

# Oil & Petroleum Update

JUNE 2024



# TABLE OF CONTENTS

PORT ANALYSIS

.....  
03

HIGHLIGHTS

.....  
11  
.....

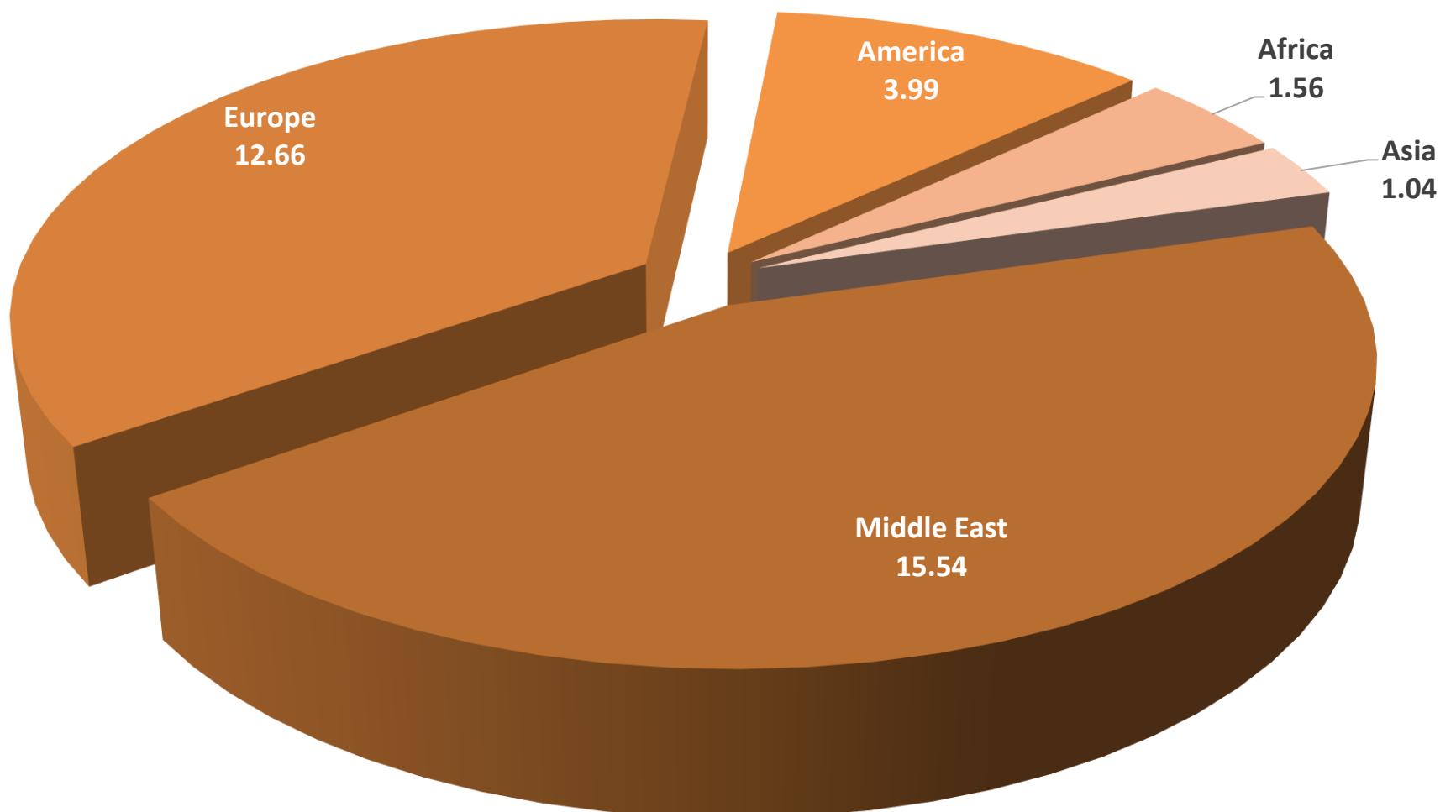
Disclaimer: The information contained in this market update is drawn from wide range of newspapers, business and trade magazines, government, company and industry association websites. While all possible care is taken to verify the correctness and authenticity of information contained in this compilation, no claim to independent authorship of articles is implied or intended. Readers are expected to make their own independent evaluation and verification of information for their use. While all information contained in this report are believed to be correct, the editors of this compilation or J.M.Baxi do not guarantee the quotes or other data



# CRUDE OIL

- Indigenous crude oil and condensate production during May 2024 was 2.5 MMT. OIL registered a production of 0.3 MMT, ONGC registered a production of 1.6 MMT whereas PSC/RSC registered production of 0.6 MMT during May 2024. There is a degrowth of 1.1% in crude oil and condensate production during May 2024 as compared to May 2023.
- Total Crude oil processed during May 2024 was 23.0 MMT which is 1.3% higher than May 2023, where PSU/JV refiners processed 15.7 MMT and private refiners processed 7.3 MMT of crude oil. Total indigenous crude oil processed was 2.3 MMT and total Imported crude oil processed was 20.7 by all Indian refineries (PSU+JV+PVT).

