

# RIL gets US relief for Rosneft oil cargoes

ENS ECONOMIC BUREAU @ New Delhi

RELIANCE Industries Ltd (RIL) has obtained a concession from the United States to receive oil cargoes supplied by Russia's Rosneft, which has been sanctioned by the US government.

The company said it has been granted permission to import cargoes that were contracted before the sanctions were announced. The cargoes came in December before the extended deadline. In October, the US imposed sanctions on Rosneft and Lukoil, allowing companies until November 21 to wind down



transactions with the two Russian energy firms. Reliance has a long-term pact with Rosneft to buy 500,000 barrels per day (bpd) of Russian crude for its 1.4 million bpd refining complex in Jamnagar, the world's largest. "These are pre-existing transactions that are being wound down in a sanctions-compliant manner," said RBI spokesperson.

Separately, the European Union has said from January 21 it will not accept fuel produced at refineries that received or processed Russian crude within 60 days prior to the bill-of-lading date. As per an agency report, citing trade



flows data from Kpler, Reliance has received 15 cargoes of Russian crude from Rosneft since November 22. The report added that Reliance loaded the final cargo under its Rosneft supply deal on November 12. Any Russian oil arriving after November 20 will be processed at Reliance's India-focused refinery, allowing the company to continue fuel exports to the EU from its 704,000 bpd export-oriented refinery.

Reliance is also scheduled to receive one cargo each of Russian oil in December and January from trader RusExport, according to Kpler data.

India became the world's largest buyer of seaborne Russian crude following Moscow's invasion of Ukraine, but has faced increasing pressure from Washington to curb such imports. India's Russian oil imports in December are expected to average between 1.2 million and 1.5 million bpd.



## Reliance secures US concession to purchase Rosneft oil

Reuters  
[feedback@livemint.com](mailto:feedback@livemint.com)

**R**eliance Industries Ltd continues to receive oil cargoes supplied by Rosneft after obtaining a one-month concession from Washington, which had imposed sanctions on the Russian producer, two sources familiar with the matter said.

The special permission for Reliance was not reported previously. In October, the US imposed sanctions on Rosneft and Lukoil, giving companies until November 21 to wind down transactions with the two energy firms.

Reliance has a long-term deal with Rosneft to purchase 500,000 barrels Russian oil per day for its 1.4 million bpd refining complex, the world's largest. Separately, the EU has said that from 21 January, it will not take fuel produced at refineries that received or processed Russian oil 60 days prior to the bill-of-lading date.

Since November 22, Reliance has received around 15 cargoes of Russian oil from Rosneft, according to trade flows data from Kpler.

"These are pre-existing transactions which are being wound down in a sanctions-compliant manner," Reliance said in an emailed response.

The U.S. Treasury declined to comment on concessions.

Reliance said it loaded the final cargo under Rosneft deal on 12 November and would process Russian oil arriving after November 20 at its India-focused 660,000 bpd plant, enabling it to continue fuel sales to EU from its 704,000 bpd export-focused refinery.

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Sale values Castrol at \$8 billion. REUTERS

## BP agrees to sell majority of Castrol Lubricants unit to Stonepeak

By Ben Dunsmore & Lauren Thomas

**B**P said it has agreed to sell a majority stake in its Castrol lubricants business to investment firm Stonepeak, a deal that values the entire division at \$8 billion.

### The details

Under the deal, BP is set to receive roughly \$6 billion in proceeds from the sale of a 65% stake to Stonepeak.

The companies announced the deal early Wednesday after *The Wall Street Journal* reported that an agreement was near.

It represents one of BP's biggest moves yet to revive its fortunes after an ill-timed turn toward renewable energy that was unpopular with investors.

BP is now working to reinvigorate its fossil-fuels business in an effort to boost profits and lift its languishing share price. As part of those plans, the energy company is targeting asset sales of \$20 billion by 2027 to help cut debt and boost oil-and-gas production.

A sale of Castrol, which BP said it was reviewing back in February, would be the company's largest single divestiture so far. Proceeds from the deal would boost BP's proceeds this year to about \$1 billion from announced and completed divestitures.

Castrol is based in the U.K. and its fuel products and lubricants are available in more than 150 countries. It sells to consumers and businesses in a range of

industries from aerospace to mining. In the U.S., the brand is widely used for oil changes.

### The context

BP has been under pressure from investors to boost its performance for several years.

The activist hedge fund Elliott Investment Management turned up the heat on BP earlier this year after it bought a stake while planning to seek

transformational changes.

Earlier this month, BP said Chief Executive Murray Auchincloss would step down after less than two years at the helm. He is being replaced by Meg O'Neill, an American former Exxon Mobil executive who most recently ran Australia's Woodside Energy.

For Stonepeak, the Castrol deal marks its latest investment in the energy sector.

Stonepeak oversees about \$80 billion in assets and typically focuses its investments on real estate and infrastructure.

