IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR. JUSTICE RAJA VIJAYARAGHAVAN V

&

THE HONOURABLE MR.JUSTICE K. V. JAYAKUMAR

Thursday, the 30th day of October 2025 / 8th Karthika, 1947

DBAR NO. 2 OF 2025

IN THE MATTER OF TRAVANCORE DEVASWOM BOARD - SPECIAL REPORT (FINAL) ON THE SERIOUS EMBEZZLEMENT AT THE PETROL PUMP, NILAKKAL - REG:

PETITIONER:

JOINT DIRECTOR,
KERALA STATE AUDIT DEPARTMENT, TRAVANCORE DEVASWOM BOARD,
THIRUVANANTHAPURAM, PIN - 695003

BY GOVERNMENT PLEADER for the petitioner

RESPONDENTS:

1. THE SECRETARY, TRAVANCORE DEVASWOM BOARD, NANTHANCODE,
KAWADIAR POST, THIRUVANANTHAPURAM, PIN - 695003
*ADDL.R2 IMPLEADED
2. THE DEPUTY DIRECTOR GENERAL, NATIONAL INFORMATICS CENTRE (NIC),
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY,
GOVERNMENT OF INDIA, E2A, RAJAJI BHAVAN, BASANTH NAGAR,
CHENNAI - 600 090
*IS SUO MOTU IMPLEADED AS ADDITIONAL RESPONDENT AS PER ORDER
DATED 17/09/2025 IN DBAR.NO.2/2025

BY SRI.G.BIJU, SC, TRAVANCORE DEVASWOM BOARD FOR R1
BY SMT.O.M.SHALINA, DEPUTY SOLICITOR GENERAL OF INDIA
FOR ADDL.R2

THIS DEVASWOM BOARD AUDIT REPORT HAVING COME UP FOR ORDERS AGAIN ON 30/10/2025, UPON PERUSING THE REPORT AND THIS COURT'S ORDER DATED 22/10/2025, THE COURT ON THE SAME DAY PASSED THE FOLLOWING:

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

D.B.A.R. Nos. 2 of 2025 and 2 of 2018

Dated this the 30th day of October, 2025

ORDER

Raja Vijayaraghavan V, J.

D.B.A.R. No. 2 of 2018 pertains to audit objections raised in connection with the disbursement of pensionary benefits to an employee of the Devaswom. We noted, with considerable dismay, that in respect of one B. Padmanabhanunni, who retired from Devaswom Service on 31.07.2017 while holding the post of Deputy Devaswom Commissioner, audit objections were raised to the tune of ₹21,03,471/-. The audit revealed that a substantial number of vouchers were found missing. This rendered the accounts unverifiable and raised serious concerns regarding the maintenance of financial records within the Devaswom administration.

2. In our order dated 17.10.2018, we had recorded that, having regard to the statutory framework and the state of affairs disclosed before this Court, the failure of the Travancore Devaswom Board (TDB) to maintain proper, verifiable, and contemporaneous accounts amounts to a fundamental lapse in financial management. We also observed that the continued reliance on archaic manual record-keeping methods, the absence of digitised accounting systems, and the failure to conduct timely audits reveal a persistent pattern of gross administrative indifference. In view of the above, we directed

the Director, Kerala State Audit Department, Thiruvananthapuram, to appear before this Court on 30.10.2025. We had further directed the Deputy Devaswom Commissioner in charge of Computerisation to be present. The Audit Department and the representatives of the TDB were instructed to place on record detailed statements and a comprehensive action plan outlining specific steps to be implemented, in a time-bound manner, to transition towards modern scientific accounting practices. These were to include the adoption of suitable software systems, digital record maintenance, and the establishment of a structured audit completion framework with defined timelines. It was also emphasised that any system so designed must ensure the detection of financial irregularities in real time, facilitate prompt fixation of responsibility, and enable immediate initiation of recovery and disciplinary proceedings wherever warranted.

