

India's fuel exports drop amid EU sanctions, war

S DINAKAR
Hyderabad, 30 March



Fuel exports to Europe, India's third-biggest market worth over \$10 billion or a fifth of its total fuel exports by volume, have crashed in March, fuelled by changes in European Union (EU) regulations and prompted by wars in Europe and West Asia, according to shipping data and industry officials.

Indian refiners, led by Reliance Industries Ltd (RIL), the country's biggest exporter of oil products, dispatched the lowest supplies of fuels ever to Europe during the month at 18,000 barrels per day (bpd), 80 per cent lower month-on-month (M-o-M) and 94 per cent lower year-on-year (Y-o-Y). India exported 89,000 bpd of fuels to Europe in February this year and 286,000 bpd in March 2025, according to maritime data provider Kpler as of today. March was the lowest ever, barring a blip in June 2020 when exports to Europe were virtually nil.

Europe dragged down India's overall exports by 12 per cent in March M-o-M or by 140,000 bpd to 1 million bpd. The continent also dragged India's overseas sales down by 200,000 bpd in the first quarter of 2026 to 1.09 million bpd (mbpd) compared to 1.29 mbpd in 2025, Kpler data showed. The decline will also rub off on the revenues that the government will collect via export taxes on diesel and jet fuel.

It is unclear if sales to Europe will rebound because industry sources said that the latest sanction by the EU banning imports of fuels made from Russian crude oil from January has hurt India's sales. A senior refining official said the ban doesn't really matter to state-run companies because Europe was serviced by RIL. RIL declined to comment on market matters.

"Lots of fuel exports from the Middle East has stopped and normalisation will take time. So, I think, Europe should bounce back," said Prashant Vasisht, senior vice president at ratings agency Icra. Europe needs Reliance because the refiner supplied as much as 15 per cent of diesel and jet fuel imports in 2025, shipping data showed. Alternatively, the EU

Shrinking share

India's fuel exports (in '000 bpd)

	Europe	Africa	Asia	Americas	Total
2025 avg	262	308	513	126	1,294
Jan '26	100	382	449	73	1,125
Feb '26	89	296	573	97	1,142
Mar '26	18	218	613	61	1,001

Source: Kpler

will turn even more dependent on fuels from the US, industry officials said.

Fuel markets tightened after drone attacks by Ukraine last week on Russian Baltic Sea ports and refineries hurt exports of fuels from Russia, with Moscow planning to ban gasoline exports from April 1. The EU's sanctions prohibit imports of diesel and jet fuel produced from Russian crude unless exporters separate production lines using Russian and non-Russian oil.

There is a so-called T2 paperwork, where fuels that cleared Customs in an EU member state can circulate freely within the EU — meaning a shipment cleared by Customs in the Netherlands can circulate in France or Germany, according to UK industry publication *Argus*. Some buyers, however, require additional documentation under the Energy Leap clause, confirming that no part of a refinery processed Russian crude in the 60 days before loading.

But two senior Indian refining sources said that some large traders and oil companies in Europe were interpreting EU sanctions incorrectly, because both of RIL's facilities in Jamnagar are owned by different entities. France, Germany, the Netherlands and Turkey have accepted cargoes from RIL this year, according to Kpler data and industry sources.

An RIL official had said the refiner stopped processing Russian oil at its 704,000 bpd refinery located in the special economic zone (SEZ) since November 2025, reflecting a 150 days gap since it processed

Russian oil as of March 30, 2026. The 660,000 bpd domestic tariff area (DTA) plant continues to use Russian oil, shipping data showed. Reliance imported 382,000 bpd of Russian oil this month, 19 per cent of India's near 2 mbpd in imports.

Export tax

RIL also faces pressure from the latest tax on exports of diesel and jet fuel. The government last week imposed an effective levy of ₹21.5 per litre on diesel and ₹29.5 per litre on jet fuel, expected to net ₹15 billion a week, according to government estimates.

