

# [Glaxo smith kline pakistan limited commerce essay](https://assignbuster.com/glaxo-smith-kline-pakistan-limited-commerce-essay/)

GSK Pakistan Limited was created on January 1st 2000 through the merger of SmithKline Beecham Pakistan and Glaxo Wellcome Pakistan and it stands as the largest pharmaceutical company in Pakistan today.

GSK leads the industry in value, volume and prescription market shares. Some of their key brands include Augmentin, Panadol, Seretide, Betnovate, Zantac and Calpol in medicine and renowned consumer healthcare brands include Horlicks, Aquafresh, Macleans and ENO.

GlaxoSmithKline (GSK) is one of the Pakistan’s largest research-based pharmaceutical corporations that discovers, develops, manufactures and markets branded human health products. GSK has two main business divisions, pharmaceuticals and consumer healthcare. This profile deals with the pharmaceuticals division, which generates 85% of GSK’s sales.

GlaxoSmithKline (GSK) is also Pakistan’s leading research-based pharmaceutical company with a powerful combination of skills and resources that provides a platform for delivering strong growth in today’s rapidly changing healthcare environment.

GSK also has leadership in four major therapeutic areas – anti-invectives, central nervous system (CNS), respiratory and gastro-intestinal/metabolic. Company produce medicines that treat six major disease areas – asthma, virus control, infections, mental health, diabetes and digestive conditions. In addition, GSK is a leader in the important area of vaccines and are developing new treatments for cancer and has a growing portfolio of oncology products.

The company also has a Consumer Healthcare portfolio comprising over-the-counter (OTC) medicines, oral care products and nutritional healthcare drinks, all of which are among the market leaders.

GSK is primarily focused on the development, production and distribution of its own products. GSK is an important contributor to the national skills pool in areas of chemical and pharmaceutical research, manufacturing, management practice and sales & marketing.

## FACTORY LOCATIONS:

## Registered Office:

## 1. GlaxoSmithKline Pakistan Limited

## 35-Dockyard, West Wharf,

## Karachi -74000.

## Telephones: 92-21-2315478-82

## Fax: 92-21-2313632

## Other Offices:

## 1. GlaxoSmithKline Pakistan Limited

## F-268, S. I. T. E.,

## Near Labour Square,

## Karachi-75700

## Telephones: 92-21-2570665-69

## Fax: 92-21-2572613

## 2. GlaxoSmithKline Pakistan Limited

## 18. 5 km, Ferozepur Road,

## P. O. Box No. 244,

## Lahore

## Telephones: 5811931-35

## Fax: 5820821

GSK’S FINANCIAL DATA:

Five Years Sales

## YEARS

## SALES (rupees in billions)

2002

6. 9

2003

8. 1

2004

8. 8

2005

9. 4 (Growth by 6. 2%)

2006

10. 1 (Growth by 7. 1%)

GRAPHICAL REPRESENTATION OF SALES (in millions)

Company’s Five Years Profit

## YEARS

## PROFIT (rupees in billions)

2002

0. 54

2003

1. 02

2004

1. 47

2005

1. 81 (Growth by 23. 3%)

2006

1. 66 (Decrease by 8. 2%)

GRAPHICAL REPRESENTATION OF PROFIT (in millions)

Revenue breakup

Benchmarking

Ratio Name

WYETH

SEARLE

ABBOTT

GSK

Current

Ratio

4. 10

1. 714

4. 76

4. 4

Inventory Turnover

1. 69 times

10. 11 times

4. 69 times

3. 0 times

Total Asset Turnover

60%

10. 2%

1. 17 times

1. 1 times

Profit Margin on Sales

0. 182

0. 032

0. 17

0. 16

Earnings Per Share

112

3. 53

10. 21

12. 2

Return on Assets

10. 9

3. 2

19. 9

21. 5

CORE VALUE OF GSK

GSK’s value is based on its research strength linked to production & marketing. The core of value creation is from the inventories of new chemical entities and it captures value through a high intensive sales and marketing process. Essential to the overall value proposition is the synergy of R&D, production and commercial activities. GSK has been committed to its social and health related activities. Good Corporate Citizen is core value of GSK.

Core values of GSK’s can be summed up as a belief in performance with integrity, coupled with entrepreneurial spirit, focus on innovation, a sense of urgency and a passion for achievement.

