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UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

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SECURITIES AND EXCHANGE COMMISSION,	:	
	:	11-cv-7566 (JSR)
Plaintiff,	:	
	:	AMENDED ANSWER OF
v.	:	<u>RAJAT K. GUPTA</u>
	:	
RAJAT K. GUPTA and RAJ RAJARATNAM	:	
	:	
Defendants.	:	
	:	
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Rajat K. Gupta, by his attorneys Kramer Levin Naftalis & Frankel LLP, serves and files this non-testimonial Answer to the Complaint of the Securities and Exchange Commission dated October 26, 2011, denying each and every allegation of wrongdoing (including all allegations that he provided material nonpublic information to Raj Rajaratnam).

More specifically, this Answer responds to each paragraph of the Complaint as follows:

1. Denies the allegations of paragraph 1.
2. Denies the allegations of paragraph 2.
3. Denies knowledge or information sufficient to respond to the first two

sentences of paragraph 3, and denies the allegations of the third and fourth sentences of said paragraph.

4. Denies the allegations of paragraph 4, except admits that Mr. Gupta was an investor in the GB Voyager Multi-Strategy Fund SPC, Ltd. (“Voyager”) and denies knowledge or information sufficient to respond to the allegations that “[d]uring the relevant period” Mr. Gupta was a director of Voyager and that Voyager had assets invested in numerous Galleon hedge funds.

5. With respect to paragraph 5, denies any and all allegations concerning Mr. Gupta and otherwise neither responds to nor admits the Commission’s allegations about its authority and the relief it seeks.

6. With respect to paragraph 6, does not challenge the subject matter jurisdiction of the Court.

7. With respect to paragraph 7, does not challenge that venue is proper in this District but denies any and all allegations concerning Mr. Gupta.

8. Denies the allegations of paragraph 8, except admits that Mr. Gupta resides in Westport, Connecticut; that from November 2006 through May 2010, he was a member of the Board of Directors of Goldman Sachs and within that period served on that Board’s Audit, Corporate Governance and Nominating and Compensation Committees; that he served as a member of the Board of Directors of Procter & Gamble and on that Board’s Audit and Innovation and Technology Committees; that he served on the Boards of Directors of several other public companies, and was affiliated with other entities; that he was a Founding Partner and former Chairman of New Silk Route, an investment firm founded in 2006 by Mr. Gupta, Mr. Rajaratnam and others, and that New Silk Route was originally named Taj Capital Partners; and that he holds a Bachelor of Technology degree in mechanical engineering from the Indian Institute of Technology and an MBA from Harvard Business School.

9. Denies knowledge or information sufficient to respond to the allegations of paragraph 9.
10. Denies the allegations of paragraph 10, except admits that Mr. Gupta and Mr. Rajaratnam had various lawful business dealings, including, for example, Voyager and New Silk Route.
11. Denies knowledge or information sufficient to respond to the allegations of paragraph 11.
12. Denies knowledge of information sufficient to respond to the allegations of paragraph 12.
13. Admits that the allegations of paragraph 13 were accurate during the period in which Mr. Gupta served on Goldman Sachs' Board of Directors.
14. Admits that the allegations of paragraph 14 were accurate during the period in which Mr. Gupta served on Procter & Gamble's Board of Directors.
15. Denies the allegations of paragraph 15.
16. Denies knowledge or information sufficient to respond to the allegations of paragraph 16.
17. Denies knowledge or information sufficient to respond to the allegations of paragraph 17.
18. Denies knowledge or information sufficient to respond to the allegations of paragraph 18, except refers to the Goldman Sachs press release issued on September 21, 2009 for its full and complete content.

19. Denies knowledge or information sufficient to respond to the allegations of paragraph 19, except denies that Mr. Gupta provided any material nonpublic information to Mr. Rajaratnam.

20. Denies knowledge or information sufficient to respond to the allegations of paragraph 20, except denies that Mr. Gupta provided any material nonpublic information to Mr. Rajaratnam.

21. Denies knowledge or information sufficient to respond to the allegations of paragraph 21, except admits that a telephonic meeting of the Goldman Sachs Board was convened on or about September 23, 2008, during which the Board considered and approved a \$5 billion preferred stock investment by Berkshire in Goldman Sachs and a public equity offering and that Mr. Gupta participated in the Board meeting telephonically; and denies that Mr. Gupta provided any material nonpublic information to Mr. Rajaratnam.

22. Denies knowledge or information sufficient to respond to the allegations of paragraph 22, except refers to the press release issued by Goldman Sachs on September 23, 2008 and to publicly reported stock prices for Goldman Sachs' stock on September 23, 2008 for their full and complete content.

23. Denies knowledge or information sufficient to respond to the allegations of paragraph 23.

24. Denies the allegations of paragraph 24.

25. Denies knowledge or information sufficient to respond to the allegations of paragraph 25, except refers to the press release issued by Goldman Sachs on December 16, 2008 for its full and complete content.

