

GOVERNMENT MEASURES TO MITIGATE IMPACT OF WEST ASIA CONFLICT ON INDIA

From the very first day of West Asia conflict, Indian government commenced to take measures to mitigate the impact of West Asia developments. On 28th February, the Ministry of Civil Aviation (MoCA) reviewed aviation preparedness in view of emerging situation in the Middle East. Since then, several steps have been undertaken to address the impact of disruptions in West Asia on trade, with a focus on safeguarding supply chains, supporting exporters, and ensuring continuity of trade through timely interventions. Proactive measures span from continuous monitoring of fuel supply, exporter facilitation, logistics support, targeted relief measures to safety of Indian nationals in the conflict affected regions.

Last Update: 6th April 2026



Customs Duty Relief to Strengthen Petrochemical-Dependent Industries (2nd April 2026)

The Government of India has introduced a targeted relief measure by granting full customs duty exemption on critical petrochemical products until 30 June 2026, in response to supply disruptions arising from the West Asia conflict. This initiative aims to ensure the continued availability of essential petrochemical inputs, reduce cost pressures, and maintain supply chain stability. Key sectors such as plastics, textiles, pharmaceuticals, chemicals, and automotive components are expected to benefit significantly. By supporting downstream industries and easing input costs, the measure is likely to enhance manufacturing resilience and provide indirect relief to consumers across various segments. (Annexure 01: Detailed list of 40 Products) [Read More](#)

Government notifies Conditional Concessional Customs Duty for SEZ to Domestic Tariff Area sales to boost manufacturing capacity (1st April 2026)

Conditional customs duty concessions have been notified on clearance of goods manufactured in Special Economic Zones (SEZs) to the Domestic Tariff Area (DTA) to improve capacity utilisation of manufacturing units impacted by global trade disruptions. The measure is expected to benefit approximately 1,200 SEZ manufacturing units by enabling economies of scale, reducing costs and enhancing resilience, while preserving the export-oriented nature of SEZs. [Read More](#)

Measures for refining (1st April 2026)

Govt. of India vide order dated 01.04.2026 has permitted Refining companies including Petrochemical Complexes in India to make available certain minimum quantities of C3 & C4 streams for critical sectors like Department of Pharmaceuticals, Department of Food & Public Distribution, Department of Chemicals & Petro Chemicals etc. based on specific quantity and refinery source as determined by the Centre for High Technology (CHT). [Read More](#)

Domestic Fertilizer Production: Stabilization Amid Supply Constraints (30th March 2026)

Gas supply to urea plants has been restored from ~60% to 75–80%, increasing output by 12,000–15,000 tonnes/day and reducing monthly losses to 6–7 LMT. The DoF has also directed refineries to ensure adequate sulphur supply to support domestic production. [Read More](#)

Excise Duty Reduction (Petrol & Diesel) to Support Energy Sector Stability and Consumer Protection (27th March 2026)

The Government of India has reduced excise duty on petrol and diesel by Rs 10 per litre to mitigate the impact of rising global crude prices and ensure stability in the energy sector. While retail prices remain unchanged, the measure helps offset under-recoveries faced by public sector oil marketing companies, enabling uninterrupted fuel supply. By absorbing fiscal pressures, the Government aims to shield consumers and industries from global volatility. Additionally, an export levy on diesel has been introduced to prioritise domestic availability. These measures collectively reinforce supply security, support industry resilience, and maintain price stability. [Read More](#)



Domestic refiners mandated to supply 50% of exported petrol and 30% of exported diesel to the domestic market (27th March 2026)

The Government of India has directed domestic refiners to allocate 50% of exported petrol and 30% of exported diesel to the domestic market to ensure energy security amid global uncertainties. This measure aims to prioritise domestic fuel availability in the face of rising international prices and supply disruptions linked to developments in West Asia. By balancing export incentives with national requirements, the policy supports uninterrupted supply across the country. It also complements broader efforts, including duty adjustments and monitoring mechanisms, to maintain stable fuel distribution, curb volatility, and safeguard the interests of consumers and industry.

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Government notifies Natural Gas and Petroleum Products Distribution Order, 2026, Providing Time-Bound Framework for Nationwide Pipeline Expansion (25th March 2026)

The Government of India has notified the Natural Gas and Petroleum Products Distribution Order, 2026, establishing a streamlined and time-bound framework for the expansion of pipeline infrastructure across the country. This initiative aims to address procedural delays, facilitate easier access to land, and accelerate the development of City Gas Distribution networks. By enhancing last-mile connectivity, the measure supports increased adoption of Piped Natural Gas among domestic, commercial, and institutional users. The policy is expected to strengthen energy security, improve supply efficiency, and promote a gradual transition towards cleaner fuel alternatives, thereby contributing to sustainable growth within the energy sector.

