

Supply Chain Management

Inventory Optimization: Reducing Expiry of SKUs Using Inventory Management Tools

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About the Organization :

Apollo Hospitals, founded in 1983 by Dr. Prathap C. Reddy, is India's leading private healthcare provider. With over 70 hospitals and cutting-edge technology, it offers world-class care across specialties. Apollo pioneered innovations like telemedicine, robotic surgery, and digital healthcare, making quality care accessible to millions.

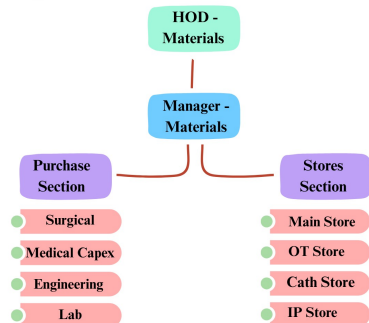
Vision :

"Touch a Billion Lives" — Apollo aims to positively impact one billion people through its healthcare services across the globe

Mission :

To bring healthcare of international standards within the reach of every individual. We are committed to the achievement and maintenance of excellence in education, research and healthcare for the benefit of humanity.

Organization structure of SCM :

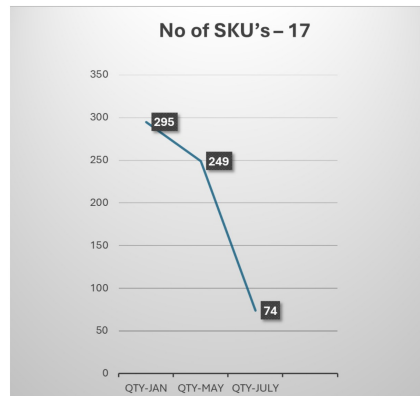


PROJECT

Objective : The focus of this project was to reduce the expiry of SKUs by applying inventory management techniques such as ABC and FSN analysis. This initiative was undertaken in the materials department of Apollo Hospital. Efficient inventory control is vital for smooth hospital operations, especially when dealing with life-saving medications and surgical items.

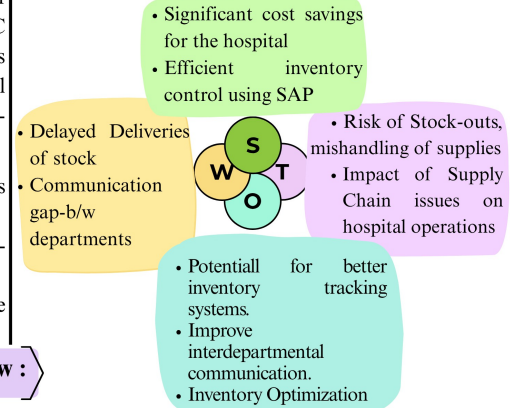
Methodology : The Study was conducted in Main Store of Materials Management where items are recieved and distributed.

- It followed Descriptive Analysis over months to months (Jan-May-July)
- 17 SKU's were tracked and their quantity was reduced over the time which increases inventory holding cost.

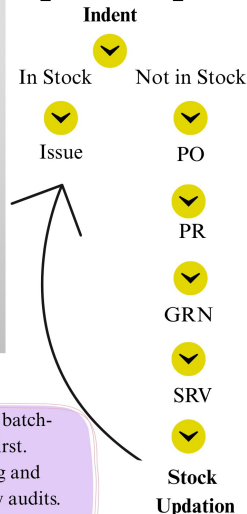


Practical vs Theoretical Exposure :

- Learned FIFO conceptually; saw its practical use through batch-wise shelf arrangement and issuing near-expiry stock first.
- Studied ABC Analysis in theory; applied it by identifying and monitoring high-value (A Category) items during inventory audits.
- Understood FSN classification academically; experienced its use in managing slow/non-moving items for clearance or vendor return.



Workflow :



Challenges :

- No alert system to identify near-expiry items on time.
- Vendor return issues because of price differences and unclear return policy.
- Communication gap.

Suggestions for Improvement :

- Set a standard return process with vendors for expired/near-expiry items.
- Do weekly audits for high-value and near-expiry items
- Proper Communication & Coordination b/w departments.

Major Learnings :

- Improve time management, Collaboration, negotiation skills through practical tasks.
- Procurement and Vendor Management
- Distribution Process and Regulations.
- Storage and Handling