3. In D.B.A.R. No. 2 of 2025, the matter pertains to a serious instance of embezzlement detected at the petrol pump operated by the Travancore Devaswom Board at Nilakkal, functioning under the name and style of "Swamy Ayyappa Fuels." It was noted that the stock registers of fuel were not being promptly updated, entries in the cash book had not been duly verified, and remittances were subjected to inordinate delays. The audit further revealed grave irregularities in fuel stock management, absence of proper verification procedures, and lack of official supporting records. We took note of the fact that disciplinary proceedings had already been initiated against certain employees for acts of misappropriation and embezzlement, the quantum of short remittance being estimated at approximately ₹40 lakhs. Upon

considering the matter in detail and examining the records, this Court, while passing the order, made the following observation in paragraph 16 thereof:

> "16. We are of the considered view that it is the bounden duty of the Board to ensure that a comprehensive, fully functional, and tamper-proof software system of all the institutions governed by the Board is in place at the earliest, so that all revenues and expenditures are captured, monitored, and reconciled on a day-to-day basis. The system must be capable of -
>
> a) Tracking all receipts from every temple, institution, and commercial activity, including fuel pumps and shops, in real time.
>
> b) Monitoring tendering processes for contracts, enforcing transparent bidding, and preventing dealings with blacklisted parties.
>
> c) Ensuring that no purchases are made above prevailing market prices and that all procurement is through public tender.
>
> d) Capturing every voucher, credit slip, and stock transaction in a digital audit trail.
>
> e) Integrating HR records, including qualifications, vacancies, and appointment approvals, to prevent nepotism and under-qualified recruitments.
>
> f) Recording and approving all prerequisites for construction activities, including uploading structural drawings, sketches, and estimates before sanction.
>
> g) Contracts & Purchase Management Module, which should include Contract Creation & Approval, Budget Validation, Vendor Verification, Performance & Compliance Clauses, Milestone-Based Payments, Digital Contract Repository, Amendment & Termination Control, Audit Trail etc."

4. We had reiterated that the transparency, accountability, and the adoption of robust technological safeguards are no longer matters of administrative discretion and they are statutory obligations that the Board is legally and morally bound to discharge without exception. We had reminded the Board that any failure to act can lead to only one inference: that the higher echelons of the Board are somehow or other perpetuating the status quo for reasons best known to them.

5. In D.B.A.R. No. 2 of 2025, it was brought to our notice that the Travancore Devaswom Board (TDB) had entered into a Memorandum of Understanding (MoU) with the National Informatics Centre (NIC) for the development and implementation of a comprehensive digital system to modernise the Devaswom administration. In view of the same, we impleaded the Deputy Director General (DDG) of the NIC as an additional respondent in the proceedings. We directed the NIC to place on record the Software Requirements Specification (SRS) and the Functional Requirements Document (FRD) prepared in consultation with the TDB for the proposed comprehensive system. These documents were expected to serve as the foundational instruments delineating the software architecture, user hierarchies and roles, data security protocols, audit and compliance mechanisms, and the interoperability standards necessary to ensure an integrated, transparent, and tamper-proof digital ecosystem for the functioning of the TDB.

6. Later, by order dated 17.10.2025, in D.B.A.R. No.2 of 2018, we had directed the Director, Kerala State Audit Department,

Thiruvananthapuram, and the Deputy Devaswom Commissioner in-charge of Computerisation to appear before us in person.

7. The Auditor submitted that under the Travancore Devaswom Manual, Volume II, Chapter VIII, provision has been made for the constitution of a Devaswom Fund. According to the Auditor, the Travancore Devaswom Board (TDB) presently manages approximately 1,250 temples in addition to several educational and cultural institutions. Its responsibilities encompass temple administration, management of assets, financial governance, and the welfare of employees and devotees. It has been stated that, in the present era of technological advancement, the need for comprehensive digitisation within the TDB is both urgent and indispensable, as such a transformation would enhance efficiency, transparency, and accountability. Although the TDB executed a Memorandum of Understanding with the National Informatics Centre (NIC) on 20.12.2024 for implementing a computerisation project through the Integrated Temple Management System (ITMS), the Audit Department was not consulted at any stage during the planning or development of the proposed software. The Auditor has submitted that, being the statutory audit agency, the Audit Department ought to have been involved from the inception of the project to ensure that the system adequately addresses audit, compliance, and transparency requirements. It is further stated that, except for a single meeting held on 09.06.2025 at the Devaswom Board Headquarters, no representative from the Kerala State Audit Department was invited to participate in discussions relating to the digitisation project. Consequently, vital audit-related aspects that could have substantially strengthened the system's accountability

