

MATERIAL MANAGEMNT

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OBJECTIVES

- Definition.
- Terminology.
- Goal, Functional area, Economy.
- Process.
- Elements .
- Forecasting and estimating.
- Procurement, Inventory control, Storage ,Issue and distribution, Minimizing loss and pilferage, Condemnation and disposal.
- Placing indent
- Controlled drug-Guidelines



DEFINITION

- Material management is the coordinated function responsible to plan for, acquire, store, move and control materials to provide customer service in accordance with organizational goals.



AIMS OF MATERIAL MANAGEMENT

- Right material, in right quantities, at right time, at right price, from right sources, at a least cost.



MATERIAL MANAGEMENT GOALS

- Optimum material acquisition.
- Optimum inventory turnover rate.
- Good vendor relationship.
- Material cost control.
- Effective issue and distribution.
- Elimination of losses and pilferage.



- To have adequate material on hand when needed.
- To pay the lowest possible prices, consistent with quality and value requirement for purchases material.
- To minimize the inventory investment.
- To operate efficiently.



FUNCTIONAL AREA OF MATERIAL MANAGEMENT

- Purchasing.
- Central service supply.
- Central stores.
- The print shops.
- The pharmacy.
- Dietary.
- Linen service.



ECONOMY OF MATERIAL MANAGEMENT

- Purchase cost
- Carrying cost
- Shortage cost
- Ordering cost



PROCESS



Demand forecasting and
planning

Purchasing

Receipt inspection and
stores

Inventory control

Issue and distribution

Disposal and
condemnation

Minimizing losses and
pilferage



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FORECASTING AND ESTIMATING DEMAND

- Forecasting is the method of estimating demand based on time series analysis of past while anticipating the future.
- Methods :
 - Last period demand (Naïve forecasting).
 - The arithmetic average
 - Moving average