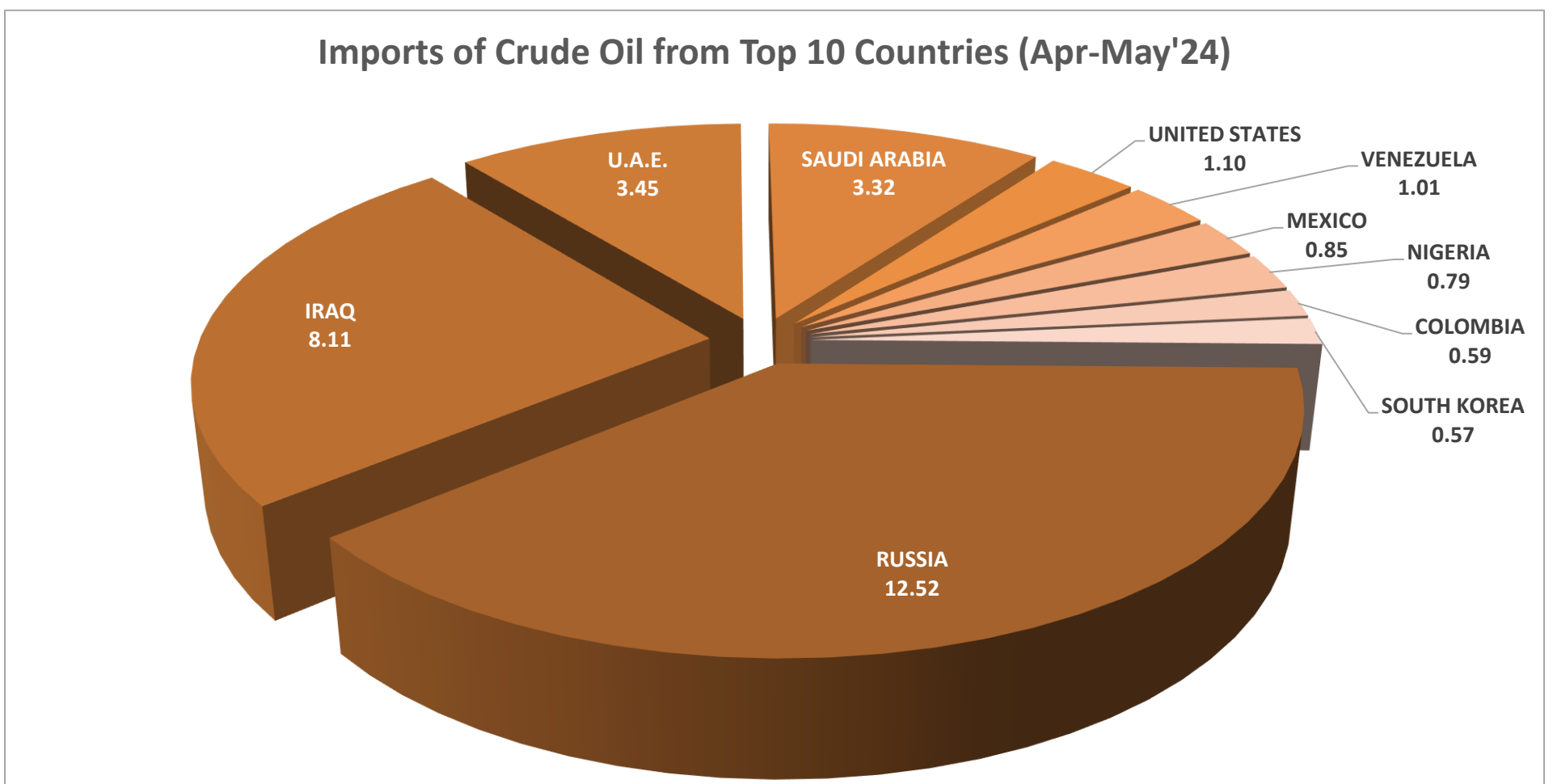
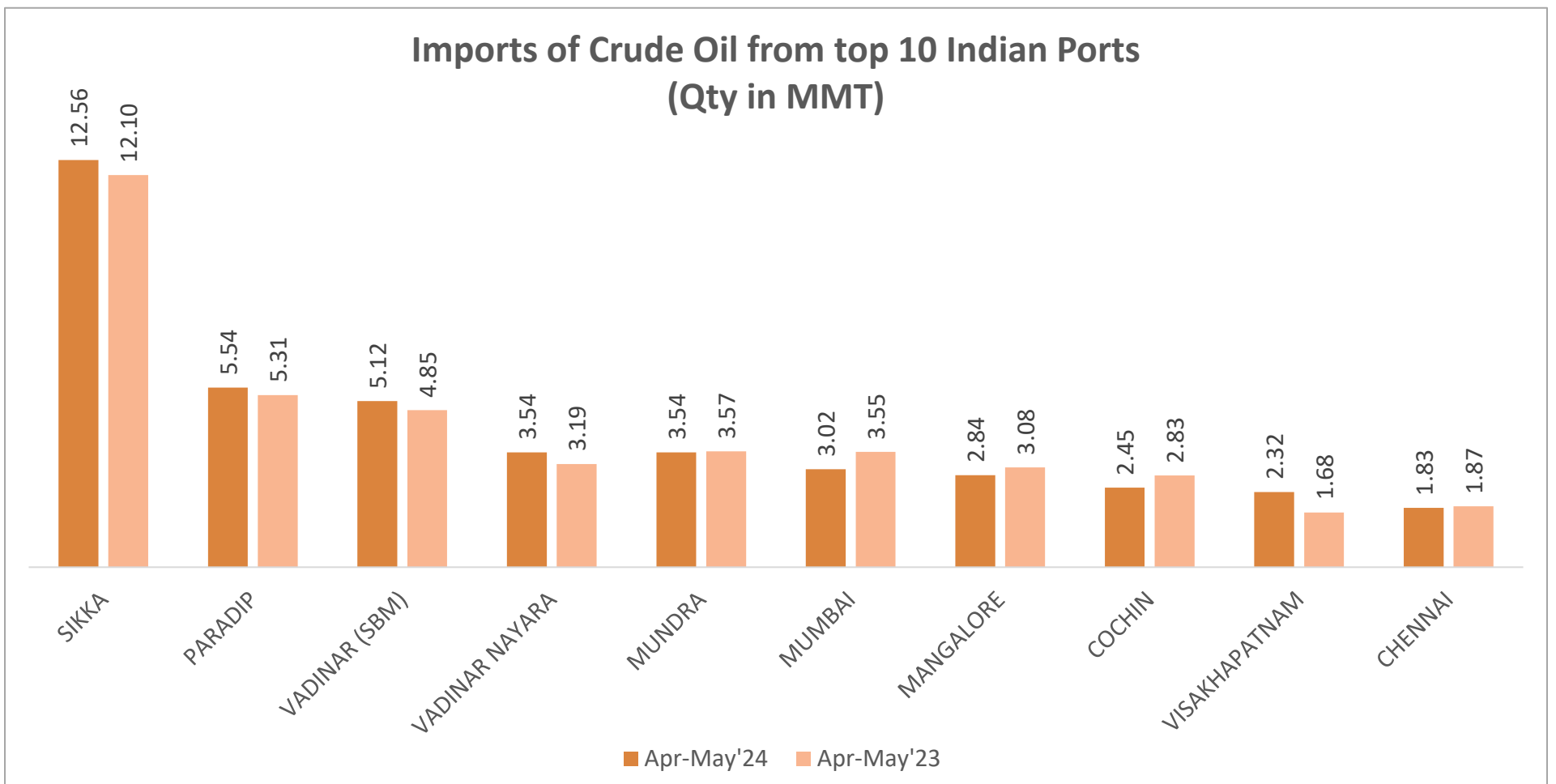
**Region-wise Imports of Crude Oil**