**A sale of Castrol, which BP said it was reviewing back in February, would be the company's largest single divestiture**

The lubricant market is forecast to be worth \$169 billion this year and rise to more than \$229 billion by 2035, according to data provider Research Nester, driven by

manufacturing in Asia and rising demand for electric vehicles. Castrol makes fluids that are predominantly used during the initial manufacture of EVs, including a product that helps improve transmission efficiency.

Stonepeak's interests in Castrol was earlier reported by other media outlets.

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## **Uttarakhand cuts VAT on CNG, PNG; doubles pension for elderly destitute artists**

**STATESMAN NEWS SERVICE**

*Dehradun, 24 December*

Compressed Natural Gas (CNG) and Piped Natural Gas (PNG) will now be cheaper in Uttarakhand after Chief Minister Pushkar Singh Dhami-led cabinet on Wednesday reduced the Value Added Tax (VAT) on both fuels from 20 per cent to five per cent.

The cabinet also finalised procurement rates for apples from disaster-hit Dharali and surrounding areas of Uttarkashi district and approved the doubling of the monthly pension for elderly and destitute folk artists and writers in the state.

# \$6-billion Stonepeak buy of bp stake in Castrol triggers open offer in India arm

**Janaki Krishnan**

**Richa Mishra**

Mumbai/Hyderabad

Energy giant bp plc has announced the sale of a 65 per cent stake in Castrol Ltd to alternative investment firm Stonepeak for \$6 billion, triggering an open offer in Castrol India due to an indirect change in control.

Motion JV Co, part of Stonepeak Infrastructure Fund V, entities associated with it, and CPP Investment Board announced on Wednesday an open offer to public shareholders for up to a 26 per cent stake in Castrol India for a little over ₹4,990 crore at ₹194.04 per share.

Stonepeak specialises in infrastructure and real assets with approximately \$80 billion of assets under management.

The open offer is contingent on the underlying transaction going through.

Castrol Ltd, which holds a 51 per cent stake in Castrol India, is a wholly-owned subsidiary of Castrol Group Holdings, in which bp plc holds a 100 per cent stake.

Globally, the transaction will result in the formation of a new joint venture in which Stonepeak will hold a 65 per cent stake and bp 35



per cent. In India, the transaction will result in Stonepeak, through associated entities, getting indirect control over Castrol Ltd's stake in its Indian subsidiary.

Both Castrol Group Holdings and Castrol Ltd have been identified as persons acting in concert, and according to the exchange filing, the shares tendered in the open offer may also be acquired by the parent company.

## DEBT REDUCTION

The proceeds of the stake sale, which values Castrol Ltd at \$10 billion, will be used by bp to reduce net debt, strengthening its balance-sheet while advancing its strategy to focus on its downstream business.

The transaction is part of bp's previously announced \$20 billion divestment programme. At the end of the

third quarter of 2025, its net debt was at \$26.1 billion.

Its stake in the JV will also provide exposure to Castrol's growth plans while it retains the option to sell the remaining stake. Apart from Castrol India, the transaction also includes minority interests in other jurisdictions such as Vietnam, Saudi Arabia and Thailand.

"This does not directly affect the listed subsidiaries, share capital, governance arrangements or day to day operations. The subsidiary remains a separate legal entity with its own shareholders, board, and regulatory obligations," said industry sources.

## CASTROL INDIA

Castrol has a fifth of the lubricants market share in India and a high brand recall.

"It is a high dividend-yielding stock, and recent business results have been strong, and the company has been able to sustain them now for multiple quarters, and that focus will continue," said a source.

The source pointed out that, regardless of the percentage, Castrol will continue to grow and invest in the business to deliver the best value for its shareholders.



## Reliance gets US concession to buy Rosneft oil

■ **Reuters**

New Delhi

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# Balancing barrel, biz and blame

**OIL SMOOTH.** Indian refiners have adapted to sanctions, compliance needs, which will trickle into 2026

Rishi Ranjan Kala  
New Delhi

The year 2025 has been an outlier for the Indian oil and gas sector as refiners deftly navigated geopolitical and trade tensions with the US imposing sanctions on two of Russia's largest oil companies, Rosneft and Lukoil. This turned out to be the first serious attempt that threatened to disrupt energy trade between New Delhi and Moscow.

Despite headwinds like an escalating conflict in West Asia, President Donald Trump's trade feud, and tightening of EU sanctions amid the Russia-Ukraine war, India skilfully managed these black swan events.

This was achieved by forging stronger trade ties with the UAE, Saudi Arabia and Oman; enhancing energy purchases from the US; bolstering business relations with Brazil and Argentina, and courting African suppliers such as Libya and Gabon.

