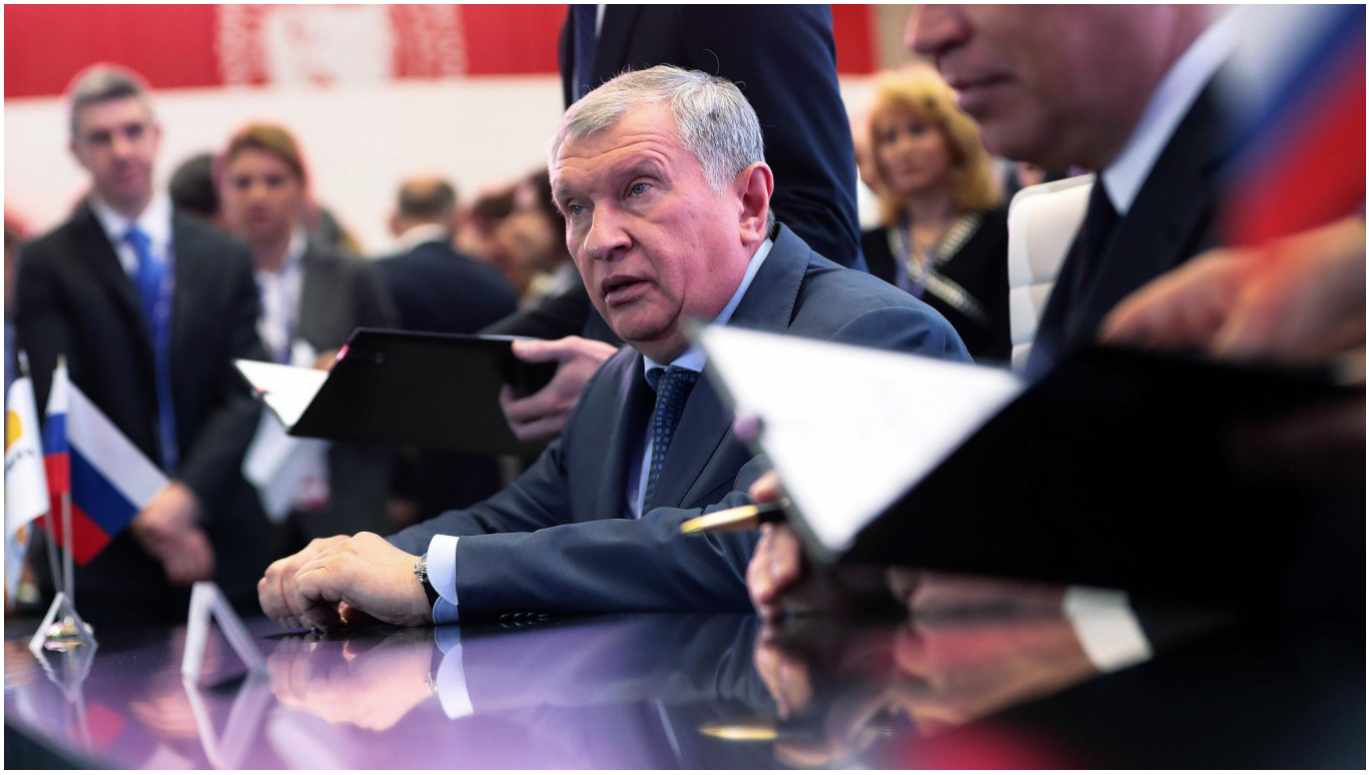
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# Russia's Sechin Passed Off $2 Million Bribe as Wine, Court Told

By Jake Rudnitsky for Bloomberg

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**Igor Sechin / Bloomberg**

Igor Sechin, the powerful head of Russian state-owned oil giant Rosneft PJSC, passed off a $2 million bribe as a gift of fine wine, according to Alexei Ulyukayev, who's on trial in the first graft prosecution of a minister under President Vladimir Putin.

Ulyukayev, the former economy minister, in his first substantive comments on the case since his arrest a year ago, denied accepting the money as a bribe and told a Moscow court on Monday that Sechin had set him up after a meeting in Goa, India. He said the Rosneft chief, a close ally of Putin, regularly gave him large gifts, including expensive watches and a model of an oil rig.

"He promised in Goa that he would give me wine that I'd never tried before," Ulyukayev said from the stand, according to the RIA Novosti news service. "I never doubted that it was a

high-quality alcoholic drink in the bag. The size and weight seemed to correspond."

Prosecutors say Ulyukayev first approached Sechin on the sidelines of an international summit in India for a payoff to approve Rosneft's purchase of Bashneft PJSC, a regional oil company Russia seized from billionaire Vladimir Yevtushenkov in 2014 after he was hit with money-laundering charges that were later dropped. This led to Ulyukayev's arrest in a November 2016 sting at Rosneft's Moscow headquarters organized by Sechin, a veteran of military intelligence who's worked for Putin since the 1990s.

### No Sechin

Sechin declined for the fourth time to testify in court, citing his busy schedule, as intrigue has swelled around the case that's split the Kremlin elite and offered a rare glimpse into the different factions jockeying for position ahead of March presidential elections. Putin, who's yet to declare his candidacy, is widely expected to run for a fourth term.

Ulyukayev, who denies the charge, accused Sechin of making an "obviously false" statement that he'd threatened to oppose the Bashneft privatization unless he received a bribe. "I never threatened him — that was impossible," because the Economy Ministry didn't have powers to block the sale, Ulyukayev said, RIA reported.

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Sechin was in Italy on business and has nothing to add to his previous testimony, his lawyer Nikolai Klyon said in a letter to the court Monday, according to RIA.

The case is filled with cloak-and-dagger moments befitting a spy novel, with Sechin illicitly taping a conversation at Rosneft's office, which faces the Kremlin from across the Moskva river. Money isn't mentioned in the recording, in which he presents Ulyukayev with a basket of sausages made from the meat of animals Sechin hunted, as well as a locked bag containing the payoff. Federal Security Service agents arrested Ulyukayev as he tried to leave.

Rosneft bought the government's controlling stake in Bashneft in October 2016. A Russian court in August ordered Sistema to pay 136 billion rubles ($2.3 billion) in compensation after Rosneft sued for damages it said Bashneft suffered during a reorganization of assets by Sistema. Sistema is appealing the ruling.

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