Business Line, Delhi, 18/02/2026
Page No: 7, Size: 38.39cm × 19.16cm

‘Compelled curbs on Russian crude to raise Indian refiners’ average oil cost by $1.5-2/bbl’

STRONG CURRENTS. Indian OMCs have navigated a highly volatile margin environment over the past three fiscal years: CareEdge report

Rishi Ranjan Kala
New Delhi

Replacing Russian crude oil with a combination of barrels from the US, Venezuela and West Asia will increase the weighted average cost of crude oil by $1.5-2 per barrel for Indian refiners, impacting their gross refining margins (GRMs).

Ratings agency CareEdge pointed out that the strategic advantage derived from procuring discounted Russian crude oil — at one point accounting for nearly 35-40 per cent of India's crude oil import portfolio — is expected to moderate significantly.

.MARGIN OUTLOOK

"Going forward, a compelled shift away from Russian crude toward a blend of Venezuelan, US and West Asian grades is likely to increase the weighted average cost of India's crude oil sourcing by $1.5-2 per barrel, directly compressing the GRM premium that Indian refiners have enjoyed in recent years," CareEdge anticipated.

Hardik Shah, Director at CareEdge Ratings, said the performance of the Indian downstream oil sector is currently driven by the dual engines of high GRMs and healthy marketing margins.

"As we transition into FY27, the narrative is likely to shift from high GRMs to moderate, sustainable ones. While GRMs are expected to moderate from their recent peak levels due to global supply pressures and realignments in crude oil sourcing, they are likely to settle at $6-8 per barrel, which is accretive to the historical average," he explained.

TRADE DYNAMICS

The durability of this trend will depend on global crude prices remaining benign, though they can be susceptible to sudden geopolitical trade dynamics.

With an expected moderation in GRMs and steady fuel retail prices, marketing margin is expected to improve going forward in the medium term, Shah projected.

Indian oil marketing companies (OMCs) have navigated a highly volatile margin environment over the past three fiscal years, marked by sharp fluctuations in GRMs amid rapidly evolving global market dynamics, CareEdge said.

DIRECT IMPACT. Gross refining margins fell from a high of $10-12 per barrel in FY24 to $4-6 per barrel in FY25 and further bottomed out to $2-4 per barrel in Q1FY26 GETTY IMAGES/ISTOCKPHOTO

GRMs declined from a high of $10-12 per barrel in FY24 to $4-6 per barrel in FY25 and further bottomed out to $2-4 per barrel in Q1FY26. This downturn was driven by narrowing discounts on Russian crude oil, weaker product cracks and heightened geopolitical uncertainties, it added.

"GRMs rebounded significantly to $8-10 per barrel in Q2FY26 and further to $9-13 per barrel in Q3FY26, thereby outperforming the Singapore benchmark, supported by agile inventory management, a decline in crude oil prices, healthy product cracks and wider discounts on Russian crude due to US restrictions on Russian crude oil trade," it pointed out.

A defining theme in the latter half of FY26 is the gradual unwinding of the 'Russian pivot', which significantly supported India's refining margins in FY23 and FY24.

India's crude oil procurement profile has shifted — from elevated dependence on Russian crude in FY24 (around 36 per cent) to about 30 per cent in Q3FY26. This is expected to fall further in Q4FY26, it projected.

Business Standard, Delhi, 18/02/2026

Page No: 9, Size: 57.34cm × 36.83cm

Discount on Venezuelan crude oil to Indian refiners shrinks to lowest on record

Shifting gains

	Volume (mn tonnes)	Value (mn $)	Unit value $/barrel	Indian crude oil basket in $/ barrel	Differential in $/ barrel
FY14	21.3	13,936	89	106	17
FY15	22.75	11,598	69.5	84	14.5
FY16	22.7	5,679	34	46	12
FY17	21.4	5,506	35	47.5	12.5
FY18	18.3	5,859	44	56	12
FY19	17.3	7,248	57	70	13
FY20	17.2	6,029	48	60	12
FY21	4.1	644	21	45	24
FY24	1.7	802	64	82.6	18.6
FY25	2.98	1,407	64	78.6	14.6
Apr-Dec 25	0.64	255	54	67	13
Jan-Feb 26	NA	NA	NA	NA	6.5-7.0*

Note: Purchases were nil in FY22 and FY23 because of US sanctions; Source: Indian government data; * for cargoes expected in March or April

Indian refiners are securing some of the lowest discounts in history for purchases of dirty Venezuelan crude oil grades, Indian Customs data showed and industry officials said. Discounts on Venezuelan Merey, a heavy, high sulphur, acidic crude oil, have dipped below $10 per barrel for the first time to as low as $6.50 per barrel, one-third of what Indian refiners have secured in the past, two traders said. The discounts are calculated off benchmark ICE Brent and on a delivered basis to Indian ports.

Venezuelan crude oil — calculated on a unit-value basis — was offered in the decade to 2025 at rates $12-$19 per barrel, lower than the average price of the Indian Crude Oil Basket, which is a cocktail of Indian crude grades imported by India. The basket predominantly includes higher sulphur grades priced off the Dubai benchmark and some lighter, lower sulphur varieties priced off European benchmark Brent.

Senior officials from Indian refiners told *Business Standard* that discounts must expand further for Venezuelan oil to be viable. They cited high transport costs and inventory losses arising from the long voyage time as risks to procurement. Another official said that if Washington allows them to procure directly from Venezuelan state-owned oil company PDVSA, they may secure better deals as intermediaries like Vitol and Trafigura are making margins on sales and on freight because they arrange the ships for delivery.

S DINAKAR

Mint, Delhi, 18/02/2026
Page No: 2, Size: 22.44cm × 27.30cm

'India-UAE trade to reach 2032 goal of $200 billion before time'

Rezaul H. Laskar
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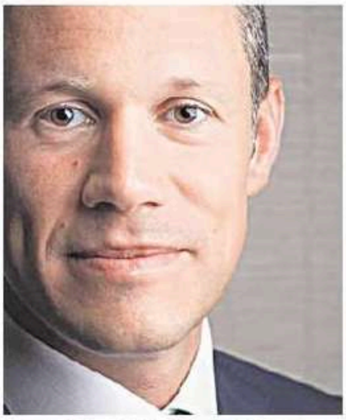
NEW DELHI

India and the United Arab Emirates (UAE) are likely to grow two-way trade to $200 billion before the target date of 2032 and there is growing interest in the Emirates for co-investments in areas such as artificial intelligence (AI) and aviation hubs built around airports, Badr Jafar, the UAE's special envoy for business and philanthropy, said Tuesday.



Badr Jafar, UAE's special envoy for business and philanthropy.

Jafar is visiting India this week to drum up business opportunities in new areas and to drive investments through meetings in New Delhi and Mumbai. In an interview to *HT*, Jafar said the UAE-India relationship is distinctive because it is "rooted in future-facing models" and built on trust and shared ambition amid widespread disruption in the global economy.

"Bilateral trade now exceeds $100 billion annually, it hit that number five years before the original schedule [of 2030] and the leadership of the UAE and India have set a clear trajectory towards $200 billion, or doubling trade flows, by 2032. I think there's a lot of optimism that we can hit that number well before 2032," Jafar said.

