calculations randomly.

For **Weighted Average problems**, students developed the ability to calculate the combined quantity and total cost of available materials and determine the applicable average rate. This strengthened their arithmetic accuracy and their ability to handle multi-stage inventory calculations.

COMPARATIVE UNDERSTANDING OF INVENTORY VALUATION METHODS

An important learning component of the session was the ability to **compare FIFO, LIFO, and Weighted Average methods**.

Students were encouraged to understand that the same set of purchase and issue transactions can produce different values for:

- Material issued to production.
- Cost of materials consumed.
- Closing inventory.
- Average material cost.
- Overall cost determination.

The students were therefore able to appreciate that inventory valuation is not merely a mechanical calculation but an important accounting and costing decision that can affect the presentation and interpretation of cost information.

The discussion of **volatile markets and inflation** further strengthened this understanding. Students were encouraged to observe how changes in material prices can affect the valuation of inventory and the cost assigned to material consumption under different methods.

SKILLS DEVELOPED THROUGH THE SESSION

The practical exercises enabled students to develop several important academic and professional skills, including:

- **Numerical computation:** Ability to perform inventory valuation calculations accurately.
- **Analytical thinking:** Ability to examine material transactions and determine the appropriate valuation approach.
- **Logical sequencing:** Ability to arrange purchases and issues in the correct order before performing calculations.
- **Problem-solving:** Ability to break complex inventory valuation problems into manageable steps.
- **Accuracy and attention to detail:** Ability to carefully track quantities, rates, balances, and values.
- **Comparative analysis:** Ability to compare the outcomes produced by FIFO, LIFO, and Weighted Average methods.

- **Accounting interpretation:** Ability to understand how valuation methods influence material costs and closing inventory.
- **Application of theory:** Ability to convert theoretical Cost Accounting concepts into numerical solutions.
- **Decision-oriented thinking:** Ability to recognize the relevance of inventory valuation techniques in changing price environments.

The session therefore provided students with both **conceptual clarity and hands-on numerical competence**, strengthening their foundation in Cost Accounting and preparing them to approach inventory valuation problems with greater confidence.

ACADEMIC LEADERSHIP AND COORDINATION

The successful organization of the programme was significantly supported by the **dedicated academic leadership of Dr. Sheneela G C**, Coordinator of the Department of B.Com (Computer Applications). Her coordination reflected a strong commitment to academic enrichment and to providing students with opportunities to interact with external experts.

Her efforts in facilitating the programme demonstrated her ability to combine **academic planning, effective coordination, student engagement, and adaptability** in the conduct of departmental activities. By creating opportunities for students to receive specialized instruction from an external resource person, she contributed meaningfully to broadening the academic experience of the students.

Her student-centred approach, professional involvement, and commitment to maintaining a positive learning environment contributed substantially to the smooth and purposeful conduct of the session. Her leadership continues to serve as a strong academic support for initiatives aimed at improving students' conceptual knowledge, practical competence, and professional readiness.

OUTCOMES OF THE SESSION

The guest lecture successfully enhanced the students' knowledge and practical competence in **Material Costing and Inventory Valuation**. By combining theoretical explanation with numerical application, the programme enabled students to develop a more complete understanding of inventory valuation.

The key outcomes included:

- Students gained a clear understanding of the **fundamentals of Material Costing**.
- Students understood the importance of systematic inventory valuation when material prices fluctuate.
- Students developed conceptual clarity regarding **FIFO, LIFO, and Weighted Average** methods.
- Students learned to solve numerical problems using FIFO systematically.
- Students developed the ability to solve LIFO problems by tracing issues from the latest available purchases.
- Students gained practical experience in calculating Weighted Average rates and applying them to material issues.
- Students improved their ability to calculate the value of **material issues and closing inventory**.
- Students developed stronger numerical accuracy and attention to detail.
- Students learned to compare the effects of different inventory valuation methods on material cost and closing inventory.
- Students gained a clearer understanding of the relationship between **inflation, price fluctuations, and inventory valuation**.
- Students improved their analytical and problem-solving abilities.
- Students became more confident in applying Cost Accounting theory to practical numerical situations.
- Students received valuable exposure to an external academic resource person and an enriched learning environment.

Overall, the programme served as a **comprehensive academic and practical learning experience**, enabling students to move from understanding the theory of Material Costing to actually applying FIFO, LIFO, and Weighted Average techniques to numerical problems. The session strengthened both the students' **knowledge base and problem-solving skill set**,

making the learning experience relevant to their academic progression and future professional applications.

The programme also reflected the Department's continued commitment to **quality education, continuous academic improvement, external collaboration, and student-centred learning** with the effective coordination and academic leadership of **Dr. Sheneela G C** playing a significant role in bringing the initiative to successful completion.

Co-Ordinator Of B.Com (CA)

Dr Sheneela G C