

Ethanol blending target may be cut to 18% for 2024-25

COMPATIBILITY CONCERNS. Most non-BS-VI vehicles cannot efficiently use E20 fuel

**Rishi Ranjan Kala
Prabhudatta Mishra
S Ronendra Singh**

New Delhi

The government is likely to scale down the percentage of ethanol to be blended with petrol to 18 per cent against the projected 20 per cent in the ethanol supply year 2024-25 (November-October) as the vast majority of petrol-fired vehicles, barring Bharat Stage-VI ones, are not compatible to run on E20 fuel.

Under the ethanol-blend petrol (EBP) programme, the government aimed to blend 20 per cent ethanol with petrol, E20 fuel, in the ethanol supply years 2024-25 and 2025-26.

businessline spoke to sources in the government and the automobile sector who said that the auto industry had raised concerns about using E20 in old petrol vehicles as it could damage fuel pipes.

Also, the mileage would be impacted. Only vehicles compatible with BS-VI norms can run efficiently on



THE BARRIER. Stakeholders have expressed concerns about the long-term availability of E20 and its impact on older vehicles

E20 fuel. As per the Vahan dashboard, India had around 31.18 crore vehicles running on petrol, as of December 10. Of this, around 9.21 crore are compliant with BS-VI norms.

In terms of category, the world's third largest automobile market in sales has around 28.25 crore two-wheelers running on petrol. Besides, there are around 44.48 lakh light passenger vehicles and 6.67 lakh light motor vehicles.

"The 20 per cent target will be scaled down to 18 per cent as not all vehicles can run on E20. We discussed

this issue with the auto industry and other stakeholders. We are working on how to tackle these issues," a top government official said.

FEEDSTOCK AVAILABILITY Another top official said the availability of feedstock was also raised.

"Auto industry and some other stakeholders raised the key issue of long-term availability of E20 fuel. We are also working on this with the Ministries of Agriculture and Petroleum on having various feedstock options for long-term availability as well as

ensuring food security," the official explained. Another senior government official said there is also the issue of loss of mileage for old vehicles that run on E20 fuel, which will lead to higher petrol consumption and de-incentivise E20 use. "This is an important issue and the Ministries of Petroleum, Agriculture, Heavy Industries as well as the Prime Minister's Office (PMO) are looking into it. Various research initiatives are on to address the issue of low mileage," the official added.

A top automobile industry executive said, "We are ready for E20, and from April 1, 2025, all vehicles produced will be E20 compliant. BS-VI vehicles, produced since April 2023, are already compliant. However, there are issues with old vehicles."

For the existing vehicles, the issue has been going on for some time. Industry's demand has been to continue with the E10, or production grade fuel, for older vehicles because E20 can damage their fuel pipes, the executive added.

Exxon Mobil plots way back to a league of its own

IF ANYTHING DIFFERENTIATES Exxon Mobil Corp. from the rest is its ability to invest countercyclically — to be "greedy only when others are fearful," in Warren Buffett's words. Under Lee Raymond, who put Exxon and Mobil together 25 years ago in the industry's biggest merger, it was the company's sacred tenet. But that doctrine lost its luster under Rex Tillerson, who took over from Raymond in 2006 and ran Exxon for a decade. Tillerson was greedy when everyone else was greedy; under the executive who became Donald Trump's first secretary of state, the company's return on capital employed plunged, its net debt rose and it bought rivals at the very peak of the cycle.

The result was that Exxon was too weak financially to invest countercyclically by the time current Chief Executive Officer Darren Woods took over in 2017. When oil and natural gas prices plunged during the pandemic, Exxon had to retreat as everyone else did in the industry because its balance sheet was overstretched. Exxon wasn't anymore different - it was just another giant oil company.

It has taken Woods nearly a decade to restore the previous grandeur. But the job is now nearly done. When Exxon announced on Wednesday at its new headquarters near Houston its strategy for the next five years, it flagged that it would keep spending more on oil and gas projects even as rivals retreat. "Compared to our competitors, we are in a different league," Woods said. He's not wrong.

Exxon told shareholders that it plans to increase capital spending next year to \$28 billion, up from \$26 billion this year, despite fears that the global oil market will be oversupplied. From 2026 to 2030, annual spending will rise further to more than \$30 billion. If any company is aligning with Trump's mantra of the "drill, baby, drill," it's Exxon.

