

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Criminal No. 14-
 :
 v. : 18 U.S.C. § 371
 :
 DARSHNA DESAI : I N F O R M A T I O N

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

1. At all times relevant to this Information:

a. Defendant DARSHNA DESAI, a resident of Watchung, New Jersey, was a part owner in DVS Pharma Inc. d/b/a Heights Pharmacy ("Heights Pharmacy"), a retail pharmacy located in Piscataway, New Jersey. Defendant DARSHNA DESAI also was employed by Heights Pharmacy and served as its lead pharmacist. In or about June 2012, defendant DARSHNA DESAI sold her interest in Heights Pharmacy to Coconspirator 1.

b. Coconspirator P.D., defendant DARSHNA DESAI's spouse, was employed as a Special Agent with the Federal Bureau of Investigation ("FBI") in its New York Field Office until his resignation in or about July 2013.

c. Coconspirator 1 was a part owner in Heights Pharmacy. Coconspirator 1 also owned and operated multiple other pharmacies located in New Jersey, New York and Maryland.

d. Coconspirator 2, the spouse of Coconspirator 1, participated at times in the management and operation of Heights Pharmacy.

The Conspiracy

2. From in or about June 2004 to in or about June 2012, in Middlesex and Somerset Counties, in the District of New Jersey, and elsewhere, defendant

DARSHNA DESAI

did knowingly and willfully combine, conspire, confederate and agree with others, including Coconspirator P.D., Coconspirator 1 and Coconspirator 2, to defraud the Internal Revenue Service (the "IRS") of the United States Department of Treasury by impeding, impairing, obstructing, and defeating the lawful government functions of the IRS to ascertain, compute, assess, and collect income taxes.

Object of the Conspiracy

3. It was an object of the conspiracy that defendant DARSHNA DESAI and the other coconspirators would subvert the function of the IRS to ascertain, compute, assess, and collect income taxes due and owing from defendant DARSHNA DESAI and Coconspirator P.D. by fraudulently concealing from the IRS the true net income of Heights Pharmacy, thereby causing the understatement of income reported to the IRS.

Manner and Means

4. Among the manner and means employed by defendant DARSHNA DESAI and the other coconspirators to carry out the conspiracy and to effect its unlawful object were the following:

a. From in or about April 2004 to in or about August 2004, Coconspirator 2 and another individual trained defendant DARSHNA DESAI on how to manage Heights Pharmacy's daily operations, including how to conceal cash earned by Heights Pharmacy.

b. From in or about June 2004 to in or about June 2012, defendant DARSHNA DESAI and, at times, Coconspirator 2 separated the cash earned by Heights Pharmacy from other income (such as income from credit card payments or payments by check), removed a portion for defendant DARSHNA DESAI's cash salary and then split the remainder in two, with one portion of the remainder designated for defendant DARSHNA DESAI and the other portion designated for Coconspirator 1.

c. Typically on a monthly basis, defendant DARSHNA DESAI personally delivered the portion of cash designated for Coconspirator 1 to the New Jersey residence of Coconspirator 1 and Coconspirator 2 and, at times, obtained the initials of either Coconspirator 1 or Coconspirator 2 in a Mead Composition Book confirming that they had received the cash.

d. At various times relevant to this Information, defendant DARSHNA DESAI and Coconspirator P.D. took the following additional actions to hide and conceal defendant DARSHNA DESAI's share of the cash income earned by Heights Pharmacy:

- i. Deposited cash into various financial institutions and multiple accounts controlled by defendant DARSHNA DESAI and Coconspirator P.D.
- ii. Used cash to purchase money orders that were used to pay for personal living expenses, including their mortgage, life insurance policies, utility bills, and credit cards.
- iii. Used significant amounts of cash to pay personal expenses, including expenses for the renovation of their residence.
- iv. Provided cash to other individuals, in exchange for checks that were then deposited into personal bank accounts controlled by defendant DARSHNA DESAI and Coconspirator P.D.

e. Defendant DARSHNA DESAI and Coconspirator 1 authorized and caused to be filed with the IRS corporate federal income tax returns, Forms 1120S, for Heights Pharmacy for tax years 2004 through 2011 that were false and fraudulent, in that those tax returns failed to disclose the cash income earned by Heights Pharmacy, including defendant DARSHNA DESAI's cash salary in the total amount of approximately \$400,000, and the cash that was split between defendant DARSHNA DESAI and Coconspirator 1 in the total amount of approximately \$1.5 million.

f. Defendant DARSHNA DESAI and Coconspirator P.D. authorized and caused to be filed with the IRS joint personal federal income tax returns for tax years 2004 through 2011 that were false and fraudulent, in that those tax returns failed to disclose the cash income received by defendant DARSHNA DESAI, including defendant DARSHNA DESAI's cash salary in the total amount of approximately \$400,000 and defendant DARSHNA DESAI's share of the cash that was split between defendant DARSHNA DESAI and Coconspirator 1.

Overt Acts

5. In furtherance of the conspiracy and to effect its unlawful objects, the following overt acts were committed in the District of New Jersey and elsewhere:

a. On or about April 12, 2012, in New Jersey, defendant DARSHNA DESAI and Coconspirator 1 authorized, filed and caused to be filed with the IRS a false 2010 United States Income Tax Return for an S Corporation, Form 1120S, for Heights Pharmacy, which did not disclose all of the cash income earned by Heights Pharmacy during tax year 2011.

b. On or about May 1, 2012, in New Jersey, defendant DARSHNA DESAI and Coconspirator P.D. signed, filed and caused to be filed with the IRS a false 2011 joint United States Individual Income Tax Return, Form 1040, which did not disclose the cash income received by defendant DARSHNA DESAI during tax year 2011.

In violation of Title 18, United States Code, Section 371.

Paul J. Fishman/rah

PAUL J. FISHMAN
UNITED STATES ATTORNEY

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UNITED STATES OF AMERICA

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DARSHNA DESAI

INFORMATION FOR

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