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**MARYLAND CARDIOLOGIST INDICTED FOR EVADING
MORE THAN \$16 MILLION IN INCOME TAXES**

GREENBELT, Maryland - United States Attorney for the District of Maryland Rod J. Rosenstein announces that an indictment was unsealed yesterday charging Pradeep Srivastava, age 46, of Potomac, Maryland, a cardiologist who maintained offices in Greenbelt and Oxon Hill, with evading more than \$16 million dollars in income taxes for the 1998 and 1999 tax years. The indictment was returned under seal by a federal grand jury on Wednesday, October 12, 2005. Srivastava is scheduled to have an initial appearance before Magistrate Judge Jillyn K. Schulze at 11:30 a.m. today at the United States courthouse in Greenbelt where he is expected to surrender voluntarily and be released on his own recognizance.

United States Attorney Rod J. Rosenstein said, "Anyone who thinks it is safe to evade taxes should think again, because the IRS and the Department of Justice are working to find tax cheats and send them to federal prison."

The three-count indictment charges Srivastava with income tax evasion and filing a false income tax return. The indictment alleges that Srivastava conducted a huge volume of trading in stocks and stock options. During the "bull market" of the late 1990s, he allegedly earned more than \$40 million in short-term capital gains, much of them from trading in stock options involving high-technology stocks such as America Online, Dell Computer, Yahoo, Qualcomm and Inktomi. In preparation for filing his tax returns for 1998 and 1999, Srivastava provided his accountant with information about those trades that generated capital losses, but is alleged to have omitted providing information relating to the vast majority of his short-term capital gains. Srivastava then filed tax returns which omitted those capital gains and, according to counts one and two of the indictment, understated his tax due by \$164,756 in 1998 and \$16,179,567 in 1999.

The indictment further alleges that in 2000, the value of Srivastava's portfolio collapsed and he incurred massive capital losses. Disclosure of the full extent of those losses, however, would

have potentially alerted the Internal Revenue Service to his massive, undisclosed short-term capital gains for 1998 and 1999. Count three of the indictment alleges that Srivastava filed a false tax return which understated his capital losses for 2000.

The maximum penalty for tax evasion is five years imprisonment, a \$250,000 fine and three years supervised release. The maximum sentence for filing a false income tax return is three years in prison.

An indictment is not a finding of guilt. An individual charged by indictment is presumed innocent unless and until proven guilty at some later criminal proceedings.

United States Attorney Rod J. Rosenstein commended the investigative work performed by the Internal Revenue Service's Criminal Investigation Division. Mr. Rosenstein thanked Assistant U.S. Attorney Stuart A. Berman, who is prosecuting the case.