How Exxon has recovered its ability to set its own course is a combination of luck, strategy and a shareholder-imposed corrective.



JAVIER BLAS

Bloomberg

Let's start with the corrective. Back in 2020, a small investment company called Engine No. 1 wrote to Exxon's board seeking change. At the time, many characterized the campaign as a driven by concerns about climate change. Nonsense. It was hard capitalism, and Engine No. 1 was about shareholder returns. Exxon lost

the battle and had to accept several new directors who took a critical view at spending.

The new board also put a focus on breaking the insularity of the company. Woods brought in fresh ideas, poaching executives from other industries. Today, Kathy Mikells, a former Diageo Plc executive, runs the company's finances. And Dan Ammann, a former automotive executive with only two years of experience in the energy industry, runs the central oil and gas production unit.

What followed was a relentless focus on improving returns and keeping costs under control. Exxon is now the only Big Oil company with an operating cost base lower than it was five years ago. Return on capital employed, which slid to less than 4.5% during the five years to 2019, is back to double-digit levels; it's still below the 20%-plus typical of Lee Raymond's years.

Exxon did get lucky — twice. First, because its investment in Guyana, the tiny Latin American nation bordering Venezuela and Brazil, hit a jackpot of billions of barrels in offshore oilfields. Then, the Russian invasion of Ukraine sent energy prices soaring, creating a windfall that fast-tracked a debt reduction that was already in progress. Exxon has cut its net debt to about \$15 billion, down from a peak of nearly \$70 billion in 2020, according to data compiled by Bloomberg.

For shareholders, it has been a very profitable change. Compared with five years ago, Exxon is up more than 60%, far more than rivals Chevron Corp., Shell Plc., Total-Energies SE and BP Plc. Wall Street isn't completely sold on the idea that Woods has restored Exxon to its previous glory. When the new strategy was unveiled, investors sold the company's shares. Clearly, the memory of the days of Rex Tillerson are still fresh. But those fears are overstated. Exxon is today a different animal.





In \$13-b deal, Rosneft to supply 5 lakh bpd Russian crude to Reliance Ind for 10 years

Reuters
New Delhi/Moscow

Russia's state oil firm Rosneft has agreed to supply nearly 5,00,000 barrels per day of crude to Reliance Industries in the biggest ever energy deal between the two countries, three sources familiar with the deal said.

The 10-year agreement amounts to 0.5 per cent of global supply and is worth roughly \$13 billion a year at today's prices. It would further cement energy relations between India and Russia, which is under heavy western sanctions over its invasion of Ukraine. Rosneft did not reply to requests for

comments. Reliance said it works with international suppliers, including from Russia, and deals are based on market conditions. The company declined further comment on commercial matters, citing the confidentiality of supply agreements. The deal comes ahead of the planned visit by Russian President Vladimir Putin to India.

THE DEAL

Under the deal, Rosneft will deliver at RIL's Jamnagar refinery 20-21 Aframax-size cargoes (80,000 to 1,00,000 tonnes) of various Russian grades and three cargoes of about 1,00,000 tonnes each of fuel oil each month, the

three sources said. Two sources said Reliance and Rosneft will review pricing and volumes every year.

In 2024, Reliance had a deal with Rosneft to purchase 3 million barrels of crude a month. Rosneft has also been selling crude regularly to Reliance via intermediaries.

The new deal accounts for roughly half of Rosneft's seaborne oil exports from Russian ports, which leaves not much available for other traders and middlemen, one source said. From January to October, Reliance imported an average 4,05,000 barrels per day of Russian oil, up from 3,88,500 bpd in the same period last year, ac-

ording to tanker data.

Supplies will start from January and are set to continue for 10 years with an option to extend the deal for another 10 years, the three sources said.

THE PRICING

The pricing of the grades to be supplied on 'delivered basis' is set at differentials to the average Dubai price of the loading month, according to the sources.

Premiums for the light sweet grades were set at around \$1.50 a barrel for ESPO, Sokol at about \$2 per barrel, and Siberian Light at about \$1 against Dubai quotes for 2025, one source said.



