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FOR IMMEDIATE RELEASE
June 21, 2006

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**U.S. FILES SUPERSEDING INDICTMENT CHARGING TWO FORMER
EMPLOYEES OF NYC MEDICAL EXAMINER AND FORMER CHAIRMAN
OF INDIA-BASED COMPUTER COMPANY WITH EMBEZZLING
MILLIONS OF DOLLARS IN 9/11 FUNDS PROVIDED BY FEMA**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, and ROSE GILL HEARN, the Commissioner of the New York City Department of Investigation, announced that the United States today filed a superseding criminal Indictment in a scheme to embezzle from the New York City Office of the Chief Medical Examiner ("OCME") millions of dollars including funds provided to that office by the Federal Emergency Management Agency ("FEMA") to assist the OCME in responding to the September 11, 2001 terrorist attacks. The Indictment adds new money laundering and conspiracy charges to a prior indictment against NATARAJAN. R. VENKATARAM, a/k/a "Raju" and ROSA ABREU. The Indictment also charges D.V.S. RAJU, the former Chairman and Managing Director of Visualsoft Technologies, Ltd., an India-based computer services company, with participating in the scheme and receiving approximately \$6 million of the stolen funds.

According to the superseding Indictment, VENKATARAM was the director of OCME's department of Management Information Systems ("MIS") for approximately 13 years and in that capacity had responsibility for support of OCME's computer hardware and software applications, a role that included arranging for outside consultants to perform computer work for OCME. ABREU was OCME's Director of Records and served as VENKATARAM's primary assistant. OCME - which utilizes computer systems to track and identify forensic evidence (including DNA evidence) from crime scenes - developed a particularly acute need for computer services following the September 11th attacks, when that office was assigned the task of identifying victims through the forensic analysis of body parts and other evidence collected at Ground Zero. Many of OCME's September 11-related expenses have been

reimbursed by FEMA, which provided more than \$46 million to OCME in 2002 and 2003.

The Indictment alleges that between 1999 and 2004 VENKATARAM steered more than \$13 million in OCME contracts and purchase orders to three companies run by a co-conspirator. VENKATARAM allegedly accomplished this by, among other things, advising the co-conspirator how much to bid on OCME contracts and arranging for the co-conspirator's three companies to submit purportedly independent "competing" bids. In the vast majority of cases, it is charged, the co-conspirator's companies did little or no work under the contracts, but would instead transfer the funds to other companies as directed by VENKATARAM in exchange for a fee. In many cases the co-conspirator simply provided VENKATARAM with signed but otherwise blank checks from the co-conspirator's companies to use as VENKATARAM saw fit; in other cases, the co-conspirator wrote out the checks per VENKATARAM's direction, according to the Indictment.

Millions of dollars in funds paid by OCME to the co-conspirator's companies were, at VENKATARAM's direction, spent for the benefit of himself and ABREU, as set forth in the Indictment. For example, VENKATARAM directed the co-conspirator's companies to make more than one million dollars in payments to three shell companies - A & D Marketing Corp., Trade A2Z Inc. and Infodata Associates - created by VENKATARAM and ABREU that had no employees and did not conduct any legitimate business. VENKATARAM and ABREU then used the funds in the shell company accounts to withdraw cash, pay other personal accounts, and transfer money overseas. VENKATARAM also directed checks from the co-conspirator's companies to various companies run by acquaintances of VENKATARAM that, in all but one case, did no work for the co-conspirator's companies or OCME. These companies run by VENKATARAM's acquaintances in turn made cash payments to VENKATARAM personally or issued checks to two companies run by VENKATARAM.

Also as charged in the Indictment, VENKATARAM directed to co-defendant D.V.S. RAJU and his company Visualsoft Technologies, Ltd. in Hyderabad, India more than \$6 million in funds paid by OCME to a co-conspirator's company after the September 11th terrorist attacks. Although Visualsoft Technologies Ltd. provided minimal goods and services to OCME and the co-conspirator's company, Visualsoft Technologies Ltd. submitted millions of dollars worth of fraudulent invoices purporting to identify supposed work that had never been requested of Visualsoft Technologies and never performed by them. VENKATARAM also incorporated a United States-based company called Visualsoft

Corporation and arranged for OCME to pay funds to this Visualsoft Corporation for work that was never done. The funds paid to VENKATARAM's Visualsoft Corporation were then transferred at VENKATARAM's direction to one of VENKATARAM's and ABREU's shell companies.

The Indictment charges all three defendants with one count of conspiracy, which carries a maximum penalty of five years in prison. Additionally, all three defendants are charged with one count of embezzlement and misapplication of funds from OCME, which carries a maximum penalty of ten years in prison. VENKATARAM is also charged with fourteen counts of money laundering based on his use of shell companies and companies of acquaintances to disguise his unlawful receipt of OCME money. ABREU is charged in three of these money laundering counts with VENKATARAM. D.V.S. RAJU is charged with one count of money laundering based on the transfer of \$6 million in OCME money funneled to Visualsoft Technologies, Ltd. in India. Each count of money laundering carries a maximum penalty of 20 years in prison.

VENKATARAM and ABREU were originally arrested on December 9, 2005 on charges filed by a complaint. VENKATARAM, age 41, resides in Queens, New York and is currently detained on the previous charges. ABREU, age 39, also resides in Queens, New York and was released on bond on the previous charges. D.V.S. RAJU is believed to reside in India, and a warrant was issued for his arrest. The defendants will be arraigned on charges in the superseding Indictment before United States District Judge ROBERT P. PATTERSON at a time yet to be determined.

Assistant United States Attorneys ANDREW DEMBER, ARLO DEVLIN-BROWN and DEBORAH LANDIS are in charge of the prosecution.

The charges contained in the Indictment are merely accusations, and the defendants are presumed innocent unless and until proved guilty.

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