

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR. JUSTICE RAJA VIJAYARAGHAVAN V

&

THE HONOURABLE MR.JUSTICE K. V. JAYAKUMAR

Friday, the 17th day of October 2025 / 25th Aswina, 1947

DBAR NO. 2 OF 2018

IN THE MATTER OF TRAVANCORE DEVASWOM BOARD - AUDIT REPORT ON THE AUDIT OF
ACCOUNTS FOR THE YEAR 2014-2015 - PAYMENT OF PENSIONARY BENEFITS TO
SRI.B.PADMANABHANUNNI, DEPUTY DEVASWOM COMMISSIONER (RETD.), TRAVANCORE DEVASWOM
BOARD

PETITIONER:

JOINT DIRECTOR,

KERALA STATE AUDIT, THIRUVANANTHAPURAM-695003

BY GOVERNMENT PLEADER



RESPONDENT:

THE SECRETARY,

TRAVANCORE DEVASWOM BOARD, THIRUVANANTHAPURAM-695003

BY SRI.G.SANTHOSH KUMAR, SC, TRAVANCORE DEVASWOM BOARD

THIS DEVASWOM BOARD AUDIT REPORT HAVING COME UP FOR ORDERS AGAIN
ON 17/10/2025, UPON PERUSING THE REPORT AND THIS COURT'S ORDER DATED
15/07/2025, THE COURT ON THE SAME DAY PASSED THE FOLLOWING:

**RAJA VIJAYARAGHAVAN V.,
&
K.V. JAYAKUMAR, JJ.**

DBAR No. 2 of 2018

Dated this the 17th day of October, 2025

ORDER

Raja Vijayaraghavan V. J.

This matter pertains to the payment of pensionary benefits to an employee of the Devaswom.

2. An interim report has been filed by the Ombudsman, referring to a complaint submitted by one B. Padmanabhanunni, who retired from Devaswom Service on 31.07.2017 while serving as Deputy Devaswom Commissioner.

3. It appears that in respect of the aforesaid officer, audit objections were raised to the extent of ₹21,03,471/-, as a large number of vouchers were found missing. Subsequently, vouchers for a sum of ₹15,89,724.39 were traced, leaving an outstanding liability of ₹7,00,226.61. The Ombudsman has directed the Travancore Devaswom Board (TDB) to trace and produce the remaining vouchers before the High Court Audit Wing, and has also recommended that the retirement benefits due to the officer may be disbursed on the strength of a bond to be executed by him.

4. From the submissions of the learned Government Pleader and the learned Amicus Curiae for the Ombudsman, it is seen that the audit report relates to the accounts of nearly 150 temples, Schools, offices and other institutions under the Travancore Devaswom Board for the financial year 2014–2015. Astonishingly, even after a lapse of ten years, the audit process remains incomplete. In the case of one officer alone, audit objections have been raised to the tune of nearly ₹23,00,000/-. The report also records that several vouchers are missing and that payment vouchers were authorised without proper supporting documents or verification.

5. We also note with grave concern that even audits relating to financial years more than a decade old remain pending, primarily on account of missing vouchers, incomplete records, and obsolete accounting systems still being followed across the Devaswom Institutions. The continued reliance on manual registers and paper vouchers has made the accounting system vulnerable to manipulation, falsification, and defalcation. It is this lack of transparency and failure to enforce accountability that has enabled misappropriation of temple funds to persist unchecked.

6. We need to state at this juncture that this is not an isolated case. In DBAR No. 2 of 2025, the Special Report (Final) submitted by the Joint Director of Audit regarding the serious embezzlement detected at the Petrol Pump run by the TDB at Nilakkal, this Court, in its order dated 08.08.2025, had recorded shocking lapses in financial control, absence of verification of entries in the Cash Book, non-remittance of daily collections to the bank,

failure to maintain fuel stock registers, lack of reconciliation between sales and machine readings, and non-issuance of cash receipts. The short remittance at the Nilakkal Pump alone amounted to ₹40 lakhs. These instances reveal a deep-rooted systemic malaise and a complete failure to adopt even the most basic safeguards expected in modern public finance management.