Hindustan Times

The target of doubling bilateral trade to $200 billion by 2032 was set by Prime Minister Narendra Modi and UAE President Sheikh Mohamed bin Zayed when the Emirati leader visited New Delhi last month. The two sides unveiled plans for a strategic defence partnership and a 10-year pact for supply of 0.5 million tonnes of LNG a year.

The UAE is India's third-largest trade partner and second largest export destination, with exports of over $36.63 billion in FY25. UAE's total exports during this period were at over $63.4 billion.

Referring to his meetings in New Delhi, Jafar said the India-UAE partnership is no longer built on energy, but also encompasses energy infrastructure, logistics, digital platforms, advanced manufacturing, and innovation ecosystems and next-gen industries. "The next phase of our partnership moves from trade to co-investment, and then to co-innovation," he said, pointing to the interest in India's AI.

"India brings extraordinary digital scale—over 900 million internet users—alongside deep engineering and technical talent," he said. "In essence, India brings talent and industrial scale, the UAE brings capital, infrastructure and global connectivity," he said while also pointing to the scope in India's aviation sector.

ONGC's gas push to soften oil hit

Ashish Agrawal
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Oil and Natural Gas Corp. Ltd (ONGC) posted rather muted Q3 results, impacted by the continued drop in crude oil prices and stagnant volumes. Higher gas realization, though, brought some comfort.

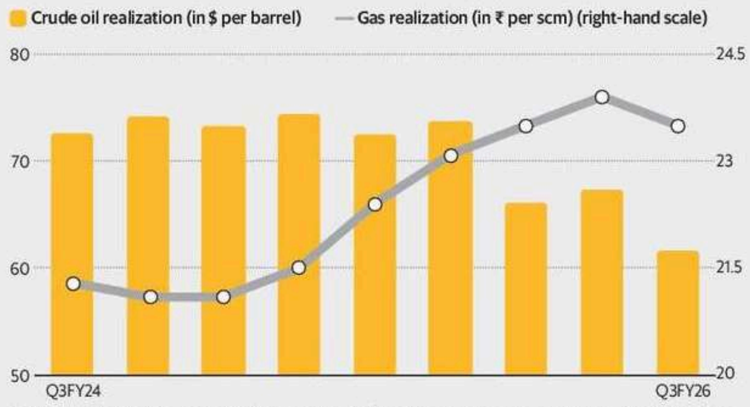
Standalone Ebitda declined by 9% year-on-year (y-o-y) to ₹17,300 crore, while revenue fell 6% to ₹31,500 crore. Consolidated revenue was flat at ₹1.67 trillion and Ebitda increased by 3% to ₹27,400 crore. Lower crude prices improved the profit margins of its downstream refining subsidiary, Hindustan Petroleum Corp. Ltd (HPCL).

The global crude market currently faces surplus supplies and dull demand, suppressing prices even amid intermittent flare-ups triggered by geopolitical developments. The upshot: the state-owned enterprise's standalone Q3 crude price realization hit a 15-quarter low of $61.6 per barrel, down 15% y-o-y.

It helps that gas realization was up 6% to ₹23.20 per standard cubic metre (SCM), aided by a higher share of new wells gas (NWG), which is eligible for a 20% premium over the price based on the administered price mechanism. NWG contributed 18% of Q3's total gas revenue and this share is expected to rise to 24% in FY27 and over 35% in 3-4 years with the commissioning of new gas fields, management said on the earnings call.

No comfort

ONGC's standalone Ebitda declined year-on-year in Q3FY26, weighed down by lower crude oil prices even as gas realization improved.



SCM is standard cubic metre, Ebitda is earnings before interest, taxes, depreciation and amortization.

Source: Company, ICICI Securities

mint

MANU CHOUDHARY/MINT

Output numbers disappointed too. ONGC's oil and gas production including its share in joint ventures fell 1.3% to 10.2 million tonnes of oil equivalent (mmtoe). The decline was lower in the 9MFY26 at 0.5%.

However, there could be a reversal in FY27, with the management expecting production to reach 42.5 mmtoe, over 3% higher than FY26 estimates, and FY28 growth to exceed that of FY27. This would be aided by gas production growth from the KG-98/2 basin to 5-6 million standard cubic metres per day (mscmd) by FY27-end, from 3 mscmd now.

The Daman upside project gas should commence in Q1FY27, ramping up to 4-5 mscmd in H2FY27. In view of the increased production and higher gas prices, ICICI Securities raised its earnings per share estimates for FY27-28 by 5-6%. Production from ONGC's Mumbai High (MH) fields is also rising, aided by BP's technical intervention. Output from MH fields was 7% above the firm's Q3 expectations, as per management.

ONGC's capital expenditure was ₹24,000 crore in 9MFY26 and its FY27 guidance is ₹32,000-33,000 crore. It is undertaking 20 projects, entailing a total investment of ₹77,000 crore. The change of Venezuelan government, where the company has stakes in the San Cristobal and Carabobo-1 projects, is expected to give a push to its international operations.

CRUDE PROBLEMS

GLOBAL crude market currently faces dull demand and surplus supplies, suppressing prices

THE upshot: ONGC's standalone Q3 crude price realization hit a 15-quarter low of $61.6 per barrel

Better production outlook and HPCL's improving margins have supported ONGC stock's 16% gain over the past year. The stock trades at an enterprise value of 4.9 times FY27 estimated Ebitda, as per *Bloomberg* consensus, marginally above its long-term average.

While expected production growth could keep investor interest alive, sustained pressure in crude prices remains a key risk.

"Every $5 per barrel rise/fall in net crude realization results in an increase/decrease in our EPS and valuation by 8-10%," JM Financial Institutional Securities said in a 13 February report.

Financial Express, Delhi, 18/02/2026

Page No: 1, Size: 13.23cm × 13.20cm

Oil firms' refinery margins may cool to $6-8 per barrel

SAURAV ANAND
New Delhi, February 17

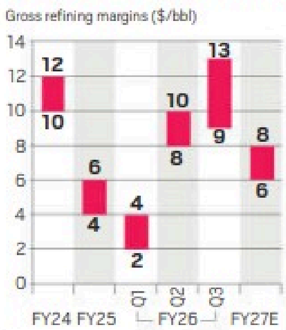
AFTER THREE YEARS of blockbuster margins fuelled by ultra-cheap Russian crude, the country's refining sector is moving into a new — and tougher — earnings cycle. Gross refining margins (GRMs), which touched record highs during the peak of geopolitical supply disruptions, are now expected to cool and stabilise at $6-8 per barrel, marking a clear shift from windfall gains to structurally sustainable profitability.

At its peak in FY24, Russian oil made up nearly 36% of India's crude import basket, flooding refineries with barrels discounted by $8-10 per barrel to Brent and propelling GRMs to a historic $10-12 per barrel.

Backing the outlook, CareEdge Ratings said the sector's performance is currently being powered by "the dual engines of high GRMs and healthy marketing margins", but this equation is changing as global crude dynamics realign.

"As we transition into FY27, the narrative is likely to shift from high GRMs to moderate but sustainable GRMs," said Hardik Shah, director at CareEdge Ratings, adding that margins are expected to moderate "due to global supply pressures and realignments in crude oil sourcing," before settling at "$6-8 per barrel, which is accretive to the historical average".