A top government official said, "2025 has not been easy. Geopolitical tensions, sanctions and trade wars recalibrated energy flows. We are adjusting to this evolving scenario, whether it is reducing crude from Moscow or buying more from Washington. Despite this, refiners ensured availability at the right price. They acted as responsible corporate citizens ensuring that the common man is shielded from high prices of diesel, petrol and LPG."

The official emphasised that India will keep up the strategy — source the most economical barrels from non-sanctioned sources, while maintaining strategic autonomy and affordability.

**RUSSIAN ROULETTE**  
Mohan Ramaswamy, CEO of Rubix Data Sciences, succinctly puts it. He noted that sanctions by the US and the EU are reshaping India's oil trade, reducing Russian dependence "slightly" and redirecting crude (oil) and fuel (refined petroleum products) flows toward compliant markets. "Sanctions,



**TUG OF WAR.** India navigated headwinds like an escalating conflict in West Asia, President Donald Trump's trade feuds, and tightening of EU sanctions amid the Russia-Ukraine war BUSINESSLINE

compliance requirements, and evolving regulatory regimes have also materially altered energy trade flows and export feasibility," he added.

Manas Majumdar, Partner and Leader, Oil & Gas, Fuels & Resources at PwC India, pointed out that the recent US sanctions and restrictions by the EU made Russian oil cheaper due to rising discounts, which helped Indian refiners import an estimated 1.85 million barrels per day (mb/d) by mid-2025. However, the recent sanctions are expected to reduce imports from Russia to around 500,000 b/d, or roughly 10 per cent of India's basket.

Supporting the narrative, ICRA's Vice President & Co-Group Head (Corporate Ratings), Prashant Vasisht noted that Indian entities have refrained from transacting with sanctioned entities in the past. "Accordingly, crude oil purchases from sanctioned Russian entities is expected to decline and increase from non-sanctioned

Russian entities especially considering discounts have increased post sanctions," he added.

#### DIVERSIFYING SOURCES

Majumdar pointed out that source diversification has happened with the addition of recent entrants like Argentina, energy security and reducing dependence on any single region.

"This broader pool enhances bargaining power, aids access to various crude quality grades, and insulates against sanction-driven disruptions. When Western sanctions constrained Russian supply chains, India pivoted swiftly to alternative suppliers in West Asia, the US, Brazil, and Africa — maintaining energy security and price competitiveness. This flexibility has so far enabled uninterrupted refinery operations," he added.

Plus, a key aspect is that India's significant crude volumes will only grow with its refining hub ambitions of 400 million tonnes per annum (mtpa) capacity. This growing buying power will only increase and hence, the need to look at multiple sources to get most volumes at best deals, he explained.

Vasisht emphasised that India has many sources for crude, including the geographically close West Asia and regions like Africa, Brazil, US, etc.

Diversification has aided in quickly shifting to other suppliers. India is the third-largest crude consumer and Indian entities command the heft and reach to procure a variety of crudes from all over the world.

To compensate for softer near-term Russian arrivals, refiners are expected to increase intake from a broader mix of suppliers — West Asia (Saudi Arabia, Iraq, the UAE and Kuwait), Brazil and broader Latin America (Argentina, Colombia and Guyana), West Africa and North America (the US and Canada), said Sumit Ritolia, Kpler's Lead Research Analyst for Refining & Modeling, recently.

## Q & A.

# Petroleum product consumption growth slows in 2025: ICRA

**Rishi Ranjan Kala**  
New Delhi

As India pushes for higher consumption of clean energy products and services, consumption growth of diesel and petrol is slowing down, which is expected to continue in 2026 as well. ICRA Vice-President & Co-Group Head (Corporate Ratings) Prashant Vasisth breaks down the key trends re-defining the domestic oil and gas sector.

*Edited excerpts:*

### **What challenges were faced by the Indian oil and gas sector in 2025?**

First is the slowdown in consumption growth of petroleum products (POL), at 1.4 per cent year-on-year (y-o-y) in eight months of FY26, as against the historical 4 per cent in the last 10 years. This is due to more fuel efficient vehicles, expansion of CNG network and electric mobility.

Gas consumption also saw a sluggish growth this year due to shutdowns at some fertilizer plants and weak power sector demand. Additionally, gas production came down in seven months of FY26.

### **What are some of its achievements?**

In April (2025), crude oil prices fell substantially due to unwinding of production cuts by OPEC+ amid slowing demand growth. Accordingly, Brent prices went down from about \$77 a barrel as on March 31 (2025) to \$65 by April 10. It has ranged between \$60 and \$70/barrel since then.

This led to an increase in marketing margins of OMCs on petrol and diesel sales. Further, the government an-



“

We expect crude oil price to stay between \$60 and \$70 per barrel in FY27 due to muted demand growth and increasing electrification

### **PRASHANT VASISTH**

Vice President & Co-Group Head (Corporate Ratings), ICRA

nounced a ₹30,000-crore compensation package for the three PSU OMCs in August 2025 to address LPG under recoveries. Another highlight is the discovery of large deposits in the Andaman Sea.