7. We would like to note the relevant provisions under the Travancore Cochin Hindu Religious Institutions Act, 1950. Under Section 32 of the Act, the Board is statutorily required to maintain regular accounts of all receipts and disbursements relating to the institutions under its administration, and such accounts shall be audited every year by auditors appointed by the High Court, who shall be deemed to be public servants under Section 15 of the Travancore Penal Code. Upon completing the audit for any year, or for any shorter period, or for any particular transaction or series of transactions, the auditor is required to submit a report to the High Court specifying all instances of irregular, illegal, or improper expenditure, failures to recover moneys or property due to the Board or to the institutions under its management, and any loss or waste of funds or property caused by neglect or misconduct. The auditor shall also report on any other matters relating to the accounts as prescribed or as required by the High Court. The High Court shall forward a copy of every audit report to the Board, and it shall be the Board's duty to rectify the defects or irregularities pointed out by the auditor and to report compliance to the High Court. A copy of the

audit report shall also be forwarded by the Board to the Government within two months from the end of the year to which it relates. If, upon considering the auditor's report or otherwise, the High Court finds that the Board or any of its members has been guilty of misappropriation, wilful waste, or gross neglect resulting in loss to the institutions under its management, the Court may, after issuing notice and affording an opportunity to show cause, pass an order of surcharge against the Board or the member concerned.

8. Section 102 of the Act deals with the appointment of auditors. It says that the Board and the trustees of every institution shall maintain regular accounts of all receipts and disbursements, and such accounts shall be audited annually; in the case of the Board, the audit shall be conducted each year by auditors appointed by the High Court, while the accounts of every institution shall likewise be audited annually, or at shorter intervals if so directed by the Board.

9. Section 103 of the Act relates to the submission of Audit Reports. It says that completing the audit for any year, or for any shorter period, or in respect of any specific transaction or series of transactions, the auditor shall submit a report, in the case of the accounts of the Board and of incorporated or unincorporated Devaswoms and institutions under the management of the Board, to the High Court; and in the case of the accounts of other institutions, to the Board. The Board shall, within two months from the end of the year to which the audit report relates, forward a copy of such audit report to the Government.

10. Having regard to the statutory framework and the state of affairs disclosed before us, we are constrained to observe that the failure of the Travancore Devaswom Board to maintain proper, verifiable, and contemporaneous accounts amounts to a fundamental lapse in management. The continued reliance on archaic manual record-keeping, absence of digitised accounting systems, and failure to conduct timely audits reveal a pattern of gross administrative indifference. Such neglect has rendered the Board a passive enabler, and in effect, an active participant in financial indiscipline. When vouchers disappear, receipts remain unverified, and audits are delayed for years, opacity becomes institutionalised, creating fertile ground for misappropriation and corruption. This abdication of statutory responsibility has allowed errant employees to misuse temple funds with impunity, secure in the knowledge that systemic weaknesses will shield their misconduct.

11. The obligations imposed under Sections 32, 102, and 103 of the Travancore-Cochin Hindu Religious Institutions Act, 1950 are neither procedural nor optional. They lie at the core of the trust reposed in the Board by law and by the devotees. The persistent failure to adopt modern, transparent, and auditable accounting systems such as real-time digital bookkeeping, electronic vouchers, and automated reconciliation constitutes a serious dereliction of duty. The divine assets of the temples cannot be left vulnerable to outdated ledgers and missing records.

12. It is therefore imperative that the Devaswom Board immediately transition to a fully digitised, end-to-end accounting framework. All receipts, bills, and vouchers must be entered in real time into a centralised financial management system accessible to both audit and supervisory authorities. Digital registers, online reconciliation of bank transactions, and automated alerts for discrepancies should form part of this structure. Such reforms are essential to restore transparency, ensure accountability, and enable audits to be conducted seamlessly and within the time limits prescribed by law. An immediate systemic overhaul and a culture of strict financial accountability must be established within the administrative machinery of the Devaswom Boards.

13. The Director, Kerala State Audit Department, Thiruvananthapuram, shall appear before this Court on 30.10.2025. The Deputy Devaswom Commissioner in-charge of Computerisation shall also be present on that day. The Audit Department, as well as the representative of the Devaswom, shall place on record detailed statements and an action plan outlining the steps that can be taken in a time-bound manner to transition to modern scientific accounting practices, including the adoption of appropriate software systems, digital record maintenance, and a time-bound audit completion framework. Such a system should ensure that financial irregularities are detected in real time, liabilities are fixed promptly, and recovery and disciplinary action are effected without delay. Only by such comprehensive reforms can the sanctity of temple finances be

preserved and public confidence in the administration of the Devaswom institutions restored.

Post on 30.10.2025.

Sd/-

**RAJA VIJAYARAGHAVAN V,
JUDGE**

Sd/-

**K.V. JAYAKUMAR,
JUDGE**

APM