ONGC Oil Output Bucks the Trend After 8 Years of Decline

Sanjeev Choudhary

New Delhi: ONGC's production trend is beginning to turn after eight straight years of fall as a key new field in KG Basin ramps up and the old Mumbai High asset arrests decline.

ONGC's crude production rose 3% year-on-year in November to 53,804 tonnes per day (tpd) and the output growth so far in December has accelerated to 4.2% to 54,535 tpd, according to people with knowledge of the matter.

The output was marginally higher in three of the first seven months this fiscal year but there is a clear break-out in trend in December, they said, adding that production growth is expected to quicken in the January-March quarter. If the current production trend continues, ONGC may post the first annual production growth in 2024-25 after eight years, they said.

In recent years, ONGC has often drawn flak for sagging output and limited discoveries. The company's annual oil production has fallen about

14% between 2015-16 and 2023-24. Output from ageing fields, which dominate ONGC's fleet, naturally declines after a few years in operation. "If you factor in an average natural production decline rate of 3-4% for an oilfield, the effective production rise for ONGC could be about 7-8% in December," one of the persons cited earlier said.

The chief contribution has come from production acceleration at KG-DWN-98/2 block in the Krishna Godavari basin off the eastern coast. The block, which began production at the

beginning of the year at a rate of 10,000 bpd, is producing 25,000 bpd currently and is on track to touch 38-40,000 bpd by month-end, people cited above said. The full impact of the December ramp-up will reflect in January volumes.

A big morale booster for ONGC has come from the arrest in production decline in the western offshore Mumbai High asset, which includes the flagship Mumbai High field as well as Bassein and satellite, Heera and Neelam fields.

The strength of new wells, impro-

ved surface facility upkeep and better reservoir management have all contributed to the arrest in production decline in Mumbai High asset, they said. The company has deployed enhanced oil recovery techniques such as water injections, and judiciously selected development wells, helping output, they said.

ONGC produces two-thirds of India's oil and about half of natural gas. Output expansion at ONGC is crucial to India's ambition of reducing oil import dependence.

Onus must be on Banks to Fund Green Energy Projects: Secy

New Delhi: Renewable energy secretary Prashant Kumar Singh on Thursday said there was a need to have a green energy financing obligation on banks. Speaking at CII's Global Economic Policy Forum, Singh said banks were currently funding only a small portion of renewable energy projects while non-banking financial companies sanctioned the major portion of their requirement.

Outlining the future requirement, Singh reiterated that ₹30 lakh crore investment was needed in the renewable energy sector going forward.

"There is a need for a renewable energy lens and then working from that perspective," he said. Climate change goals cannot be achieved

till India de-carbonises, he added.

India recently became the third-largest renewable energy producing country and the third largest in solar energy capacity, he said.

Auguste Tano Kouame, Country Director for India at the World Bank, who also addressed the session,



said the cost of energy transition was not an additional expense but a substitute cost. He said the transition involved economic transformation.

Kouame underscored the need to transform the energy mix adding that there was awareness among market participants for pollution causing sources of energy.— **Our Bureau**



OPEC+ supply delay won't prevent oil glut next year: IEA



GLOBAL OIL MARKETS

face a glut next year
despite last week's
decision by OPEC+ to

delay supply increases, the
International Energy Agency
said. World markets will be
oversupplied by a hefty 1.4 mn
barrels a day if the group
proceeds with plans to revive
output starting in April, IEA said.

Reliance signs 10-yr deal with Russia's Rosneft for \$12-13bn a year oil import

New Delhi: Mukesh Ambani's Reliance Industries Ltd has signed a deal to import crude oil worth \$12-13 billion a year from Russia's Rosneft for 10 years, sources said. Russian state oil firm Rosneft will supply up to 500,000 barrels per day (25 million tonne a year) of crude oil to Reliance, they said.

Reached for comments, a Reliance spokesperson said Russia is currently the largest supplier of crude oil to India.

