

Russia Moves to Nationalize Major Vodka Distiller Over ‘Extremist’ Activities

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Khortytsya vodka, a brand of Global Spirits, on sale at a Moscow supermarket. **Mikhail Japaridze / TASS**

Russian authorities have moved to seize the Russia-based assets of a major vodka producer whose Ukrainian founder was previously accused of funding Kyiv's armed forces.

Russia's Prosecutor General's Office [filed a legal suit](#) with a Kursk region court on Tuesday seeking to suspend the work of four distillers belonging to Global Spirits Holding, a multinational company founded by Ukrainian businessman Yevhen Cherniak, over alleged engagement in "extremist activities."

The distillers listed in the legal suit were Russky Sever, Standart Kachestva, Rodnik i K, and Brand Group Corporation Limited. So, too, were four unidentified defendants mentioned in the case.

The Kommersant business daily, citing anonymous sources, [reported](#) that the Russian authorities want to transfer the shares and stakes of the distillers to the state, as well as to ban their owners from working in Russia.

Related article: [Russia Accuses Major Vodka Distiller of Funding Ukraine Army](#)

In June 2023, Russian investigators [charged](#) Global Spirits founder Cherniak with sponsoring terrorism on allegations that he transferred more than 1 billion rubles (\$11 million) to the Ukrainian military. Kyiv, meanwhile, has accused Cherniak of paying \$157 million to the Russian state in taxes, allegations which the businessman denies.

Cherniak's Russian associates Alexander Bespalov and Andrei Lazutin were detained on suspicion of bribery last year.

The state news agency RIA Novosti, citing anonymous sources, [reported](#) Tuesday that the four unidentified defendants in the Kursk region legal suit are Cherniak, Bespalov, Lazutin, as well as a man by the name of Ivan Kurbakov.

The Kursk region's Leninsky District Court said the case would be heard behind closed doors.

Global Spirits previously said it revoked its product and distribution licenses in Russia after the full-scale invasion in 2022 and has filed a lawsuit in Cyprus over the misuse of its intellectual property.

Since the start of the war, authorities in Russia have sought to nationalize key assets in the country's defense industry in a bid to command greater control over ramped-up military production.

However, the sweep in asset seizures has increasingly targeted the civilian economy, with Russia's largest winemaker and pasta manufacturer recently coming under state control.

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