GOING WITH THE FLOW



Continued on Page 13

Oil firms' refinery margins may cool to $6-8 per barrel

THE REPORT, HOWEVER, cautioned that while the outlook remains supportive, "the durability of this trend will depend on global crude prices remaining benign, though they can be susceptible to sudden geopolitical trade dynamics," even as marketing margins are expected to improve in the medium term with steady retail fuel prices.

The shift signals the slow unwinding of the Russian crude bonanza that had reshaped India's refining economics since FY23. As global supply chains stabilised, that advantage narrowed sharply. Discounts shrank to $3-4 per barrel through FY25, dragging margins down to $4-6 per barrel, before plunging further to $2-4 per barrel in the first quarter of FY26. By Q3FY26, Russia's share in India's crude imports had already tapered to around 30%, with further reductions expected as sourcing strategies diversify.

What began as a market-driven correction has now been accelerated by geopolitics.

Fresh US sanctions imposed in November 2025 on major Russian crude entities, followed by the European Union's January 2026 ban on products refined from Russian oil, tightened the supply channel further. The turning point came in February 2026, when India agreed to gradually scale back Russian crude purchases in return for a sharp reduction in US tariffs on Indian exports — from an effective 50% to 18% — pushing refiners to redraw procurement plans towards West Asia, US and Venezuelan grades.

CareEdge estimates that the shift away from discounted Russian barrels could raise the weighted average cost of India's crude basket by $1.5-2 per barrel, directly compressing the margin premium refiners have enjoyed since FY23.

The volatility of the transition has already played out in earnings. After the steep fall in early FY26, GRMs rebounded sharply to $8-10 per barrel in Q2FY26 and surged further to $9-13 per barrel in Q3FY26 — far outperforming the Singapore benchmark of $4-5 per barrel — aided by temporary widening of Russian discounts, strong diesel and jet fuel cracks, falling crude prices and efficient inventory management.

Yet analysts see the rebound as the final phase of the Russian discount cushion rather than a fresh margin super-cycle.

Supporting the sector's soft landing is a favourable crude price environment. Brent crude averaged around $62 per barrel in December 2025 — nearly 15% lower year-on-year — stabilising near $63-64 per barrel through Q3FY26 before edging up to about $66.45 per barrel in February 2026. CareEdge expects crude prices to remain range-bound below $70 per barrel, a level that continues to support refining profitability without forcing politically sensitive fuel price hikes.

For India's oil marketing companies, the message is clear: the golden phase of profits driven by cheap Russian crude is ending. What lies ahead is a more disciplined, efficiency-led cycle — steadier, resilient and sustainable, but without the spectacular windfalls of the past three years.

Financial Express, Delhi, 18/02/2026
Page No: 10, Size: 13.18cm × 28.68cm

India needs big oil moment

Drilling must be stepped up to reduce high import-dependence

INDIA MUST BOLSTER its energy security by boosting domestic oil output over the medium term as it faces relentless US pressure to stop buying cheaper Russian oil. Considering our high import dependence of 88% for oil, it is not as if non-Russian options are equally cheap either. The global oil market might be awash with supplies but geopolitical tensions in West Asia with a possible US strike on Iran are keeping prices on the boil rather than crashing. In this milieu, India must make determined efforts to reverse the downtrend in domestic production since FY12, which has been happening due to obstructive regulations, high taxation, and declining output from old and marginal fields. The country also lacks the technological capability for deep water exploration. To be sure, the ruling dispensation is seized of the imperative of stepping up oil production by incentivising domestic producers and global giants for exploration and production (E&P), and has enacted the Oilfields (Regulation and Development) Amendment Act, 2025. The objective is to increase exploration acreage to 1 million square kilometres (sq km) by 2030.

Obviously, it will take more time before the pragmatic policy stance bears fruition. Although the policy focus has shifted to production maximisation—which should be welcomed—higher domestic output is predicated on new discoveries. Clearly, India needs a big oil moment. But this can happen only with a much greater involvement of the global oil majors. With the new policy regime, foreign drillers will be insured against any fiscal policy changes—a major irritant that kept Exxon, Shell, and Chevron from participating in the first nine drilling rounds. But they must register their presence in the tenth round. Bids were to have been submitted on February 18 but the deadline has been extended for the fourth time to May 29. While the Directorate General of Hydrocarbons has not specified any reasons for the deferral, it is possible that potential investors are still being deterred by our upstream regulations and tax regime. If so, this will be a serious barrier to our efforts to step up relative self-sufficiency amidst interesting times for deep-sea drilling with Chevron deploying new technologies and equipment that can operate at ultra-high pressures in the Gulf of Mexico to access previously unobtainable resources.

In the tenth round of the Open Acreage Licensing Policy, 25 blocks with a total area of 191,986 sq km have been offered to bidders, which include four blocks with a combined area of 47,058 sq km in the Andamans basin. E&P in this basin promises to be the big oil moment that Union Petroleum Minister Hardeep Singh Puri has been touting with the potential of "several Guyanas". So far, only Oil India Ltd (OIL) has confirmed the presence of natural gas in a shallow offshore well, Vijayapuram-2, in the Andamans and is collaborating with TotalEnergies for technical support in deep water and ultra-deep water exploration. The chairman and MD has reportedly stated that OIL will make the best efforts to achieve commercial production should there be any discovery in five years. As underscored by *FE*, E&P is challenging as the Andamans lie along a complex tectonic arc and is active seismically. The basin also lacks evacuation pipelines, processing facilities, and logistical infrastructure. That said, India needs to go all in to boost E&P by incentivising global majors to participate in a highly serendipitous process.

Economic Times, Delhi, 18/02/2026
Page No: 15, Size: 37.28cm × 23.89cm

IOC, BPCL, HPCL Double Combined Profit to ₹23,743 Crore in Dec Qtr

Sanjeev Choudhary

New Delhi: State-owned oil marketing companies (OMCs)—IOC, BPCL and HPCL—more than doubled their combined quarterly profit to ₹23,743 crore in the December 2025 quarter from ₹10,545 crore in the corresponding period a year ago, buoyed by robust refining margins and lower LPG under-recoveries.

The gross refining margin (GRM) for Indian Oil Corporation (IOC) quadrupled in the third quarter, while that of Bharat Petroleum (BPCL) grew over two-fold, aided by softer crude and stronger product cracks.

According to data from ICICI Securities, GRM for IOC stood at $12.2 per barrel, up from $3 in the year-ago period. It grew to $13.3 from $5.6 for BPCL, and to $8.9 from $6 for Hindustan Petroleum (HPCL).

Of the more than one lakh petrol pumps in India, 90% are run by the state-run refiners

During the October-December quarter, crude oil benchmark Brent averaged $63.8 per barrel, down from $74.9 in the year-ago period.

The crack spread—the difference between the price of crude oil and those of its refined products—on diesel, petrol and aviation turbine fuel improved from a year earlier.

The benchmark Singapore GRM increased to $6.2 per barrel in the December quarter from $4.9 in the year-earlier period.

MARKETING MARGINS MUTED

The three state-run refiners, however, experienced a decline in marketing margins as pump prices remained the same.

The retail margin on petrol was ₹7.8 per litre during the December quarter, down from ₹12 per litre a year ago, showed ICICI Securities data. Retail margin on diesel was ₹2.9 per litre, down from ₹8.

