The Indian EXPRESS
JOURNALISM OF COURAGE

As oil flow through Strait of Hormuz comes to a halt, India may look at increasing Russian oil imports

According to Ritolia, LPG imports are the "bigger vulnerability" for India.

Written by: Sukalp Sharma 6 min read New Delhi Updated: Mar 2, 2026 11:18 PM IST

The Strait of Hormuz connects the Persian Gulf and the Gulf of Oman. (Photo: Wikimedia Commons)

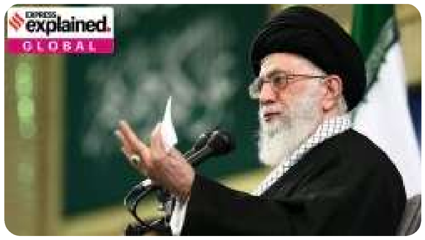
Amid the disruption in oil flows through the Strait of Hormuz due to the conflict in West Asia, the government and public sector refiners are mulling increasing imports of Russian crude as part of the effort to ensure oil supply continuity, according to people in the know. India has, in recent months, cut down significantly on its oil imports from Russia amid trade negotiations with the US. But with shipments through the Strait of Hormuz effectively suspended, Russian oil—available in ample volumes—could come to India's aid.

Roughly 2.5–2.7 million barrels per day (bpd) of India's crude imports—accounting for around half of the country's total oil imports—transit the Strait of Hormuz, mainly from Iraq, Saudi Arabia, the UAE, and Kuwait. India is the world's third-largest consumer of crude oil with an import dependency level of over 88%. Majority of the country's gas consumption is also met through imports, and oil and gas supplies from West Asia—which primarily come through the Strait—are critical for India.

The Strait of Hormuz—the narrow waterway between Iran and Oman that connects the Persian Gulf with the Gulf of Oman and the Arabian Sea—is seen as the most important oil transit chokepoint globally, handling approximately one-fifth of global liquid petroleum consumption and global liquefied natural gas (LNG) trade. Late Saturday, Iran's Islamic Revolutionary Guards Corps (IRGC) transmitted messages to vessels saying that the Strait has been closed, which led to a large number of trading houses, insurers, and vessels suspending shipments through the maritime passage to avoid any potential risk from regional conflict.

According to trade sources, apart from the option of getting oil from Russia, there is continued availability of Russian crude cargoes in the Indian Ocean and Arabian Sea region, including volumes in floating storage. This volume build-up was partly a result of Indian refiners substantially reducing their intake of Russian crude. Roughly 10 million barrels of Russian crude is available in Asian waters, as per industry estimates. In February, India imported 1.1 million barrels per day (bpd) of Russian crude, almost half of the 2025 peak of over 2 million bpd, as per tanker data from commodity market analytics firm Kpler. Loadings of Russian crude for Indian ports, which averaged 1.7 million bpd last year, was just 0.7 million bpd in February.

Khamenei killing: As Reza Pahlavi again throws hat into the ring, a look at how the Shah ruled Iran



How Iran's power pyramid came to be, with Supreme Leader at top

'Fake OPD entries, fabricated diagnoses, injections never given': Punjab Govt seeks time on fraud probe against Fortis

According to industry insiders and experts, Indian refiners already have crude inventories of over 10 days, along with about a week's worth of fuel stocks; about a week's worth of crude is also available in the country's strategic petroleum reserves. To cover any potential shortfall in import volumes, India could draw on the strategic reserves, accelerate spot procurement from non-Hormuz regions, and deepen supply contracts with alternative suppliers like the US, West Africa, and Latin America. From a near-term perspective though, the Russian oil readily available in the region could come in handy even as India exercises its other options.

A request for comment mailed to the Ministry of Petroleum and Natural Gas (MoPNG) did not immediately elicit a response. In a post on social media platform X, the MoPNG said that it is monitoring the situation in West Asia and will take the necessary steps to ensure availability and affordability of fuels in the country. "In view of ongoing geopolitical developments in the Middle East, the Minister of Petroleum & Natural Gas reviewed the supply situation for crude oil, LPG, and other petroleum products with senior officials from the Ministry and PSUs. We are continuously monitoring the evolving situation, and all necessary steps will be taken in order to ensure availability and affordability of major petroleum products in the country," the MoPNG posted.

"In a scenario where Middle Eastern imports become constrained or show signs of disruption, Indian refiners—potentially with policy backing — could pivot back to Russian cargoes relatively quickly. From a national energy security standpoint, this flexibility provides India with an additional buffer against short-term geopolitical shocks. Overall, while a Strait of Hormuz disruption would create immediate volatility, India's diversified sourcing strategy and the presence of alternative barrels in nearby waters reduce the risk of a sustained supply crisis," said Sumit Ritolia, Lead Research Analyst, Refining & Modeling at commodity market analytics firm Kpler.

Suspension or heavy curtailment of oil and gas flows through the Strait is bound to have implications for the global energy markets, including India, which depends on the waterway for receiving a bulk of its oil and gas imports. The impact will essentially depend on how long the disruption will last, even as most experts believe that it is unlikely to be a protracted blockade or suspension. The longer it takes for energy flows to resume fully through the Strait, the more significant the impact is expected to be, according to industry experts.

According to Ritolia, LPG imports are the "bigger vulnerability" for India, as the country imports 80–85% of its LPG needs, with the majority sourced from Gulf suppliers and almost entirely transiting Hormuz. And unlike crude, India does not maintain strategic LPG reserves of comparable scale, making LPG flows more logistically sensitive in a disruption scenario as India has "thinner structural buffers" when it comes to LPG. Similarly, around 60% of India's LNG imports pass through the Strait, and like LPG, structural buffers are not really there for LNG as well. Unlike crude, where enough availability is there in the spot market, LPG and LNG spot cargo availability is thin. The supply situation for these two fuels might become challenging for India in the event of a protracted Hormuz closure.