and reliability were left unaddressed. To ensure transparency, accountability, and audit efficiency, it was suggested that the software being developed by the NIC must incorporate certain core features, including a dedicated Auditor's Module. Such a module should enable the Audit Department to securely access all relevant data — including statements, reports, documents, and transaction details — and to download the same in PDF and Excel formats whenever required. It has also been pointed out that the Board administers numerous institutions and offices, including the Board Office, the Devaswom Commissioner's Office, the Cultural Directorate, the Maramath Division Office, self-financing schools and colleges, fuel pumps, and other entities. What is most disquieting, however, is what has been stated in paragraph 8 of the affidavit filed by the Director, Kerala State Audit Department. It is stated therein that the audit of the TDB for the financial year 2021–2022 has been completed and the report is under finalisation, the delay being occasioned by the late submission of annual accounts by the Devaswom authorities. The audit for the financial year 2022–2023 has also been completed; however, the annual accounts for the years 2022–2023, 2023–2024, and 2024–2025 remain pending submission by the TDB authorities. The Auditor has further stated that the TDB oversees approximately 1,250 temples, 20 Group Offices, more than 20 Special Funds, the Sabarimala Group Devaswom, and other related institutions. Owing to infrastructural and manpower limitations, in a typical financial year, only about 150 institutions can be audited. Consequently, several institutions are audited only once every four to five years. As a result, the financial position of such institutions for the intervening years remains unaudited, exposing them to potential financial misappropriation and loss. The

Director has, in unequivocal terms, stated that a complete audit of all Devaswoms is conducted only once every five years, leaving the years falling outside the audit cycle entirely unverified.

8. The Audit Department, in the affidavit filed by them, has submitted that the minimum requirements for the proposed audit module are as under:

> "6. It is submitted that the following are the requirements for the proposed Audit Module,
>
> - Complete & Unlimited access to the data recorded in the Accounting Software (without edit/delete privilege)
> - Provisions to view the Temple Information Module & HR Module to identify the details of the environment in which the audited entity operates
> - Provisions to view the internal control mechanisms of the audited entity (For checking duties & responsibilities of officers concerned)
> - Provisions to view the Audit trail reports & Internal Audit Reports to identify the Risk Areas for Risk profiling of the audited entity
> - Provisions to view the inspection reports of Supervising Officers to identify both strengths and weaknesses of the audited entity
> - Provisions to view the Budget details to verify Budget controls and budget execution
> - Provisions to view the Minutes Books & other Statutory records to identify the management systems and controls
> - Provisions to view the Receipt & Payment statement, Income & Expenditure statement, Asset & Liability statement for a specific period for each audited entity and as a whole as decided by the Auditor to determine the scope of the Audit and to identify mandays & team for the audit
> - Provisions to view the Bank Books of Accounts maintained

in Board Office, Devaswom Commissioner Office, Cultural Directorate, Maramath Division Offices, Self -Financing schools & Colleges, etc.

- Provisions to view the Asset & Liability register with supporting documents
- Provisions to view the Stock Registers of items procured/ received
- Provisions to view the files related to Revenue & Capital expenditure
- Provisions for comparative analysis of receipts, payments, and expenditure across temples, divisions, and financial years.
- Provisions for filter-based and advanced search options (temple/division, period, account head, voucher number, etc.) for quick data retrieval.
- Provisions for dashboard summaries showing key financial indicators, fund flow, and budget utilization for audit review.
- Provisions to view the Receipt & Payment vouchers with supporting documents
- Provisions to view the Cash Book, Journal entry, Ledger records, Bank Book, Reconciliation Statement, Trial balance statement for a specific period as decided by the Auditor
- Provisions to view the Registers/Records used for accounting at TDB, Temples and other institutions
- Provisions for generating exception reports to identify duplicate entries, delayed postings, or unusual transactions.
- Provisions to view details of Nadavaravu (offerings) items and Thulabharam items received in temples, including particulars of their receipt, valuation, utilization, and disposal through auction or other approved means.
- Provisions to view the Mahazar Reports prepared with supporting documents
- Provisions to view auction registers and proceedings related to sale or disposal of Nadavaravu and Thulabharam items, along with corresponding accounting entries.
- Provisions to view details of cancelled receipts, unused or damaged receipts and stationery, and the process of their

verification and disposal.

- Provisions to view the registers of advance Pooja bookings, including details of devotees who have booked offerings or services in advance, the date of performance, and status of execution.
- Provisions to view information on advance Pooja bookings including receipt details and mode of performance or delivery.
- Provisions to view foreign currency receipts received as offerings or donations, including details of collection, conversion, and accounting treatment adopted.
- Provisions to view details of stock handling, including the issue, utilization, and accounting of various items received as offerings or purchased for temple use.
- Provisions to link stock movement records with corresponding vouchers or utilization entries for verification of usage and accountability.
- Provisions to generate MIS reports with date range, account head wise, transaction wise etc.
- Provisions to record "Audited" Stamp on audited Financial Statements/ Registers/Records etc.
- Provisions to view the report of changes made in the audited Financial Statements/ Registers/Records etc."