# CRUDE OIL

- Crude oil imports increased by 1.86% at 42.85 MMT during Apr-May'24 as compared to the corresponding period of the previous year.
- Sikka port saw the highest traffic of Crude Oil at 12.56 MMT in the period of Apr-May'24.



# CRUDE OIL



Top Crude Oil Importers	QTY in MMT
INDIAN OIL CORP. LTD.	13042070
RELIANCE INDUS. LTD.	11298726
BHARAT PETROLEUM CORP. LTD.	5337305
NAYARA ENERGY LTD. (ESSAR OIL LTD.)	3543667
HINDUSTAN PETROLEUM CORP. LTD.	3155980
MANGALORE REFINERY & PETROCHEMICAL LTD.	2982932
HPCL MITTAL ENERGY LTD.	2221490
CHENNAI PETROLEUM CORP. LTD	619709
AKRY ORGANICS LTD.	3501

Sl. no.	Refinery	Installed capacity	May'24	Apr-May'24
1	Barauni (1964)	6	0.5	1.1
2	Koyali (1965)	13.7	1.3	2.6
3	Haldia (1975)	8	0.7	1.3
4	Mathura (1982)	8	0.8	1.7
5	Panipat {1998}	15	1.3	2.6
6	Guwahati (1962)	1.2	0.1	0.2
7	Digboi (1901)	0.65	0.1	0.1
8	Bongaigaon(1979)	2.7	0.1	0.3
9	Paradip (2016)	15	1.2	2.2
	<b>IOCL-TOTAL</b>	<b>70.3</b>	<b>6.1</b>	<b>12.2</b>
10	Manali (1969)	10.5	1	1.9
11	CBR (1993)	0	0	0
	<b>CPCL-TOTAL</b>	<b>10.5</b>	<b>1</b>	<b>1.9</b>
12	Mumbai (1955)	12	1.3	2.6
13	Kochi (1966)	15.5	1.5	2.9
14	Bina (2011)	7.8	0.7	1.3
	<b>BPCL-TOTAL</b>	<b>35.3</b>	<b>3.5</b>	<b>6.9</b>
15	Numaligarh (1999)	3	0.3	0.5
16	Tatipaka (2001)	0.07	0.006	0.01
17	MRPL-Mangalore (1996)	15	1.6	2.9
	<b>ONGC-TOTAL</b>	<b>15.1</b>	<b>1.6</b>	<b>2.9</b>
18	Mumbai (1954)	9.5	0.8	1.3
19	Visakh (1957)	13.7	1.4	2.3
20	HMEL-Bathinda (2012)	11.3	1.1	2.2
	<b>HPCL- TOTAL</b>	<b>34.5</b>	<b>3.3</b>	<b>5.8</b>
21	RIL Jamnagar (OTA) (1999)	33	2.9	5.8
22	RI -Jamnagar (SEZ) (2008)	35.2	2.7	5.2
23	NEL-Vadinar (2006)	20	1.7	3.4
	<b>All India (MMT)</b>	<b>256.8</b>	<b>23</b>	<b>44.6</b>
	<b>All India (Million Bbl/ Day)</b>	<b>5.02</b>	<b>5.44</b>	<b>5.36</b>

# PETRO- PRODUCTS



- Production of petroleum products was 24.0 MMT during May 2024 which is 0.5% higher than May 2023. Out of 24.0 MMT, 23.7 MMT was from refinery production & 0.3 MMT was from fractionator. There was a growth of 2.2 % in production of petroleum products in April May FY 2024 – 25 as compared to same period of FY 2023 – 24. Out of total POL production, in May 2024, share of HSD is 41.6 %, MS 17.2 %, Naphtha 6.5 %, ATF 6.4 %, Pet Coke 5.3 %, LPG 4.5% which are of major products and rest are shared by Bitumen, FO/LSHS, LDO, Lubes & others.

