

in complete agreement with the findings of the present study.

Another study inline with the findings of present study by Ridhi Prakash Doshi et al observed that about 70% of the annual drug expenditure was on 35 drugs, 20% on 56 drugs and 10% on 308 drugs.<sup>7</sup>

The drugs belonging to group "A" category should be controlled strictly by top management of the institution. The group "B" items require a moderate control by the middle level managers while the "C" items can be left for the lower management as it requires lesser control measures for order and purchase. Also in line with the findings of the present study, research by Ashraf Khan et al at a tertiary care institute revealed that cumulative cost of Rs.87 lac was spent on 198 items stored during the period of study.<sup>8</sup>

Most of drug budget was spent on "A" items which was 75% and rest 25% on "B" and "C" items which was found as 18% and 7% respectively. Further in comparison with the results of present study, research by D Mario et al observed that 822 drugs were stored during the period of study. Out of 822 drugs, 10.83% were classified as "A" category and consumed around 69.82% of the annual budget. "B" category items constituted 20% and consumed 20.13% of annual consumption budget. Group "C" items constituted 69.10% of the total inventory and consumed 10.05% of the annual budget.

VED classification of the inventory revealed that out of 156 items stored, 30 items (19.23%) were considered "Vital" by the constituted medical panel; 61 items (39.10%) were "Essential" and the rest 65 items (41.66%) were considered "Desirable". Out of 30 vital items, 10 items had 100% concurrence of opinion of the medical panel, 7 items had 80% concurrence while 13 items had 60% concurrence of opinion of the constituted medical panel on drug classification. 61 items which were considered essential, 25 items had 100% concurrence of opinion of the medical panel for being included as essential items.

Only 33 items of the remaining 65 items considered desirable had 100% concurrence of opinion of the medical panel. Lt.col.Gupta et al in their research observed that 24 (7.3%) items constituted vital, 160 (49.3%) items were considered essential and the rest 141 (43.4%) were considered desirable. Inline with the findings of the present study, Ridhi Prakash Doshi et al also observed that 13% (n=54) drugs were vital for the patients life, 51% (n=203) drugs were essential and 36% (n=142) were considered desirable.

The ABC-VED matrix revealed that 10 items of Category-I drugs were both high cost and vital, 11 items were high cost and essential and 8 items were high cost and desirable.

Category-II items were constituted by intermediate cost and essential items (n=17), intermediate cost and desirable items (n=11), and 33 items were low

cost and essential.

The Category-III items were both low cost and desirable. Inline with the findings of the present study, Lt.Col.Gupta et al observed that 68 items were classified as Class-I items, 159 items constituted Class-II, while 98 items were constituted as Class-III.

In a comparable study by Sikder SK et al ABC-VED matrix shows that out of 292 items, 63 (21%) items were Class-I, 164 items (56%) Class-II and 65 items (22%) were Class-III. In agreement with the findings of the present study, research by Ridhi Prakash et al showed that Category-X consists of expensive and vital drugs accounting for 20.6% of drugs. Category-Y consists of less expensive and essential drugs accounting for 50.9% and Category-Z consists of cheap and non-essential drugs accounting for 28.6%.

## CONCLUSION

The study has analyzed the inventory of drugs as per their cost and criticality. It is expected to guide the management to delegate the responsibility to different officers and apply the "*Principle of Management by Exception*". Moreover it will facilitate the management in controlling the cost and ensure the availability of vital and essential items in the hospital which will be in the interest of patients and the administration. It is also suggested that the sales counter inventory be also analyzed which involves more costly drugs and have much more financial implications.

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