### **Your outlook for 2026?**

We expect crude oil price to average between \$60 and \$70 per barrel in FY27 due to muted demand growth as well as increasing electrification globally. We do not see a cut in capex plans. Domestic POL consumption is expected to grow at 1-2 per cent, and so is natural gas consumption.

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# BP to sell 65% stake in Castrol to Stonepeak for \$6 billion

STEPHANIE KELLY

24 December

BP has agreed to sell a 65 per cent stake in its Castrol lubricants business to US private equity firm Stonepeak for about \$6 billion, a significant step in the oil major's \$20 billion divestment plan aimed at cutting debt and boosting returns.

The deal, announced on Wednesday, values Castrol at \$10.1 billion, and marks the British company's most ambitious asset sale so far in its efforts to streamline operations and scale back its renewable energy investments — after years of lagging rivals in share performance.

BP will retain a 35 per cent stake in a new joint venture with Stonepeak, which it can sell after a two-year lock-in period. While the deal values Castrol at about \$10 billion, the enterprise value falls to roughly \$8 billion after adjusting for minority interests and debt-like obligations, RBC analysts said in a note on Wednesday.

The sale, which includes \$800 million for accelerated dividend pay-



## Shifting gear

- BP retains 35% interest in new joint venture with Stonepeak
- Sale proceeds to reduce BP's debt, includes \$800 million for dividends
- Deal expected to complete by 2026 end

ments, comes after BP put the century-old lubricants unit under review earlier this year as part of a broader strategy to focus on its core oil and gas business. BP will use the sale proceeds to reduce debt, it said. BP expects the deal to complete by the end of 2026, it said.

REUTERS



## **ENERGY GIANT BP TO SELL 65% IN CASTROL TO STONEPEAK**

New Delhi, Dec. 24: Global energy giant BP on Wednesday said it has reached an agreement to sell a 65 per cent shareholding in Castrol to Stonepeak at an enterprise value of \$10.1 billion.

After the completion of the stake sale, a new joint venture will be incorporated, comprising a 65 per cent ownership of Stonepeak and a 35 per cent shareholding of BP.

Carol Howle, interim chief executive officer at BP, said: "Today's announcement is a very good outcome for all stakeholders. We concluded a thorough strategic review of Castrol, which generated extensive interest and resulted in the sale of a majority interest to Stonepeak."

She further stated that the transaction allows us to realise value for our shareholders.

Shares of Castrol India trimmed most of its early gains and ended 2 per cent higher on Wednesday.

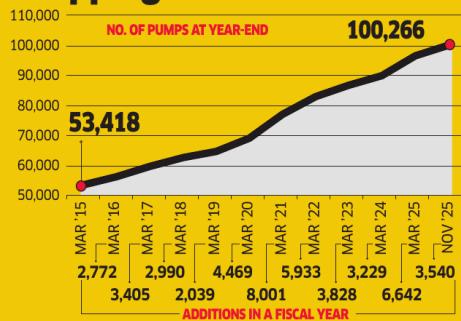
During the mid-session trade, the scrip of the company rose 8.9 per cent to hit a high of ₹202.50 apiece on the BSE. It closed the session at ₹189.60, up 1.99 per cent, on the exchange. — PTI

# INDIA PUMPED UP

*Petrol Outlets Cross*

## 100,000

### Stepping on Gas



#### CURRENT NUMBER OF PUMPS (COMPANY-WISE)

IOC	41,664
BPCL	24,605
HPCL	24,418
Nayara	6,921
RIL-BP	2,114
Shell	346
MRPL*	198 *others

**TOTAL 100,266**

Double over past decade amid vehicle boom, rural ramp-up

Sanjeev Choudhary

New Delhi: India's petrol pump network has crossed the 100,000 mark, nearly doubling over the past decade as state-run oil companies rolled out outlets aggressively to serve a vehicle boom and push fuel access deeper into rural areas.

India now has the world's third-largest fuel retail network, behind the US and China, which each operate 110,000-120,000 pumps across far larger geographies.

The expansion has largely resolved access constraints in rural and remote regions and improved customer service by intensifying competition, said B Ashok, former chairman of Indian Oil Corp.

Private Cos Control Less than 10% ► 7

# Private Companies Control Less than 10%

**►From Page 1**

Rural outlets now account for 29% of total pumps, up from 22% a decade ago. The character of petrol pumps too has changed: once limited to petrol and diesel, around one-third of outlets now offer alternative fuels, including CNG and electric-vehicle charging.

Despite policy reforms over the past decade, the private sector controls less than 10% of India's pumps. Reliance Industries operates about 2,100 outlets, while Nayara Energy runs around 6,900. Persistent government influence over pump prices has constrained private investment. Some industry executives, however, question whether such rapid expansion is economically sustainable.