9. A counter-affidavit has been filed on behalf of the 2nd respondent, the NIC in D.B.A.R. No. 2 of 2025. It is stated that as per the MoU between the NIC and TDB, the project was agreed to be completed in three phases, which are as under:

a. Phase I:

In Phase-1 the following modules were planned.
i.Temple Information
ii. eServices (Vazhipadu) (after PG integration other than IOB/KVB)
iii. POS Payment (After SDK Integration other than SBI-POS)
iv. Auto reconciliation

v. Mobile Apps for issuing of Tickets on Free / Paid Temple Services

vi. General, Annadhanam, Punarudharanam Donations

b. Phase II:

In Phase-II, the following modules will be covered and the Project Proposal will be submitted separately after completion of Phase-1. TDB must approve the proposal and transfer the funds to initiate Phase-1II.

i. Landed Property (After Integration with Land Portal of Kerala State)

ii. Demand, Collection and Balance (DCB) and Auction

iii. Idols and Thiruvabaranam Information

iv. Budget

v. Thiruppani (Punarudhaaranam) (Workflow based AS Approval)

vi. Public Grievances

c. Phase III:

In Phase-III, the following modules will be covered and the Project Proposal will be submitted separately after completion of Phase-11.

i. Book Stall and Sale of Books

ii. Temple Security Information

iii. Mobile App for public (Thirukoil)

iv. Receipts and Expenditure v. Thiruvaabaranam (New Development)

10. Insofar as the aspects pointed out by this Court in the order dated 22.10.2025, this is what is stated in paragraph No. 9 of the counter-affidavit:

> "9. As per point 16 of the SPECIAL REPORT ON THE SERIOUS EMBEZZLEMENT AT THE PETROL PUMP, NILAKKAL (DBAR NO. 2 OF 2025) dated 8th August, 2025, it

has been mentioned that the software developed for TDB must be capable of the following points. Point wise explanation on what activities will be covered under ITMS as per the MOU is explained below.

a. Tracking all receipts from every temple, institution, and commercial activity, including fuel pumps and shops, in real time.

> ITMS covers only the receipts of Temple and Temple institutions (Noncommercial and Charitable Endowments) services.

b. Monitoring tendering processes for contracts, enforcing transparent bidding, and preventing dealings with blacklisted parties.

> ITMS does not cover Tendering process.

c. Ensuring that no purchases are made above prevailing market prices and that all procurement is through public tender.

> ITMS does not cover the Tendering process.

d. Capturing every voucher, credit slip, and stock transaction in a digital audit trail.

> Voucher and Stock management will be covered in Phase — 3 under Receipts and Expenditure module which will be a new proposal.

e. Integrating HR records, including qualifications, vacancies, and appointment approvals, to prevent nepotism and under-qualified recruitments.

> ITMS does not include HR module and any kind of HR activities.

f. Recording and approving all prerequisites for construction activities, including uploading structural drawings, sketches, and estimates before sanction.

> All construction or renovation activities will be covered

under Punarudhaaranam module in Phase -2 which will be a new proposal.

g. Contracts & Purchase Management Module, which should include Contract Creation & Approval, Budget Validation, Vendor Verification, Performance & Compliance Clauses, Milestone-Based Payments, Digital Contract Repository, Amendment & Termination Control, Audit Trail etc.

ITMS includes Budget planning and Approval of Temples in Phase-2 under Budget module which will be a new proposal."

11. From the counter-affidavit filed by the National Informatics Centre, it is evident that the proposed Integrated Temple Management Software has a limited functional scope, as it presently covers only the receipts of temple and temple institutions of a non-commercial or charitable nature, while several key governance areas stand excluded. The system does not include tendering, e-procurement, or price control mechanisms. The system omits human-resource and payroll management. It lacks a contracts and vendor-management module, except for a proposed temple-budget component in a later phase. It defers voucher and stock management to a future Phase-III and postpones construction and project workflows to Phase-II. Moreover, the software is not enterprise-wide, since critical institutions such as the petrol pump, shops, colleges, schools, and maramath divisions do not fall within the present phase of implementation, and, most importantly, there is no embedded auditor's workflow or dedicated Auditor's Module incorporating immutable audit trails, exception analytics, and data-extraction capabilities, all of which are essential to ensure real-time

transparency and accountability.

