

India Maintains Russian Oil Purchases

August 16, 2025

— Categories: Economics



Download IPFS

New Delhi, India – India's crude oil imports from Russia have risen to 2 million barrels per day (bpd) in August, as refiners prioritize economic considerations and energy security. Russian crude accounted for 38 percent of India's total 5.2 million bpd imports in the first half of the month, up from 1.6 million bpd in July, according to global analytics provider Kpler.

The increase in Russian oil imports has come at the expense of supplies from Iraq and Saudi Arabia, which fell to 730,000 bpd and 526,000 bpd, respectively. The US was the

fifth-largest supplier at 264,000 bpd.

“Russian crude imports remain resilient despite recent US tariff announcements,” said Sumit Ritolia, Lead Research Analyst at Kpler. He noted that August cargoes were locked in before the policy change, meaning any impact of tariffs or logistical friction will only be seen in shipments arriving later in September or October.

Indian refiners confirm there has been no government directive to alter Russian oil purchases. Arvinder Singh Sahney, chairman of Indian Oil Corporation (IOC), India’s largest oil firm, stated, “Neither were we being told to buy nor told not to buy. Economic considerations dictate our actions.” Similarly, Bharat Petroleum Corporation Ltd (BPCL) maintains that Russian crude will continue to make up 30–35 percent of procurement for the remainder of the year.

Since Western sanctions on Moscow following the 2022 invasion of Ukraine, India has successfully substituted discounted Russian crude for market-priced oil, boosting cost efficiency. While discounts on Russian oil have narrowed from USD 40 per barrel to just over USD 2 per barrel, the supply remains an important part of India’s energy mix.

Analysts note that refiners are also diversifying sourcing from the US, West Africa, and Latin America, not to replace Russian crude, but to hedge against disruptions and ensure consistent energy security. “Crude procurement is a continuous process driven by refinery configuration, grade compatibility, and economics,” Ritolia said.

India, the world’s third-largest oil consumer, continues to rely on a diversified crude basket, with 60–65 percent sourced from non-Russian suppliers. Yet Russian oil remains integral to keeping prices competitive and ensuring an uninterrupted energy supply.

“Purchases from Russia will continue unless sanctions are imposed,” Sahney emphasized. “We are following sound economic policy while maintaining energy resilience. Business is as usual.”