

Russian crude imports cut India's oil bill by \$8bn in FY24

New Delhi: India saved an estimated \$7.9 billion in oil import in the 11 months of 2023-24 financial year ended March 31, compared to \$5.1 billion over the whole of 2022-23, by purchasing higher volumes of Russian crude at deep discounts, ICRA Research said on Tuesday, reports **Sanjay Dutta**.

The savings leads to a "compression" of 15-22 basis points in India's current account deficit-to-GDP ratio in 2023-24, it said. However, it added that if the low levels of discounts prevail, India's net oil import bill could widen to \$101-104 billion in 2024-25 from \$96 billion in 2023-24, assuming an average crude price of \$85 per barrel.

Based on commerce ministry data, the note pegs the share of Russian crude in India's oil import basket rising to about 36% during the April 2023-February 2023 period, marking a jump of 1700% from about 2% in 2021-22.