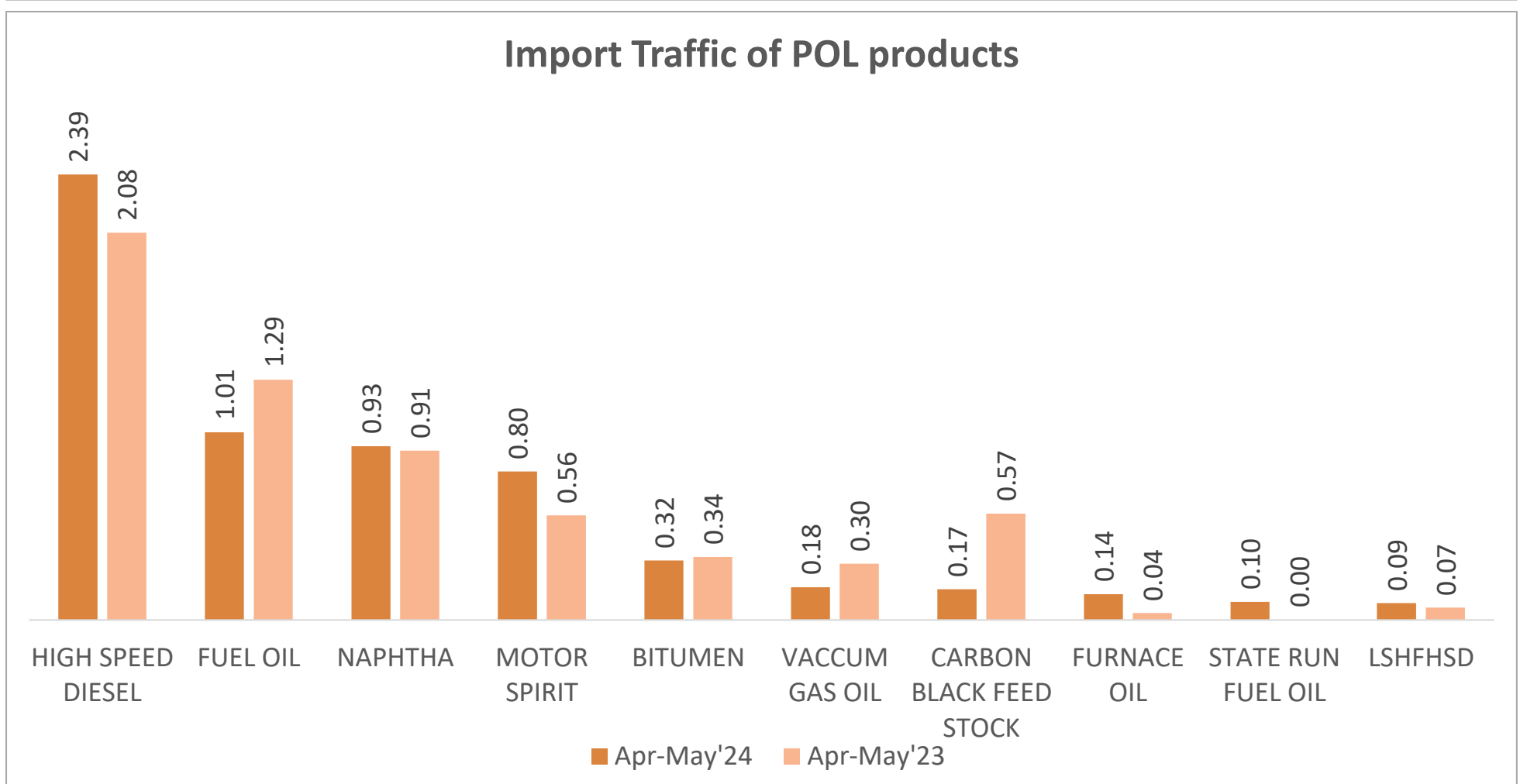
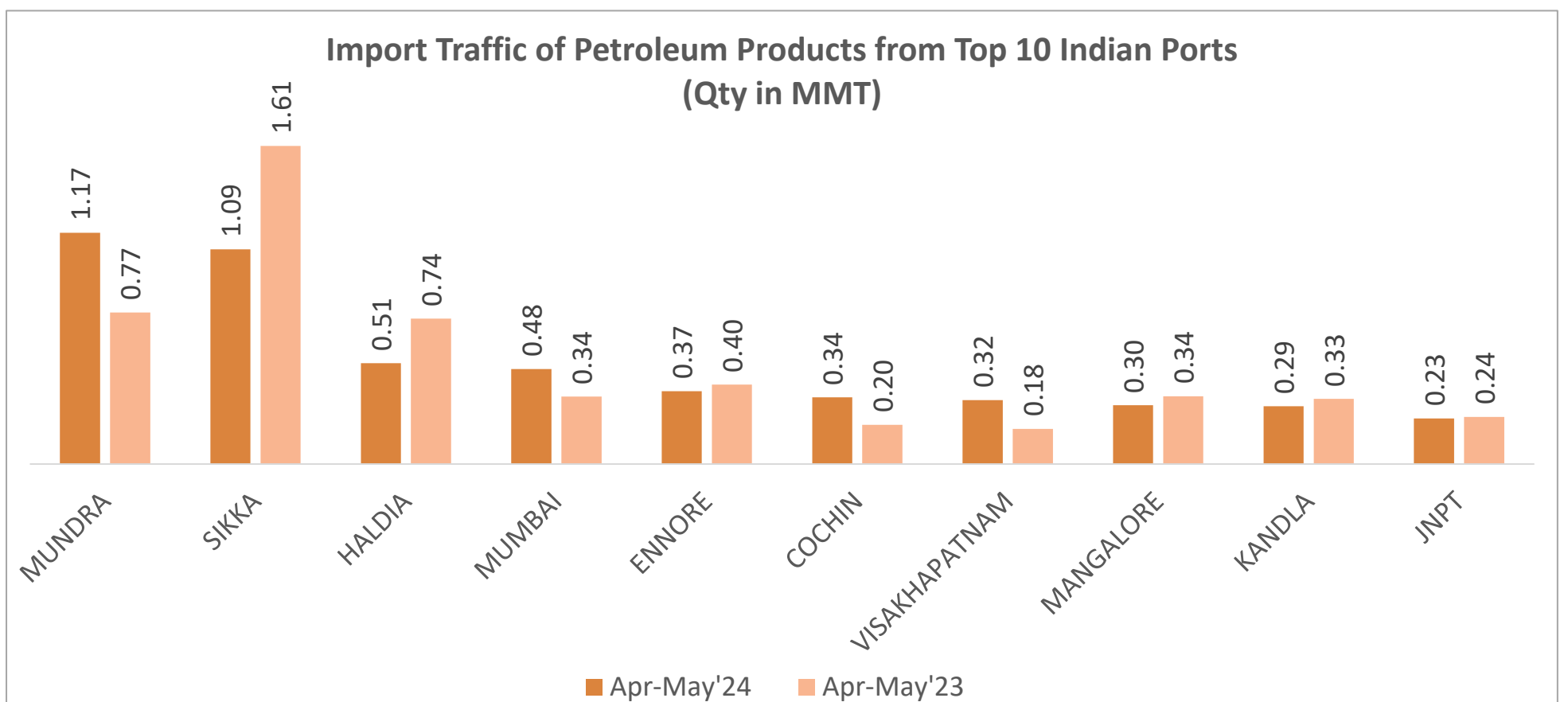
## PRODUCTION & CONSUMPTION OF PETROLEUM PRODUCTS (in thousand metric tonnes)

