

**MAINTAINING A SEAMLESS SUPPLY CHAIN OF ESSENTIAL MEDICINES
[A COMBINATION OF VARIOUS CONCEPTS CONVERGING INTO A NOVEL P³
SYSTEM]**

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ABSTRACT

The prime objective of production system and inventory management system is to maintain optimum stock of raw material and finished goods or both which is a source of subsequent operations. The production process and inventory management system need to operate in coordination to provide an active collaboration between vendor, supply chain, and all buyers. In case of essential medicines, it is highly necessary to maintain the total integrity of the system. Widely accepted systems like KANBAN, VMI, and CPFR etc, have been mostly proved successful under a specific set of conditions only. Extracting salient features from different systems and carefully considering all practical aspects and business norms, we have designed a new system-- **P³ system** (Planning, Production, and Procurement). The **P³ system**, has inherited all the salient features of KANBAN, VMI, and Consignment inventory model. It takes care of major objectives of ECR in favor of buyers by tracking sales –record and establishing agencies, taking customers care and follow-up. This P³ system, having special features, is likely to demonstrate better results in all segments under consideration.

Keywords: P³ System, Safety Index, Emergency Index, Lightning stock, CPFR, VMI, ECR.