

For immediate Release – CAG - BBMP Audit (Financial Accountability matter) | Hearing

NBF brings Financial Accountability in BBMP to the fore after 5 years of relentless fight

Bangalore, Jan 17, 2020: A relentless fight of Namma Bengaluru Foundation (NBF) to bring to the light the discrepancies in the accounting system adopted by the BBMP **yielded a small yet significant victory (though partially) regarding the Financial accountability in BBMP**. The audit reports had **pointed out serious discrepancies to the tune of thousands of crores**, which the BBMP had taken no steps to rectify.

The honourable High Court of Karnataka in the previous hearing had directed the BBMP to submit audit reports for the years 2017-18 and 2018-19. *Today during the hearing of CAG-BBMP Audit (Financial Accountability PIL) at the Karnataka High Court, the affidavit tendered by the BBMP, states that the audit report for 2017-18 is yet to be placed before the Principal Secretary. The audit report for 2018-19 will be completed by March 21, 2020. The justice acknowledged the same and asked the BBMP to file complete audit reports and adjourned for next hearing to March 13 2020.*

Namma Bengaluru Foundation filed a Public Interest Litigation (PIL) in the Karnataka High Court on December 19, 2015 seeking a direction for a time-bound audit by Comptroller and Auditor General (CAG) into BBMP Finances for the financial years 2011-12; 2012-13; 2013-14 and 2014-15.

In our earlier hearing our counsels had petitioned as follows:

1. That subsequent to having filed the captioned petition seeking audit of BBMP, the audit reports for the years 2011-12, 2012-13, and 2013-14 were filed.
2. That the BBMP has taken loans of increasing amounts and in a manner that is in contravention with applicable law.
3. That BBMP is the only corporation in Karnataka that has not adopted the Karnataka Municipal Accounting and Budgeting Rules, 2006.
4. That all the discrepancies pointed out in the audit report were repeated year upon year, and that the BBMP has not taken any steps to rectify the situation.

About the PIL

Namma Bengaluru Foundation on October 9, 2014 had filed a writ petition (**WP No. 58006 of 2015 | NBF v. UOI CAG - BBMP Audit (Financial Accountability matter)**) against the lack of accountability of various parastatal agencies. The PIL also sought to fix accountability of the officials for negligence and inaction, wanting a directive to the Karnataka government to conduct comprehensive investigations against BBMP, its Commissioner and other officers for their failure to conduct timely audit. It also calls for legal proceedings, including criminal prosecution, against the erring officials.

According to the petition, BBMP has failed to audit its accounts since 2010. This amounts to dereliction of their constitutional and statutory duties and a systematic breakdown of the rule of law. According to the data collected, the last complete audit of BBMP was conducted in 2010-2011. Although multiple audit exercises have occurred thereafter, none of them have been complete in all respects.



As a matter of fact, the CAG in its report on local bodies in March 2013 had specifically observed that the internal control mechanisms in urban local bodies, such as BBMP were inadequate. It records various instances of non-maintenance of books of accounts and non-submission of statement of expenditure.

About Namma Bengaluru Foundation:

Namma Bengaluru Foundation is an NGO that works determinedly to Protect Bengaluru and the rights of its citizens and Neighbourhoods. It works through advocacy, partnership and activism for a better Bengaluru. The foundation acts as a platform for citizens to participate in the city's planning and governance, to fight corruption and ensure accountability of public money and government assets.

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