



Press Release

09.12.2025

Directorate of Enforcement (ED), Hyderabad Zonal Office, has provisionally attached 12 immovable properties valued at Rs. 3.58 Crore under the Prevention of Money Laundering Act (PMLA), 2002, in connection with an investigation into large-scale misappropriation of tuition fees, ancillary charges collected from students of Good Shepherd Schools operated across India by the Operation Mobilisation (OM India) group of charities as well as misappropriation of Government-funded RTE and scholarship amounts. The present market value of the attached properties is estimated to be around Rs. 15 Crore.

ED initiated investigation based on an FIR registered by the EOW, CID, Telangana for offences under various Sections of IPC, 1860 against OM India entities and its key office bearers. CID uncovered a widespread organized fraud within Operation Mercy India Foundation (OMIF) and affiliated organisations, involving diversion and misappropriation of approximately Rs. 296.6 Crore in foreign and domestic donations. As per chargesheet filed by CID, Dr. Joseph D'Souza, his son Josh Lawrence D'Souza, and other key office bearers systematically diverted funds received from donors, including major Christian charity networks such as Dalit Freedom Network (DFN) USA, Canada and UK, which were ostensibly meant for the education and upliftment of Dalit and marginalised children. Although the group claimed to provide free English-medium education, community development and rehabilitation assistance, CID found that substantial funds were diverted into private accounts, fixed deposits and real estate transactions. Forensic audit further revealed large-scale manipulation of student data submitted to foreign donors for student education sponsorship even though regular tuition fees and other charges were collected from all students and recorded falsely as "local donations."

ED investigation revealed that OMIF had received significant foreign sponsorship funds for the education of students from dalit and other marginalized sections of society and other ancillary expenses related to the construction and running of the schools. Searches by ED at OM India offices and residences of key office bearers led to seizure of property documents, financial records and electronic devices and examination thereof revealed deliberate manipulation in the student sponsorship data aimed at inflating the number of students claimed to be sponsored and justifying receipt of additional foreign donations.

Manipulations in the student data included assigning multiple student codes to the same individual, different student codes for different years, different students under the same code, altering personal details (photographs, dates of birth and parents' names) and inconsistencies in other parameters like height, class, caste and gender. Despite the accused persons attempting to withhold historical data citing retention limitations, seized electronic records revealed that OMIF maintained extensive student datasets spanning several years.

ED investigation has established that Good Shepherd Schools collected regular fees, book charges, uniform and bus fees from all students, including those represented as fully sponsored, thereby generating proceeds of crime. The schools also received substantial Government aid under RTE and scholarship schemes, yet students were charged full fees, and Government reimbursements were

diverted to OMIF's head office accounts rather than being reimbursed to students. Between 2011–12 and 2017–18, significant amounts collected from students and received from Government sources were concealed from donors who believed they were funding free education. ED has identified Rs. 15.37 crores as the proceeds of crime arising out of diversion of such student collections and Government subsidies.

Between 2014–15 and 2016–17, expenses on books, uniforms, ties, belts and bus services recorded by OMIF were diverted to Good Shepherd Community Society (GSCS), an entity engaged in religious activities. These amounts were collected directly from students and parents and recorded by GSCS as local donations, which were subsequently utilised for church-related expenditures and acquisition of immovable properties.

ED investigation also revealed that diverted funds were also routed to affiliated entities for their core activities and used for extravagant foreign travel by senior functionaries, including business-class travel by Dr. Joseph D'Souza and others. Diverted funds were further siphoned off by recording bogus expenses and withdrawn in cash which was used to acquire properties in the personal names of key office bearers and other entities beneficially controlled by them. Investigation has revealed that Dr. Joseph Gregory D'Souza, self-proclaimed Archbishop of Good Shepherd churches, exercised overarching spiritual, administrative and strategic control across all group entities, while his son Josh Lawrence D'Souza functioned as the operational and financial head responsible for maintaining manipulated records, managing foreign inflows, coordinating inter-entity transfers and handling donor communications.

It has also emerged that Dr. Joseph D'Souza was a founding member of several overseas donor organisations and frequently travelled abroad to mobilise funds for operations of the Indian entities. Websites of foreign donor organisations were found to be obscured or inaccessible from India, suggesting deliberate restrictions to prevent regulatory scrutiny.

ED investigation further uncovered that the OM India group misrepresented ordinary Good Shepherd School students as "*joginis*" (sexually exploited temple attendants) to foreign donors to solicit higher sponsorship amounts. Images of regular students and unrelated kids were uploaded on donor websites and social media portraying them as *joginis*, though these children had no such background and no rehabilitation programme existed. Donations for "*jogini* rehabilitation" ranged from USD 60–68 per month, as compared to USD 20–28 per month for regular student sponsorship, resulting in higher fundraising based on false representations.

Following field verifications, the Ministry of Home Affairs [Foreign Contribution Regulation Act (FCRA) Division] ordered non-renewal of FCRA licences of multiple OM India entities and froze their FCRA accounts for violations of FCRA, 2010. However, the group leadership, in collusion with foreign donors, adopted alternate methods to receive foreign funds, routing them through OM Books Foundation (OMBF) under the guise of printing-related commercial invoices despite the restrictions imposed under the FCRA.

Further investigation, including identification of additional Proceeds of Crime and the roles of other individuals involved in laundering the diverted funds, is underway.