

'OPEC'S SHARE OF OIL IMPORTS STEADIES AFTER SIX-YEAR SLUMP'

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OPEC's share of India's oil imports for the FY22 financial year remained almost flat year-on-year, arresting sharp declines over the the past six years, as refiners snapped up short-haul crude from West Asia to counter rising global prices.

Total crude imports by the world's third-biggest oil importer and consumer rose by an annual 7.2% to 4.26 million barrels per day (bpd) in the year to March 31, ship-tracking data from industry sources showed.

The share of that provided by members of the Organization of the Petroleum Exporting Countries (OPEC) — mainly from West Asia and Africa — was 71.6% in FY22, compared with 71.9% in FY21, the data showed.

OPEC oil accounted for about 88% of India's crude imports in FY08.

"OPEC is increasing its production almost every month by about 250,000 bpd, and India is a nearby market for that. At the same time, Indian refiners raised crude processing to meet rising fuel demand," said Refinitiv analyst Ehsan Ul Haq.

In the next few months, OPEC's share of India's overall imports could decline because refiners in Asia's third-largest economy are buying cheaper Russian oil that has been shunned by some western countries and companies after Russia's invasion of Ukraine. Russian oil continued to account for less than 1% of India's crude imports in FY22.

A rally in global oil prices from November pushed Indian refiners to take "full volumes or perhaps more than committed volumes" in their annual contracts with West Asian producers, said Mr. Haq.

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