Products	Apr-May'24	
	Production	Consumption
LPG	2.1	4.8
MS	7.8	6.7
NAPHTHA	3.1	2.2
ATF	3.0	1.5
SKO	0.2	0.05
HSD	19.8	16.3
LDO	0.1	0.1
Lubes	0.2	0.6
FO/LHS	1.9	1.0
Bitumen	1.1	1.6
Pet-coke	2.5	3.3
Others	5.7	2.1
<b>Total</b>	<b>47.4</b>	<b>40.3</b>

# PETRO- PRODUCTS



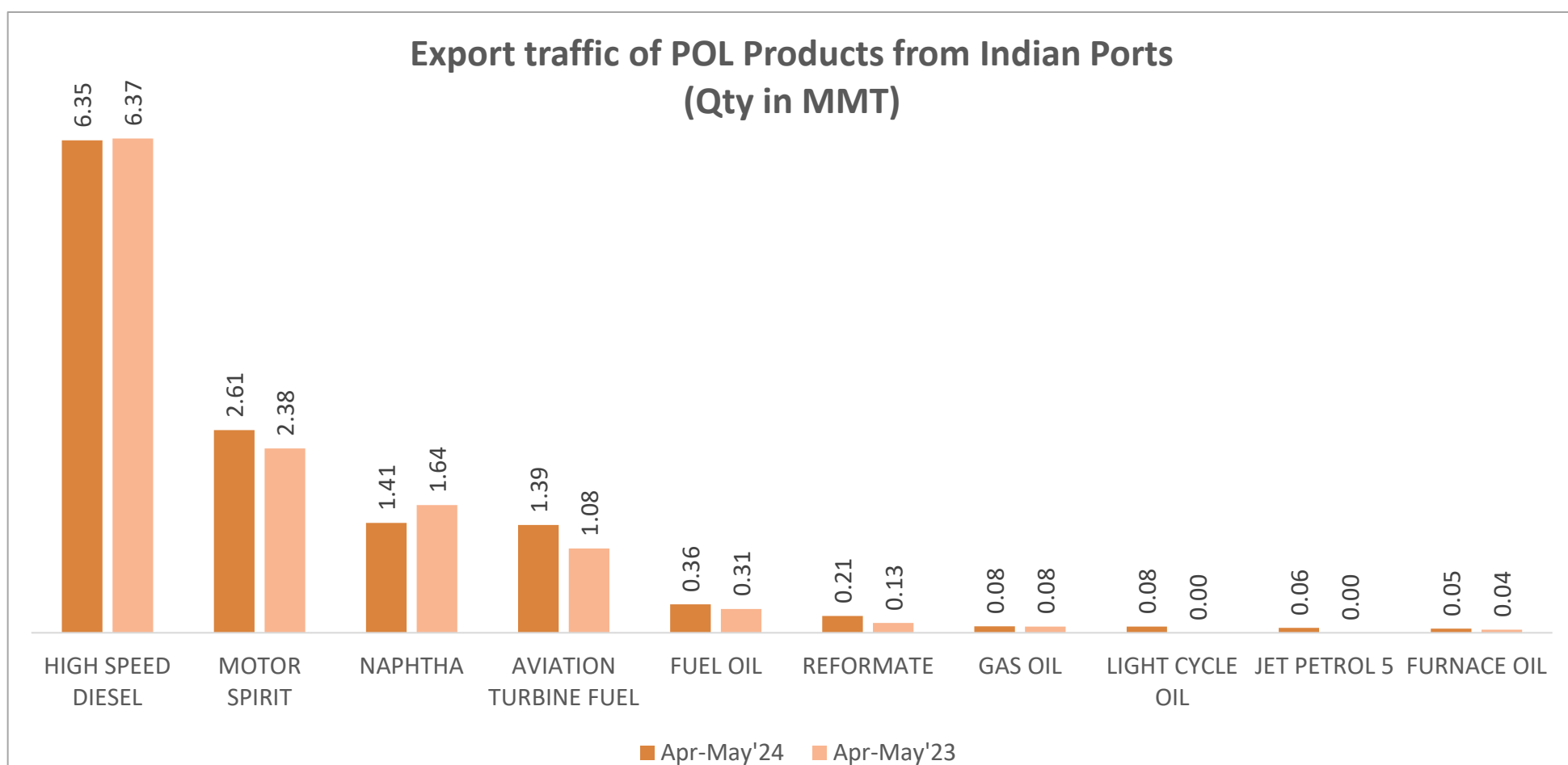
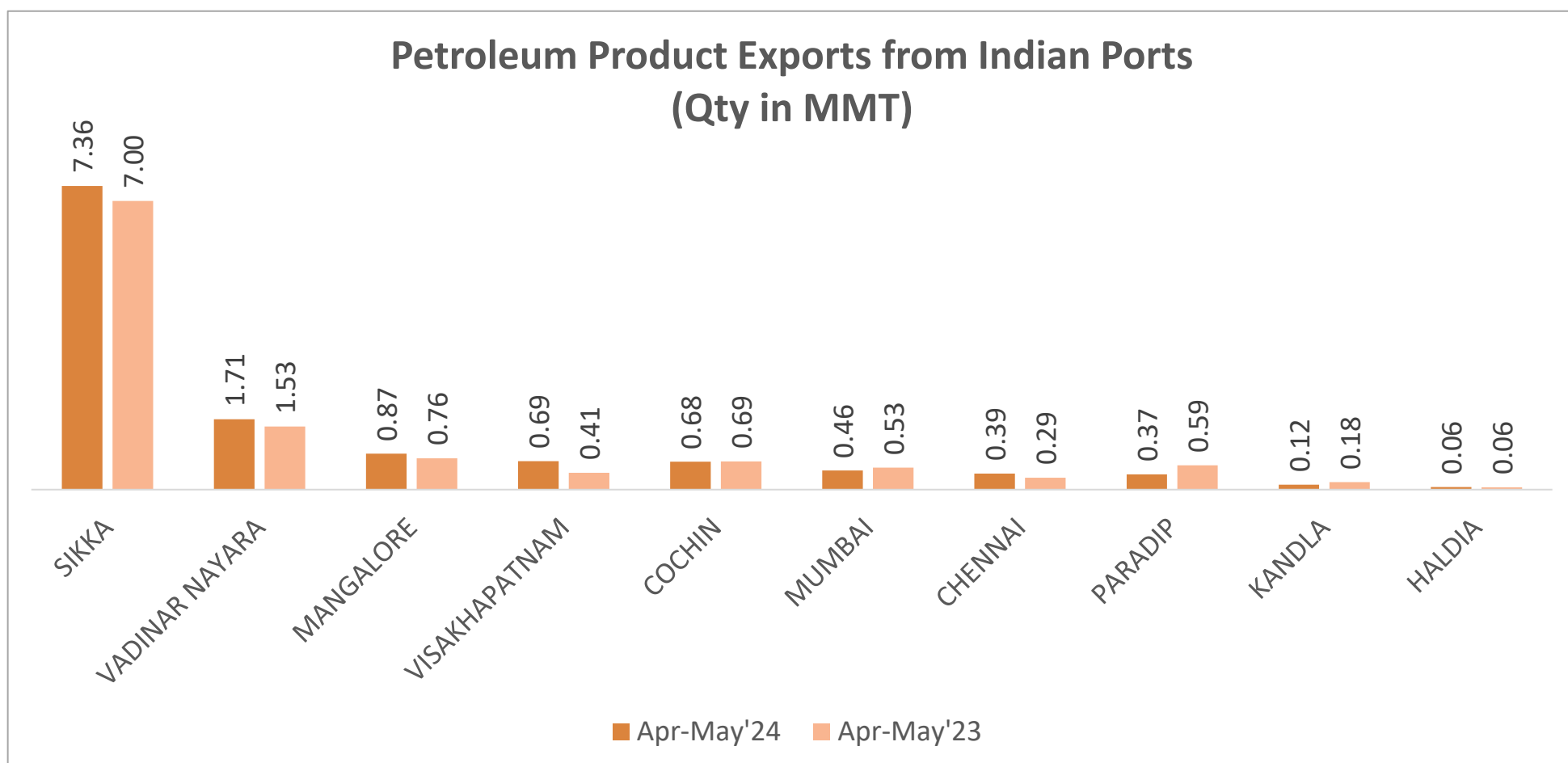
- POL products imports decreased by 8.2% and increased by 7.1% during May 2024 and April-May FY 2024-25 respectively as compared to the corresponding period of the previous year. Increase in POL products imports during April-May FY 2024-25 were mainly due to increase in imports of liquified petroleum gas (LPG), petcoke etc.
- The consumption of petroleum products during April-May 2024, with a volume of 40.3 MMT, reported a growth of 2.4 % compared to the volume of 39.4 MMT during the same period of the previous year. This growth was led by 7.7% growth in MS, 1.6% in HSD & 12% in ATF and 5.5% in LPG consumption besides growth in Lubes, Petcoke and others during the period.