"We are always engaged with a number of international suppliers, including from Russia, for sourcing feedstock for our refinery. As per practice, such supply contracts are done for the following year. The number of cargoes will vary depending on

SUPPLY FROM JAN

> Reliance deal accounts for roughly a half of Rosneft's seaborne oil exports from Russian ports, which doesn't leave much for other traders and middlemen

> Supplies starting from Jan set to continue for 10 years with option to extend deal for another 10 years, sources say

> Russian oil accounts for more than a third of India's energy imports

economics given the prevailing market conditions," the spokesperson said. The deal comes ahead of President Vladimir Putin's planned visit to India. PTI&REUTERS

► Extension option, P 23

Reliance-Rosneft deal has 10-year extension option

► From P 1

Under the deal, Rosneft would deliver 20-21 Aframax-sized cargoes (80,000 to 100,000 metric tons) of various Russian crude grades and three cargoes of about 100,000 tons each of fuel oil each month, the three sources said.

The new deal accounts for roughly a half of Rosneft's seaborne oil exports

from Russian ports, which leaves not much supply available for other traders and middlemen, one source said.

From Jan to Oct, Reliance imported an average 405,000 barrels per day of Russian oil, up from 388,500 bpd in the same period last year, according to tanker data obtained from sources. The new deal between Rosneft and Reliance was discussed and approved du-

ring Rosneft's board meeting in Nov, two of the sources said.

Supplies will start from Jan and are set to continue for 10 years with an option to extend the deal for another 10 years, the three sources said. The pricing of the grades to be supplied on delivered basis is set at differentials to the average Dubai price of the loading month, according to the sources. PTI&REUTERS



Reliance signs record \$13bn oil supply deal with Russia's Rosneft

Reuters

letters@hindustantimes.com

NEW DELHI/MOSCOW: Russia's state oil firm Rosneft has agreed to supply nearly 500,000 barrels per day (bpd) of crude to Indian private refiner Reliance in the biggest ever energy deal between the two countries, three sources familiar with the deal said.

The 10-year agreement amounts to 0.5% of global supply and is worth roughly \$13 billion a year at today's prices. It would further cement energy relations between India and Russia, which is under heavy Western sanctions over its invasion of Ukraine.

Rosneft did not reply to requests for comments. Reliance said it works with international suppliers, including from Russia, and deals are based on market conditions. The company declined further comment on commercial matters, citing the confidentiality of supply agreements.

The deal comes ahead of the planned visit by Russian President Vladimir Putin to India and after US President-elect Donald Trump said he wants to push Moscow and Kyiv to stop the war as soon as he takes office in January.

Russian oil accounts for more than a third of India's energy imports. India became the largest importer of Russian crude after the European Union, previously the top buyer, imposed sanctions on Russian oil imports in response to the 2022 invasion of Ukraine.

India has no sanctions on Russian oil, so refiners there have cashed in on the cheaper crude supply. Sanctions have made Russian oil cheaper than rival grades

by at least \$3 to \$4 per barrel.

India's rising Russian imports have come at the expense of rival Middle Eastern producers. The Reliance-Rosneft deal would represent another challenge for competitors, including Saudi Arabia.

Competition among oil producers for a share of the Indian market is hot because it is one of the fastest-growing energy markets, and is becoming more important as a driver of global demand as growth in top importer China slows.

Under the deal, Rosneft would deliver 20-21 Aframax-sized cargoes (80,000 to 100,000 metric tons) of various Russian crude grades and three cargoes of about 100,000 tons each of fuel oil each month, the three sources said. The shipments will be supplied for Reliance's refining complex at Jamnagar in Gujarat.

In 2024, Reliance had a deal with Rosneft to purchase 3 million barrels of crude a month. Rosneft has been also selling crude to Reliance via intermediaries on a regular basis. The new deal accounts for roughly a half of Rosneft's seaborne oil exports from Russian ports, which leaves not much supply available for other traders and middlemen, one source said.

From January to October, Reliance imported an average 405,000 barrels per day of Russian oil, up from 388,500 bpd in the same period last year.

The new deal was discussed and approved during Rosneft's board meeting in November, two of the sources said. Supplies will start from January and are set to continue for 10 years with an option to extend the deal for another 10 years, the three sources said.

RIL Signs \$13B Crude Import Deal with Russia's Rosneft

Russian firm to supply up to 500k barrels/day to RIL for 10 years

Press Trust of India

New Delhi: Reliance Industries (RIL) has signed a deal to import crude oil worth \$12-13 billion a year from Russia's Rosneft for 10 years, sources said.