In April, Harish Mehta, then CEO of Reliance BP Mobility, said India had too many fuel stations, many of them unproductive. "I strongly believe that India is an overpopulated fuel retail country," he said at

a public event, citing Indonesia, which has only 9,000 fuel stations.

"There is a mad scramble for market share," Ashok said. "Companies fear that if they don't set up new pumps, competitors will, and eat into their market share. New outlets also add sales, helping offset volume losses at existing pumps due to rising competition."

India's petrol consumption has risen 110% over the past decade, while diesel demand has grown 32%, taking combined petrol and diesel volumes up by nearly 50%. Average diesel sales per outlet are about double those of petrol.

That demand growth, however, has not been sufficient to support the pace of retail expansion, Ashok said. "There are many pumps selling unsustainably low volumes, but dealers are reluctant to shut them because of the prestige attached, especially in smaller towns and rural areas," he said, adding that companies also face a complex process to close outlets.

The problem of economic unviability is visible outside cities, said Nitin Goyal, treasurer of the All India Petroleum Dealers Association (AIPDA). "The government needs to ensure a balance so older pumps remain viable," he said. Industry executives expect the retail network to plateau, arguing that India now has enough pumps to meet current and future fuel demand for many years. In the US, the number of fuel stations has declined over time as competition forced inefficient outlets to shut. "The US has a fully deregulated market, but in India pump prices are nearly identical. Still, outlets with unsustainably low volumes may eventually exit," Goyal said.

The addition of gas and electric-vehicle charging facilities is expected to boost revenues at fuel retail outlets as alternative fuel-powered vehicles gain traction, executives said, adding that the move will expand customer choice while improving the long-term sustainability of petrol pumps.

# Reliance Resumes Russian Oil Imports

## Sourcing from non-sanctioned suppliers

Reliance Industries Ltd. resumed purchases of discounted Russian crude, sourcing barrels from non-sanctioned suppliers and routing them to its refinery in Gujarat, according to people with knowledge of the matter.

India's largest refiner contracted Aframax tankers from RusExport and is routing flows to a 660,000-barrel-a-day plant that supplies domestic customers, the people said, asking not to be identified discussing sensitive information. Its return to the market is likely to pare a decline in India's purchases of Russian oil, which officials have said could more than halve this month.

The oil market is focused on the fate of Russian exports after Washington imposed sanctions on Moscow's two top producers in October in a bid to curb the Kremlin's funds for the war in Ukraine. That's left Indian refiners to tap exports from non-sanctioned Russian entities — as well as costlier alternatives from elsewhere — though Russian flows were still expected to drop sharply.



Reliance itself paused Russian purchases after the US sanctioned Rosneft PJSC and Lukoil PJSC on Oct. 22 and gave refiners a month to wind down transactions with the two producers.

Reliance, which owns and operates the world's biggest refinery complex in Jamnagar, Gujarat, was granted an additional month to receive vessels it had contracted before Oct. 22, the people said. — Bloomberg

# Nayara may have to Put Off Refinery Overhaul

## Vendors said to avoid dealing with co

Nayara Energy Ltd. will postpone maintenance work at its Vadinar oil refinery planned for early next year, as contractors seek to avoid dealing with a company backed by Russia's Rosneft PJSC and sanctioned by Europe. The private refiner will delay planned works and the closure of its 400,000 barrels-a-day complex from February until April 2026, according to people familiar with the matter. They asked not to be named as the discussion is not public.

The decision was made due to the lack of European contractors willing to work with the company, they said, adding the Mumbai-based refiner has yet to secure alternative providers.



A Nayara spokesperson did not immediately respond to queries on the shutdown.

The company last carried out extensive maintenance at Vadinar in November 2022. Indian refiners typically undertake major overhauls every four years, coordinating schedules to avoid fuel shortages. While refineries can handle slight postponement of such works, long periods without maintenance and repairs can add to safety and operational risks. Prior to the roll-out of sanctions, Nayara's Vadinar refinery relied on equipment, technology and catalyst support from European suppliers including Germany's Siemens AG and Denmark's Topsoe A/S, the people said. The blacklisting by Europe has also stalled Nayara's planned petrochemical project at the same site. – Bloomberg

**FIRM SECURES ONE-MONTH US CONCESSION TO BUY CRUDE**

# Reliance resumes oil imports from Russia

RAKESH SHARMA & PR SANJAI  
December 24

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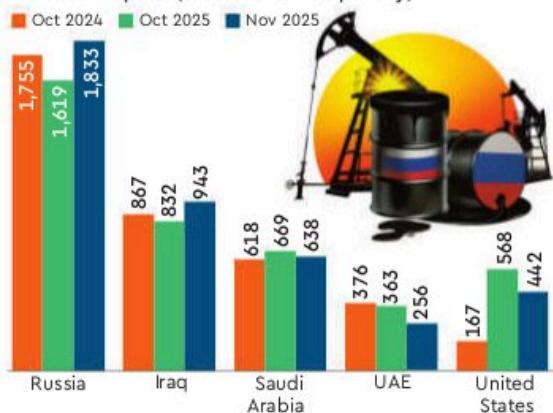
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## CRUDE FLOW