# PETRO- PRODUCTS



- Exports of POL products decreased by 0.9% and increased by 3.6% during May 2024 and April-May FY 2024-25 respectively as compared to the corresponding period of the previous year. Increase in POL products exports during April-May FY 2024-25 were mainly due to increase in exports of aviation turbine fuel (ATF), fuel oil (FO) etc. The consumption of petroleum products during April-May 2024, with a volume of 40.3 MMT





# Top Importers & Exporters of PETRO-PRODUCTS



Exporters from India (Apr-May'24)	Quantity
RELIANCE INDUS. LTD.	7.34
NAYARA ENERGY LTD. (ESSAR OIL LTD.)	1.73
INDIAN OIL CORP. LTD.	0.95
MANGALORE REFINERY & PETROCHEMICAL LTD.	0.87
BHARAT PETROLEUM COPRN. LTD.	0.81
HINDUSTAN PETROLEUM CORP. LTD.	0.69
RUSSIA REFINERY CO.	0.03
HALDIA PETROCHEMICALS LTD.	0.02
ONGC PETRO ADDITION LTD. (OPAL)	0.01
EPSILON CARBON PVT. LTD.	0.01

Importers In India (Apr-May'24)	Quantity
RELIANCE INDUS. LTD.	1.45
BHARAT PETROLEUM COPRN. LTD.	1.30
HINDUSTAN PETROLEUM CORPN. LTD.	1.08
INDIAN OIL CORPN. LTD.	1.00
HPCL MITTAL ENERGY LTD.	0.31
NAYARA ENERGY LTD. (ESSAR OIL LTD.)	0.30
ONGC PETRO ADDITION LTD. (OPAL)	0.16
HALDIA PETROCHEMICALS LTD.	0.12
PHILLIPS CARBON BLACK LTD.	0.11
RELIANCE INFRASTRUCTURE LTD.	0.06



---

# HIGHLIGHTS

- **Diesel, petrol exports grow in May, backed by refinery runs, high inventories**

# KEY HIGHLIGHTS



## Diesel, petrol exports grow in May, backed by refinery runs, high inventories

- **Indian refiners also turned to Asia amidst a saturated European market for diesel cargoes**

India's exports of diesel and petrol rose on a monthly basis in May this year amid higher refinery runs and growing inventories with more diesel cargoes heading to Asia amidst a saturated European market. Analysts and trade sources said that higher inventories coupled with more refinery runs and a slight drop in consumption of petroleum products spared more cargoes for export. Indian refiners also turned to Asia amidst a saturated European market for diesel cargoes. However, the situation could turn during the remaining Summer travel season in the northern hemisphere as competition rises from West Asian suppliers. According to energy intelligence firm Vortexa, India's diesel exports were flat on an annual basis and rose 17 per cent month on month to 2.23 million tonnes (MT). Outbound cargoes of petrol rose roughly 6 per cent on an annual and monthly basis to 1.50 MT. The Petroleum Planning and Analysis Cell (PPAC) has pegged diesel exports at 2.14 MT in May against 2 MT in April and 2.38 MT in April 2023. Export of petrol stood at 1.23 MT in May compared to 1.18 MT in April and 1.25 MT in May 2023.

### **Saturated Europe**

Vortexa's Head of APAC Analysis, Serena Huang, told businessline, "India's gasoline (petrol) and diesel exports are up month on month in May, likely driven by strong refinery runs but lagging domestic demand. More diesel/ gasoil exports have headed towards Asia amidst a saturated European market that has been receiving healthy supplies from West Asia." India's gasoline exports to Africa have also risen month-on-month, with lower supplies from the Middle East and South-East Asia creating opportunities for more supplies from India, she added. On the demand scenario for the two auto fuels amidst the Summer travelling season in the Northern hemisphere, Huang pointed out that US gasoline imports have risen as refiners/ blenders prepare for the Summer driving season that has just begun. Meanwhile, imports into Europe are up marginally year-on-year, but weak diesel cracks suggest ample supplies in the region. Going ahead for the remainder of the travel season, Indian diesel and petrol cargoes are expected to face competition from West Asian and African refiners. The summer season generally begins in May and ends in September. "The seasonal increase in gasoline and diesel demand in the Northern hemisphere will still play out, but what is uncertain is the strength of this demand. Indian diesel/ gasoil exports to Europe are facing increased competition from rising West Asian supplies. Finished gasoline exports to Africa will further come under pressure with the start of Nigeria's Dangote refinery towards the end of the year," Huang explained.

### **Higher refinery runs**

According to PPAC, the stocks of petrol and diesel reported higher inventories at the beginning of May. Diesel stocks also reported an inventory build up at the beginning of April. Besides, the production and consumption of diesel during May this year stood at 10 MT and 8.4 MT, respectively. Similarly, petrol output and usage was 4.1 MT and 3.4 MT, respectively. PPAC said that the consumption of petroleum products in May with a volume of 20.5 MT registered a minor de-growth of 1 per cent against 20.7 MT in May 2023. On a monthly basis, the consumption was higher by 3 per cent. Indian refiners also processed higher quantities of crude oil in May. Total crude oil processed last month rose 1.3 per cent year on year and 6.5 per cent month on month to 23 MT. Production of petroleum products rose 0.5 per cent year on year and 2.6 per cent month on month to 24 MT during May.

