Healthcare Institutions

Healthcare institutions play a critical role in delivering essential health services, managing public health resources, and ensuring effective utilisation of funds and medical supplies. Through its audits, the CAG provides independent assurance and actionable insights that help healthcare organisations strengthen financial management, improve operational efficiency, enhance accountability, and optimise service delivery systems. The examples presented in this section demonstrate how audit interventions contributed to more accurate financial reporting, stronger governance practices, improved inventory and supply chain management, and the adoption of technology-enabled monitoring mechanisms. These outcomes highlight the role of audit in supporting healthcare institutions to improve transparency, safeguard public resources, and enhance the effectiveness of healthcare programmes and services.

Correction of financial statements of NIMHANS through certification audit

During the Certification Audit of the National Institute of Mental Health and Neurosciences (NIMHANS) for the financial year 2024-25 by the office of the Principal Director of Audit (Central), Bengaluru, discrepancies were identified in the initially submitted financial statements. As part of the audit process, the financial statements were examined for accuracy, completeness, and adherence to applicable accounting standards. The observations formed part of the Separate Audit Report (SAR) for NIMHANS for 2024–25. In response, NIMHANS undertook a revision of the accounts, updating the relevant schedules and statements to reflect accurate financial positions and ensure compliance with the principles of transparency and reliability expected in certification audits. On revision, expenditure decreased by ₹5.57 crore and a deficit of ₹2.01 crore changed to a surplus of ₹3.42 crore, improving the accuracy and reliability of the certified accounts.

SDGs

Introduction of real-time monitoring and preventive controls for national health programme drugs, Ministry of Health and Family Welfare

Government Medical Store Depots under the Directorate General of Health Services store and issue drugs procured for national health programmes. During the audit, the office of Director General of Audit (Central), Kolkata, found that anti-TB drugs valued at ₹40.75

crore and vector-borne disease drugs valued at ₹2.62 crore had expired before they could be issued at the depots in Kolkata, Guwahati, Hyderabad, Chennai and Karnal. Audit identified delayed release orders and the absence of a dynamic, need based procurement and distribution strategy aligned with actual requirements and changes in treatment regimens. Audit recommended adoption of a real-time monitoring and distribution system.

In response, National Centre for Vector Borne Diseases Control launched the Drug and Vaccines Distribution Management System (DVDMS), an online real-time dashboard for assessing requirements and distribution and alerting consignees to near-expiry and non-moving stocks. The outcome was thus the introduction of a more preventive and information-based control framework.

SDGs