12. From the statement filed by the learned Standing Counsel appearing for the TDB, we find that in the year 2024, the Board decided to constitute a Technical Committee with Dr. P. Vinod Bhattathirippad as the Chief IT Advisor, Dr. K. Sabareesh (Scientist, KSCSTE), Mr. P. K. Rahul (Senior Consultant, State IT Mission), Mr. S. V. Misha (Project Manager, Information Kerala Mission), Mr. E. Sunilkumar (Enterprise Architect, Technopark), Mr. S. Sunil (Senior Technical Officer, Information Kerala Mission), and Ms. Priya Nair (Technical Officer, Information Kerala Mission) as members. It was stated that upon review, the Committee was of the considered view that, in the realm of Information Technology, the Detailed Project Report (DPR) earlier prepared by the TDB had become obsolete and did not meet the present-day requirements for a modern, secure, and integrated digital framework.

13. We have also interacted with Dr. P. Vinod Bhattathirippad, who appeared before us online. Dr. Bhattathirippad is stated to be in charge of the digitisation process of the TDB.

14. From his submissions, we have noted that the initiatives for computerising the general administration of the TDB were first conceived as early as in the year 2003. He has fairly submitted that, despite the passage of two decades, the TDB has not, till 2023, been able to realise its vision of achieving complete, end-to-end computerisation in an integrated and functional manner.

15. From the inputs received from the Audit Department, the NIC, and the Chief IT Advisor of the TDB, we are constrained to observe that the TDB is lagging by at least two decades in the matter of computerisation and digital integration of its institutions. The TDB presently administers approximately 1,252 temples, of which 26 are classified as Administrative Officer Grade Temples. The Audit Department has reported that a comprehensive audit of all institutions can be conducted only once every five years, leaving substantial intervening periods unverified and vulnerable to irregularities. The software currently under development by the NIC is described as an Integrated Temple Management Software; however, it falls significantly short of providing an end-to-end digital framework that ensures transparency, accountability, and efficiency across all levels of the Devaswom administration. We have encountered repeated instances of misappropriation and loss of money and valuables belonging to temples, which can be directly attributed to the absence of a systematic digital inventory, non-standardised accounting practices, and failure to maintain proper vouchers and documentation. The system, in its current form, neither provides for real-time integration of accounting, audit, and procurement functions, nor ensures transparent management of human resources, contracts, and assets. The absence of an Auditor's Module with full, read-only access, immutable audit trails, and exception analytics further undermines its adequacy to achieve the statutory objectives of transparency and accountability. We are of the considered view that such a state of affairs cannot be permitted to continue any longer. Immediate and comprehensive digital reform is imperative to safeguard the assets and ensure the integrity

of the administration of the Devaswom institutions.

16. In view of the foregoing circumstances, we direct that the Technical Committee already constituted by the Travancore Devaswom Board shall, within one month, convene on a war footing and place before this Court a detailed roadmap and software architecture for the complete digitisation of the Board's administration. We would urge the Committee to consider and advise the TDB as to whether to proceed with the limited NIC-developed module or to adopt an enterprise-grade, microservices-based platform that is scalable and modular. It has to seamlessly integrate all essential functions, including—(i) accounting and finance; (ii) auditor access and risk profiling; (iii) procurement, contracts, and vendor management; (iv) human resources and payroll; (v) project and construction management; (vi) inventory and asset control; (vii) temple services and offerings; and (viii) online accommodation booking. The proposed architecture shall include role-based access controls, tamper-proof audit trails, and real-time monitoring of all temples and institutions under the Board. The Kerala State Audit Department shall be made a mandatory stakeholder at every stage of design and implementation to ensure "audit-by-design" compliance. The Committee shall also propose a phased implementation plan, beginning with pilot deployment in high-value institutions such as Sabarimala, followed by a full-scale rollout across all divisions, along with defined timelines, milestones, and accountability mechanisms.After perusing the report, this Court shall consider whether an interaction with the members of the above committee is required to carry forward with the proposals that are submitted.

17. We make it clear that the Board shall not incur any further expenditure on the existing limited software until this Court approves a complete and comprehensive digital framework. The objective of this exercise is to establish, within a fixed timeframe, a transparent, all-encompassing, and technologically robust administrative system that preserves and strengthens the public's trust in the Travancore Devaswom Board.

Post 28.11.2025.

Sd/-
RAJA VIJAYARAGHAVAN V,
JUDGE

Sd/-
K.V. JAYAKUMAR,
JUDGE

*PS/*APM*/30/10/2025*