

Department of Justice
U.S. Attorney's Office
District of New Jersey

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Owner Of Information Technology Companies Arrested For Visa Fraud, Obstruction Of Justice, And Harboring Foreign Workers

Two Companies and an Employee Also Charged in Indictment

NEWARK, N.J. – A New York man was arrested this morning pursuant to an indictment charging him, two information technology companies that he partly owns, and an employee with fraudulently using the H-1B visa program to reduce skilled labor costs, U.S. Attorney Paul J. Fishman announced today.

Sowrabh Sharma, 31, of New York, is charged – along with SCM Data Inc., a New Jersey corporation, MMC Systems Inc., a Virginia corporation, and Shikha Mohta, 33, of Jersey City, New Jersey, the head of finance for the companies – with one count of conspiracy to commit visa fraud and to obstruct justice and one count of conspiracy to harbor aliens.

Sharma is scheduled to make his initial appearance this afternoon before U.S. Magistrate Judge Cathy L. Waldor in Newark federal court. Mohta was previously arrested in May 2015 on a criminal complaint and was released on a \$100,000 bond.

According to the indictment unsealed today:

SCM Data and MMC Systems offered consultants to clients in need of IT support. Both companies recruited foreign nationals, often student visa holders or recent college graduates, and sponsored them for H-1B visas. The H-1B program allows businesses in the United States to temporarily employ foreign workers with specialized or technical expertise in a particular field, such as accounting, engineering or computer science. The U.S. Department of Homeland Security, U.S. Citizenship and Immigrations Services (USCIS) was empowered to approve and process applications for residency within the United States, and the U.S. Department of Labor (USDOL) was charged with the enforcement of the requirements of labor regulations, including immigration-related employment standards and worker protections.

SCM Data, MMC Systems, Sharma, Mohta and other conspirators recruited foreign workers with purported IT expertise who sought work in the United States. The conspirators then sponsored the foreign workers' H-1B visas with the stated purpose of working for SCM Data and MMC Systems' clients throughout the United States. When submitting the visa paperwork to USCIS, the conspirators falsely represented that the foreign workers had full-time positions and were paid an annual salary, as required to secure the H-1B visas. Contrary to these representations and in violation of the H-1B program, SCM Data, MMC Systems, Sharma, Mohta, and others paid the foreign workers only when they were placed at a third-party client who entered into a contract with SCM Data or MMC Systems.

In some instances, SCM Data, MMC Systems, Sharma, Mohta, and others generated false payroll records to create the appearance that the foreign workers were paid full-time wages. The

conspirators required workers to pay SCM Data or MMC Systems their gross wages in cash. In exchange, SCM Data or MMC Systems would issue payroll checks to the foreign workers in a smaller amount. The conspirators then encouraged the foreign workers to submit the bogus payroll checks to USCIS as proof that the workers were engaged in full-time work despite the fact that they were not working for SCM Data and MMC Systems.

Once USDOL launched an audit of SCM Data and MMC Systems, the conspirators provided fabricated leave or vacation slips to USDOL for the time periods that the foreign workers were not working in order to conceal the fact that they were not paid during those time periods as required by federal law.

The visa fraud and obstruction of justice conspiracy charge carries a maximum potential penalty of five years in prison and a \$250,000 fine. The alien harboring conspiracy charge carries a maximum penalty of 10 years in prison and a \$250,000 fine.

U.S. Attorney Fishman credited special agents of the U.S. Immigration and Customs Enforcement's (ICE) Homeland Security Investigations (HSI), under the direction of Special Agent in Charge Terence S. Opiola, and the U.S. Department of Labor, Office of Inspector General, under the direction of Special Agent in Charge Michael Mikulka, with the investigation leading to the charges.

The government is represented by Assistant U.S. Attorneys Anthony Moscato and Joyce M. Malliet of the U.S. Attorney's Office's National Security Unit in Newark.

The charges and allegations contained in the indictment are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

Defense Counsel (Sharma): John P. Lacey Esq.

Defense Counsel (Mohta): Daniel Bibb Esq.