The Russian state oil firm will supply up to 500,000 barrels per day (25 million tonnes a year) of crude oil to Reliance, they said.

Reached for comments, a Reliance spokesperson said, Russia is currently the largest supplier of crude oil to India.

"We are always engaged with a number of international suppliers, including from Russia, for sourcing feedstock for our refinery. As per practice, such supply contracts are done for the following year. The number of cargoes will vary depending on economics given the prevailing market conditions," the spokesperson said.

India has become the second-biggest buyer of Russian crude oil since Moscow invaded Ukraine in February 2022, with purchases rising from less than one per cent of the total oil imported in the pre-war period to almost 40% of the co-

untry's total oil purchases.

The rise was primarily because Russian crude oil was available at a discount to other internationally traded oil due to the price cap and the European nations shunning purchases from Moscow.

The EU/G7 countries in December 2022 introduced a price cap and an embargo on the imports of Russian crude oil in a bid to cripple Kremlin's revenue and create a vacuum in its funding for the invasion of Ukraine.

India, the world's third largest oil-consuming and importing nation, in October bought €2 billion worth of crude oil from Russia,

down from €2.4 billion in the previous month. China bought 47% of Russia's crude exports in October, followed by India (37%), the EU (6%), and Turkey (6%).

Reliance has twin refineries at Jamnagar in Gujarat that turn crude oil into fuels like petrol and diesel. The firm sells the fuel to countries in Europe and elsewhere.

While the EU/G7 countries sanctioned crude oil from the Kremlin, a lack of a policy on refined oil produced from Russian crude meant that countries not imposing sanctions could import large volumes of Russian crude, refine them into oil products and legally export them to the price-cap coalition countries.



BIGGEST-EVER INDIA-RUSSIA ENERGY PACT

RIL, Rosneft ink mega \$13-bn oil supply deal

● Russian oil major to supply 500K barrels of crude a day

NIDHI VERMA
New Delhi/Moscow, Dec 12

RUSSIA'S STATE OIL firm Rosneft has agreed to supply nearly 500,000 barrels per day (bpd) of crude to Reliance Industries in the biggest-ever energy deal between the two countries, three sources familiar with the deal said.

The 10-year agreement amounts to 0.5% of global supply and is worth roughly \$13 billion a year at Thursday's prices. It would further cement energy relations between India and Russia, which is under heavy Western sanctions over its invasion of Ukraine.

Rosneft did not reply to requests for comments.

Reliance said it works with international suppliers, including from Russia, and deals are based on market conditions. The company declined further comment on commercial matters, citing the confidentiality of supply agreements.

The deal comes ahead of the planned visit by Russian President Vladimir Putin to India and after US President-elect Donald Trump said he wants to push Moscow and Kyiv to stop the war as soon as he takes office in January.

Russian oil accounts for more than a third of India's energy imports. India became the largest importer of Russian crude after the

BIG BOOST



■ The 10-year pact amounts to **0.5%** of global supply, is worth roughly **\$13 billion** a year

■ Agreement to further cement energy relations between **India and Russia**

■ Reliance said it **works with international suppliers, including from Russia**, and deals based on market conditions

<p>■ Pact comes ahead of a planned visit by Russian President Vladimir Putin to India</p>	<p>■ Sanctions by the Western have made Russian oil cheaper than rival grades by \$3-\$4/barrel</p>
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European Union, previously the top buyer, imposed sanctions on Russian oil imports in response to the 2022 invasion of Ukraine.

India has no sanctions on Russian oil, so refiners there have cashed in on the cheaper crude supply. Sanctions have made Russian oil cheaper than rival grades by at least \$3-\$4/barrel.

India's rising Russian imports have come at the expense of rival West Asian producers. The Reliance-Rosneft deal would represent another challenge for competitors, including Saudi Arabia. Competition among oil producers for a share of the Indian market is hot because it is one of the fastest-growing energy markets, and is becoming more important as a driver of global demand as growth in top importer China slows.

Under the deal, Rosneft would deliver 20-21 Aframax-sized cargoes (80,000 to 100,000 metric tonne) of various Russian crude grades and three cargoes of about 100,000 tonne each of fuel oil each month, the three sources said. The shipments will be supplied for Reliance's refining complex, the world's biggest, at Jamnagar in Gujarat.

