

### India to reach climate targets before the set deadline

- Prime Minister Narendra Modi reaffirms India's goal to promote LNG as fuel and says India is on track to reach its Paris Agreement climate targets well before 2030.
- The increase of non-fossil fuels in the share of the energy consumption was mentioned and renewables, like gas, are being pushed to replace coal as a fuel for power generation.
- LNG in India is majorly supplied by the US. State-owned gas utility Gail was one of the foundation customers at Cheniere's Sabine Pass LNG export terminal in Louisiana.
- Tellurian, amongst others developers of new US liquefaction terminals, has been pursuing supply deals with Indian counterparties.

### India's transport fuel consumption expansionary as COVID-19 fears ease

- India's domestic consumption of transportation fuels is expected to grow robustly between April 2021 and March 2022, as focus on the country's economic expansion returns to center stage, after COVID-19 fears ease.
- Demand for aviation turbine fuel, is expected to lead the growth in India's transport fuel, which is forecasted to total 6.495 million mt over the April 2021 to March 2022 financial year, up 52.24% from the 4.266 million mt consumed in 2020.
- In addition to jet fuel, other transport fuels such as gasoline are also expected to see robust growth. Gasoline demand is expected to grow 14.98% from 2020 to total 31.352 million mt during FY2021-2022.
- PPAC has forecast FY2021-2022 gasoil consumption to total 83.677 million mt, a 16.36% increase from 2020 and a 13.30% increase from its previous forecast for FY2020-2021.
- India's oil demand is expected to grow by 480,000 b/d in 2021 after a sharp contraction last year, with gasoil to account for close to half the growth as the economy rebounds.

### U.S. becomes India's 2nd biggest oil supplier, Saudi plunges to No. 4

- The United States overtook Saudi Arabia as India's second biggest oil supplier last month, as refiners boosted cheaper U.S. crude purchases to record levels and to offset supply cuts from the Organization of the Petroleum Exporting Countries and its allies.
- India's imports from the world's top producer rose 48 per cent to a record 545,300 barrels per day (bpd) in February from the prior month, accounting for 14 per cent of India's overall imports last month.
- In contrast, February imports from Saudi Arabia fell by 42 per cent from the previous month to a decade-low of 445,200 bpd.
- Saudi Arabia, which has consistently been one of India's top two suppliers, slipped to No. 4 for the first time since at least January 2006.
- Iraq continued to be the top oil seller to India despite a 23 per cent decline in purchases to a five-month low of 867,500 bpd.

### India's crude oil throughput hits four-month low in February

- India's crude oil processing fell to its lowest in four months in February, retreating from a near one-year high hit in the prior month hurt by higher crude prices and weaker fuel demand in the country.
- Crude oil throughput in February dropped 8.8% year-on-year to 4.87 million barrels per day (18.62 million tonnes).
- On a monthly basis throughput fell 5.6%. There is a variation in percentage change as February 2020 had 29 days.
- Fuel consumption in the country also fell to a five-month low in February as higher retail prices dented demand.
- Indian state refiners have been planning to cut oil imports from Saudi Arabia by about a quarter in May due to rising oil prices.
- Indian refiners operated at an average rate of 97.13% of capacity in February, down from 110.7% in the same month last year and from January's 102.8%.
- The country's largest refiner, Indian Oil Corp (IOC), last month operated its directly owned plants at 100.8% capacity.
- Reliance, owner of the world's biggest refining complex, operated its plants at 93.2% capacity in February.
- On an annual basis, crude oil production was unchanged at 610,000 barrels per day (2.32 million tonnes), while natural gas output fell 1.4% to 2.31 billion cubic metres.

### Africa can play central role in India's oil diversification

- African nations could play a central role in efforts by India to diversify its sources of oil and gas, India's oil minister said, as the nation strives to reduce its energy reliance on the Middle East.
- As India seeks to further diversify sourcing of crude oil and LNG, Africa has a central role - largely due to its proximity and absence of any choke points in trans-shipments.
- Africa's share of India's oil imports is about 15 per cent, or about 34 million tonnes of oil last year. India's imports of gas from Africa are also gradually increasing.
- India traditionally buys oil from Nigeria, Angola, Algeria, Egypt and Equatorial Guinea. In recent years it has bought oil from Cameroon, Chad, Ghana and Côte d'Ivoire also.
- Africa is the second-largest destination for Indian refined fuels and rising demand for technology, fuels, skills and investment in some African nations offers India opportunities for equity investment and two way tie-ups.
- Therefore, they are seeking commercial partners in Africa to meet India's growing energy needs through imports of crude oil, LNG and other petroleum and energy products.
- State-run Indian companies have invested \$8 billion in oil and gas assets in various African nations.

### HPCL-Mittal Energy first Indian company to buy Guyanese crude Liza

- The 1 million-barrel cargo of Guyana's Liza light sweet crude set sail on March 2 on Marshall Islands-flagged tanker Sea Garnet bound for India's Mundra port, where it is set to arrive around mid-April.
- The first cargo from new oil producer Guyana to India, departed this month from a production facility off the South American nation's coast in a vessel chartered by trading firm Trafigura.
- The cargo was bought by HPCL-Mittal Energy Ltd, a joint venture between state-run Hindustan Petroleum Corp and steel tycoon L.N. Mittal.
- HMEL operates a 226,000 barrel per day (bpd) Bathinda refinery in the northern state of Punjab.

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