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26 States/UTs have issued allocation orders for non-domestic LPG (25th March 2026)

The issuance of non-domestic LPG allocation orders by 26 States and Union Territories reflects coordinated efforts to ensure equitable and efficient distribution of fuel amid evolving supply conditions. This proactive step supports priority sectors such as hospitality, food processing, and community services, enabling continuity of operations. By aligning with central guidelines, States and UTs are reinforcing supply chain stability while addressing local demand requirements. The measure also complements broader initiatives aimed at preventing shortages, discouraging hoarding, and maintaining transparency. Overall, it contributes to sustaining industrial and commercial activities while ensuring balanced and reliable LPG availability across regions.

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33 States/UTs Setup District Level Monitoring Committee and 32 States/UTs Setup Control Rooms (24th March 2026)

The establishment of District Level Monitoring Committees in 33 States and Union Territories, along with control rooms in 32 States/UTs, reflects a robust and coordinated approach to managing essential commodities during evolving global conditions. These mechanisms enable real-time monitoring, improved coordination, and prompt response to issues related to supply, distribution, and enforcement. They also support efforts to curb hoarding, black marketing, and misinformation through continuous oversight and communication.

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Natural Gas and Petroleum Products Distribution (Through Laying, Building, Operation and Expansion of Pipelines and Other Facilities) Order, 2026 (24th March 2026)

Under the Essential Commodities Act, 1955. The Order provides a streamlined and time-bound framework for laying and expanding pipelines across the country, addressing delays in approvals and access to land, and enabling faster development of natural gas infrastructure, including in residential areas. It is expected to accelerate PNG network growth, enhance last-mile connectivity, and support the transition to cleaner fuels, thereby strengthening energy security and advancing India's gas-based economy.

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Promoting PNG connections (24th March 2026)

City Gas Distribution (CGD) entities have also been advised by Govt. of India to prioritize PNG connections for commercial establishments such as restaurants, hotels and canteens across all their Gas, to address concerns regarding the availability of commercial LPG.

Commercial LPG consumers in major cities and urban areas are encouraged to switch to PNG, and establishments such as hotels, restaurants, hospitals and hostels can obtain PNG connections through authorised City Gas Distribution (CGD) entities. Consumers can apply for PNG connections through email, customer portals, letters or call centres of CGD companies, and connections can be provided quickly where pipeline networks already exist. The Government is expanding the CGD network and PNGRB has advised CGD entities to accelerate deployment of resources, encourage utilisation of existing connections and reduce timelines for supply commencement.

Restoration of RoDTEP rates (23rd March 2026)

Restoration of RoDTEP rates to 100 percent has further supported cost competitiveness and provided confidence to exporting sectors during a period of uncertainty. In parallel, DGFT has launched a nationwide drive for expedited issuance of Export Obligation Discharge Certificates to help unlock working capital and improve liquidity for exporters.

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Relief Resilience and Logistics Intervention for Export Facilitation (19th March 2026)

A major intervention coordinated by the DoC has been the launch of RELIEF, Resilience and Logistics Intervention for Export Facilitation, under the Export Promotion Mission on 19 March 2026 with ECGC as the nodal agency

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BRICS Consultations on West Asia Situation for Coordinated Global Response (14th March 2026)

India, in its capacity as BRICS Chair, is facilitating ongoing consultations among member countries to develop a common position on the evolving situation in West Asia. These discussions are being conducted through the Sherpa channel, reflecting a structured and diplomatic approach to addressing shared concerns. Given the involvement of certain member nations in the region, sustained engagement and dialogue remain essential. India continues to coordinate closely with partners, including Russia, through high-level diplomatic interactions.

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Temporary use of biomass/RDF pellets in place of natural gas by industries, hotels and restaurants (13th March 2026)

CAQM order dated 13.03.2026 permits temporary use of biomass/RDF pellets in place of natural gas by industries, hotels and restaurants in NCR for one month; coal or kerosene may be used where alternatives are unavailable. Rationalisation measures include increasing LPG booking intervals (25 days in urban areas and up to 45 days in rural areas). An additional 48,000 KL of kerosene has been allocated to States/UTs and alternate fuels like kerosene and coal are being used to reduce pressure on LPG in the hospitality sector.

