

## CID Probe Alleges Ex-CM Jagan Received Kickbacks in ₹3,500 Crore Liquor Scam



A chargesheet filed by the Andhra Pradesh Crime Investigation Department (CID) in connection with an alleged ₹3,500 crore liquor scam has implicated former Chief Minister Y.S. Jagan Mohan Reddy as a recipient of substantial kickbacks. The 305-page document, submitted to a local court on Saturday, July 19, 2025, claims that an average of ₹50-60 crore was collected monthly and ultimately routed to the former Chief Minister during the 2019-2024 YSR Congress Party (YSRCP) regime.

The chargesheet, however, has stopped short of formally naming Jagan Mohan Reddy as an accused, a distinction the court is yet to take cognizance of. This development follows extensive investigations by a Special Investigation Team (SIT) and comes amidst heightened political scrutiny in Andhra Pradesh.

According to the CID's findings, the alleged liquor scam involved a sophisticated scheme to manipulate the state's excise policy. Kesireddy Rajasekhar Reddy (A-1), identified as the "mastermind and co-conspirator," is accused of orchestrating policy changes, replacing automated "Order for Supply" (OFS) processes with manual ones, and strategically placing loyalists within the Andhra Pradesh State Beverages Corporation Limited (APSBCL). These actions allegedly enabled the accused to exert full control over liquor supply and sales, ensuring the collection of large kickbacks.

The investigation claims that the illicit funds were primarily received in cash and gold bullion. These amounts were allegedly handed over to Kesireddy Rajasekhar Reddy, who then funneled the money through a hierarchical chain involving YSRCP leaders, including Vijay Sai Reddy (A-5), Lok Sabha MP PV Midhun Reddy (A-4), and businessman Balaji Govindappa (A-33),

before ultimately transferring them to Jagan Mohan Reddy. A key witness has reportedly corroborated these transactions.

The chargesheet further alleges that between ₹250-300 crore in cash was routed for election expenses of the YSRCP, coordinated by Rajasekhar Reddy and former MLA Chevireddy Bhaskar Reddy. The ill-gotten gains were reportedly laundered through over 30 shell companies and invested in assets such as land, gold, and luxury properties in Dubai and Africa. The CID claims that some distilleries were intimidated into paying kickbacks, initially at 12% and later increasing to 20% of the base price, by threats of withheld OFS approvals.

The Special Investigation Team on Saturday arrested YSRCP Lok Sabha member PV Midhun Reddy after hours of questioning. The Enforcement Directorate (ED) also initiated a money laundering case in May to investigate the alleged scam under the Prevention of Money Laundering Act (PMLA).

In response to these allegations, YSRCP leaders, including Jagan Mohan Reddy himself, have vehemently condemned the chargesheet and the arrests, terming them a "political vendetta" orchestrated by the ruling Telugu Desam Party (TDP) government. They assert that the case is a manufactured narrative built on coerced confessions and aimed at diverting attention from the current government's own issues. The legal proceedings are expected to intensify as the court reviews the chargesheet and further investigations unfold.