Procurement

Purchase

Donation

Manufacturing



Centralized

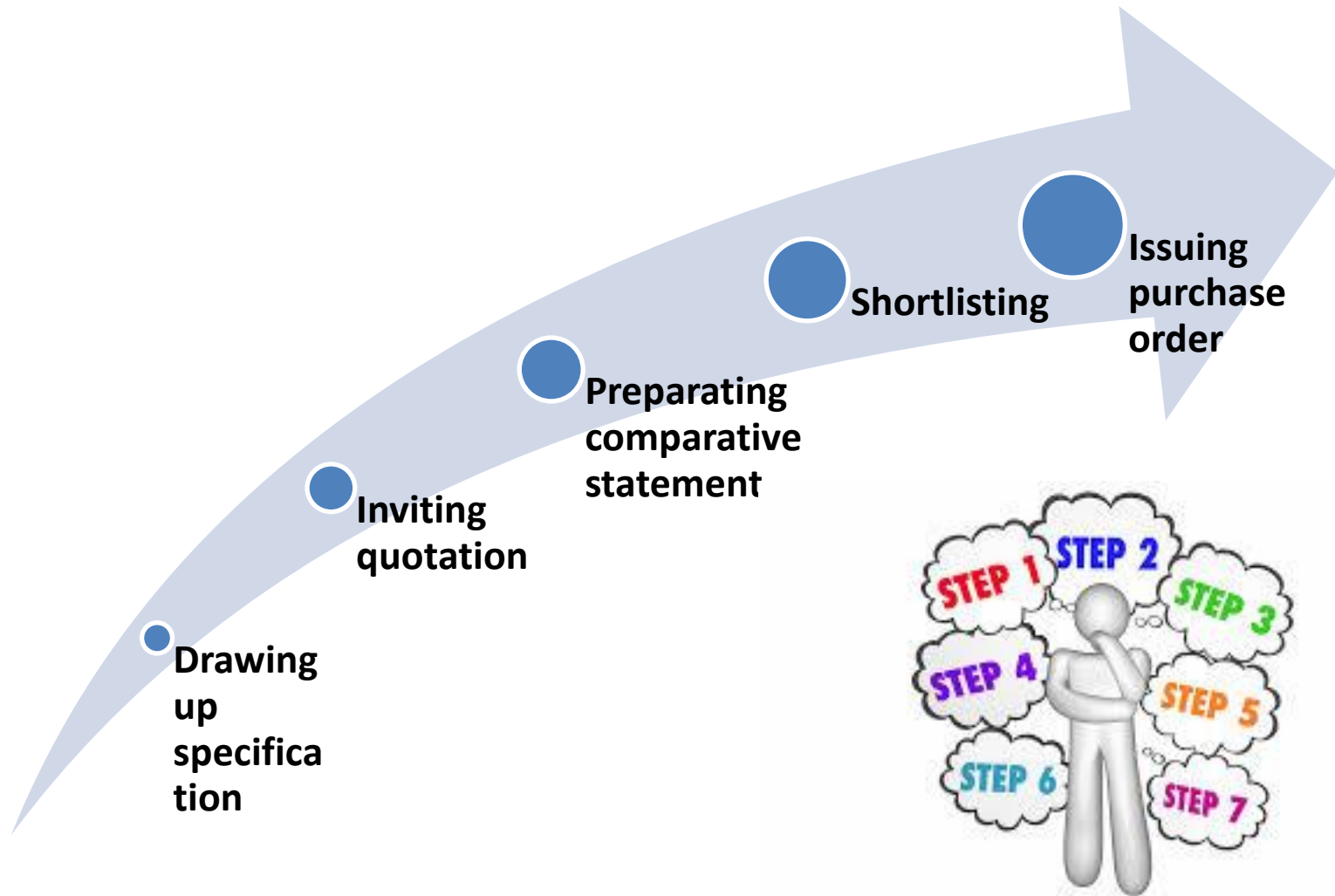
De-centralized

Methods



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Purchasing Procedure



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Inventory techniques



Haphazard Situation in Manual System

- ABC
- VED
- SDE
- HML
- FSN
- Ordering cost
- Inventory carry cost
- EOQ
- Lead time
- Safety stock
- Reorder level
- Stock turnover