26. Denies knowledge or information sufficient to respond to the allegations of paragraph 26.

27. Denies knowledge or information sufficient to respond to the allegations of paragraph 27, except denies that Mr. Gupta provided any material nonpublic information to Mr. Rajaratnam.

28. Denies the allegations of paragraph 28, except refers to the press release issued by Goldman Sachs on June 17, 2008 for its full and complete content.

29. Denies knowledge or information sufficient to respond to the allegations of paragraph 29.

30. Denies knowledge or information sufficient to respond to the allegations of paragraph 30, except admits that Goldman Sachs' second quarter of 2008 ended on May 30, 2008.

31. Denies knowledge or information sufficient to respond to the allegations of paragraph 31.

32. Denies knowledge or information sufficient to respond to the allegations of paragraph 32, except refers to the publicly reported stock prices for Goldman Sachs' stock on June 11, 2008 for its full and complete content and denies that Mr. Gupta provided any material nonpublic information to Mr. Rajaratnam.

33. Denies knowledge or information sufficient to respond to the allegations of paragraph 33.

34. Denies knowledge or information sufficient to respond to the allegations of paragraph 34.

35. Denies knowledge or information sufficient to respond to the allegations of paragraph 35, except refers to the press release issued by Goldman Sachs on June 17, 2008 and to publicly reported stock prices for Goldman Sachs stock on June 17, 2008 for their full and complete content; and denies that Mr. Gupta provided any material nonpublic information to Mr. Rajaratnam.

36. Denies the allegations of paragraph 36.

37. Denies the allegations of paragraph 37.

38. Denies knowledge or information sufficient to respond to the allegations of paragraph 38.

39. Denies knowledge or information sufficient to respond to the allegations of paragraph 39, except refers to publicly reported stock prices regarding Procter & Gamble's stock on January 29 and 30, 2009 and denies that Mr. Gupta provided any material nonpublic information to Mr. Rajaratnam.

40. Denies the allegations of paragraph 40.

41. Paragraph 41 states a legal conclusion to which no response is required.

42. Denies the allegations of paragraph 42 and refers to Goldman Sachs' Corporate Governance Guidelines for their full and complete content.

43. Paragraph 43 states a legal conclusion to which no response is required.

44. Denies the allegations of paragraph 44 and refers to the Procter & Gamble insider trading policy for its full and complete content.

WITH RESPECT TO CLAIM I

45. Repeats his responses to paragraphs 1-44.

46. The first sentence of paragraph 46 states a legal conclusion to which no response is required. Denies knowledge or information sufficient to respond to the allegations of

the second sentence of said paragraph, and denies that Mr. Gupta provided any material nonpublic information to Mr. Rajaratnam.

- 47. Denies the allegations of paragraph 47.
- 48. Denies the allegations of paragraph 48.
- 49. Denies the allegations of paragraph 49.
- 50. Denies the allegations of paragraph 50.
- 51. Denies the allegations of paragraph 51.

WITH RESPECT TO CLAIM II

- 52. Repeats his response to paragraphs 1-51.
- 53. Denies the allegations of paragraph 53.
- 54. Denies the allegations of paragraph 54.

AFFIRMATIVE DEFENSES

55. Without in any way admitting any of the allegations of the Complaint and without admitting or suggesting that Mr. Gupta has the burden of proof on any of the following issues, Mr. Gupta alleges the following separate and independent affirmative defenses.

FIRST AFFIRMATIVE DEFENSE

56. The Complaint fails to state a claim on which relief can be granted against Mr. Gupta.

SECOND AFFIRMATIVE DEFENSE

57. The Complaint fails to allege fraud with particularity as required by Fed. R. Civ. P. 9(b).

THIRD AFFIRMATIVE DEFENSE

58. The Complaint fails to allege scienter with particularity.

FOURTH AFFIRMATIVE DEFENSE

59. Mr. Gupta acted at all times in good faith, and without knowledge of any supposed wrongdoing.

FIFTH AFFIRMATIVE DEFENSE

60. The Commission is not entitled to the relief it seeks.

SIXTH AFFIRMATIVE DEFENSE

61. Mr. Gupta did not himself engage in any unlawful conduct, and Mr. Gupta is not liable for any unlawful acts that may have been committed by others.

SEVENTH AFFIRMATIVE DEFENSE

62. The alleged damages, if any, proximately resulted from the conduct of parties, persons and/or entities other than Mr. Gupta, and therefore he should have no liability or his liability, if any, should be limited in direct proportion to the percentage of fault actually attributable to him.

EIGHTH AFFIRMATIVE DEFENSE

63. Mr. Gupta asserts all other affirmative defenses as may be revealed in the course of this action.

WHEREFORE, Mr. Gupta respectfully requests that this Court enter a judgment dismissing the Complaint with prejudice, and granting to Mr. Gupta such other and further relief as the Court deems just and proper.

Dated: New York, New York
January 20, 2012

KRAMER LEVIN NAFTALIS & FRANKEL LLP

By: /s/ Gary P. Naftalis

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