GSK are working to ensure the culture guides and informs everything they do by adhering to these core principles, they seek to create a climate in which the best people can always achieve to their full potential, and in turn help millions of people live longer, healthier and happier lives.

NEW CHEMICAL INVENTROIES

Production and commercial activities

Synergy of R&D

GSK

High intensive sales

## .

## Core Competencies of GSK :

GSK has the core competencies in genetics, to enable them to integrate genetics effectively and responsibly into their current practice. Competency in these areas represents the minimum knowledge, skills, and attitudes necessary for health professionals from all disciplines (medicine, nursing, allied health, public health, dentistry, psychology, social work, etc.) to provide patient care that involves awareness of genetic issues and concerns.

## BUSINESS PROFILE

## GlaxoSmithKline (GSK) is one of the Pakistan’s largest research-based pharmaceutical companies that that discovers, develops, manufactures and markets human health products. It is an innovative company that produces branded products only, which it has developed itself. The company has two main divisions, pharmaceuticals and consumer healthcare. The consumer healthcare businesses of GSK consist of over-the-counter (OTC) medicines, oral care products, such as the toothpaste brands Aqua fresh, MacLean’s and Sensodyne, and nutritional healthcare drinks. The pharmaceuticals division is the largest part of GSK’s businesses and can be divided into prescription drugs and vaccines. The headquarters of GSK are located in the UK. The company operates in some 160 national markets. GSK conducts R&D at more than 20 sites and employs 15, 000 employees in R&D. GSK is involved in many different R&D partnerships with academic institutions, biotechnology companies and other pharmaceutical companies. The company has a leading position in genetics and in new drug discovery technologies.

BUSINESS PROFILE

Pharmaceuticals

Consumer healthcare

Vaccines

Prescription drugs

Over-the-counter (OTC) medicines

Oral care products

Nutritional healthcare drinks

Viral Vaccination

Toothpaste

Bacterial

Macleans

Aqua fresh

Heart disease

Infection

Skin condition

Sensodyne

## BUSINESS STRATEGY:

## GSK’s business goal is to be a world leader in pharmaceutical industry. In order to achieve this, the company seeks to improve its R&D pipeline, using a focused drug portfolio strategy and selective in-licensing agreements for the external contracting of R&D. The company links R&D closely to commercial operations to maximize the value of its R&D portfolio. Furthermore, GSK seeks to increase brand name recognition among customers and to develop improved versions of older products, on which new patents can be obtained. It is a common strategy of branded drug producers to develop improved versions or more convenient formulations of drugs on which the patents have expired, and to persuade doctors and patients to use the enhanced version.

## Business strategy

Being best place for best people to do their best work

Optimising the performance of key products

Delivering the product pipeline for patients

Improving access to medicines

## Supply Chain of GSK

Supply Chain Management according to GSK, is a process for ensuring continuity of supply through the rapid identification of actual and potential supply chain issues enabling pro-active management and the prevention of low and out of stock situations.

## SUPPLY CHAIN MISSION OF GSK:

GSK’s Supply Chain mission is to construct, harmonize and improve quality of all the product and go with the intend of satisfying the chain of suppliers’ suppliers and customers’ customers by providing right product, at the right time, in the right quantity, to the right place and becoming highly recognized by our employees, customers and shareholders and abiding by Government laws and regulations

## GSK’s Objective of Supply Chain Issue Management

- To prevent low and out of stock situations occurring.

- Pro-actively identify any potential supply chain issues with the purpose of

preventing low stocks and stock outs occurring.

- Resolve supply chain issues, at a local level where possible, excepting

issue types categorized for immediate escalation.

- Provide a fast and effective mechanism for escalation where issues

cannot be resolved at local level.

- Enable delivery of root cause analysis – complete with follow up action – to

ensure the causes of actual and potential low stocks and stock outs are

understood.

- To have one information source for all supply chain issues.

- To have global visibility of all supply chain issues.

- To enable rapid tactical response to commercial opportunities

## Supply Chain Integration

## P R O D U

## C T

## F

## L

## O

## W

## sales force activity (SFA)

## Transportation

## Supplier

## factory Warehouse

## Manufacturing

## Sales stations/Warehouse

## Customer

## Pharmacies

## Distributors

## I

## N

## F

## O

## R

## M

## A

## T

## I

## O

## N

## F

## L

## O

## W

## GSK’s Supply Chain Structure

## Mr. Ahmad Jamal Qudsi (Commercial)

Distribution Manager

## DISTRIBUTION MANAGER

## MASTER SCHEDULER

## MASTER SCHEDULER

## CAPAPCITY

## PLANNER

## PRODUCTION PLANNER

## PRODUCTION PLANNER

## Mr. Sajjad Zahid Shaikh (GMS)

Manager Procurement, Shipping, Contracts, Regulatory affairs.