Two sources said Reliance and Rosneft will review pricing and volumes every year under the deal to factor in oil markets dynamics.

In 2024, Reliance had a deal with Rosneft to purchase 3 million barrels of crude a month. Rosneft has been also selling crude to Reliance via intermediaries on a regular basis.

The new deal accounts for roughly a half of Rosneft's seaborne oil exports from Russian ports, which leaves not much supply available for other traders and middlemen, one source said. From January to October, RIL imported an average 405,000 barrels per day of Russian oil, up from 388,500 bpd in the same period last year, according to tanker data obtained from sources.

—REUTERS

Rosneft inks record oil supply deal with RIL

To supply up to 500K bpd; transaction estimated at \$13 bn per year

SUBHAYAN CHAKRABORTY & DEV CHATTERJEE
New Delhi/Mumbai, 12 December

Russia's state-owned oil firm Rosneft has agreed to supply up to 500,000 barrels per day (bpd) of crude oil to Indian upstream oil and gas major Reliance Industries (RIL) in the largest-ever energy deal between the two countries, *Reuters* reported on Thursday.

The 10-year agreement amounts to 0.5 per cent of global oil supply and is valued at roughly \$13 billion per year at current prices, it said. The deal will ensure stability in



INDIA'S CRUDE CONNECTION

Crude imports from Russia	Amount (\$ bn)	Share in global imports (%)
2019-20	1.75	1.71
2020-21	0.94	1.59
2021-22	2.25	2.10
2022-23	31.02	19.22
2023-24	46.48	33.38
2024-25 (Apr-Sep)	28.97	38.30

Source: Commerce Department

crude oil flows and is part of Rosneft's efforts to expand its presence in India, officials from the Ministry of Petroleum and Natural Gas said.

Without confirming the size of the agreement, ministry officials said the government was aware of

STRONG GROUND

Monthly crude oil imports from Russia (\$bn)



Note: Latest data available till Sep 2024
Source: Commerce Department

negotiations nearing a final stage between the two companies.

"Commercial contracts are confidential and based on market conditions. The government is not involved. However, such a deal will ensure greater stability in supplies," said an official.

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RIL-Rosneft deal to ensure stable crude flow: Officials

The government official said: “Even when prices remain on a long-term downward trajectory, securing stable flows is of paramount importance,” said an official. Government sources said a deal of this size could give Rosneft more confidence in retaining its global business ties at a time when the US is reportedly planning to escalate sanctions on Russian firms, particularly its oil sector.

“The incumbent US President seeks to enact a tighter framework of sanctions on Russian entities before he leaves office next month. A mega pact with Indian firms would help Moscow send a message at this juncture,” a highly placed source said, under the condition of anonymity. The agreement will also expand RIL’s exposure to Russian crude oil.

Queries sent to the ministry did not elicit a response until the time of publication.

A RIL spokesperson told *Business Standard*: “We don’t comment on specific

details of any supply contract that are confidential in nature. As always, any such supplies are compliant with prevailing sanctions policies as applicable to Indian buyers of such feedstock.”

Rosneft did not reply to requests by *Reuters* for comments.

Rosneft’s India plans

The second-largest Russian company by market capitalisation and one of its highest earners, Rosneft is increasingly making efforts to bolster its presence in. In early December, Russian President Vladimir Putin highlighted Rosneft’s \$20 billion investment in India, without elaborating further. Energy cooperation is expected to take priority during Putin’s upcoming visit to India, sometime in early next year, the Kremlin has said. In 2023, Rosneft expressed interest in building a greenfield refinery in India via a JV with public-sector refiners. Rosneft last year appointed Govind Kottieth Shah to its board — the first such appointment

from India.

An industry veteran, Shah had been the chairman of several IOCL JVs, including IndianOil-Adani Gas and IndianOil Total, before joining Rosneft.

Currently, Rosneft-backed Nayara Energy operates more than 6,000 retail fuel outlets in India, with an additional 1,200 in various stages of commissioning. The company also runs India’s second-largest refinery, located in Gujarat’s Vadinar, with an annual capacity of 20 million tonnes.

