

Russian Oil Giant Rosneft Sues Oligarch's Rival Conglomerate

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CEO of state-controlled Russian oil company Rosneft Igor Sechin attends the ASEAN - Russia summit in the Black Sea resort of Sochi, Russia **Sergei Karpukhin/Pool Photo via AP**

Russian state-owned oil giant Rosneft has filed suit against oligarch Vladimir Yevtushenkov's Sistema conglomerate, sending Sistema's stock prices into free fall.

Rosneft is seeking 106.6 billion rubles (\$1.87 billion) from Sistema in a case connected to Bashneft, a regional oil company and Rosneft subsidiary that previously belonged to the conglomerate.

Details of the case are scarce, but Rosneft Spokesman Mikhail Leontyev [told](#) the Interfax news agency that the suit centers on assets stripped from Bashneft. These actions led to the “devaluation” of Bashneft, he [told](#) the RBC agency.

As news of the suit went public, Sistema's shares fell by over 25 percent on the Moscow Exchange.

Until 2014, Sistema owned a majority share in Bashneft. However, that year, the Bashkortostan-based oil company was “re-nationalized” after a court ruled Yevtushenkov's company had improperly privatized it.

Then, in October 2016, Rosneft purchased a 50.08 percent share in Bashneft, a move that secured energy behemoth's dominance in the Russian oil industry.

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