## PROCUREMENT MANAGER

## Exports mANAGER

## Local/ IMPORTED PURCHASE mANAGER

## Warehouse mANAGER

## Mr. Obaid (GMS)

Purchase Manager

## b-65

## F-268

## w. w

## LHR

## Sales Force Activity

( Demand Generated)Supply Chain Process

## Manufacturing Planning

## (Demand Generated)

## Procurement Planning

## Vendors

## (Quotations asked)

## LC

## Follow up —import & dispatches

## Clearance Transit Time

## Material in Warehouse

## Material Available For Production

## Production

## Released by LTR

## FO Batches

## Packing line

## FO Quarantine

## Central Depot’s

## Dispatches

## Institutions

## Lab Test Results (LTR)

## Satellite Depot’s

## & Distribution

## Wholesalers

## Retailers

## GSK’s Global Manufacturing & Supply Procedure

GMS site disposals will be co-ordinated within a consistent process alongside communication plans. A consistent process will enable GMS in meeting the business case objectives. The process proposed will generally recommend decisions to the CET based on a balance between:

## - Realising the synergy benefits from transferring production

## - Maximising sale proceeds

## - Minimising local labour redundancy

## - Ongoing supply security

## - Managing political and other local sensitivities

Key features of the site disposal process are:

## - It is GMS-managed with involvement of key stakeholders at the sites and in Legal

## Entities

## - External contracted assistance will enable global ‘ marketing’ of the sites

## A phased and co-ordinated approach:

## Phase 1 – preparation

## Phase 2 – search

## Phase 3 – negotiation

## The Escalation Process

## Step 1: Daily (regular)

The regular dialogue between Demand and Supply managers is the foundation of SCIM. SCIM is only invoked when the agreed supply plan cannot be achieved and a resolution cannot be found by the demand and supply managers. Low stock and out of stock events are entered into the SOLS system or generated automatically. Demand and Supply Managers discuss entered events as appropriate. Supply Managers – make proposals to resolve the event. Demand managers read proposals and agree by accepting the suppliers response to events with the customer satisfaction “ flag” as a default value of “ yes” or disagree and move the “ flag” to “ no”. If ” no” is selected then commentary may be entered into the escalation field. This enables a report to be run selecting any items marked for escalation. Demand and Supply Mangers proactively view trends, and any issues which might potentially impact the supply of product.

## Step 2: Wednesday

The Supply Manager prepares for the PCM. Reports are available from SOLS and other supporting computer systems identifying all issues. In particular, the SCIM report from the Data Warehouse. This is to be run for All Issues (in SOLS issues are referred to as events). The Supply Manager cuts his report in preparation for the PCM at the latest this is done on the Thursday morning.

## Step 3: Thursday

The PCM is held. At sites of supply the PCM review all Low Stocks, Out of Stocks and any issues and their potential impact on the sites’ ability to supply. Where no resolution to actual and potential issues is found then the Supply Manager invokes the escalation procedure with the ALM or equivalent. N. B. Issues can be escalated by either the Demand Manager or the Supply Manager

## Step 4 Thursday/Friday

The ALM (or equivalent) is brought in by either the Demand or Supply Manager to help resolve the issue identified. The ALM (or equivalent) runs the SCIM report from the Data Warehouse filtering on Unresolved Issues. If resolution can still not be made then the ALM progresses the issue with the Regional Logistics Director (RLD). RLD chair conference call with ALMs (or equivalent) and any guest Demand or Supply Managers required. RLD compiles consolidated market view for region of issues. RLD tries to find network solutions to supply issues. RLD flags unresolved issues as critical issues in SOLS.

## Step 5 Monday

The Area Logistics Managers / Directors are brought into the discussions to assist resolution – if necessary – especially where a potential stock rationing situation might occur. VP of Global Logistics (VPGL) runs the SCIM report from the Data Warehouse filtering on Critical Issues. VPGL chairs conference call with RLDs and any guest ALMs, Demand or Supply Managers required. VP compiles consolidated market impact for issues. VPGL flags any unresolved critical issues as exceptional in SOLS. VPGL makes decision escalate critical issues and engage commercial and manufacturing executives.

