India's diplomatic poise and prudence during West Asia crisis

KARUNA GOPAL

To say that India is walking the global ramp of diplomacy with absolute panache during west Asian crisis is no exaggeration. India's manoeuvres during this geopolitical disruptiondemonstrates her visionary foresight and diplomatic agility. This story has to be documented for posterity.

India's vulnerability — The scale

As the world's third-largest importer of crude oil India's exposure to Middle Eastern volatility is enormous. Almost 45 per cent of India's crude oil, 60 per cent of her natural gas, and over 90 per cent of her LPG imports come from the Middle East. The Strait of Hormuz through which around 20 per cent of the world's oil passes can be called the lifeline of India. If this route were blocked or disrupted, more than 2 million barrels per day of India-bound crude could stop, potentially raising domestic fuel prices sharply.

Apart from oil, the human dimension of this war needs a mention. More than 10 million Indians live and work in the Gulf Cooperation Council countries (GCC) — comprising Saudi Arabia, the UAE, Qatar, Kuwait, Oman, and Bahrain. The UAE has over 3 million Indians. Saudi Arabia has over 2.7 million, Kuwait over 1 million, and Qatar over 800,000. These are not just numbers; they represent families their jobs and biological roots. Indian nationals in Gulf states send almost 40 per cent of the country's inward remittances — UAE, Saudi Arabia, and Qatar stand at 19.2 per cent, 6.7 per cent, 4.1 per cent respectively. India's total bilateral goods trade with GCC countries had expanded to a record, with exports to the GCC rising to about $57 billion in 2024-25, while imports jumped 15.33 per cent to $121.7 billion, making total bilateral trade $178.7 billion, up from $161.82 billion the previous year. The UAE was India's third-largest trading partner in the last financial year.

In this context, for India the closure of the Strait of Hormuz triggered by the Iran conflict was indeed a tremendous shock. As of mid-March 2026, over 1.6 million tonnes of crude oil, 320,000 tonnes of LPG, and 200,000 tonnes of LNG were stalled aboard Indian-flagged vessels awaiting passage.

Relations with Russia — A strategic insurance

Before the West Asia war broke out, India had already taken the most consequential energy stance of her modern history — sought freedom from Middle Eastern oil dependence and pivoted towards Russia. This shift, a result of Russia's invasion of Ukraine in 2022, has paradoxically become India's most important prop against the 2026 crisis.

In 2021, prior to Russia's full-scale invasion of Ukraine, Russian oil constituted around 2.5 per cent of India's total oil imports. After the war began, Europe and the US began placing sanctions on Russian companies. This was to economically isolate Moscow.That's when Moscow turned to Asia — particularly India and China — offering deeply discounted crude. India seized the opportunity. Since 2022, India has become the largest purchaser of Russian crude, with Russian oil rising to around 50 per cent of oil imports by 2025.

In the first half of 2025, Russia supplied India with about 1.75-1.8 million barrels per day, or 35 to 40 per cent of its crude imports. Even as discounts narrowed to about $1-$3 per barrel, the economics worked due to a perfect 'Triangular Trade'. Indian refineries exploited price arbitrage: buying discounted Russian crude, refining it into diesel and jet fuel, and re-exporting these products mostly to Europe, which was always short on diesel after the embargo on Russian refined products. This triangular trade — buying Russian discounts, refining, and selling to Europe — turned India's neutrality into a profitable enterprise.

When the West Asia war struck, this relationship proved highly invaluable. Russian oil supplies to India nearly doubled, reaching 2.25 million barrels per day, while shipments from West Asia slumped 61 per cent to 1.18 million bpd. Russia did compensate for the sudden loss of Gulf supply at a moment of global emergency. In a way, India's ability to purchase this Russian oil was enabled by America. This is where India should be credited for balancing competitive tensions with productive collaboration — what a strategist would call 'Co-opetition'. During this crisis and tariff war ,USA issued a 30-day waiver to allow the sale and delivery of sanctioned Russian oil already loaded on vessels to India, a move designed to prevent a near-term supply disruption stemming from geopolitical tensions in the Middle East.

India was a significant beneficiary of the sanctions waivers, ordering approximately 30 million barrels of oil from Russia after the waiver was implemented.

This reflects the extraordinary diplomatic position India had nurtured — trustedby Washington enough to receive a custom-made sanctions carve-out, while maintaining energy ties with Moscow that Americahad previously sought to restrict.

India's triple tango with rivals — navigating Iran, Israel, and the Gulf

India's strategic and tactical moves are being watched closely by the world —especially her diplomatic balancing act among competing regional powers India's engagement with Israel had been deepening for years before the war. Israel is among India's top three defence suppliers. Bilateral trade, excluding defence, stood at $6.53 billion in FY 2023-24, with India enjoying a trade surplus. Defence cooperation had become a cornerstone of the relationship, with Israeli weapons systems playing a decisive role in India's Operation Sindoor against Pakistan in 2025.

Prime Minister Modi's visit to Israel in February 2026, just days before the US-Israel strikes on Iran, carried obvious strategic significance. The timing strongly suggested India had advance knowledge of, or at minimum was not surprised by, what followed. India's position was further reinforced by the I2U2 multilateral framework — comprising India, Israel, the UAE, and the United States — which had been deepening economic and technological cooperation since 2022 and provided a structural architecture for continued collaboration even as the region caved in.

But what perplexed the world was how India kept Iran in good humour?

Iran was one of the first countries to establish diplomatic relations with India after it became a republic; the two have over 75 years of diplomatic history. Iran once supplied nearly 10 per cent of India's crude oil requirements, and India had invested $120 million in the development of Chabahar Port in southeastern Iran — an important trade route to Afghanistan and Central Asia. India's diplomatic smartness was seen when Indian Foreign Secretary Vikram Misri visited the Iranian Embassy in New Delhi to sign the condolence bookafter the demise of Ayatollah Khamenei. On the energy front, Iran's cooperation was sought and partially obtained.

Iran allowed some Indian vessels to sail through the Strait of Hormuz, after New Delhi gave harbour to three Iranian warships on Tehran's request.

Multiple high-level interactions followed, including at least three conversations between India's External Affairs Minister Jaishankar and his Iranian counterpart Abbas Araghchi, and a telephone conversation between Prime Minister Modi and Iranian President Masoud Pezeshkian on March 12. Two days later two LPG carriers owned by the Shipping Corporation of India successfully crossed the Strait under Indian Navy surveillance.

UAE exits OPEC: India set to gain

UAE exited OPEC on April 28th 2026 and this act frees the UAE from the Cartel rules. It can now produce more oil. The Gulf country holds a capacity of approximately 4.8 million barrels per day and has the ambition to achieve 5 million barrels per day of capacity by 2027.

India and the UAE already share one of the most comprehensive bilateral economic architectures in the region: the Comprehensive Economic Partnership Agreement (CEPA), signed in May 2022. Since the signing of CEPA, bilateral merchandise trade nearly doubled from $43.3 billion in FY 2020-21 to $83.7 billion in 2023-24. India and UAE are now free to work on terms driven by commercial logic rather than cartel discipline. India's decades-old aspiration for long-term, price-stable crude supply agreements with the UAE is very much possible. India is surely on its way to becoming a show stopper on the global diplomatic ramp.

The writer is a Distinguished Fellow, India Foundation Internationally acclaimed Thought Leader and a Futurist Served on the Board of Engineers India Ltd (Union Ministry of Petroleum & Natural Gas)