IOC posted a profit of ₹12,126 crore during the quarter under review, while BPCL and HPCL reported profits of ₹7,545 crore and ₹4,072 crore, respectively.

COMPENSATION FROM GOVT

For the three months ended December, the government also started paying the promised compensation to the oil marketing companies for selling cooking gas below market rates. Receipt of compensation, as well as lower liquefied petroleum gas (LPG) prices during the quarter, aided companies' earnings.

Inventory gains, too, significantly aided IOC's profit.

Of the more than one lakh petrol pumps in the country, 90% are operated by the state-run OMCs. Reliance Industries and Nayara Energy account for the remaining ones.

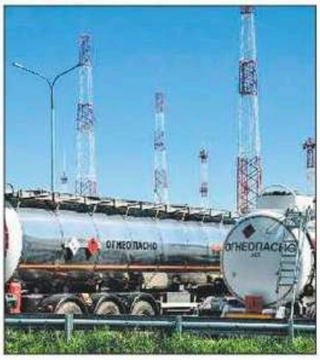
Hindustan Times

India's merchandise imports from Russia drop 40% in Jan

Rajeev Jayaswal
letters@hindustantimes.com

NEW DELHI: India's merchandise imports from Russia in January fell 40.48% to $2.86 billion compared to $4.81 billion in January 2025, according to latest data released on Monday, with the reduction largely on account of Indian refiners drastically cutting Russian crude purchases .

Petroleum crude usually constitutes about 80% of India's total merchandise imports from Russia, it is estimated that actual imports of Russian crude oil in the month were around $2.3 billion, perhaps less, people aware of the matter said, requesting anonymity. While the government on Monday released trade data for January 2026, it is yet to release data by product lines and countries. Other than crude, India imports coal, coke, certain petroleum products, fertilizer, iron, newsprint, project goods, pulses, pearl, precious and semi-precious stones from Russia.



In September, India's Russian oil imports fell $3.32 bn, nearly 30% drop from April. REUTERS

The reduction in Russian crude oil imports in 2025-26 started from a peak of $4.73 billion in April 2025, the month that saw the US government announcing its Liberation Day tariffs . It also saw Washington pressurizing India against buying Russian crude. Later, from August 27, the US imposed an additional 25% punitive tariff on Indian merchandise exports -- essentially a penalty for purchasing Russian crude . This saw India's import of Russian crude falling to $3.32 billion in September, nearly 30% drop from the month of April.

The decline in Russian imports is in lines with Indian refiners' statements that they have stopped buying Russian crude, the people mentioned above said. Reacting to a news report on January 9, India's biggest private refiner Reliance Industries Ltd (RIL) said on social media platform X that it was not expecting "any Russian crude oil" deliveries in January. RIL's refining capacity exceeds 68 million tonnes per annum.

"The fall in merchandise imports from Russia is expected to be sharper in coming months when Indian refiners will move to buy cheaper Venezuelan crude as compared to Russian oil," one of the people cited above said. Indian refiners are considering the US offer to buy Venezuelan crude, he added. US President Donald Trump on January 31 told reporters aboard Air Force One that India would buy Venezuelan oil . Before US sanctions on Venezuela, India was one of the key buyers of Venezuelan crude.

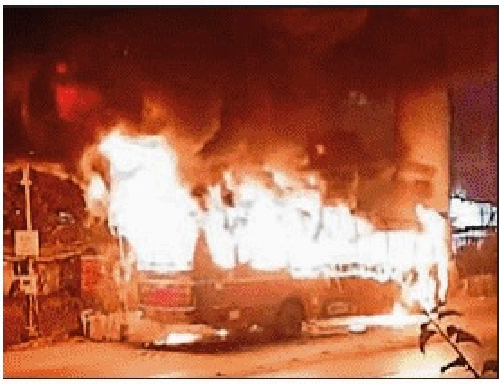
The Trump administration on February 6 withdrew the 25% punitive tariff imposed on Indian goods in its market saying India has "committed to stop directly or indirectly importing Russian Federation oil" and agreed to purchase US energy products. The US is also keen that India should resume purchase of energy from Venezuela.

In 2012-13, India imported crude worth $14.10 billion from the South American country. Imports of Venezuelan crude gradually fell due to various geopolitical reasons and became zero in 2021-22, according to official data.

On the other hand, Russian crude supplies to India, which was zero in 2011-12, saw a sudden spike from 2022-23 when it touched over $31 billion. The next year (2023-24) it was $46.49 billion and in 2024-25 it crossed $50.28 billion.

Times of India, Mumbai, 18/02/2026
Page No: 4, Size: 8.63cm × 17.41cm

BEST bus gutted in fire, no one hurt



Mumbai: A fire broke out in a BEST CNG bus on route no. 289 plying from Kandivli station to Anita Nagar on the Western Express Highway, at 9.10pm on Tuesday, officials said. A technical fault in the brakes was the cause of smoke emanating from the bus following which passengers were evacuated. TNN

कंपनी का तिमाही वित्तीय प्रदर्शन मजबूत, एलएनजी प्रोसेसिंग में वृद्धि

नई दिल्ली। दाहेज टर्मिनल ने 31 दिसंबर 2025 को समाप्त हुई तिमाही में कंपनी ने अपने वित्तीय प्रदर्शन में सुधार दर्ज किया है। इस तिमाही में कुल वॉल्यूम थ्रूपुट में 2 फीसदी की बढ़ोतरी हुई है, जो पिछली तिमाही और इसी तिमाही के मुकाबले सकारात्मक बदलाव को दर्शाता है। दाहेज टर्मिनल ने इस तिमाही में 94 फीसदी कैपेसिटी यूटिलाइजेशन हासिल किया, जो पिछली तिमाही के 92 और इसी तिमाही के 93 फीसदी से बेहतर है। वहीं, कोच्चि टर्मिनल ने अब तक का सबसे ज्यादा 29 फीसदी कैपेसिटी यूटिलाइजेशन प्राप्त किया। वित्तीय आंकड़ों की बात करें तो कंपनी का प्रॉफिट बिफोर टैक्स 1,144 करोड़ रुपये रहा, जो पिछली तिमाही के 1,083 करोड़ रुपये से 6 फीसदी ज्यादा है। इसी तरह, कंपनी का प्रॉफिट आफ्टर टैक्स 848 करोड़ रुपये रहा, जो पिछली तिमाही के 806 करोड़ रुपये से 5 फीसदी अधिक है।

Dainik Bhaskar, Delhi, 18/02/2026

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विधायक महावर ने शुरू किए विकास कार्य

घोंडा विधानसभा क्षेत्र में 1.84 करोड़ से बनाई जाएगी सड़क

भास्कर न्यूज | नई दिल्ली

घोंडा विधानसभा क्षेत्र में विधायक अजय महावर द्वारा मेन रोड तीसरा पुश्ता, जगजीत नगर में सड़क निर्माण तथा शिव मंदिर के पास तीसरा पुश्ता स्थित नाले पर लोहे की जाली लगाने के कार्य का शिलान्यास किया गया।

