

Ex-Goldman Banker Gets 3 Years For Insider Trading, 'Lies'

By **Cara Salvatore**

Law360, New York (November 1, 2023, 9:30 PM EDT) -- A former Goldman Sachs M&A banker convicted of running an insider trading scheme with a friend was sentenced Wednesday to 36 months behind bars after a judge said he offered up "lies, lies, and lies" on the stand at trial.

Brijesh Goel received the under-guidelines sentence amid harsh words from U.S. District Judge P. Kevin Castel while being sentenced for passing confidential information to longtime friend Akshay Niranjani, a cooperating witness, about numerous soon-to-be-announced deals in a time frame centering on 2017.

Judge Castel had printed out some of Goel's testimony from his summer 2023 trial on a sheet of paper and read aloud Goel's "no" answers to questions regarding whether Goel passed along intel on deals involving telecom company Lumos Networks Corp., Dutch pharma company Patheon NV, purification systems maker Calgon Carbon Corp. and others.

"He lied through his teeth time and time again," Judge Castel said. "Everyone in the courtroom knew the man was lying and did not believe the story of, 'Oh, [Niranjani] looked in my gym bag ... he had the password to my phone ... he had access to my apartment and would water the plants,'" the judge said.

The decision to keep lying "is offensive to anyone who loves this process," the judge added. He claimed Goel's own sentencing letter to the court took him "back to square one" in terms of accepting responsibility.

Goel's counsel, Reed Brodsky of Gibson Dunn & Crutcher LLP, told the judge before sentencing that Goel is a fundamentally good person and knew he had destroyed the dreams of himself and his wife, both immigrants, to succeed and raise children in America.

Goel's wife, a pulmonary critical care doctor, now faces the disruption of that life with the knowledge her husband will be deported, Brodsky said. He said his client has been volunteering and was supported by numerous letters noting "all the little acts of kindness that he's done in his life."

Brodsky also said that if there was any appearance that Goel's sentencing letter denies responsibility, it should be recognized that it was written with "advice he got from his lawyers." The judge responded that the letter "speaks for itself."

Prosecutors, for their part, said Goel had numerous opportunities to stop his and Niranjani's scheme but passed each one up. The duo made a \$2,000 profit on Lumos trades in early 2017, \$32,000 on Pantheon trades in May 2017, and then lost \$13,000 on a trade in August 2017. That would have been an opportune time to stop, prosecutor Sam Rothschild said, "but that's not who this defendant is. He chose to keep going."

The two made a \$250,000 profit on Calgon Carbon at the end of 2017 and then in spring 2018

lost money on two other deals. In 2021, Rothchild said, Goel asked Niranjana for his \$85,000 share.

Goel gave a tearful statement, saying the volunteering he's been doing has "actually helped me in coping with my own depression and finding my path." He has entered recovery and wants to run an education institution when he gets out of prison, he said. Goel said he feels immense guilt for breaking Goldman's trust.

In addition to the time behind bars, Judge Castel also ordered three years of supervised release, a fine of \$75,000 and forfeiture of \$85,000.

Restitution remains to be determined but will likely be in the neighborhood of \$393,000, the judge said.

Goel is scheduled to surrender on the afternoon of Jan. 9.

The government is represented by Samuel Rothschild and Andrew Thomas of the U.S. Attorney's Office for the Southern District of New York.

Brijesh Goel is represented by Adam Ford and Anjula Prasad of Ford O'Brien Landy LLP and Reed Brodsky and Liesel Schapira of Gibson Dunn & Crutcher LLP.

The case is USA v. Goel, case number 1:22-cr-00396, in the U.S. District Court for the Southern District of New York.

--Additional reporting by Stewart Bishop. Editing by Jeremy Abrams.