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 23rd day of July 2026 / 1st Sravana, 1948

DBP NO. 61 OF 2023

(GURUVAYUR DEVASWOM MANAGING COMMITTEE - STATUTORY AUDIT)

IN THE MATTER OF GURUVAYUR DEVASWOM MANAGING COMMITTEE - MATTER PERTAINING TO STATUTORY AUDIT - SUO MOTU PROCEEDINGS - REG

PETITIONER:

SUO MOTU

RESPONDENTS:

1. **STATE OF KERALA**
   REPRESENTED BY THE SECRETARY TO GOVERNMENT,
   REVENUE (DEVASWOM) DEPARTMENT,
   GOVERNMENT SECRETARIAT,
   THIRUVANANTHAPURAM - 695 001
2. **KERALA STATE AUDIT DEPARTMENT**
   VIKAS BHAVAN, THIRUVANANTHAPURAM - 695 033
3. ***SENIOR DEPUTY DIRECTOR,**
   KERALA STATE AUDIT DEPARTMENT,
   GURUVAYUR DEVASWOM AUDIT,
   GURUVAYUR – 680 101
   ***SENIOR DEPUTY DIRECTOR,**
   OFFICE OF THE SENIOR DEPUTY DIRECTOR,
   LOCAL FUND AUDIT, GURUVAYUR DEVASWOM AUDIT,
   GURUVAYUR-680 101 IS
   SUO MOTU CORRECTED AS ABOVE AS PER ORDER
   DATED 04/02/2025 IN DBP.NO.61/2023
4. **PRINCIPAL ACCOUNTANT GENERAL (A&E), KERALA,**
   THIRUVANANTHAPURAM - 695 039

5. **COMMISSIONER**
   GURUVAYUR DEVASWOM, GURUVAYUR, THRISSUR - 680 101.
6. **GURUVAYUR DEVASWOM MANAGING COMMITTEE**
   REPRESENTED BY ITS ADMINISTRATOR,
   GURUVAYUR, THRISSUR -680 101

BY SR.GOVERNMENT PLEADER
BY STANDING COUNSEL FOR GURUVAYUR DEVASWOM MANAGING COMMITTEE

THE DEVASWOM BOARD PETITION HAVING COME UP FOR ORDERS AGAIN ON 23/07/2026, UPON PERUSING THE PETITION AND THIS COURT'S ORDER DATED 13/03/2025, THE COURT ON THE SAME DAY PASSED THE FOLLOWING:

THURSDAY, THE 23RD DAY OF JULY 2026

<u>DBP No. 61 of 2023</u>

SUO MOTU

VS

STATE OF KERALA & OTHERS

<u>ADVS FOR PETITIONER/S:</u>
NIL
<u>ADVS FOR RESPONDENT/S:</u>

<u>DBP No. 39 of 2025</u>

SENIOR DEPUTY DIRECTOR

VS

GURUVAYUR DEVASWOM MANAGING COMMITTEE REPRESENTED BY ITS ADMINISTRATOR

<u>ADVS FOR PETITIONER/S:</u>
GOVERNMENT PLEADER
<u>ADVS FOR RESPONDENT/S:</u>

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

DBP Nos. 61 of 2023 & 39 of 2025

Dated this the 23rd day of July, 2026

O R D E R

Raja Vijayaraghavan V, J.

DBP No. 61 of 2023 pertains to the statutory audit of Guruvayur Devaswom. It appears that this DBP was registered suo motu on the basis of a news item which appeared in a prominent daily on 27.05.2023.

2. As directed by this Court, the 3rd respondent has filed an affidavit dated 18.07.2023.

3. As per Section 23(1) of the Guruvayur Devaswom Act, 1978, the Committee is required to keep regular accounts of all receipts and expenditure. Section 23(2) of the Act states that the accounts of Guruvayur Devaswom, which include both receipts and expenditure, shall be subjected to concurrent audit, meaning thereby that the audit shall take place as and when the expenditure is incurred.

