



*United States Attorney
District of New Jersey*

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**FORMER FBI SPECIAL AGENT, OWNER OF RETAIL PHARMACY PLEAD GUILTY
TO CONSPIRACY TO DEFRAUD THE IRS**

TRENTON, N.J. – A former FBI special agent and his wife today admitted colluding to hide her income as part-owner of a retail pharmacy in Piscataway, New Jersey, from the Internal Revenue Service – instead using the cash to pay for home renovations and other personal expenses, U.S. Attorney Paul J. Fishman announced.

Pritesh Desai, 47, and his wife, Darshna Desai, 45, both of Watchung, New Jersey, surrendered to federal authorities this morning. Each pleaded guilty to one count of conspiring to defraud the IRS. The pair entered their guilty pleas to an information before U.S. District Judge Michael A. Shipp in Trenton federal court.

According to documents filed in this case and statements made in court:

At the time of the conspiracy, Pritesh Desai was employed as a special agent with the FBI's New York Field Office until his resignation in July 2013, and Darshna Desai was a part-owner in DVS Pharma Inc., known as Heights Pharmacy. From June 2004 to June 2012, the couple conspired with each other and with Darshna Desai's partner to conceal cash income from the pharmacy.

Darshna Desai admitted that she or her partner would separate the cash earned by Heights Pharmacy from other income received, pay a portion to Darshna Desai as cash salary, and then split the remainder.

Pritesh and Darshna Desai admitted they took certain actions to conceal her share of the cash, depositing it into various financial institutions and multiple accounts. They also acknowledged they used cash to pay personal living expenses, including renovating their residence, and gave cash to others in exchange for checks the Desais deposited in their personal bank accounts. Pritesh Desai also admitted providing false information to his employer, the FBI, when submitting financial disclosure forms for years 2007 through 2011. He falsely claimed the cash held by his family was gifts from other family members.

For tax years 2004 through 2011, Darshna Desai and her partner filed false corporate income tax returns for the pharmacy. For those same tax years, Darshna Desai and Pritesh Desai

filed false joint personal income tax return which also failed to disclose the cash. The total tax loss from the fraud was between \$200,000 and \$400,000.

The offense to which the Desais pleaded guilty carries a maximum potential penalty of five years in prison and a \$250,000 fine. Sentencing for both defendants is scheduled for Dec. 11, 2014.

U.S. Attorney Fishman credited special agents of the Department of Justice, Office of the Inspector General, under the direction of Special Agent in Charge Ronald G. Gardella, and IRS – Criminal Investigation, under the direction of Acting Special Agent in Charge Jonathan D. Larsen, with the investigation leading to today’s guilty plea.

The government is represented by Assistant U.S. Attorneys Maureen Nakly and Jacques Pierre of the U.S. Attorney’s Special Prosecutions Division in Newark.

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Defense counsel:

Pritesh Desai: Michael Critchley and John Vazquez Esqs., Roseland, N.J.

Darshna Desai: Lawrence Horn and Richard Sapinski Esqs., Newark