## Step 6 Tuesday

Formal review by RSDs, Vice-President Global Logistics, Senior Vice President Global Logistics and Strategy and any other appropriate senior manager. The SCIM report is run from the Data Warehouse filtering on Exceptional Issues. An output from this meeting (or teleconference) can be the establishment of a ‘ virtual’ team to resolve the issue. It will exist until the issue is resolved and is lead by the ALM (or equivalent) supported by the RLD. Where stock rationing is required the RLD will trigger the Rationing process VPGL reports on the commercial impact of exceptional issues. The RLD assumes overall responsibility for resolution of the exceptional issue.

Supply Chain Process:

Supply Chain Issue Management (SCIM) is a process for ensuring continuity of supply through the rapid identification of actual and potential supply chain issues enabling pro-active management and the prevention of low and out of stock situations and regular communication occurs between demand and supply managers. The process is driven from bottom up rather than top down. Issues are to be resolved at the lowest level. Trending analysis is to be done by the Supply Managers. The process is two way between demand and supply. Both supply performance and forecast accuracy are to be reviewed.

SCORE MODEL

P

L

A

N

N

I

N

G

BUYING

USING

STORE

SELLING

## RM

## Manufacturer

## Make

## Deliver

## Source

## Make

## Deliver

## Make

## Source

## Deliver

## Source

## Deliver

## Source

## Plan

## Indenters

## GSK, Pakistan

## Distributors

## Return

## Return

## Return

## Return

## Return

## Return

## Supplier

## Supplier’s

## Supplier

## Company

## Customer

## Whole

## salers

## Customer’s

## Customer

PLANNING:

Planning in GSK, Pakistan, is done by the demand function unit of the finance department. Below is a general diagram which shows how the planning takes place:

## The Process:

The process starts with the doctors which prescribes medicines to the patients. The patients then ask for the drugs from the chemist which is basically a retailer. From retailer an order is then passed on to the distributor which then simultaneously ask for the drugs from the company. Now the daily data on sales is sent to the SMART Department of GSK which uploads the information in the database. Finally the queries and reports which are generated by the SMART Software help the Demand Managers, in the finance department, to predict the future demand for the specific drug.

SMART Software basically creates the trend which help managers see the rise and fall in a drug’s demands over the years. This helps them to accurately tell the procurement managers the demand required for the raw materials to be purchased for a specific drug.

BUSINESS PLANNING:

The corporate executive team of GSK does strategic planning on every last day of week which is co-ordinate within a consistent process alongside communication plans. The process proposed will generally recommend decisions to the CET based on a balance between realizing the synergy benefits from transferring production, Maximizing sale proceeds, Ongoing supply security.

Corporate executive team (CET)

Meeting

Finance

Department

Discuss

CET & VP, Planning & Sourcing

Negotiation

CET approval

Corporate executive team

## .

DEMAND FORCAST:

As mentioned above the demand in GSK is forecasted by the Demand Function Unit of Finance Department. Finance department provides 24 months rolling aggregate demand forecast, which is known as ADS (Approved Demand Statement). This statement shows individual demands for all product lines demanded by end users. The softwares used by the finance department to predicts demands are BIPEX (also known as BPCS) and JD-Edwards.

On the demand side markets review their sales plans on a regular basis (at least monthly depending on size of market) and feed into the supply sites Production control Meetings through the Supply Managers

UNPLANNED DEMAND

Unplanned demand is a demand, which comes unexpectedly Like at the time of War, NATURAL DISASTERS OR ANY EPIDEMICS According to GSK, they have a policy to maintain four weeks safety stock to handle the uncertainties.

Stock, in the three categories, intended to maintain supply continuity resulting from a significant event that is unplanned.

Top 20 Products (as defined by GSK annual sales, Pharma/Consumer Healthcare)

Medically Critical and Access to Medicines products

New Chemical Entities (NCEs), including Product Line Extensions (PLEs)

SUPPLY STRUCTURE:

Supply Issues (potential and actual) are reviewed formally each week. At the supply sites this is done at the weekly Production Control Meeting. Supply Issues are managed on a daily basis but the formal weekly meeting brings all aspects of supply and demand together for review; it adds a framework. Then after the supply plan has been made it is forwarded it to the Procurement Department.