India's export taxes are equivalent to \$36 per barrel on diesel and \$50 per barrel on jet fuel, US bank Citi said in a note. Analysts reckon such cracks or profits from processing crude into fuels are close to \$70 per barrel on diesel and jet fuel, reflecting huge margins on offer despite taxes. The free-on-board price of diesel doubled to \$179 a barrel in March compared to \$86 a barrel in February, reflecting shortages caused by the West Asia conflict, according to oil ministry data.

The conflict has increased RIL's share of India's fuel exports by about five percentage points, as state-run refiners were informally asked to prioritise domestic demand, two industry officials said. RIL accounted for 83 per cent of exports in March, up from 78 per cent in February and 75 per cent a year earlier, based on Kpler data.

Gold Loans Shine as Export, Consumer Credit Contract

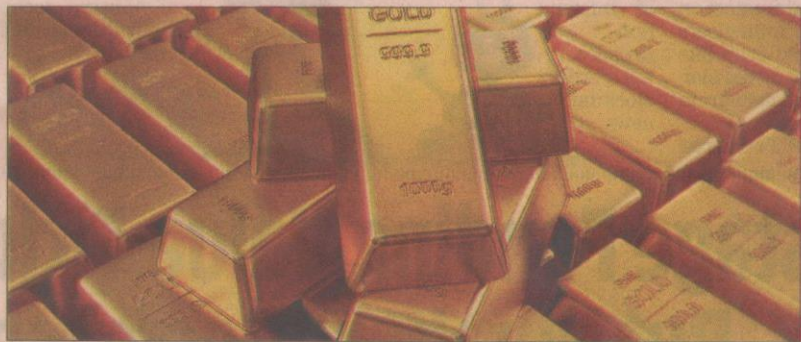
Our Bureau

Kolkata: Banks' export credit and consumer advances continued to remain a drag while loans against gold jewellery surged, Reserve Bank of India (RBI) data showed.

According to the data on sectoral deployment of bank credit until the end of February, export credit contracted 14% year-on-year to ₹21,925 crore while consumer loans contracted 10% to ₹10,270 crore. However, both these heads taken together accounted for merely 0.2% of the total bank credit.

Gold loans, on the other hand, expanded 128% to ₹4.29 lakh crore, reflecting the highest rate of credit expansion among all sectors. Gold loans accounted for 2% of the total bank credit of ₹207.54 lakh crore.

Overall, non-food bank credit grew by 14.3% year-on-year at the end of fortnight to February 28, compared with 11.1% growth recorded in the corresponding fortnight of the previous year to March 07, 2025. Credit to agriculture and allied



activities registered a 12.3% growth against 11.4% earlier. Credit to industry recorded 13.5% growth as compared with 7.5% earlier, largely fuelled by higher lending to infrastructure, engineering, chemicals and chemical products and textiles, RBI said.

Credit to services sector registered a growth rate of 16.3% against 11.7% in the same period last year, supported by hig-

her growth in bank lending to non-banking financial companies (NBFCs) and commercial real estate.

Banks' personal loans segment saw a 15.2% expansion as compared with 11.7% earlier. "Housing segment continued with steady growth, while segments such as vehicle loans and loans against gold jewellery sustained sharp expansion," the RBI said.

Business Standard DT: 01/04/26
310,000 connections added

India bulks up Russia oil imports; Gulf flows ebb

SHUBHANGI MATHUR
New Delhi, 31 March

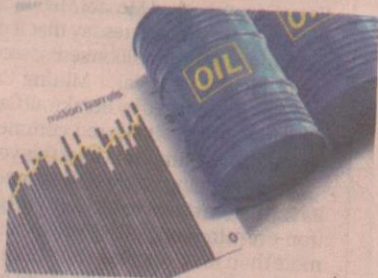
India's crude oil imports from Russia climbed to a nine-month high of 1.96 million barrels per day (bpd) in March, as flows from West Asia tightened amid the ongoing war between the US-Israel combine and Iran, according to data from maritime intelligence firm Kpler. This marks a sharp rise from 1.04 million bpd in February.