विधायक महावर ने बताया कि यह मुख्य मार्ग लगभग 17 वर्षों के बाद बनाया जा रहा है, जिससे स्थानीय निवासियों को आवागमन में हो रही कठिनाइयों से राहत मिलेगी। इस मुख्य सड़क निर्माण कार्य को करीब 1.84 करोड़ रुपए की लागत से किया जाएगा, जबकि नाले पर सुरक्षा की दृष्टि से लोहे की जाली लगाने का कार्य लगभग 2.50 लाख रुपए की लागत से किया जाएगा। विधायक महावर ने कहा कि सड़क निर्माण से पूर्व उन्होंने इस मार्ग पर आईजीएल की पाइपलाइन का कार्य पूर्ण कराया, जिसकी लागत लगभग 2 करोड़ है। उन्होंने कहा कि चुनाव के समय क्षेत्रवासियों से किया गया यह वादा पूरा किया गया है, ताकि सड़क बनने के बाद गैस पाइपलाइन के लिए दोबारा सड़क तोड़नी न पड़े।

ईंधन: गैस 52 हफ्तों की ऊंचाई से 62%, कच्चे तेल के दाम 13% घटे

कच्चा तेल और गैस में हाल के महीनों में अन्य कमोडिटीज जैसी तेजी नहीं आई, इसलिए विश्लेषक इनकी कीमतों में दबाव में देख रहे हैं। हालांकि यदि भू-राजनैतिक तनाव बढ़ता है तो तेजी शुरू हो सकती है। बहरहाल 28 जनवरी, 2026 के प्राकृतिक गैस 7.83 डॉलर प्रति यूनिट के 52 हफ्तों की ऊंचाई से 62% टूटकर 16 फरवरी को 2.99 डॉलर पर आ गई। ब्रेंट क्रूड भी 78.31 डॉलर प्रति बैरल के ऊंचे स्तर से 13% गिरकर 68 डॉलर से नीचे आ गया है।

Oil & Gas industry

Big Oil executives under pressure to spell out growth plans

After years focused on payouts and discipline, energy majors are being pressed on the longevity of their reserves

Malcolm Moore in London

Published 9 HOURS AGO

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Big Oil executives are under pressure to spell out their plans for future growth after years of cost-cutting and heightened shareholder returns as investors fretted about peak oil demand.

With the transition to clean energy now expected to be slower, extending the need for fossil fuels, ExxonMobil, Chevron, Shell, BP and TotalEnergies are being asked to prove the longevity of their reserves and the strength of their project pipelines.

After oil prices fell 20 per cent last year and with a further oversupply of crude expected in 2026, shareholders this earnings season asked if companies should be using the opportunity to build up their assets.

“We think investors are likely to focus more on growth than distributions going forwards,” Biraj Borkhataria at RBC Capital said in a note. The ability to build reserves of crude to replenish production “was a key theme this quarter”, he wrote.

The pressure was most acute at Shell, which disclosed that its reserves had fallen to 7.8 years of production, down from nine years and the lowest level since 2013.

The first question to chief executive Wael Sawan on the results call captured the mood: “How can you counter the market concerns that the business is simply shrinking?”

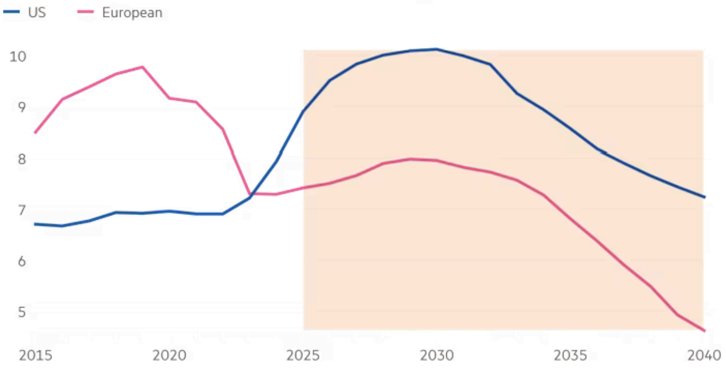
Shell's relatively thin reserve base partly reflects disposals. 'I wish we had not walked away from Guyana when we did,' says chief executive Wael Sawan © Jason Alden/Bloomberg

Companies across the sector are pulling three levers to ensure future growth: stepping up exploration, striking access deals with resource-rich countries, particularly in the Middle East, and pursuing mergers and acquisitions.

"They are going to have to use all three quite actively," said Tom Ellacott at consultancy Wood Mackenzie. "And they need to work their base assets harder as well."

The challenge of sustaining oil and gas production

Oil major output forecast (million barrels of oil equivalent per day)



* US majors = ExxonMobil and Chevron, European majors = BP, Shell, TotalEnergies.
Source: Wood Mackenzie

At the front of the pack sits ExxonMobil, which has the industry's most expansive growth narrative and one of its deepest portfolios.

Chief executive Darren Woods said the company continued to set production records in the Permian Basin and saw no imminent peak. In Guyana, where Exxon is leading one of the largest offshore oil developments in history, he said the group was delivering "results never before seen in our industry".

Chevron is also leaning into growth. Following its $53bn acquisition of Hess, which also gives it a stake in the Guyana project, the company reported record production last year and forecast output growth of 7-10 per cent in 2025.

The two US majors enjoy structural advantages. They trade at higher valuations than their European peers and have stronger balance sheets, giving them greater firepower for acquisitions.

"That sort of M&A capacity is a strategic advantage, especially if we see another downturn," said Ellacott.

In Guyana, Exxon is leading one of the largest offshore oil developments in history © Luc Cohen/Reuters

Borkhataria said the American groups may also enjoy a Trump boost, particularly in the wake of the US intervention in oil-rich Venezuela.

Financial Times, , 18/02/2026
Page No: 0, Size: 20.56cm × 34.85cm

"The US administration's more aggressive approach could lead to resource acquisition opportunities not available to European peers," he said.

Shell's thinner reserve base partly reflects past disposals, including the sale of its US shale business to ConocoPhillips in 2021 and its exit from Guyana in 2014. "If I were to look back, I wish we had not walked away from Guyana when we did. That is the honest truth," Sawan told analysts.

Having prioritised cost-cutting and returning 40-50 per cent of cash flow to shareholders, Sawan is now focused on closing what he calls a "resource gap".

"We are hungry for growth, don't get me wrong, but we want to do it on the right terms," he said, adding that Shell did not want to simply buy assets but to focus on oilfields where it can bring its expertise.

"I can tell you, I have a lot of opportunities coming to my desk on a regular basis," he said, adding: "We have a few years to be able to fill that gap."

Shell says it does not want to simply buy assets but to focus on oilfields where it can bring its expertise © Tomas Cuesta/Bloomberg

Sawan — who appointed a new head of exploration, Eugene Okpere, on taking office — said Shell had yet to find "the bigger plays that allow us to potentially create big new hubs. That is the space we need to continue to work on to improve."

At rival UK oil major BP there was a flurry of activity last year, including the discovery of Bumerangue, a field in Brazil that the company believes could contain as much as 8bn barrels of oil and other liquids. BP's joint venture with Italian oil major Eni on Friday announced a find in Angola that it said could contain 500mn barrels of oil.

As it sought to play up its hand, BP's executives used the word "growth" 30 times in a call with analysts, and explained that it had suspended its $6bn-a-year share buyback programme partly to give it more flexibility to invest in new projects.