Master Production Schedule

The entire production is based on this plan weather it is Tablet, syrup, or injectables manufacturing. This is set up on the bases of forecasted and some times unplanned demand as well. Date for all the batches is set up according to this plan but when there is a sense of urgency then there are some changes made. The figure below shows this process is generated:

Master Production Arrival

This is the inventory, which is going to arrive in bulk, and it is the job of Master Production Scheduler to arrange the bulk. This bulk can either be for export or for the market demand done through forecast. He also sets up when to make the required batch on which date.

STOCK MANAGEMENT:

GSK used inventory management system First in First out (FIFO). Inventory management (FIFO) of strategic stock to ensure proper rotation and reduce the potential of data used. Items at stock keeping unit level where, based on the forward sales forecast/ sales orders, the level of inventory is predicted to fall below 50% of the agreed safety stock within the next 90 days.

SAFETY STOCK:

GSK stores stock in ware houses for maximum flexibility of supply purpose. The stock is taken into account within 1 month of time.

Material Management Planning:

GSK, Pakistan is using BIPEX (also known as BPCS) to effectively and efficiently handle the Material issues. All transactions are made electronically into BPCS known as Business Planning & Control System. If there is an additional requirement due to abnormal demand then there are some changes made in MRP.

Capacity Planning

Capacity means a measured ability to accomplish work. Capacity planning is a process in which capacity is planned based upon expected demand and it needs to be balanced with required capacity utilization and it also outlines the capacity requirements for the production, availability of machines and what are the standard hours, which they are required to meet the forecasted demand. And to manage the capacity control process GSK Pakistan is using 2 systems known as JD-Edwards and BIPEX which is also called as Business Process Control System (BPCS).

SUPPLY CHAIN CONFIGURATION:

Supply chain manager act upon the process enabling pro-active management of potential and actual supply issues in order that the impact on lost sales is minimized. Supply chain manager resolve supply chain issues, at a local level. The Supply Manager prepares for the PCM. Reports are available from SOLS and other supporting computer systems identifying all issues. In particular, the SCIM report from the Data Warehouse. .

MAKE OR BUY DECISION:

GSK Pakistan is currently importing 72 drugs, which includes all its vaccines and expensive oncology medicines such as Hycamtin. The reason why GSK imports these products are because there manufacturing is very expensive and Pakistan is not self sufficient in the raw materials which are required to make these products. Infact the climate of Pakistan makes it very hard for GSK to manufacture vaccines here. Thus all its vaccines are imported from Belgium. Also, these products cater to a very small market segment and manufacturing them here would not be profitable.

SOURCING:

Gsk Medicines contain active ingredients. They also contain other, additional ingredients called Excipients that help ensure the stability, safety and effectiveness of the medicine. They are also added to improve the medicine’s taste and appearance and to make it easier to take. Some may be used to prolong the life of the medicine

Pharmaceutical ingredients include both synthetic chemical substances as well as material with biological orgin. Various control methods with chemical, microscopic and microbiological testing is covered during the course. In addition, the different national and international quality control regulations for pharmaceutical ingredients are taught.

SOURCING PROCESS

## The Weekly Process

At the day-to-day level the Demand and Supply Managers are engaged in managing the fulfillment of the order book, ensuring forecasts are kept up to date, handling any un-forecasted (abnormal) demand, and resolving any issues. This is normal daily activity. Any issues arising must be discussed with the objective of resolving at local level. Issues can come from either the Demand or the Supply side. The Stock Out and Low Stock (SOLS) Data Warehouse system is the main vehicle for recording and reporting issues and actions taken between Demand and Supply Managers. It is used as a formal means of identifying and tracking issues and the actions taken to resolve them. It is a dialogue application for use by the Demand and Supply Managers. Demand nodes will accept the proposals or escalate through the hierarchy. Data can be manually entered into SOLS. Supply sites must respond to recorded stock-out and low stock events according to SCIM time table

PROCUREMENT

GSK has an extremely large procurement organization largely left over from the 2001 merger between Glaxo Welcome and SmithKline Beecham. The purchasing group set a goal of developing what it called “ best value purchasing” strategies, ensuring that GSK is getting the best possible price and cost for everything it buys. That means negotiating the best prices and making sure those contracts are adhered to.