STORAGE



Accessible

Location

FIFO

Cold chain

**Combustible or non
combustible storage**

Narcotics

Rodent free



ISSUE AND DISTRIBUTION

Push method

- Allocation system

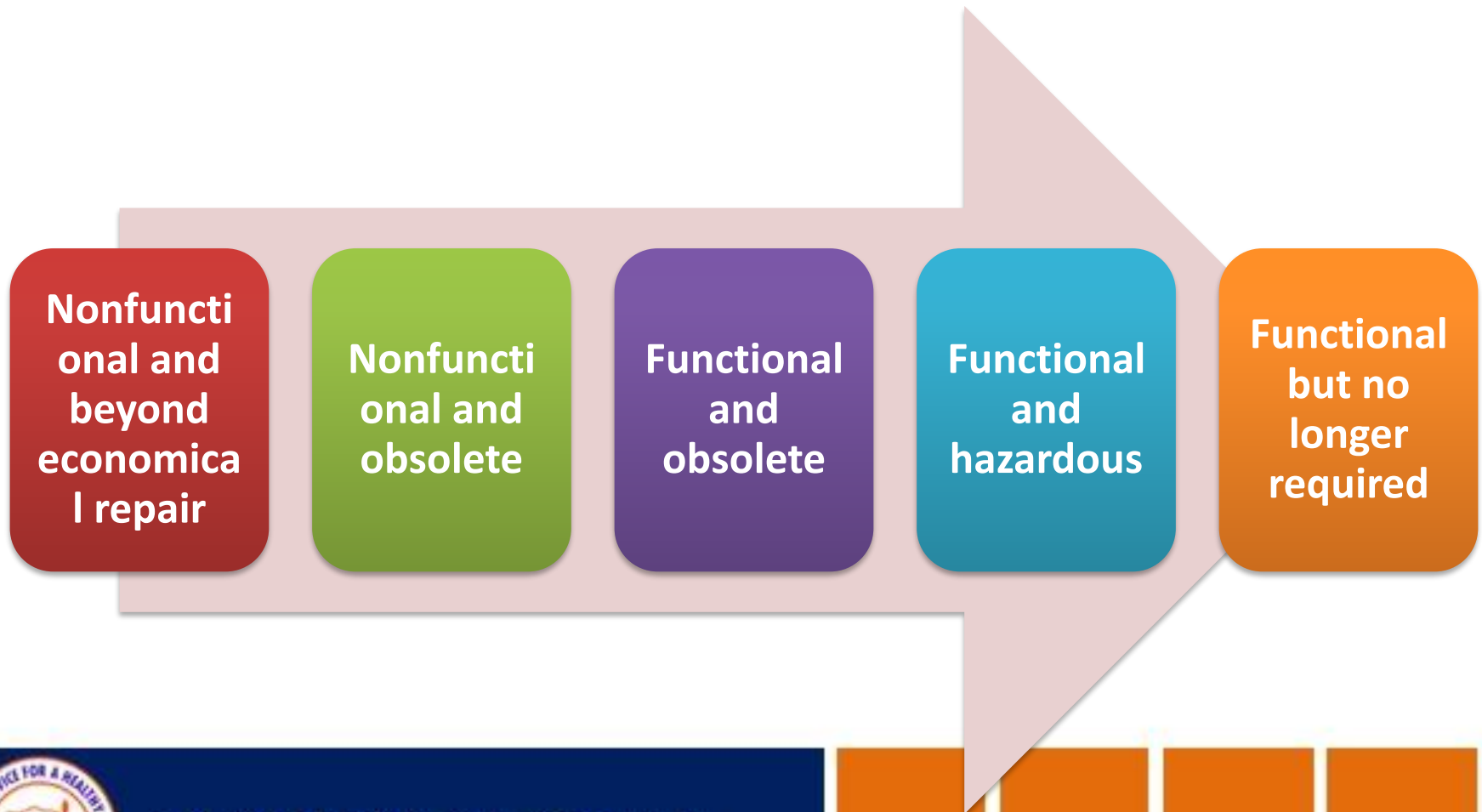
Pull method

- Requisition system

MINIMISING LOSS AND PILFERAGE



CONDEMNATION AND DISPOSAL



Placing indent

- An indent is an official order or requisition for medicine and supplies from the medical stores.
- PURPOSE:
 - Ensure availability.
 - Determine the condition of articles.
 - Time to return the article to their proper place



- Abbreviation .
- Qualities and attitudes required.



Controlled Drug-Guidelines

- Central **Drugs** Standard Control Organization (CDSCO), Ministry of Health & Family Welfare, Government of **India** provides general information about **drug regulatory** requirements in **India**. ...
The **Drugs** & Cosmetics Act, 1940 regulates the import, manufacture, distribution and sale of **drugs** in **India**.



- **Indian Regulations & Guidelines:**
- **CDSCO Central Drugs Standard Control Organization (CDSCO)**, Ministry of Health & Family Welfare, Government of India provides general information about drug regulatory requirements in India. [NPPA](#) **Drugs (Price Control) Order 1995** and other orders enforced by **National Pharmaceutical Pricing Authority (NPPA)**, Government of India. View the list of drugs under price control [here.....](#) **D & C Act, 1940** **The Drugs & Cosmetics Act, 1940** regulates the import, manufacture, distribution and sale of drugs in



- India. **Schedule M** **Schedule M** of the D&C Act specifies the general and specific requirements for factory premises and materials, plant and equipment and minimum recommended areas for basic installation for certain categories of drugs. **Schedule T** **Schedule T** of the D&C Act prescribes GMP specifications for manufacture of Ayurvedic, Siddha and Unani medicines. **Schedule Y** The clinical trials legislative requirements are guided by specifications of



- **Schedule Y of The D&C Act.** [GCP guidelines](#) **The Ministry of Health, along with Drugs Controller General of India (DCGI) and Indian Council for Medical Research (ICMR) has come out with draft guidelines for research in human subjects. These GCP guidelines are essentially based on Declaration of Helsinki, WHO guidelines and ICH requirements for good clinical**



- practice. [The Pharmacy Act, 1948](#) The Pharmacy Act, 1948 is meant to regulate the profession of Pharmacy in India. [The Drugs and Magic Remedies \(Objectionable Advertisement\) Act, 1954](#) The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954 provides to control the advertisements regarding drugs; it prohibits the advertising of remedies alleged to possess magic relevant to health of people all over.



- qualities. [The Narcotic Drugs and Psychotropic Substances Act, 1985](#) **The Narcotic Drugs and Psychotropic Substances Act, 1985** is an act concerned with control and regulation of operations relating to Narcotic Drugs and Psychotropic Substances. Links to important international guidelines and regulatory bodies:



- [WHO \(Medicines\)](#)WHO guidelines on medicines policy, intellectual property rights, financing & supply management, quality & safety, selection & rational use of medicines, technical co-operation and traditional medicines. [WHO sites](#)WHO guidelines on all areas



Conclusion

- Manage dollar, not just ,material.
- Collaborate with physician and nursing staff.
- Consider total cost,not just price.
- Create integrated policies and procedures.
- Develop process,not departmental focus.
- Develop team focused,not individula focused processes.



Reference

- <http://apps.who.int/medicinedocs/documents/s19417en/s19417en.pdf>
- <https://ipapharma.org/portfolio/regulations-and-guidelines/>