"The team has created the best set of opportunities from an upstream exploration and access perspective that we have seen for a long time," said interim chief executive Carol Howle. "We believe we've got a differentiated portfolio versus our competitors and our challenge is deciding how we access it."

Total struck the most confident tone. According to data from AlphaSense, it referenced "growth" more often than any of its peers during its results presentation and emphasised that its reserves had consistently increased faster than production. "We maintained 12 years of reserves so we are comfortable to feed growth beyond 2030," said chief executive Patrick Pouyanné. "Clearly we are a growing company."

Energy Source Climate change

Canada's oil industry pivots to Asia as US trade tensions simmer

Sales to China more than quadrupled last year and Ottawa is now looking to India

Canada has the world's third-largest proven oil reserves, mostly in the Alberta oil sands region © Bloomberg

Ilya Gridneff in Toronto

Published 2 HOURS AGO

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Good morning and welcome back to Energy Source.

Big Oil executives are under pressure to spell out their plans for future growth, a departure from years of cost-cutting as investors fretted about peak oil demand.

With the transition to clean energy now expected to be slower, ExxonMobil, Chevron, Shell, BP and TotalEnergies are being asked to prove the longevity of their reserves, the FT's Malcolm Moore reports.

For today's newsletter we turn to Canada, where our correspondent Ilya Gridneff explores the Canadian oil industry's push into Asia.

Canada's energy ambitions in Asia

Prime Minister Mark Carney's recalibration of the Canadian economy away from an over-reliance on the US is gathering pace as Ottawa looks to India and China as new destinations for its oil, gas and potentially uranium.

Canada's oil sector is thriving as it pushes into Asian markets in a bid to reduce its dependence on the US, where a majority of its crude is sold, at a time when the industry is already pumping record volumes and boosting shareholder returns in spite of weak global oil prices.

Canada is the world's fourth-largest oil producer and has the world's third-largest proven reserves, mostly in the Alberta oil sands region, infamous for its carbon-intensive process.

It is also one of the world's biggest uranium producers at a time of renewed nuclear energy interest.

As trade tensions with the US simmer, Ottawa is accelerating efforts to diversify its exports to Asian powerhouses hungry for energy.

Last month Carney visited Beijing, a first for a Canadian prime minister in almost a decade, where he touted "building a new strategic partnership" with China.

At first US President Donald Trump appeared unbothered by the trip but later lashed out, threatening to impose 100 per cent tariffs on Ottawa, and went so far as to say China would ban ice hockey from being played in Canada.

"China is successfully and completely taking over the once Great Country of Canada," he posted on social media.

Canada's oil sales to China more than quadrupled to 88.7mn barrels last year, according to shipping data analysed by the Baltic and International Maritime Council. The surge comes after the opening of the Trans Mountain Expansion pipeline in May 2024, which enabled Canadian crude to flow from Alberta's oilfields to the west coast for export to Asia.

Next month, Canada is looking to India.

Carney visits New Delhi and Mumbai at the beginning of March after energy minister Tim Hodgson's recent trip during India's Energy Week, the first time a federal Canadian minister attended the conference.

"I heard a lot of Indian companies that want more LNG here saying, hey, this is a new potential source of supply," Hodgson told local media during the trip.

He also hinted that Carney's trip to India may include the signing of a $3bn uranium deal with Cameco, the world's largest publicly traded uranium company, based in Saskatoon, Saskatchewan.

But getting more energy to Asia requires more infrastructure built in Canada.

The country plans to double its LNG production and aims to fast-track new production sites. Similarly, a memorandum of understanding signed in November between oil-rich Alberta and Ottawa signals the need for a new pipeline to the west coast that could produce an additional million barrels a day for Asian markets.

Those ambitions took a hit last Friday when Enbridge, North America's biggest pipeline company, announced it was not willing to build a new pipeline from Alberta to Canada's west coast.

"I don't think investors or the infrastructure companies should be taking on all that risk of development in jurisdictions that have historically created challenges," Enbridge chief executive Gregory Ebel said on an earnings call.

Similarly, Carney has said any increase in oil production requires the sector to help bankroll a carbon capture and storage mega-facility, known as the Pathways Alliance, which will offset emissions and has an estimated price tag somewhere between C$10bn-C$20bn. But the consortium of Canadian oil companies involved in Pathways is reluctant to add the decarbonisation project to their annual operating costs.

Despite Carney's so-called grand bargain with Alberta's oil and gas industry, the sector is still grumbling about mixed signals, particularly when it comes to policy over federal methane regulations and the proposal to significantly alter the industrial carbon pricing structure.

Canada's per capita emissions are among the world's highest. Despite a population of only 40mn people, the country is the 10th-largest polluter on the planet.

Last Friday the Canadian Climate Institute reported the nation would not meet either the 2026 interim emissions reduction goal, the 2030 Paris Agreement commitment, or the long-term goal of achieving net zero emissions by 2050.

"The country is not on track for its targets — indeed, it has moved away from them," the report concluded.

How Carney manages to pump more oil and gas to Asia while balancing the relationship with Washington and climate goals underscores the challenges to his goal of making Canada an energy "superpower". *(Ilya Gridneff)*

New York Times, , 18/02/2026

Page No: 0, Size: 43.42cm × 49.98cm

Venezuela's Natural Gas, Not Oil, Might Be a Big Early Prize

The South American country has natural gas that could be extracted and exported quickly, but U.S. sanctions, which are now being eased, have stymied development.

Listen to this article · 8:30 min Learn more

By Rebecca F. Elliott Graphic by Daniel Wood

Feb. 13, 2026

Venezuela's oil reserves may be vast, but some of the best opportunities to quickly develop the country's resources lie offshore, in the pockets of natural gas trapped deep beneath the seafloor.

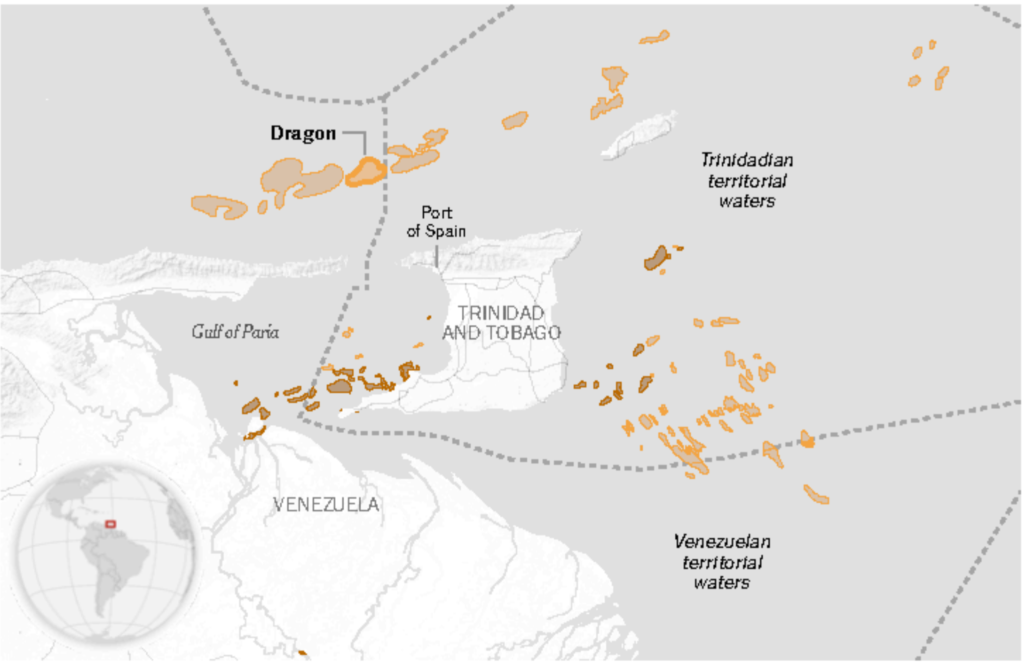
Many of these gas fields were discovered decades ago off the country's eastern coast, along the border with Trinidad and Tobago, a country made up of two main islands. But they went largely untouched as Venezuela focused or extracting and selling oil.

