

THE UNITED STATES ATTORNEY'S OFFICE
NORTHERN DISTRICT *of* TEXAS

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Department of Justice

U.S. Attorney's Office

Northern District of Texas

FOR IMMEDIATE RELEASE

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Coppell Man Charged in \$24 Million PPP Fraud

A Coppell man who spent more than \$17 million in Paycheck Protection Program (PPP) loans on lavish personal expenses has been charged with filing fraudulent loan applications, announced Acting Assistant Attorney General Brian C. Rabbitt of the Justice Department's Criminal Division and U.S. Attorney for the Northern District of Texas Erin Nealy Cox.

A federal grand jury indicted Dinesh Sah, 55, on three counts of wire fraud, three counts of bank fraud and one count of money laundering.

"Mr. Sah exploited this terrible pandemic for personal gain – and he should be held accountable to the American people for that behavior," said U.S. Attorney Erin Nealy Cox. "COVID-19 has devastated the finances of hardworking business owners across the nation. PPP funds should be reserved for those who really need them to keep their companies afloat. We are committed to ensuring that anyone that take advantage of the system will be brought to justice. "

"Today's indictment shows Mr. Sah's disgraceful display of greed. Mr. Sah looked at the Paycheck Protection Program as his own personal piggy bank, treating himself to not only millions in cash, but several luxury vehicles and properties, all while legitimate small business owners in the United States desperately sought out ways to put food on their tables and to ensure their employees were paid," said IRS-CI's Special Agent in Charge of the Dallas Field Office, Tamera Cantu. "This indictment reinforces that IRS Criminal Investigation, the U.S. Attorney's Office and our federal partners in the Northern District of Texas are dedicated to working together to protect innocent Americans from these CARES Act fraudsters."

According to the indictment, unsealed yesterday evening, Mr. Sah allegedly submitted 15 fraudulent applications, filed under the names of various purported businesses that he owned or controlled, to eight different SBA-approved lenders seeking approximately \$24.8 million in PPP loans, which are guaranteed by the Small Business Administration (SBA) under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

In his applications, Sah allegedly claimed that these businesses had numerous employees and hundreds of thousands of dollars in payroll expenses – when, in fact, Sah created many of the businesses after the CARES Act was enacted, and no business had employees or paid wages consistent with the amounts

claimed in the PPP applications. Sah also submitted fraudulent documentation in support of his applications, including falsified federal tax filings and forged bank statements for the purported businesses.

Sah ultimately received approximately \$17.7 million in PPP loan funds and allegedly used the proceeds primarily for personal expenses, spending them on multiple homes and luxury cars, including a 2020 Bentley convertible, and sending millions of dollars in international transfers, the indictment alleges.

To date, the government has seized more than \$6.5 million in fraudulent proceeds that Sah obtained during the scheme.

The CARES Act is a federal law enacted on March 29, 2020. It is designed to provide emergency financial assistance to millions of Americans who are suffering the economic effects resulting from the COVID-19 pandemic. One source of relief provided by the CARES Act is the authorization of up to \$349 billion in forgivable loans to small businesses for job retention and certain other expenses through the PPP. In April 2020, Congress authorized over \$300 billion in additional PPP funding.

The PPP allows qualifying small businesses and other organizations to receive loans with a maturity of two years and an interest rate of one percent. Businesses must use PPP loan proceeds for payroll costs, interest on mortgages, rent and utilities. The PPP allows the interest and principal to be forgiven if businesses spend the proceeds on these expenses within a set time period and use at least a certain percentage of the funds towards payroll expenses.

An indictment is merely an allegation, no evidence. Like all defendants, Mr. Sah is presumed innocent unless and until proven guilty in a court of law.

This case was investigated by the Dallas Field Offices of FDIC Office of Inspector General, IRS - Criminal Investigations Division, and the U.S. Treasury Inspector General for Tax Administration. Assistant Deputy Chief Anna G. Kaminska of the Criminal Division's Fraud Section Economic Crimes and Public Corruption Section Chief Katherine Miller of the U.S. Attorney's Office for the Northern District of Texas, and Assistant U.S. Attorney Erica Hilliard of the U.S. Attorney's Office for the Northern District of Texas are prosecuting the case.

Anyone with information about allegations of attempted fraud involving COVID-19 can report it by calling the Department of Justice's National Center for Disaster Fraud Hotline at 866-720-5721 or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>. The COVID-19 Fraud Coordinator for the Northern District of Texas, AUSA Fabio Leonardi, can be reached at 214-659-8600.

Topic(s):

Coronavirus
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Component(s):

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Contact:

Erin Dooley
Public Affairs
214-659-8707
erin.dooley@usdoj.gov