Responding to queries about Russian oil supplies, the RIL spokesperson said: “Russia is currently the largest supplier of crude oil to India. This is well-documented. We are always engaged with several international suppliers, including Russia, to source feedstock for our refinery. As per practice, such supply contracts are done for the following year. The number of cargoes will vary depending on market conditions and economics.”



Rosneft, Reliance sign 10-yr, \$13 bn oil supply agreement

Shipment from Russia to Reliance's refinery complex at Jamnagar to start in January

Reuters
feedback@livemint.com

Russia's state oil firm Rosneft has agreed to supply nearly 500,000 barrels per day of crude to Indian refiner Reliance in the biggest energy deal between the two countries, three persons familiar with the deal said.

The 10-year agreement amounts to 0.5% of the global supply and is worth roughly \$13 billion a year at today's prices. It will further cement energy relations between India and Russia, which is under heavy Western sanctions over its invasion of Ukraine.

Rosneft didn't respond to Reuters' requests for comments. Reliance said it works with international suppliers, including from Russia, and deals are based on market conditions. The company declined further comment on the commercial matters, citing the confidentiality of supply agreements.

The deal comes ahead of the planned visit by Russian President Vladimir Putin to India and after U.S. President-elect Donald Trump said he wants to push Moscow and Kyiv to stop the war as soon as he takes office in January.

Russian oil accounts for over a third of India's energy imports. India became the largest importer of Russian crude after the European Union, previously the top buyer, imposed sanctions on Russian oil imports in response to the 2022 invasion of Ukraine.

India has no sanctions on Russian oil, so refiners have cashed in on the cheaper crude supply. Sanctions made Russian oil cheaper than rival grades by at least \$3 to \$4 per barrel. India's rising Russian imports have come at the expense of rival Middle Eastern producers. The Reliance-Rosneft deal would represent a challenge for competitors, including Saudi Arabia. Competition among oil producers for a share of the Indian mar-



The supply of nearly 500,000 barrels per day of crude marks the largest energy deal between the two countries. HT

ket is hot because it is one of the fastest-growing energy markets, and is becoming more important as a driver of global demand as growth in top importer China slows.

As part of the agreement, Rosneft would deliver 20-21 Aframax-sized car-

gar in Gujarat—the world's biggest such facility. Two persons said Reliance and Rosneft will review the pricing and volumes every year under the deal to factor in oil markets dynamics.

In 2024, Reliance had signed a deal with Rosneft to purchase 3 million bar-

rels of crude a month. Rosneft has been also selling crude to Reliance via intermediaries on a regular basis.

The new deal accounts for roughly a half of Rosneft's seaborne oil exports from Russian ports, which leaves not much supply available for other traders and middlemen, one person said.

From January to October, Reliance imported an average 405,000 barrels per day of Russian oil, up from 388,500 bpd a year ago, according to tanker data obtained from persons in the know.

The new deal between was approved during Rosneft's board meet in November, two persons said.

Supplies will start from January and continue for 10 years with option to extend it for another 10 years, the persons said. Pricing of the grades to be supplied on delivered basis is set at differentials to average Dubai price of loading month, they said. Premiums for the light sweet grades were set at \$1.50 per barrel for ESPO, Sokol at \$2 a barrel and Siberian Light at about \$1 per barrel against Dubai quotes for 2025, one person said.

EXPANDING COOPERATION

THE deal comes just ahead of a planned visit by Russian President Vladimir Putin to India

INDIA became the largest importer of Russian crude after EU sanctioned oil supplies from Russia

ROSNEFT will ship 80,000-100,000 tonnes of various Russian crude grades to RIL

THE two companies will review pricing and volumes every year to factor in oil markets dynamics

goes (80,000-100,000 tonnes) of various Russian crude grades and three cargoes of about 100,000 tonnes each of fuel oil each month, they said.

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rels of crude a month. Rosneft has been also selling crude to Reliance via intermediaries on a regular basis.