Companies like Shell, based in London, have wanted to produce this gas for many years, long before U.S. forces captured Venezuela's president, Nicolás Maduro, in January. That contrasts with the appetite for diving into Venezuela's oil fields, which many of the world's biggest oil companies are reluctant to do. Part of the reason is that Venezuela, which closely guards its oil assets, has been more willing to give foreign companies access to its natural gas.

“This is like a new old toy,” said Antero Alvarado, an energy consultant based in Caracas, Venezuela’s capital. “You never opened the box.”

U.S. sanctions on Venezuela’s government and its state-owned oil company, Petróleos de Venezuela, have been some of the biggest obstacles to increasing gas production, though the Treasury Department has been gradually loosening restrictions including through new directives issued on Friday. Producing and selling a lot more of Venezuela’s natural gas would also require cooperation with Trinidad and Tobago.

Many of Venezuela’s gas fields lie along the maritime border with the island nation, which unlike its neighbor has the infrastructure to bring the fuel ashore and export it. But the relationship between the countries, which are separated by language and as little as seven miles of seawater, deteriorated over the past year. (Trinidad, a former British colony, uses English.)



Source: Wood Mackenzie Lens. By Daniel Wood/New York Times

Venezuelan leaders have chafed at Trinidad's decision to align itself with the United States over Mr. Maduro's government. Under Mr. Maduro, Venezuela had even more hostile relations with another neighbor with vast energy reserves, Guyana. It is unclear whether Delcy Rodríguez, Mr. Maduro's vice president and successor, plans to repair those relationships.

Dragon, a giant gas field named after the choppy waters dividing Venezuela from Trinidad, is among the closest to being developed. Venezuela tried many years ago to retrieve the gas buried there before running out of money, an ill-fated effort that was punctuated by the sinking of an exploration rig in 2010.

Venezuela eventually agreed in 2023 to allow Shell to tap Dragon. The idea was that it would be much cheaper to build a short pipeline connecting Dragon to existing infrastructure in Trinidad than it would be to start fresh in Venezuela, which does not have a terminal to export gas.

That Venezuela needs its neighbor to get its gas to market is a big reason the project has a good chance of advancing, said Francisco J. Monaldi, who leads the Latin America energy program at Rice University in Houston.

“Venezuela cannot renege on the deal and monetize it elsewhere like it has done with oil, so Shell can be relatively safe in believing that Venezuela is not going to change the rules,” Dr. Monaldi said. Dragon and a different gas project along the maritime border with Trinidad are among the few new fields in Venezuela that have a good chance of being developed in the next five years, he said.

BP, which is pursuing that second project, called Cocuina, said it believed the U.S. Treasury Department’s action on Friday supported its plans.

The Treasury issued exemptions that generally appeared to give oil and gas companies more leeway to negotiate with Venezuela and operate in the country.

“They are splicing together an environment that allows the existing players to operate,” said Rachel Ziemba, an adjunct senior fellow at the Center for a New American Security.

Shell said it was reviewing what the new permissions meant for its offshore gas project.

If Dragon gets off the ground, it could generate around $500 million a year in revenue, Luisa Palacios, a former chairwoman of the U.S. refining company Citgo Petroleum, estimated based on recent natural gas prices. Government documents indicate that at least 45 percent of that would go to Venezuela in the form of taxes and royalties, she added.

But the project has advanced in fits and starts, caught between the two countries and U.S. policies, which continue to limit Shell's activities.

"These are opportunities that could potentially be activated within months, with potentially a few billion dollars of investments and production in the next couple of years," Wael Sawan, Shell's chief executive, told CNBC last week.

His comments were a reminder that oil and gas timelines are long, and even advanced projects may not start producing before President Trump is out of office.

Taylor Rogers, a White House spokeswoman, said the Trump administration was "working with the interim authorities to make Venezuela prosperous again" and "ensure oil and gas companies are able to make unprecedented investments."

The energy secretary, Chris Wright, later expressed support for developing Venezuela's gas.

"That's a real potential win-win for Trinidad and Tobago, a win for the global L.N.G. market, a win for Venezuela," Mr. Wright said in Caracas, referring to the market for gas that has been cooled for export.

Details still need to be worked out with Venezuela, such as exactly how Shell would go about extracting the gas.

That would test the relationship between Venezuela and Trinidad, which reached a low point last year. Venezuela's National Assembly declared Trinidad and Tobago's prime minister "persona non grata" in October after she praised U.S. military activity in the region. Ms. Rodríguez later said Venezuela's government was cutting off negotiations with Trinidad and Tobago and canceling gas contracts.

"All of our hopes and aspirations to get Venezuelan gas, Dragon gas, seemed to go up in smoke," said Anthony Paul, who previously worked in Trinidad's energy ministry.

The office of Trinidad and Tobago's prime minister, Kamla Persad-Bissessar, did not respond to written questions. The energy minister, Roodal Moonilal, told reporters last month that Trinidad's government had not received any cancellation notice from Venezuela. "We are optimistic," Dr. Moonilal said.

The island nation has been keen to gain access to Venezuela's gas fields because its own gas production has been declining, a serious blow to an economy that depends heavily on exporting fuel and related products.

Venezuela, on the other hand, wastes much of the gas it produces, contributing to climate change by letting it leak or burn in a process known as flaring. In 2024, Venezuela flared almost as much gas as the United States, the world's largest oil and gas producer, despite producing much less energy, according to the World Bank.

"It is in the interest of all that we cooperate to jointly develop those natural gas resources," said Kevin Ramnarine, a former energy minister for Trinidad and Tobago.

Farther west, near Colombia, Eni and Repsol, of Italy and Spain, are already producing natural gas that Venezuela uses to generate electricity. Venezuela used to pay for this gas with oil, which the companies were then able to sell. But the United States tightened sanctions after Mr. Trump returned to power, blocking such payments.

It was not immediately clear whether the exemptions granted on Friday would allow the companies to accept payment from Venezuela again. Eni said it was reviewing them; Repsol declined to comment.

Eni, which also has interests in Venezuelan oil fields, previously said it would be open to producing more provided that it would get paid again.

That said, any increase in gas production on the western side of the country would be limited by what Venezuela was able to use domestically. A defunct pipeline connects Venezuela to Colombia, but it would have to be repaired.

"The question," said Dr. Monaldi of Rice University, "is who is going to make that investment?"