GSK has two types of purchases i. e. local purchases and foreign purchases

PURCHASES

## LOCAL PURCHASES FOREIGN PURCHASES

## Raw & Packing Material

## Group purchases

## Non Group purchases (party purchases)

## )

NIP (non inventory purchases)

PROCESS FLOW FOR PURCHASE

PR incorporated in: Incorporated By: Against Requisition of: BIPEXPPICPurchasesJD EdwardsConcern dept. NIPPurchase of inventory is approved through Firm Plan Order (FPO) by Purchase Planning and Inventory Control Dept (PPIC) and incorporates in system N. I. P. Concern department generate approved Purchase Receipt. Procurement Department (P. D.) received signed copy of FPO by PPIC and PR for N. I. P.

Type of PurchasePURCHASE FLOW OF PRODUCT “ A”

## FOREIGN PURCHJASES

## LOCAL PURCHASES

## Purchases

Raw Material

Packing Material

## N. I. P.

Fixed Assets

Consumable items

Quotation calling

Selection of Supplier through Quotation Evaluation Form

Placement of Purchase Order (PO) by P. D.

Information in PO:

Supplier name

Delivery schedule

Quantity Required

Rate (as decided with supplier)

## A

## SUPPLY of GOODS:

Nature of MaterialMaterial Supplied at: PurchasesStores. NIPConcern Dept.

3way check:

Invoice WITH P. R. & P. O. by Commercial Finance

Issuance of INVOICE by Supplier.

Information in invoice:

Delivery Challan #.

P. O.#

Recording of Liability depends on LTR.

## DOCUMENTS ISSUED BY DEPT. AFTER RECEIPT of MATERIAL from SUPPLIER

Supply of: Documents IssuedBYTOPurchasesReceiver’s Ticket.(RT)

Delivery Challan. Stores Dept. Quality Control (QC) Dept. NIPMaterial Receipt Note (MRN)Concern Dept. Incorporated in System.

Lab Test Report (LTR)

Incorporation of approved lots in BIPEX by QC

Up to the Quality

Accounts Dept. runs an auto report & identify NEW LTRs

Entries made by Accounts Dept. for new LTR’s: –

DebitCreditENTRY for NEW LTRStock (@Standard rate)xxxPurchases Price Variance (PPV)-GSTxxx PPV- Other than GSTxxx Provision for purchases(actual payable amount)xxx PPV variance (with the Diff.) Fav/ (Un-Fav)xxxxxxPurchases (actual payable amount)xxx Purchases ContraxxxENTRY for NEW INVOICE (after approval of QC)Provision for Purchasesxxx Vendor Control A/Cxxx

## B

Entries made by Accounts Dept. for new MRN: –

DebitCreditENTRY for NEW MRNExpense A/C (NIP)xxx NIP Commitment A/C xxx ENTRY for NEW INVOICE NIP Commitment A/C xxx Vendor Control A/Cxxx

Payment to VENDOR

Entries made by Accounts Dept. at Payment Stage

DebitCreditVendor Control A/Cxxx Bankxxx Tax Liabilityxxx

## Raw Material

## Packing Material

Purchase FROM

Quotation Calling

3RD PARTY

Selection of Supplier

## Raw Material

## Finished Goods

GROUP

Prices are already decided between GlaxoSmithKline Pakistan Limited & Group Companies.

Placement of Purchase Order (PO) by PD & they incorporates PO, in BIPEX.

Receives PERFORMA INVOICE (an agreement to sell) by Supplier.

Type of L/C

Opening of Letter of Credit (L/C) with Bank.

Information in L/C: –

L/C #.

Mode of transportation.

Type of L/C. (Usance / Sight)

Receipt of Shipment Schedule (SS), Supplier’s Invoice & Bill of Lading [B/L] (Negotiable & Non-Negotiable Copy).

Information in SS:

Date of Shipment.

Type of freight paid.

At usage at sight

## C

Submission of Negotiable Copy of B/L to Shipping Co.

Submission of Non- Negotiable Copy of B/L to Ministry of Health for Approval of Material (as required under Drugs Act).

Delivery Order (Delivery Challan) receives from Shipping Co.

Submission to Custom for Clearance of Shipment.

Receipt of SHIPMENT

Certificate of Approval for Material by Ministry of Health alongwith exemption certificate (if any).

LTR Up to the Quality

Receipt of Agent’s Bill

Testing of Shipment by QC

Materials’ Average Lead Time

GSK Pakistan only uses air freight to acquire imported materials and its lead time is approximately 120 days. Note that when materials arrive they also take clearance time which is about 4-5 days for air freight