



PRESS RELEASE

San Jose AI Solutions Company Agrees To Pay \$1.5 Million To Resolve Allegations That It Improperly Obtained Federal Grant Funds

Monday, May 5, 2025

For Immediate Release

U.S. Attorney's Office, Northern District
of California

SAN FRANCISCO – Vimaan Robotics, Inc. (Vimaan), a San Jose-based company that develops computer vision and AI warehouse management solutions, has agreed to pay \$1.5 million to resolve allegations that it violated the False Claims Act by improperly accepting and drawing down funds from a grant award that it was ineligible to receive.

The settlement relates to a Small Business Innovation Research (SBIR) Phase II grant that Vimaan obtained from the National Science Foundation (NSF). The terms and conditions of the SBIR grant preclude companies that are majority-owned by one or more venture capital operating companies from applying for or receiving such an award. The settlement resolves allegations by the United States that at the time Vimaan received the award on April 16, 2020, Vimaan failed to disclose that it had become majority-owned by one or more venture capital companies one month earlier, making it ineligible for the award. Between June 2020 and August 2022, the United States contends, Vimaan submitted 14 separate requests to NSF for disbursement of the award funds and falsely certified its eligibility to receive the award funds in each of these payment requests.

“Federal small business research grants awarded by NSF are designed to support and foster innovative research by small businesses, not to provide taxpayer funding for businesses primarily owned by venture capital firms,” said Acting United States Attorney Patrick D. Robbins.

“When companies evade program restrictions and obtain grants even though they are not eligible, this office will vigorously enforce the False Claims Act to ensure that federal dollars go to proper recipients.”

“The SBIR program is a valuable tool in advancing NSF’s mission to promote the progress of science by increasing opportunities for small businesses to undertake cutting-edge scientific research. Entities that misrepresent their eligibility in order to obtain government funding undermine the integrity and effectiveness of the program. The NSF Office of Inspector General is committed to vigorously pursuing oversight of these taxpayer funds and I commend the U.S. Attorney’s Office for its strong support in this effort,” said Megan E. Wallace, NSF’s Acting Inspector General.

Assistant U.S. Attorney Savith Iyengar handled this matter for the government. The investigation and settlement resulted from a coordinated effort by the U.S. Attorney’s Office for the Northern District of California and NSF-OIG.

The investigation and resolution of this matter illustrate the government’s emphasis on combating fraud in federal grants. One of the most powerful tools in this effort is the False Claims Act. Tips and complaints from all sources about potential fraud, waste, abuse, and mismanagement involving NSF can be reported to NSF’s Office of Inspector General at <https://oig.nsf.gov/contact/hotline>.

The claims resolved by the settlement are allegations only, and there has been no determination of liability.

[Vimaan Settlement Agreement](#)

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SAN JOSE – Tae Hyun Lee pleaded guilty in federal court today to aiding and assisting in the preparation and presentation of a false tax return for the year 2019

May 14, 2025



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