

Approved:



Jeffrey W. Coyle
Assistant United States Attorney

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Before:

THE HONORABLE VALERIE FIGUEREDO
United States Magistrate Judge
Southern District of New York

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UNITED STATES OF AMERICA

- v. -

BHASKARRAY BAROT,

Defendant.

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SEALED COMPLAINT

Violations of 18 U.S.C. §§ 1028A,
1343, and 2

COUNTY OF OFFENSE:
NEW YORK

SOUTHERN DISTRICT OF NEW YORK, ss.:

MATTHEW MAHAFFEY, being duly sworn, deposes and says that he is a Special Agent with the Federal Bureau of Investigation ("FBI"), and charges as follows:

COUNT ONE
(Wire Fraud)

1. From at least in or about July 2018 up to and including at least in or about August 2022, in the Southern District of New York and elsewhere, BHASKARRAY BAROT, the defendant, knowingly having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, did transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds, for the purpose of executing such scheme and artifice, to wit, BAROT fraudulently diverted at least approximately \$4.4 million of funds belonging to a company at which he was then-employed to bank accounts associated with fictitious companies, many of which he created and controlled.

(Title 18, United States Code, Sections 1343 and 2.)

COUNT TWO
(Aggravated Identity Theft)

2. From at least in or about July 2018 up to and including in or about August 2022, in the Southern District of New York and elsewhere, BHASKARRAY BAROT, the defendant,

knowingly did transfer, possess, and use, without lawful authority, a means of identification of another person, during and in relation to a felony violation enumerated in Title 18, United States Code, Section 1028A(c), to wit, BAROT used the names of employees of his employer's vendors on fake and fraudulent documents he created during and in relation to the wire fraud violation charged in Count One of this Complaint.

(Title 18, United States Code, Sections 1028A(a)(1), 1028A(b), and 2.)

The bases for my knowledge and for the foregoing charges are, in part, as follows:

3. I am a Special Agent with the FBI. I have been personally involved in the investigation of this matter, and I base this affidavit on that experience, on my examination of various reports and records, and on my conversations with others. Because this affidavit is being submitted for the limited purpose of demonstrating probable cause, it does not include all the facts I have learned during the course of my investigation. Where the contents of documents and the actions, statements, and conversations of others are reported herein, they are reported in substance and in part, except where otherwise indicated.

Overview

4. I am involved in an investigation of a fraudulent scheme perpetrated on a company based in Manhattan (the "Company")¹ by BHASKARRAY BAROT, the defendant, who worked as a procurement manager at the Company. As explained further below, the investigation has revealed that BAROT created fraudulent invoices (the "Fraudulent Invoices") and processed those invoices for payment at the Company. The Fraudulent Invoices were designed to closely resemble the invoices that the Company received from real vendors and other entities owed payment from the Company (the "Legitimate Vendors"). Moreover, when BAROT processed the Fraudulent Invoices for payment, he often affixed the Fraudulent Invoices to email messages that he in some cases created or altered using the names of employees of the Legitimate Vendors, so that it would appear as though the Legitimate Vendors were seeking payment on the Fraudulent Invoices. The Fraudulent Invoices, however, stated that payment should be made to entities with names that often differed slightly from those of the Legitimate Vendors, and which were in many cases controlled by BAROT. Altogether, BAROT caused payment from the Company on more than approximately 40 Fraudulent Invoices, totaling approximately \$4.4 million.

BAROT's Fraud and Identity Theft Scheme

5. Based on my review of documents and records provided by the Company, I have learned that:

a. BHASKARRAY BAROT, the defendant, worked as a procurement manager at the Company from in or about March 2018 through in or about January 2023.

¹ BHASKARRAY BAROT, the defendant, began working at a company that engaged in a merger in 2021, and remained working at the merged corporate entity thereafter. The company that BAROT originally worked for and the resultant corporate entity after the merger are referred to collectively herein as the Company.

b. The Company maintains its corporate headquarters in Manhattan, New York.

c. The Company terminated BAROT's employment for cause on or about January 11, 2023, based on the Company's belief that BAROT wrongfully charged personal expenses to his Company credit card, and when questioned about this unauthorized use of funds of the Company, attempted to cover up his actions.

d. The home address BAROT provided to the Company during his employment is a certain address in Queens, New York (the "Barot Address"). The Barot Address is also listed on New York State Department of Motor Vehicles records as the address provided by BAROT.

6. Based on my review of bank records and other financial documents provided by the Company, I have learned that from in or about July 2018 through in or about August 2022, the Company was fraudulently induced to pay approximately \$4.4 million to entities whose names often closely resembled those of Legitimate Vendors, based on false invoices that appeared to be from the Legitimate Vendors. For example, on or about August 15, 2019, the Company made payment on an invoice in the amount of \$66,827.48. The invoice listed the name of a legitimate vendor on the header of the invoice, yet in the "Remittance Information" section of the invoice, stated that payment should be made to an entity controlled by BHASKARRAY BAROT, the defendant, with a slightly different name than the legitimate vendor. In addition, many of the Fraudulent Invoices used the same layout, terminology, and types of information as genuine invoices received by the Company from the Legitimate Vendors, rendering the Fraudulent Invoices difficult to detect as fake. BAROT repeated these fraudulent tactics with more than a dozen different fictitious entities that often closely imitated the names of Legitimate Vendors.

7. Based on my review of documents and records provided by the Company, I know that the metadata on certain Fraudulent Invoices shows that "Bhaskarray Barot" is the "author" of at least several of those Fraudulent Invoices.

8. Based on my review of documents and records from the New York State Department of State, Division of Corporations, I have learned that BHASKARRAY BAROT, the defendant, or other family members of BAROT, and the Barot Address, are linked to the creation of many of the entities listed for payment on the Fraudulent Invoices. For example, the name "Bhaskarray Barot" and the Barot Address are listed on the incorporation paperwork of several of the entities.

9. Based on my review of documents and records provided by various financial institutions, I have learned that BHASKARRAY BAROT, the defendant, and the Barot Address, are listed on the account opening documents for at least some of the bank accounts listed for payment on the Fraudulent Invoices.


10. Based on my review of documents and records from the Company, I have learned that BHASKARRAY BAROT, the defendant, authorized the payment of many of the Fraudulent Invoices by emails he sent to other employees of the Company. For at least some of the emails, it appears that BAROT attempted to alter or create a message purporting to be from one of the Legitimate Vendors requesting payment on the Fraudulent Invoices.

11. Based on my review of documents and records provided by the Company, I know that BHASKARRAY BAROT, the defendant, caused payment from the Company to entities he in many cases controlled for more than approximately 40 Fraudulent Invoices, totaling approximately \$4.4 million.

WHEREFORE, I respectfully request that a warrant be issued for the arrest of BHASKARRAY BAROT, the defendant, and that he be arrested, and imprisoned or bailed, as the case may be.

Matthew Mahaffey (by VF with permission)
Matthew Mahaffey
Special Agent
Federal Bureau of Investigation

Sworn to me through the transmission of
this Complaint by reliable electronic
means, this 21 day of February, 2023.



THE HONORABLE VALERIE FIGUEREDO
United States Magistrate Judge
Southern District of New York