4. Under Rule 17 of the Guruvayur Devaswom Rules, 1980, the audit of accounts of Guruvayur Devaswom is to be conducted by the Examiner of Local Fund

Audit (now re-designated as the Director of the Kerala State Audit Department). As per Section 25 of the Guruvayur Devaswom Act, 1978, the Senior Deputy Director is to verify and specifically include all cases of irregular, illegal or improper expenditure or loss, waste of money or other property caused by the neglect or misconduct of the Guruvayur Devaswom authorities in the audit report for the particular period. The said report is to be issued to the Guruvayur Devaswom Commissioner. As per Section 26 of the Guruvayur Devaswom Act, 1978, the Commissioner is required to send a copy of the audit report to the Committee, and it is the duty of the Committee to remedy any defects or irregularities pointed out by the Auditor and also to report the same to the Commissioner.

5. The Auditors deputed for the audit of receipts are required to check the daily routine expenditure of the temple as well. They are required to verify more than 50 records, such as Vazhipadu receipts (both manual and computer-generated receipts), Collection Registers, Stock Registers of items like sandal, saffron, butter, sugar, jaggery, rice and paddy, stock registers of receipt books, etc. All other expenditure related to the Devaswom is audited as and when the vouchers, cash book and other expenditure-related records are submitted for audit by the Devaswom.

6. From the report of the audit wing, we find that the Devaswom has introduced various modern facilities with the help of banks for Vazhipadu collection. There is an online software application for Vazhipadu collection, POS (Point of Sale)

machines, MPOS (Mosambee POS Machine) machines, credit/debit card swiping machines or kiosks, E-Hundi for scanning QR codes, etc. All these facilities were introduced by the Devaswom to facilitate cashless transactions and to provide speedy assistance to the devotees.

7. The audit has reported that, while implementing such modern technology, the Devaswom failed to formulate a flawless system to account for the amount collected through the above-mentioned applications and machines. This has resulted in making the accounting procedures more complex. It is also stated that no information regarding the operating procedures and cyber security protocols implemented to operate these systems has been shared with the Audit. No training or demonstration was also provided to the Statutory Audit Wing regarding the working procedures of these machines or as to how the collection details are recorded and tracked and how the reports are generated.

8. It appears that, though the Audit had issued various communications seeking the User ID and password to view and verify detailed reports and to ascertain the authenticity and correctness of the amounts collected through these applications and machines, the same has not been responded to by the Devaswom.

9. In the audit report, the Audit has highlighted the issues with regard to the Mosambee POS Machine installed in the temple by HDFC Bank. It is stated that the Audit was granted an opportunity to examine its mode of operation, during which certain issues were noticed. On verification, it was found that when a receipt

is printed and issued to a devotee, the reprint option of the same receipt is available in the software application installed in the machine. Various other issues were also noted. In the said circumstances, Annexure-R3(a) audit enquiry was issued to the Devaswom authorities. The Audit has stated that no reply has been given by the Devaswom authorities to the audit enquiry.

10. Insofar as the online Vazhipadu collections and the functioning of other software-based machines used for this purpose are concerned, it is stated that Annexure-R3(b) series of letters was issued to the Devaswom. However, the required documents were not made available to the Audit Department. It is also stated that, insofar as the machines are concerned, it was noticed that the Admin User IDs and passwords of the machines, which were confidential in nature, were kept by the bank officials and not by the Devaswom authorities. The Audit has reported that the confidentiality of the User IDs and passwords of the employees is also not maintained properly. Highlighting these issues, Annexures-R3(c) and R3(d), detailed audit notes were issued.

11. It also appears that there are serious grievances and a lack of trust between the Devaswom authorities and the Audit Department, which has also led to the registration of a crime against an Auditor.

12. The Auditor has also highlighted issues such as the denial of authority to conduct the audit of receipts, the failure of the Devaswom to hand over the minutes of the Committee for the purpose of audit, and the failure on the part of the

Devaswom authorities to take follow-up action on the basis of the audit observations.

13. From the affidavit, we find that the audit objections for the years 2002-03 to 2019-20, involving crores of rupees, are still pending closure. We also find from the chart appended to the affidavit that the total amount objected for the years from 2011-12 to 2019-20 is ₹54,59,46,564.00 and the total amount disallowed and treated as loss is ₹107,92,82,332.00.