Santos to Cut Workforce by 10% After Slump in Annual Profit

By Keira Wright

February 18, 2026 at 5:23 AM GMT+5:30

Santos Ltd. is targeting a 10% headcount reduction after Australia's second-biggest natural gas producer reported a slump in profit on lower oil and gas prices.

The layoffs come as major growth projects are completed and the company pursues cost savings, Chief Executive Officer Kevin Gallagher said in a statement on Wednesday. Santos has about 4,000 employees, according to the filing.

Attributable net income after tax fell by a third to $818 million in the year through December, the Adelaide-based company said. That was below all analyst expectations. Shares fell as much as 1.8% in early trading in Sydney before recovering to trade little changed.

"Global energy markets in 2025 remained volatile, driven by persistent geopolitical tensions and a slowdown in economic growth," Chair Keith Spence said in the statement. Despite short-term uncertainty, demand for coal, oil and gas continues to increase, he said.

The company's average realized oil price dropped 14% to $73.05 a barrel and LNG was down 10% to $11.12 per million British thermal units. That contributed to an 8% cut in sales revenue to about $5 billion, according to Santos.

The start of production from the Barossa gas project in September and first oil from the Pikka development in Alaska this quarter are forecast to lift output to 101 million to 111 million barrels of oil equivalent in 2026.

Iraq approves 'amicable settlement' with Russia's Lukoil over transfer of operations of giant field

By Reuters

February 17, 202611:40 PM GMT+5:30Updated 5 hours ago

CAIRO, Feb 17 (Reuters) - The Iraqi cabinet approved on Tuesday an "amicable settlement" with Russia's Lukoil (LKOH.MM), over the transfer of operations of the giant West Qurna 2 oil field to the state-run Basra Oil Company, according to a statement.

Last month, Iraq nationalised the oilfield after the U.S. imposed sanctions on Lukoil to put pressure on Russia to end its war in Ukraine.

West Qurna, which is one of the world's largest oilfields, accounts for about 0.5% of global oil supply and nearly 10% of Iraq's output.

The nationalization of West Qurna 2 oil field comes as talks continue with U.S. oil major Chevron (CVX.N), over the field.

Lukoil has until February 28 to sell its assets under the U.S. sanctions.

Three sources told Reuters last month that Chevron and the Iraqi oil ministry are in talks on improving the contractual terms. Any deal on new terms would require Iraq's cabinet approval, two of the three sources said.

A deal for Chevron in West Qurna 2 would mark a further push into Iraq for the U.S. oil major after it agreed to develop several fields in the country as part of an international expansion since completing a deal to acquire U.S. oil producer Hess for $53 billion in 2025.

Basra Oil Company has taken over the field's operations for 12 months while waiting for the ownership issue to be resolved, two officials at the firm told Reuters.

Spain's gas demand seen falling this year as blackout boost fades

By Pietro Lombardi

February 17, 20261:29 PM GMT+5:30Updated 12 hours ago

MADRID, Feb 17 (Reuters) - Spain's gas demand is expected to fall by around 7% this year as the boost given by a major blackout on April 28 softens, the chief of gas grid operator Enagas (ENAG.MC), said on Tuesday.

After last year's huge blackout in Portugal and Spain - Europe's most significant in more than two decades - the power grid operator increased the use of steady sources like gas plants to generate electricity, which cost more but better control voltage.

That pushed up gas demand for electricity generation by around a third last year, CEO Arturo Gonzalo said at a press conference following the company's 2025 results.

Overall gas demand, including exports to countries like France, rose 7.4% to reach the equivalent of 372 terawatt hours. This year, demand is expected to fall to around 345 TWh, a level close to 2024, Gonzalo said.

Spain's exports of natural gas to France rose roughly 59% in 2025 as the neighbouring country filled its underground storage facilities. Overall gas exports rose 17%.

Australian court fines Exxon's local petrol brand $11.3 million for misleading claims

By Reuters

February 17, 20268:09 AM GMT+5:30Updated 8 hours ago

Feb 17 (Reuters) - Federal Court of Australia has fined Mobil Oil Australia A$16 million ($11.3 million) over misleading claims about fuel sold at petrol stations in parts of Queensland, the country's competition regulator said on Tuesday.

Mobil Oil Australia supplies petroleum, diesel and other fuel products to retailers in Australia and is owned by oil and gas major Exxon Mobil (XOM.N),.

In 2024, the Australian Competition and Consumer Commission (ACCC) had taken the local unit to court, alleging that the company had misled customers about fuel sold at six of its branded petrol stations in Queensland.

On Tuesday, Mobil admitted it had made misleading claims to consumers between August 2020 and July 2024, falsely indicating that its "Mobil Synergy Fuel" contained certain additives, ACCC said in its statement.

The conduct occurred at nine Mobil petrol stations in the north and central Queensland towns and suburbs of Aitkenvale, Barcaldine, Berserker, Biloela, Guthalungra, Proserpine, Rasmussen, Rural View and Yeppoon.

The fuel supplied to the petrol stations was the same or substantially the same as unadditised fuel at other non-Mobil retail sites, the regulator added.

ACCC said the claims were made through a range of signage and branding at the nine petrol stations that promoted the benefits of Mobil Synergy Fuel.

"We considered it very likely that some people chose to fill up at these petrol stations because they thought they were getting a different quality of petrol with particular benefits for their car engine," ACCC Deputy Chair Mick Keogh said.

The firm's conduct was in breach of the Australian consumer law, ACCC added in its statement.

In an emailed response to Reuters, Mobil said it has taken steps to either refrain from installing specific benefit claims on bowsers at the relevant sites or to cover or remove those claims at sites without Synergy fuel.

The company added that it acknowledges errors were made.

Reuters, , 18/02/2026
Page No: 0, Size: 36.22cm × 38.87cm

Dangote signs $400 mln equipment deal with China's XCMG to speed up refinery expansion

By Isaac Anyaogu

February 17, 20262:30 PM GMT+5:30Updated 15 hours ago

LAGOS, Feb 17 (Reuters) - Nigeria's Dangote Group has signed a $400 million equipment deal with China's Xuzhou Construction Machinery Group to speed up the expansion of its oil refinery toward a planned 1.4 million barrels per day, the company said on Tuesday.

The additional equipment is expected to support major projects under construction across refining, petrochemicals, agriculture and infrastructure.

Dangote said the XCMG agreement would allow it to acquire a wide range of new heavy-duty machinery to complement existing assets deployed for the refinery build-out, which the company expects to complete within three years.

As part of the expansion, polypropylene capacity will rise to 2.4 million tons per year from 900,000 tons. Urea production in Nigeria will triple to 9 million tons per year, alongside an existing 3 million-ton plant in Ethiopia, positioning the conglomerate as the world's largest urea producer, the company said.

The output of linear alkyl benzene - a key raw material for detergents - will increase to 400,000 tons annually, making Dangote the biggest supplier in Africa. Additional base-oil capacity is also planned in the programme.

Dangote Group described the equipment deal as a strategic investment aligned with its ambition to become a $100 billion enterprise by 2030.

"The additional equipment we are acquiring under this partnership will significantly enhance execution across our projects," it said in a statement.

Owned by Nigerian billionaire Aliko Dangote, the $20 billion refinery began operations in 2024 after years of delays. Once fully operational, it is expected to reduce Nigeria's heavy dependence on imported refined fuel and reshape fuel supply across West and Central Africa.