India's oil imports (thousand barrels per day)

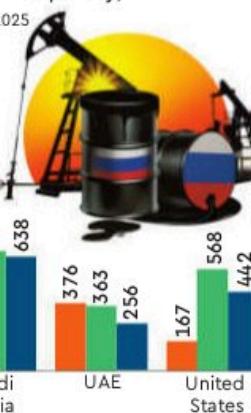
Oct 2024    Oct 2025    Nov 2025



Source: kpler

gave refiners a month to wind down transactions with the two producers. Reliance, which owns and operates the world's biggest refinery complex in Jamnagar, Gujarat, was granted an additional month to receive vessels it had contracted before October 22, the people said. The final cargo under that waiver arrived in India on December 17, before the exemption expired, they said.

As well as the 660,000-barrel-a-day plant at Jamnagar that supplies the domestic market, Reliance also



operates a 700,000-barrel-a-day unit there that's focused on exports. The export-oriented refinery last took a shipment of Russian crude on November 20, Reliance said last month. Since then, all Russian imports have flowed to its domestic sales-focused refinery.

Indian officials this month estimated that the nation's oil imports from Russia would slump to about 800,000 barrels a day from an average 1.9 million barrels a day in November as refineries stopped taking the crude. —BLOOMBERG

## Nayara delays oil refinery maintenance

**NAYARA ENERGY WILL** postpone maintenance work at its Vadinar oil refinery planned for early 2026, as contractors seek to avoid dealing with a company backed by Russia's Rosneft and sanctioned by Europe.

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# BP to Offload 65% Stake in Castrol for \$6 Billion

## Reduction in debt, biz reset on anvil in turbulent year

BP agreed to sell a majority stake in its Castrol lubricants division to US investment firm Stonepeak Partners, marking a key milestone as the oil and gas major seeks to reduce debt and reset its business.

The UK energy giant will raise about \$6 billion from the sale of a 65% interest, which includes some prepayment of future dividends on its remaining stake. While the price falls short of earlier expectations, it's a notable move by new Chairman Albert Manifold, who's already made his mark by replacing the CEO.

The sale caps a turbulent year for BP. Under pressure from activist shareholder Elliott Investment Management, the company overhauled its strategy in February to



pull back from renewables and re-focus on its core business.

It also promised big asset sales to reduce debt, but progress has been uneven, and the pivot back to fossil fuels is hampered by an oil price well below the assumptions in BP's financial modeling.

The Castrol deal brings proceeds from BP's asset-sale program to about \$11 billion, it said in a state-

ment. That's far off the \$20 billion targeted by the end of 2027, and investors will be looking for further progress from Manifold, who has been overseeing a fresh portfolio review since arriving in October.

BP kicked off the Castrol sale process back in February, and analysts initially expected the business to fetch as much as \$10 billion. The divestment program was a key piece of then-Chief Executive Officer Murray Auchincloss's corporate reset, which received a lukewarm reception from Elliott.

### CUTTING DEBT

The Castrol business includes lubricants for autos and industries, and has also been developing liquid cooling technology for artificial intelligence data centers.

All proceeds from the disposal will go toward reducing debt, according to BP, whose net debt stood at more than \$26 billion at the end of the third quarter. **Bloomberg**

# Oil change: BP to exit Castrol India

BP To Sell 51% Stake In Castrol India To US, Canada Funds Under \$6Bn Global Deal

Reeba.Zachariah  
@timesofindia.com

**Mumbai:** Castrol India is set for a change in ownership, with New York-based investment firm Stonepeak to acquire a majority stake in the lubricants maker from Britain's BP as part of a \$6-billion global deal.

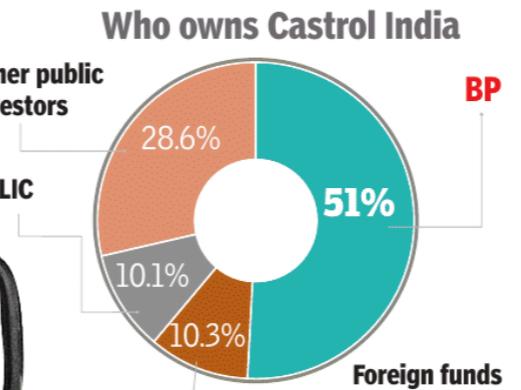
BP owns 51% of Castrol India, with the remaining 49% held by public shareholders. In line with India's takeover regulations, Stonepeak, along with Canada's pension fund CPPI has made an open offer to buy an additional 26% stake from public shareholders at Rs 194 per share, involving an outlay of Rs 4,990 crore, UBS Securities India, the manager to the offer, said. The offer price is marginally higher than Castrol India's Wednesday closing price of Rs 189.6 on the BSE.