14. It is also stated that the provisions envisaged under Section 26(2) to (6) for recovery of the loss sustained by the Devaswom, as reported in the audit reports, have also not been invoked by the Commissioner.

15. The Audit has also stated in the affidavit the risks and difficulties faced by it. The various risks and difficulties have been summarised as follows:

(i) Accounting rules are not yet formulated.

(ii) Delay in submission of annual accounts.

(iii) The non-accounting of valuables and the non-conduct of annual physical verification.

(iv) Auditor login not provided for software-based online receipts.

(v) Ambiguities in the Guruvayur Devaswom Employees Regulation, 1983.

16. We also find that, insofar as the annual physical verification of the valuables in the Devaswom is concerned, it is stated that, according to Sections 10(c) and 28 of the Guruvayur Devaswom Act, 1978, the accounting and custody of the valuables are the sole responsibility of the Managing Committee. As per Rule 12(1) of the Guruvayur Devaswom Rules, 1980, the Administrator is required to maintain the necessary registers containing the particulars of jewels, gold and other valuables belonging to the temple. Rule 12(6) provides that the Committee shall conduct annual physical verification of movable properties, including jewels and gold, and send a certificate to that effect to the Commissioner.

17. The Audit has reported that, even after the lapse of 43 years from the formulation of the Rules, such physical verification has not been conducted. It is also stated that serious lapses were found during the verification of the Valuables Register of the Devaswom in 2022, which were informed to the Commissioner as per Annexure R3(j) communication. It is further stated that valuables received as offerings, other than gold and silver, such as huge bronze vessels, Kashmiri saffron, etc., costing lakhs of rupees, are not being entered into appropriate registers by the Devaswom. The Audit states that it is not in a position to ensure that all the items received in the temple are properly accounted for.

18. We find that, to the affidavit filed by the Audit Department, a detailed counter affidavit has been filed by the Administrator, Guruvayur Devaswom.

19. In the said counter affidavit, it is stated that no major shortcomings in the functioning of the Devaswom in respect of accounts have been pointed out by the auditors. It is also stated that the auditors seek copies of the minutes required for the purpose of audit and never insist on the production of minutes other than those relevant for the purpose of audit. It is further stated that the Point of Sale machines, as well as the online equipment, are all functioning properly. The contentions raised by the Audit Department to the contrary have been denied. It is stated that the Chief Finance and Accounts Officer and the audit officers deputed by the 4th respondent have been functioning very effectively and that they have no serious complaints regarding the co-operation of the staff of the Guruvayur Devaswom Managing Committee in the matter of audit. It is also stated that the Devaswom is willing to comply with any directions issued by this Court in the matter of audit as per the Guruvayur Devaswom Act and the Rules.

20. An additional affidavit has also been filed by the 6th respondent, wherein it is stated that, in the previous years, all audit objections up to the year 2001-02 were answered and dropped. For this purpose, a committee comprising an Additional Secretary of the Devaswom Commissioner's Office, an Audit Officer of the Kerala State Audit Department and a Devaswom official was constituted as per Annexure R6(z). It is stated that the aforesaid Committee evaluated the replies to the audit objections and advised the Commissioner to take appropriate action. It is further stated that, regarding the audit reports of the later years, the majority of the paragraphs in the reports have been answered before the Commissioner. It is further

submitted that a majority of the audit observations do not involve any financial liability and are largely procedural or administrative in nature. The learned Standing Counsel also submitted that the 4th respondent, the Principal Accountant General (A&E), Kerala, has examined the present state of the accounts maintained by the Guruvayur Devaswom and has expressed satisfaction regarding the manner in which the accounts are presently being maintained. According to the learned Standing Counsel, the accounting system has undergone substantial improvement, and the observations made during the audit do not disclose any significant financial irregularity warranting immediate corrective action involving financial liability.

21. We find that the 3rd respondent, Senior Deputy Director, Audit Department, has also filed an additional affidavit on 29.12.2023, in response to the additional counter affidavit filed by the 6th respondent, reiterating the contentions raised therein.