The new deal accounts for roughly a half of Rosneft's seaborne oil exports from Russian ports, which leaves not



रिलायंस ने रूस के साथ सबसे बड़ा तेल सौदा किया

नई दिल्ली, एजेंसी। उद्योगपति मुकेश अंबानी की रिलायंस इंडस्ट्रीज लि. ने रूस की सरकारी तेल कंपनी रोसनेफ्ट से कच्चे तेल की आपूर्ति का सबसे बड़ा सौदा किया है। रोसनेफ्ट रिलायंस को प्रतिदिन 5,00,000 बैरल (2.5 करोड़ टन सालाना) तक कच्चे तेल की आपूर्ति करेगी। सूत्रों ने यह जानकारी दी।

मौजूदा कीमतों पर 10 साल का सौदा सालाना 12-13 अरब डॉलर (करीब 11 हजार करोड़ रुपये) का बैठता है। रिलायंस के पास गुजरात के जामनगर में दो रिफाइनरियां हैं, जो कच्चे तेल को प्रसंस्कृत कर उसे पेट्रोल और डीजल में बदलती हैं। इससे पहले

■ रूस की सरकारी तेल कंपनी से सालाना 11 हजार करोड़ के समझौते पर सहमति बनी

इसी साल रिलायंस ने रोसनेफ्ट के साथ हर महीने 30 लाख बैरल कच्चे तेल की खरीद का सौदा किया था।

वहीं, इस बारे में पूछे जाने पर रिलायंस के प्रवक्ता ने कहा, रूस वर्तमान में भारत को कच्चे तेल की सबसे बड़ी आपूर्ति करता है। हम अपनी रिफाइनरी के लिए कच्चे तेल की आपूर्ति के लिए कई अंतरराष्ट्रीय आपूर्तिकर्ताओं, जिनमें रूस भी शामिल है, के साथ जुड़े रहते हैं।

रिलायंस ने रूसी कंपनी के साथ तेल सौदा किया

■ पीटीआई, नई दिल्ली : उद्योगपति मुकेश अंबानी की रिलायंस इंडस्ट्रीज ने रूस की रोसनेफ्ट से 10 साल के लिए प्रति वर्ष 12-13 अरब डॉलर मूल्य का कच्चा तेल आयात करने का समझौता किया है। सूत्रों ने यह जानकारी दी।

रूस की सार्वजनिक क्षेत्र की पेट्रोलियम कंपनी रोसनेफ्ट, रिलायंस को प्रतिदिन 5,00,000 बैरल (2.5 करोड़ टन सालाना) तक कच्चे तेल की सप्लाई करेगी। मौजूदा कीमतों पर 10 साल का सौदा सालाना 12-13 अरब डॉलर का बैठता है। रिलायंस के प्रवक्ता ने कहा, रूस वर्तमान में भारत को कच्चे तेल का सबसे बड़ा सप्लायर है। हम अपनी रिफाइनरी के लिए कच्चे तेल की खरीद को लेकर रूस सहित कई अंतरराष्ट्रीय आपूर्तिकर्ताओं के साथ हमेशा जुड़े रहते हैं।

रूस के फरवरी, 2022 में यूक्रेन पर हमले के बाद से भारत रूसी कच्चे तेल का दूसरा सबसे बड़ा खरीदार बन गया है। युद्ध से पहले आयातित कुल तेल में रूस की हिस्सेदारी एक प्रतिशत से भी कम थी जो अब लगभग 40 प्रतिशत तक हो गई है। इस वृद्धि का मुख्य कारण रूस पर लगायी गई मूल्य सीमा और यूरोपीय देशों की वहां से खरीद से बचना है। इससे



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रूसी कच्चा तेल अन्य अंतरराष्ट्रीय बाजार से होने वाली आपूर्ति की तुलना में छूट पर उपलब्ध है। दुनिया के तीसरे सबसे बड़े तेल उपभोक्ता और आयातक देश भारत ने अक्टूबर में रूस से दो अरब यूरो मूल्य का कच्चा तेल खरीदा। यह पिछले महीने के 2.4 अरब यूरो से कम है। चीन ने अक्टूबर में रूस के कच्चे तेल के निर्यात का 47 प्रतिशत खरीदा। उसके बाद भारत (37 प्रतिशत), यूरोपीय संघ (6 प्रतिशत) और तुर्की (6 प्रतिशत) का स्थान रहा।

रिलायंस के पास गुजरात के जामनगर में दो रिफाइनरियां हैं जो कच्चे तेल को प्रोसेस कर उसे पेट्रोल और डीजल में बदलती हैं। कंपनी यूरोप और अन्य देशों को ईंधन बेचती है।