

ASB-03: Inventory Management and Taxation (3 Credits – 75 Marks)

Course Objective: To acquaint the students with concepts, documentations and procedural aspects of inventory management and direct and indirect taxation in small businesses.

Learning Outcomes:

At the end of this course the student should be able to:

- (i) Understand the documentation of inventory in small business.
- (ii) Acquire skills for accounting of inventory and determination of inventory levels.
- (iii) Understand documentations related to tax matters and acquire practical knowledge of tax filings and computations.

Module I: Inventory Documentation (10 Marks – 5 lectures)
Inventory – Meaning and types, Inventory documentation – GRNs, Issue notes, registers and other relevant records, Debit and Credit Notes.

Module II: Inventory Procedures (25 Marks – 15 lectures)
Identifying inventory costs, Inventory valuation techniques, Stock-taking, Stock-safety levels, Stock forecasts techniques, Reviewing inventory controls, AS 2, Management of inventory levels, Factors deciding inventory levels, Software applications in inventory management.

Module III: Direct Tax (20 Marks – 15 lectures)
Income tax concepts, Basics of computation of salary income, TDS, Profits and Gains of Business or Profession, Tax return filing procedures.

Module IV: Indirect Tax (20 Marks – 10 lectures)
(a) Central Excise – Classification of goods, Valuation, Basic records under Excise rules, Registration.
(b) Customs – Custom duties, Valuation, Procedures.
(c) Service Tax – Valuation, Procedure and Registration.
(d) Basics of VAT and CST.

References:

1. Singh, C., *Inventory Management*, Adhyayan Publishers and Distributors, 2008, Darya Ganj, Delhi.
2. Wild, T., *Best Practices in Inventory Management*, Routledge, 2005, New Delhi.
3. Kulkarni, S., *Purchasing and inventory Management*, Shroff, 2011, Bangalore.
4. Singhanian and Singhanian, *Student Guide to Income Tax*, Taxmann Publication, New Delhi.
5. *Indirect Taxes: Central Excise, Customs, Service Tax and VAT*, Bharat Law House, Jaipur.