

Ex-Goldman Banker Takes Stand, Denies Tipping Squash Pal

By **Stewart Bishop**

Law360, New York (June 16, 2023, 10:00 PM EDT) -- A former Goldman Sachs banker took the witness stand Friday in Manhattan federal court to defend himself against allegations of insider trading, on the heels of testimony from a former squash partner, who said he was tipped off by his onetime friend several times with the investment bank's confidential deal information.

Brijesh Goel is accused of passing Goldman's confidential information about eight separate companies, which looked to be on the cusp of being acquired, to former Barclays foreign exchange trader Akshay Niranjn, who clandestinely traded on the tips in a brokerage account in his brother's name.

Following the close of the government's case, which included **extensive testimony** over the course of three days from Niranjn — the sole cooperating witness, who's secured a nonprosecution agreement — Goel unexpectedly chose to take the stand late in the day Friday, and denied using information from Goldman's so-called risk emails to fuel an alleged illicit joint trading venture with Niranjn.

"I never gave Mr. Niranjn any confidential information about any of these companies," Goel told the jury.

Jurors previously heard Niranjn describe several occasions in 2017 and 2018 when Goel told him — always in person to avoid a paper trail — about which call options to purchase for stock in the target companies, including telecom Lumos Networks Corp., Dutch pharmaceutical company Patheon NV and purification systems provider Calgon Carbon Corp., shortly before their acquisitions by other companies, which boosted the targets' stock price.

Goel testified that he only learned that Niranjn had been secretly trading in his brother's account when he was informed by two FBI agents who came to his Manhattan apartment in May 2022, who were investigating Niranjn's trading activity.

The agents gave Goel a subpoena, he said, and informed him that they believed that he might be the source of information behind Niranjn's trades.

"I panicked," Goel said. "I told them that the information that I deal with at work is of a highly confidential nature. There would be major repercussions if I were to ever share [that] information with anyone."

Niranjn and Goel, both originally from India, met in college in Berkeley, California, before coming to New York to pursue careers in the finance sector. Niranjn testified that in New York they became close friends and neighbors, who regularly played squash together and socialized together with their significant others.

According to Niranjn, in or around early 2017, he informed Goel that he had been secretly trading securities — a violation of company rules for traders of Barclays and Goldman — and they

agreed to join forces and split any profits and losses.

Niranjan testified that he initially believed Goel was directing trades based on publicly available information, but soon came to believe that Goel was basing his stock picks on internal Goldman emails that detailed various transactions the bank was involved in.

Goel is facing charges of securities fraud, conspiracy and obstruction of justice.

In the half-hour that Goel was on the stand Friday, he only briefly began to address what is arguably the most problematic evidence against him: audio recordings of conversations he had with Niranjan after they had learned of federal law enforcement's investigation — and before Goel knew that Niranjan had flipped and was cooperating with the government.

The recordings, some of which are of very poor quality, in part capture Goel and Niranjan talking in stairwells of the building where both men lived and their discussions about which WhatsApp conversations they had in 2017 they should now delete from their phones.

At one point, Goel told Niranjan that the government would try to "break you and me," and stressed the importance of keeping their stories straight, according to the recordings.

"I panicked. I panicked," Goel testified Friday. "I was having a conversation with Mr. Niranjan [and] I thought he had done something stupid ... I thought because of his stupidity, I would be in trouble, too."

Goel is slated to continue his testimony Tuesday.

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

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

--Editing by Linda Voorhis.