

U.S. Indicts Ukrainian Tycoon Dmytro Firtash Over Alleged Bribery Scheme

Prosecutors Say Yanukovich Ally Tried to Influence Indian Officials Over Mine Project

By Andrew Grossman

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WASHINGTON—U.S. prosecutors accused Ukrainian gas tycoon Dmytro Firtash of conspiring to bribe government officials in India to win rights to mine titanium, according to an indictment unsealed on Wednesday in Chicago.

Mr. Firtash and his co-conspirators allegedly routed some of the payments through U.S. banks, opening them up to prosecution under the Foreign Corrupt Practices Act.

Robert Shetler-Jones, the deputy chairman of Mr. Firtash's Group DF, said on Wednesday that the charges were politically motivated. "There is no truth to the accusations," he said through a spokesman. "It is not a coincidence that the U.S. is trying to extradite our chairman at the moment when Mr. Firtash is needed for the economic and political reconstruction of Ukraine."

Mr. Firtash and four others allegedly conspired to pay at least \$18.5 million in bribes to Indian officials in hopes of winning approvals for companies controlled by his Group DF to launch a titanium mine starting in 2006, according to the indictment. The other defendants couldn't be reached for comment.

Also charged was Indian Member of Parliament, K.V.P. Ramachandra Rao, who allegedly solicited bribes and helped funnel them to other officials. Mr. Rao didn't respond to a request for comment.

Austrian police arrested Mr. Firtash in Vienna last month on an arrest warrant issued by the Federal Bureau of Investigation. His detention came as a surprise amid turmoil in Ukraine. Mr. Firtash was seen as a powerful ally of ousted Ukrainian President Viktor Yanukovich, with interests throughout the economy. Mr. Firtash was a co-owner of RosUkrEnergo, a major player in the Russian-Ukrainian gas trade until 2009, an investment company that managed his stake said in 2006. The company was pushed out of the gas trade in 2009 and his current relationship with the firm is unclear.

U.S. investigators say they are investigating alleged corruption under Mr. Yanukovich.

The U.S. Justice Department has said Mr. Firtash's arrest wasn't related to recent events in Ukraine. The indictment unsealed Wednesday predates the recent political turbulence. It was returned by a Chicago grand jury last June.

Mr. Firtash is free on bail of €125 million (\$172 million), though he has promised to remain in Austria.

—*Nicole Lundeen contributed to this article*

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