

INTERNSHIP REPORT

Optimizing Inventory Management in Healthcare: A Case Study of Narayana Health

Dissertation Submitted to



The IIHMR University, Jaipur

for the partial fulfillment for the award of the degree of
Master of Business Administration (MBA)

in

Pharmaceutical Management

By

Mitali Bisen

Under the Supervision and Guidance of

Dr. Sudhinder Singh Chowhan

2025

NAME: Mitali Bisen

ROLL NO.: 0532

BATCH: MBA (PM-15) 2023–2025

INTERNSHIP REPORT

1. Introduction

Efficient inventory management is a cornerstone of hospital supply chain operations, directly impacting service delivery, cost control, and patient care. My internship was conducted at **Narayana Health**, a leading multi-specialty hospital chain, where I was placed in the **Supply Chain Department** at the corporate level. The focus of my internship was to evaluate current inventory management practices, identify inefficiencies in procurement, storage, and distribution, and propose improvements using data-driven approaches. I worked closely with supply chain managers, warehouse staff, and software teams to gain a comprehensive understanding of real-time inventory handling and control.

2. Objectives of the Internship

- To study the existing inventory management system in place at Narayana Health.
 - To analyze stock movement, procurement patterns, and expiry-related losses.
 - To identify gaps in stock availability, stockouts, and wastage due to non-moving or near-expiry items.
 - To evaluate the impact of automation and software tools (e.g., Aatma) on inventory tracking.
 - To suggest recommendations for optimizing inventory turnover, cost control, and operational efficiency.
-

3. Organizational Profile

Narayana Health is one of India's largest healthcare providers, with a network of tertiary and secondary care hospitals. Founded by Dr. Devi Shetty, it is headquartered in Bengaluru and provides affordable healthcare across the country. It offers services across cardiology, oncology, nephrology, orthopedics, and more, and has established centers of excellence supported by a robust supply chain. The Supply Chain Department plays a key role in

ensuring that medical, surgical, and general inventory is procured, stored, and distributed efficiently across all units.

4. Services Provided by the Organization

- **Medical Services:** OPD, IPD, diagnostics, and specialized surgeries across various disciplines.
 - **Inventory & Warehouse Operations:** Centralized procurement, distribution to multiple units and clinics.
 - **Digital Inventory Management:** Use of ERP and custom software like Aatma and Medha OCR tools.
 - **Audit & Compliance:** Regular stock audits, expiry tracking, and protocol adherence checks.
 - **Emergency Logistics:** Critical supply coordination during emergencies and high-demand situations.
-

5. Key Works Undertaken During Internship

- Analyzed **procurement data and consumption trends** from Jan–Mar 2025 using hospital inventory reports.
 - Categorized **inventory holding periods** across drug, surgical, general, and linen categories.
 - Identified **non-moving and near-expiry stocks** and assessed their impact on wastage and costs.
 - Conducted a **stockout analysis** in departments like Emergency and General Medicine.
 - Reviewed **compliance with SOPs and CBU (Consumption-Based Utilization)** protocols across units.
 - Participated in evaluating the **impact of Aatma software and OCR integration** for batch tracking.
 - Collected **qualitative feedback** from inventory staff and users through structured surveys.
 - Developed actionable **recommendations** to improve forecasting, audits, and digital tracking.
-

6. Key Learnings from the Internship

- **Automation and analytics tools** significantly improve inventory tracking and minimize discrepancies.
- High volumes of **near-expiry and non-moving inventory** are common due to poor forecasting.
- **Frequent stockouts** in high-demand departments are linked to lack of inter-departmental coordination.
- There is **variation in SOP compliance and barcode usage** across locations, calling for standardization.
- **Staff challenges** like limited training and software delays affect the effectiveness of inventory control.
- **Regular audits** and centralized dashboards are effective in improving transparency and reducing wastage.
- **Data-backed decision-making** is essential in optimizing procurement cycles and reducing holding costs.