

**Government of India  
Department of Revenue  
Ministry of Finance  
Central Board of Direct Taxes**

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PRESS RELEASE

**Income Tax Department conducts searches in Kerala**

The Income Tax Department has carried out search and seizure operations on 05.11.2020 in the case of a well-known self-styled evangelist of Thiruvalla in Kerala and his group of various trusts that enjoy exemption under the Income-tax Act, 1961 as charitable/religious trusts. The group operates places of worship, a number of schools and colleges across the country, a medical college and a hospital in Kerala. The action covered 66 premises located in Kerala, Tamilnadu, West Bengal, Karnataka, Chandigarh, Punjab and Telengana.

The searches were carried out as credible information was received that the group has received donations from foreign countries ostensibly for helping the poor and the destitute and for evangelical purposes, but was actually siphoning out such tax-exempted funds in cash to engage in unaccounted cash transactions for personal and other illegal expenses in real estate transactions.

The group operates about 30 trusts, registered across the country, and most of them exist only on paper and have been found to be used for routing the unaccounted funds and for accommodation transactions.

It has been found that the modus operandi of the group is to systematically inflate expenses with the help of other parties, who would return the inflated amount in cash through domestic hawala channels to the functionaries of the group. Some of these other parties were also covered in the search action. During the search action, evidences have been found of systematic inflation of expenses in purchase of consumables, construction expenses, real estate development expenses, payment of salary, etc.

The search has led to unearthing of a number of real estate transactions involving unaccounted cash payments. Related documents such as sale agreements, etc have been seized. The group has also inflated the price in real estate transactions to show as if the money received in donations is being spent on the activities of the trusts. The evidence found so far indicate that the siphoning of funds in cash may be running into hundreds of crores of rupees.

Unexplained cash of approximately Rs. 6 crore has also been found during the search, including Rs 3.85 crore in a place of worship in Delhi.

Substantial electronic computing and data storage has been found, which is being examined.

Further investigations are going on.

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