Furthermore, Angola has emerged as one of the biggest crude oil suppliers to India amid attempts to source from West Asian alternatives.

Refiners in India accelerated purchases of Russian crude through March after Washington granted a 30-day waiver allowing countries to buy oil and petroleum products from Moscow that had been stranded at sea. The waiver is in place until April 11.

Since December 2025, India had scaled back petroleum imports from Russia, largely in response to trade negotiations with Washington and an expanding regime of sanctions imposed on Moscow by the US and the European Union. In February, the US announced an interim trade agreement with India and lifted a 25 per cent additional tariff for Russian oil purchases, with American President Donald Trump asserting that New Delhi had committed to reducing such imports to zero.

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Crude scenario

India's crude oil imports
(*'000 barrels per day)

Major sources	Jan	Feb	March
Russia	1,091	1,042	1,960
Saudi Arabia	774	1,016	576
Angola	254	103	333
Iraq	1,017	969	240
UAE	396	554	207
US	297	216	167
West Asia*	2,708	3,047	1,259
Total	5,146	5,179	4,452

*includes supplies from Iraq, Saudi Arabia, UAE, Kuwait, Qatar and Oman

Note: Data until March 30, 2026; total includes supplies from other sources as well

Source: Kpler

DATANOMICS



Ethanol blending gains traction as reliance on oil imports persists

LPG imports down 45% in March

SAURAV ANAND
New Delhi, March 31

THE COUNTRY'S LPG imports plunged over 45% month-on-month to around 1.12 million tonne (MT) in March from nearly 2.04 MT in February, Kpler data showed.

The drop came as the escalating West Asia conflict choked supply routes through the Strait of Hormuz, a critical artery that carries nearly 90% of the country's LPG imports.

The sharp contraction is seen as a direct fallout of the geopolitical crisis, which has effectively disrupted shipping lanes, stranded vessels and triggered what officials describe as one of the worst gas

SUPPLY HIT

India monthly LPG imports



Note: Value in million
Data is up to March 29
Source: Kpler

supply shocks in recent years.

Ship-tracking and government data show the scale of disruption.

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Business Line. Dt: 03/04/26.

War effect: LNG imports from Qatar drop to record low in March

Rishi Ranjan Kala
New Delhi

Import of liquefied natural gas (LNG) from India's largest supplier, Qatar, declined to its lowest on record in March with the closure of the Strait of Hormuz (SoH).

Besides, Iran's attack on QatarEnergy's LNG facilities led to declaration of *force majeure* and production shutdowns early last month, further exacerbating India's natural gas imports, which account for roughly half of its consumption.

India's total natural gas consumption is about 189 million standard cubic metres per day (mscmd) with 97.5 mscmd produced domestically.

About 47.4 mscmd has

been affected due to *force majeure* conditions.

Global real-time data and analytics provider Kpler pointed out that India remains materially exposed to West Asia, with a significant share of its LNG imports tied to long-term contracts with QatarEnergy.

International Energy Agency (IEA) estimates that global LNG supply has reduced by around 20 per cent due to the situation.

The disruption of transit via the SoH reduced supplies from Qatar and the UAE by over 300 mscmd since March 1.

Sehul Bhatt, Director at Crisil Intelligence, said, "In March, spot prices of Asian LNG nearly doubled to \$20-25 per million British thermal units (mBtu). We



expect the prices to remain elevated and volatile in April as well."

RECORD-LOW IMPORTS

Sonal Ranjan, Kpler's Insight Analyst for LNG & Natural Gas, told *business-line*, "In January 2026, Qatar supplied around 1 million tonne (mt) of LNG, accounting for roughly 41 per cent of total imports. This fell sharply to 0.06 mt (about 3

per cent share) by March — a 94.3 per cent decline."

To offset the shortfall, imports from the US and Nigeria increased. The US volumes rose to around 0.34 mt in March (up around 144 per cent from January), while Nigeria supplied roughly 0.33 mt (up around 17 per cent).

Oman remained a steady supplier and emerged as the largest source in March at around 0.53 mt, she added.