The deal marks a scaling back of BP's footprint in India, where it has long been one of the largest international energy players. Under the global agreement, BP will sell 65% of Castrol to Stonepeak at an enterprise valuation of \$10.1 billion, with an option to divest the remaining 35% after a two-

## More Than Just A Deal: British Co Scales Back India Presence

► **New York-based Stonepeak** along with **Canada's pension fund CPPI** have made an open offer for an additional 26% stake in Castrol from public shareholders

► The transaction underscores BP's move to scale back its presence in India, where it has long been **one of the largest int'l energy players**  
► The Castrol stake sale is **part of BP's broader efforts to reshape its business**, strip out costs, and strengthen its balance



Britain's BP had acquired the **126-year-old Castrol brand** from Burmah Castrol in 2000

year lock-in. CPPI will invest \$1.1 billion as part of the deal.

BP had acquired the 126-year-old Castrol brand from Burmah Castrol in 2000. The deal also covers BP's minority holdings in Castrol operations across several markets, including India (49%), Vietnam (35%), Saudi Arabia (50%) and Thailand (40%), the oil giant said. However, according to Castrol India's disclosures to the Indian stock exchanges, Stonepeak will indirectly acquire 51% of the company. The consideration will be paid

partly in cash to BP and partly through a share-swap, under which Stonepeak will issue 35% equity shares to BPMH, an indirect subsidiary of BP.

"The transaction contemplates an indirect transfer of 51% equity stake in Castrol India. The offshore consideration — comprising cash and a 35% non-controlling equity interest in the Stonepeak acquiring entity shall be subject to Indian indirect transfer tax framework and tax treaty benefits. The structure is reminiscent of earlier

landmark transactions such as Adani Group's acquisition of Holcim's indirect holdings in Ambuja Cements and ACC, as well as Vodafone's acquisition of Hutchison's Indian telecom business through acquisition of an offshore holding company," said Deep Chandan, executive director, Catalyst Advisors. Once the deal is completed, BP's nominee directors will step down from Castrol India's board, paving the way for Stonepeak, which manages over \$80 billion in assets, to ap-

point its own representatives. The Castrol India acquisition strengthens Stonepeak's presence in the country, where it has invested in sectors such as data centres. If Stonepeak and CPPI manage to acquire the full 26% stake through the open offer, their combined share in Castrol India will increase to 77%. In that event, the new promoters will be required to dilute their stake to 75% to meet India's minimum public shareholding norms.

The Castrol stake sale is part of BP's broader efforts to reshape its business, strip out costs, and strengthen its balance sheet. Earlier, RIL, Saudi Aramco, and private equity firms Apollo Global Management and Lone Star Funds were reported to be among potential suitors for Castrol. Apart from Castrol India, BP's interests in India span petrochemical technology licensing, oil and gas trading, IT and financial services, and staffing for its global marine fleet. BP also has JVs with RIL including Reliance BP Mobility, which operates Jio-bp fuel outlets, and India Gas Solutions, which sources and markets gas in India.

## **Curbs-hit Nayara delays oil refinery maintenance work**

Nayara Energy will postpone maintenance work at its Vadinar oil refinery planned for early next year, as contractors seek to avoid dealing with a company backed by Russia's Rosneft PJSC and sanctioned by Europe. The private refiner will delay planned works and the closure of its 400,000 barrels-a-day complex from February until April 2026, according to sources. BLOOMBERG



## IndianOil, Nayara Energy lead rural push as fuel stations surpass 1 lakh

### India's fuel retail outlets

OMC	Retail outlets	Rural India	% of rural outlets
Indian Oil Corporation	41,664	13,661	32.79
Nayara Energy	6,921	2,136	30.86
Mangalore Refineries & Petrochemicals	198	56	28.28
Bharat Petroleum Corporation	24,605	6,533	26.55
Hindustan Petroleum Corporation	24,418	6,202	25.40
Shell	346	85	24.57
RIL/ RBML/ RSIL#	2,114	130	6.15
<b>Total</b>	<b>1,00,266</b>	<b>28,803</b>	<b>28.73</b>

Source: Petroleum Planning & Analysis Cell (PPAC) # Reliance Industries (RIL)/ Reliance BP Mobility (RBML)/ RBML Solutions India (RSIL)

**Rishi Ranjan Kala**  
New Delhi

State-run Indian Oil Corporation (IOCL) and Rosneft-backed Nayara Energy are the only two oil marketing companies (OMCs) in India with strong rural presence accounting for more than one-third of their entire transport fuel retailing network.

Currently, India has a total of 1,00,266 retail outlets (ROs), or petrol pumps, with 28,803 — roughly 28.73 per cent — serving villages.