**Source: The HBL**

# KEY HIGHLIGHTS



## BPCL plans to set up new refinery for Rs 50k cr

- The state-owned oil marketing company will invest around Rs 50,000 crore in the project for which it is currently evaluating locations in three states - Andhra Pradesh, Uttar Pradesh, and Gujarat, two industry officials aware of the development told ET.

State-run Bharat Petroleum Corporation (BPCL) plans to set up a new 12 million metric tonnes per annum (MMTPA) refinery in the country, two industry officials aware of the development told ET. The state-owned oil marketing company will invest around Rs 50,000 crore in the project for which it is currently evaluating locations in three states - Andhra Pradesh, Uttar Pradesh, and Gujarat, they said. "BPCL is planning another refinery either on the east coast or on the west coast as India needs more refineries to meet the increasing fuel demand," "BPCL is planning another refinery either on the east coast or on the west coast as India needs more refineries to meet the increasing fuel demand," one of the officials said. "Talks are at a preliminary stage." The company may also consider UP, the officials said. Last month, BPCL chairman G Krishnakumar said the company is planning to increase its refining capacity to 45 mmtpa by FY29. The company runs three refineries in Mumbai, Kochi, and Bina (in Madhya Pradesh) with a combined annual refining capacity of around 36 MMTPA. BPCL plans to invest about Rs 1.7 lakh crore over the next five years in its core oil refining, fuel marketing, and petrochemical business and in the clean energy business. Of the total capex, it has earmarked Rs 75,000 crore for refineries and petchem projects, Rs 8,000 crore for pipeline projects, and more than Rs 20,000 crore for its marketing business. The second industry official cited above said BPCL is looking to set up a new refinery because a proposed plan to set up a 60-MMTPA integrated refinery and petrochemicals complex on the west coast in Maharashtra did not take off. The government had in 2015 proposed the idea of setting up Asia's largest refinery in Ratnagiri, Maharashtra, at the cost of Rs 3 lakh crore to meet the country's growing demand for fuel and petrochemicals. A joint venture company between Indian Oil Corporation, BPCL, Hindustan Petroleum Corporation and Saudi Aramco - christened Ratnagiri Refinery and Petrochemicals (RRPCL) - was formed in 2017 to execute the project. Saudi Arabia's national oil company held 50% stake in RRPCL while the three national oil companies of India were equal partners.

# KEY HIGHLIGHTS



However, due to environmental concerns and opposition from a number of local residents, the project never got off the ground. At the same time, fuel demand has also been increasing, driven by higher automotive fuel and naphtha sales. Fuel demand reached a record high of about 233.276 million tonnes in FY24 compared to 223.021 MT in the previous year. To cater to the increasing oil demand, India is looking to increase its refining capacity by nearly 80% from the present 252 MMTPA to about 450 MMTPA by 2030. The country is planning to set up smaller petroleum refineries as they pose fewer hurdles like land acquisition and other regulatory clearances. According to analysts, even as fuel demand grows across the world, new refineries are not coming up and the old refineries in Europe and the US are closing.

"World over refineries are closing, which may lead to a crisis of finished products," one of the industry officials cited above said. "This is where India can step in and become a refining hub for the world. But for that, we need to add more refining capacity. Fuel demand is predicted to be robust in the coming years." Goldman Sachs in a report dated May 27 said most of the (international) refinery closures took place between 2020 and 2022 when refineries were forced to shut due to the Covid-19 pandemic, poor economics, regulatory changes, and geopolitical tensions. "Outside of refinery closures already announced, Wood Mackenzie assess that 4% or 3.6 mb/d of global refining capacity is at a high risk of closure," the report said. "Based on their outlook of 2030 refining margins 45% of such high-risk sites are located in Europe, where a number of standalone catalytic cracking facilities could come under pressure due to local carbon taxes and weaker gasoline cracks in the medium term."

**Source: Economic Times**

# Reports for June 2024

J. M. Baxi Monthly Agri Products Update

J. M. Baxi Monthly Automotive Logistics Update

J. M. Baxi Monthly Cement Update

J. M. Baxi Monthly Chemical Update

J. M. Baxi Monthly Coal Update

J. M. Baxi Monthly Container Update

J. M. Baxi Monthly Cruise Shipping Update

J. M. Baxi Monthly Veg Oil Update

J. M. Baxi Monthly Fertilizer Update

J. M. Baxi Monthly LNG & LPG Update

J. M. Baxi Monthly Mineral and Metal Update

J. M. Baxi Monthly Oil and Petroleum Update

J. M. Baxi Monthly Port Update

J. M. Baxi Monthly Project Cargo Update

J. M. Baxi Monthly Seafarers Insights Update

J. M. Baxi Monthly Steel Update

Research Cell:

**J.M.Baxi.**

Godrej Coliseum, Office No. 801, 8th floor, "C" wing, Behind Everard  
Nagar, Off. Somaiya Road, Sion. Mumbai - 400022 INDIA.  
T: 022 61077100 Ext 161/145, | M: 091-7506004224 / 7045659111  
E: [shwetalk@jmbaxi.com](mailto:shwetalk@jmbaxi.com) | W: [www.jmbaxico.com](http://www.jmbaxico.com)