22. Having considered the facts and circumstances, we find that the DBP was registered in 2023 and all the affidavits were filed during the year 2023. What has transpired thereafter has not been brought to the notice of this Court.

23. We also deem it necessary to address the larger issue of financial governance and institutional accountability within the Guruvayur Devaswom. During the course of these proceedings, it has become evident that the absence of an integrated and comprehensive digital management system has resulted in fragmented record-keeping, difficulties in monitoring financial transactions, and

challenges in effectively auditing the affairs of the Devaswom. In an institution of the stature and magnitude of the Guruvayur Devaswom, where substantial public funds are received and administered and where numerous activities are undertaken through different wings, the existence of a robust enterprise-level management system is indispensable for ensuring transparency, accountability, and efficient administration.

24. We, therefore, direct the Guruvayur Devaswom Managing Committee to consider engaging a reputed institutional consultant, such as the Centre for Management Development (CMD), an autonomous institution under the Government of Kerala, or the State e-Governance Mission Team (SeMT) under the National e-Governance Division, or any other institution possessing comparable expertise, to undertake a comprehensive study of the existing administrative and financial processes. The consultant shall evaluate the present systems, identify deficiencies and gaps, audit the existing workflow, and recommend the adoption of suitable enterprise software solutions capable of integrating the various functions of the Devaswom into a seamless digital platform.

25. The study shall specifically examine the feasibility of developing an integrated system capable of tracking receipts, expenditure, donations, contracts, inventories, assets, and every other income-generating and expenditure-related activity of the Devaswom in real time. The consultant shall also examine the feasibility of providing a secure digital dashboard through which the statutory

auditors and other authorised supervisory authorities can monitor financial transactions, verify compliance, track audit observations, and access relevant records without unnecessary delay.

26. Based on the report and recommendations so received, the Guruvayur Devaswom Managing Committee will be able to take appropriate and coordinated steps to modernise and upgrade its existing software infrastructure by implementing a comprehensive enterprise-level digital management system. Such a system would not only strengthen financial discipline and transparency but would also facilitate more effective auditing, improve administrative efficiency, minimise the possibility of errors and irregularities, and inspire greater public confidence in the administration of one of the most important public religious institutions in the State.

27. In the above circumstances, we deem it necessary to seek a direct status report from the authorities entrusted with the audit. Accordingly, we direct the 3rd respondent, the Senior Deputy Director, Kerala State Audit Department, Guruvayur Devaswom Audit, to appear before this Court on 28.07.2026 at 10.15 a.m. and apprise this Court of the present status of the audit. The 4th respondent, the Principal Accountant General (A&E), Kerala, may appear virtually or in person. They shall also inform this Court whether the deficiencies, omissions, and issues highlighted in the affidavit and during the course of the audit have been satisfactorily addressed by the Guruvayur Devaswom authorities, whether all requisite records and information have since been made available to the audit

teams, and whether any further impediments continue to hinder the completion of the audit exercise, in accordance with the provisions of the statute.

Post on 28.07.2026.

Sd/-

RAJA VIJAYARAGHAVAN V,
JUDGE

Sd/-

K.V. JAYAKUMAR,
JUDGE

APM

APPENDIX OF DBP 61/20

Annexure R3(a)	A true copy of the Audit Enquiry Report dated 27/09/2022
Annexure R3(b)	Atrue copy of Lr. No.KSA(GRD)E2-1741/22 dated 17.12.2022.KSA(GRD) E2-393/2023(2) dated 08.03.2023 and 03.04.2023 and KSA(GRD) E2-546/2023(2) dated 3.04.2023
Annexure R3(c)	Atrue copy of Lr.No.KSA(GRD)A10-691/2023 dated 28.04.2023
Annexure R3(d)	A true copy of Lr.no KSA(GRD)A4-852/2023 Dated 20.06.2023
Annexure R3(j)	A true copy of Audit Report of Guruvayur Devaswom for the year 2019-2020 para 5.1.2 and 5.1.3
Annexure R6(z)	The true copy of the order constituting the Audit sub-committee for examining the audit objections dated 28-01-2020