"Overall, total monthly LNG imports declined around 35 per cent from January to March, driven by elevated spot prices and constraints on physical supply," Ranjan pointed out.

IMPACT ON QATAR

The Ras Laffan facility in Qatar, which is the world's

largest liquefaction facility, has been offline since it was first attacked on March 2.

Sourcing becomes the next battle ground, as markets remained tight during January-February 2026, and depleted storage coming out of the heating season in the Northern Hemisphere is set to increase the call on LNG in the months ahead.

Besides, the extended loss of output from QatarEnergy's Ras Laffan facility could significantly exacerbate this market tightness, IEA said.

About 93 per cent of Qatar's and 96 per cent of the UAE's LNG exports transited through the Strait, representing almost one-fifth of global LNG trade.

In 2025, almost 90 per cent of the total volumes ex-

ported via the SoH was destined for the Asian market. Just over 10 per cent went to Europe. Countries that have long-term contracts with the UAE or Qatar would need to turn to the spot market for LNG, which would drive up natural gas prices around the world.

QatarEnergy said it expects the damage to its Ras Laffan Industrial City caused by missile strikes on March 18-19 to cost about \$20 billion a year in lost revenue and take up to five years to repair, impacting supply to markets in Europe and Asia. Damage sustained by LNG facilities will take three-five years to repair. The attacks have also pushed offline around 1.281 mt LPG, which is roughly 13 per cent of Qatar's exports.

The Economic Times. Dt: 03/04/26.

LPG Imports Run Out of Gas

Inflows drop over 40% in March despite increase in supplies from US, Iran

Top Contributors

LPG supplies to India in March (000 tonnes)



Sanjeev Choudhary

New Delhi: India's LPG imports in March fell more than 40% compared with the previous two months, opening up a significant supply gap despite increased imports from the US and Iran, show ship-tracking data.

In a twist, the US and Iran—the two countries whose conflict has disrupted LPG flows to India—helped partly plug the shortfall.

The US emerged as India's largest supplier of the fuel in March, while Iran resumed shipments after a gap of nearly seven years.

India's total LPG imports dropped to about 1.22 million tonnes in March, a 46% fall compared with January and 40% lower than in February, a 28-day month, according to ship-tracker Kpler.

Supplies have been affected since February 28, when the Iran war began, resulting in maritime traffic through the Strait of Hormuz.

India Inc Seeks Export Ban on Key Inputs, QCO Relief

Kirtika Suneja

New Delhi: Industry has urged the government to consider export ban on key raw materials such as sulphur and helium, temporary relaxation of Quality Control Orders (QCOs) for easier sourcing of raw materials, targeted work from home policy, higher ethanol blending in petrol, and fast track approvals related to imports, to mitigate the impact emanating from the conflict in West Asia.

Industry chamber FICCI has suggested "temporary export curtailment, or even a calibrated export ban" on sulphur and non-essential helium uses until supply conditions stabilise.

There are also suggestions for temporary relaxation or fast-track approvals related to import restrictions, quality certification or

standards requirements for critical raw materials especially for micro, small and medium enterprises to enable them to source supplies from alternate countries. The government is in regular touch with industry and all other stakeholders to ensure timely response, an official said. Industry has been asked to provide real time feedback over any concern related to supplies or inputs that could impact production.

The urgency of the issues arises from the fact that India faces headwinds from elevated inflation, currency volatility, rising import bills, and a widening current account deficit.

FICCI has suggested the government to deploy Indian-flagged vessels from Mundra, Pipavav, and Nhava Sheva as it would provide a reliable shipping alternative for essential goods when international lines suspend services or impose restrictive surcharges.

"To bypass congested and high-risk primary ports, the government should immediately designate and operationalise alternative regional transit hubs, as requested by the dairy and perishable goods industries," the industry chamber said in a representation to the ministries of finance, and commerce and industry. These could be Khorfakkan Port in the UAE, Port of Sohar in Oman, and Jeddah Islamic Port in Saudi Arabia.