More than 6.5 crore people visit these fuel stations daily consuming around 5.5 million barrels per day on an average.

IOCL, which boasts of the country's largest RO network, serves through more than 41,000 fuel retailing stations with almost 33 per cent in the rural areas.

#### RETAILING STATIONS

Nayara Energy, which accounts for almost 7 per cent of India's fuel retailing stations, has around 6,921 ROs, with almost 31 per cent serving small towns and villages.

#### businessline.

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ONGC subsidiary Mangalore Refinery and Petrochemicals (MRPL), which largely serves Karnataka and Kerala, has a rural presence through 56 ROs, which account for 28.28 per cent of its roughly 190 outlets. The PSU now plans to serve Tamil Nadu, Andhra Pradesh and Telangana.

#### RURAL PRESENCE

However, rural presence of the country's second and third OMCs with the largest RO network — Bharat Petroleum Corporation (BPCL) and Hindustan Petroleum Corporation (HPCL) — is less than the national share, albeit with a slight lag.

While BPCL has around 24,605 ROs with a rural mix of 26.55 per cent, HPCL's village network accounts for 25.40 per cent of its 24,418 petrol pumps.

Recently, Oil Minister Hardeep Singh Puri noted that the number of ROs and gas stations in India have nearly doubled from 51,870 in 2014 to over a lakh by 2025.

Expansion of the RO network in urban and rural areas by OMCs is a continuous process to ensure adequate availability of motor fuels. ROs are set up at identified locations based on field survey and feasibility studies. Locations having sufficient potential and which are economically viable are rostered in the marketing plans for setting up ROs. Going ahead, the number of ROs will increase as the demand for auto fuels appreciates.

# भारत पेट्रोलियम गैस प्लांट प्याला में की गई माक ड्रिल

जागरण संवाददाता, बल्लभगढ़ : भारत पेट्रोलियम गैस प्लांट प्याला में गैस लीक होने को लेकर माक ड्रिल का अभ्यास किया गया। इस मौके पर एनडीआरएफ के सीईओ निरीक्षक हेमराज ने 11.15 बजे गैस लीक होने की सूचना संस्थान के मुख्य महाप्रबंधक विनोद कुमार विश्वकर्मा को दी। उन्होंने कंट्रोल रूम को सूचनादी और सभी टीमों को अलर्ट कर दिया। सिक्योरिटी के बिंजेंद्र सिंह ने आस-पड़ोस में चल रहे चूल्हों को बंद कराया जो वेल्डिंग कर रहे थे। उन टुकानों को बंद कराया जो क्लीनर लेबर का काम कर रहे थे। उन सबको बाहर निकाला। सभी असेंबली एरिया में एकत्रित हो गए और सभी के हेड अकाउंट किए गए।

गैस वाले प्रभावित एरिया को बैरिकेट कर दिया गया। कम्युनिकेशन टीम ने बीपीसीएल डिपो, आइओसीएल प्लांट, गेल इंडिया से



भारत पेट्रोलियम में गैस प्लांट प्याला में गैस लीक होने पर रोकने का प्रयास करती हुई एनडीआरएफ की टीम ● सौ. डीआइपीआरओ

एनडीआरएफ और सिविल डिफेंस की टीमों ने गैस लीक होने पर आपात स्थिति में निर्भाव सक्रिय भूमिका

संपर्क किया। एसडीएम बल्लभगढ़ मयंक भारद्वाज ने सामान्य अस्पताल,

फायर ब्रिगेड, रेडक्रास, सिविल डिफेंस को फोन पर सूचना दी। सभी टीम निश्चित समय में पहुंच गईं और अपने-अपने काम को बेहतर तरीके से किया।

इस दौरान आठ लोग हताहत हो गए। इनमें से दो लोग बेहोश हुए। सभी को सकुशल बचा लिया गया।



गैस लीक होने से बेहोश लोगों का उपचार करते हुए स्वास्थ्य विभाग व सिविल डिफेंस की टीम ● सौ. डीआइपीआरओ

इस अवसर पर बल्लभगढ़ एम्स के सीएमओ डा. टीसी गिदवाल, सीनियर कंसल्टेंट डा. गजराज ने फस्ट एड पोस्ट लगाकर धायल और बेहोशों का इलाज किया। जिला प्रशिक्षण अधिकारी रेडक्रास इशांक कौशिक की टीम, सिविल डिफेंस के टीचर आफ ट्रेनर आफिस की टीम, एनडीआरएफ

के विंग कमांडर यशवीर की टीमों ने अपनी अहम जिम्मेदारी निभाकर माक ड्रिल को पूर्ण कराया।

माक ड्रिल की सिविल डिफेंस टीम का नेतृत्व डा. एमपी सिंह कर रहे थे। अंत में एनडीआरएफ के सीईओ अनिल कुमार ने अपने कुछ महत्वपूर्ण सुझाव रखे।