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Natural Gas Control Order to Safeguard Priority Sectors (9th March 2026)

The Government of India issued a Natural Gas Control Order on 9 March 2026 under the Essential Commodities Act to ensure effective management of gas supplies amid evolving global conditions. The measure aims to prioritise allocation for essential sectors, including households, transport, and key industries, thereby maintaining supply stability. By enabling structured distribution and oversight, the order supports uninterrupted availability while addressing potential imbalances in demand and supply. This initiative reflects a proactive approach to energy governance, reinforcing resilience in the natural gas ecosystem and safeguarding the interests of critical sectors and consumers across the country.

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Enhancing Domestic LPG Production to Strengthen Supply Resilience (8th March 2026)

On 8 March 2026, the Government of India directed refineries and petrochemical complexes to maximise LPG production by diverting key hydrocarbon streams, including propane, butane, propylene, and butenes, into the LPG pool. This strategic intervention aimed to augment domestic availability amid supply disruptions linked to global developments. As a result, domestic LPG production witnessed a notable increase, with output being prioritised for household consumption. The measure reflects a proactive approach to demand management and supply augmentation, reinforcing energy security while ensuring continued access to essential cooking fuel for consumers across the country.

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DGFT Extends Export Obligation Period for Advance Authorisations & EPCG Authorisations till August 31,2026 (7th March 2026)

Through Public Notice No. 51/2025-206 issued on March 06, 2026, DGFT has provided for automatic extension of the Export Obligation (EO) period or Block-wise EO fulfilment period up to August 31, 2026, for specified Advance Authorisations and Export Promotion Capital Goods (EPCG) Authorisations where the EO period is expiring between March 01, 2026, and May 31, 2026.

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Measures Activated to Safeguard Indian Seafarers, Vessels and Ensure Continuity of Maritime Trade and Major Ports Directed to Assist Trade Operations and Provide Relief to Exporters (6th March 2026)

MoPSW is actively coordinating with the shipping industry and a 24-hour helpline has been established at the Directorate General of Shipping (DGS) to facilitate coordination and support seafarers. A monitoring mechanism has also been established at MoPSW to continuously track developments.

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Diversified Crude and Petroleum procurement; 24×7 Control Room Monitoring Supply Position (3rd March 2026)

The Ministry has established a 24×7 Control Room to continuously monitor the supply and stock position of petroleum products across the country.

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A dedicated West Asia Crisis Desk has been operationalised (3rd March 2026)

The Government of India has operationalised a dedicated West Asia Crisis Desk to provide timely support and coordination in response to disruptions arising from the ongoing situation in the region. Equipped with a toll-free helpline and an email-based grievance redressal mechanism, the desk facilitates real-time assistance to exporters and stakeholders facing logistical and supply chain challenges. It works in conjunction with inter-ministerial efforts and industry engagement to address bottlenecks, ensure smoother cargo movement, and maintain trade continuity. This initiative reflects a structured and responsive approach to safeguarding commercial interests and strengthening resilience in external trade operations.

Measures to Support Trade and Exporters (2nd March 2026)

On 2 March 2026, the Department of Commerce constituted an Inter-Ministerial Group (IMG) to monitor developments arising from the West Asia situation and to coordinate necessary interventions.

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MoCA Reviews Aviation Preparedness in View of Emerging Situation in the Middle East (28th February 2026)

A high-level meeting through a video conference was convened with Secretary, Ministry of Civil Aviation and other senior officials of the Ministry, the Airports Authority of India (AAI), the Directorate General of Civil Aviation (DGCA), airline operators, and major airport operators across the country. The review focused on ensuring passenger safety, operational continuity and real-time coordination in light of multiple airspace restrictions and NOTAMs issued in parts of the region.

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Annexure 01: Detailed list of 40 Products

S.No.	CTH	Description of goods
1.	2814 10 00	Anhydrous ammonia
2.	2902 30 00	Toluene
3.	2902 50 00	Styrene
4.	2903 12 00	Dichloromethane (methylene chloride)
5.	2903 21 00	Vinyl chloride monomer
6.	2905 11 00	Methanol (methyl alcohol)
7.	2905 12 20	Isopropyl alcohol
8.	2905 31 00	Monoethylene Glycol (MEG)
9.	2907 11 10	Phenol
10.	2915 21 00	Acetic acid
11.	2915 32 00	Vinyl acetate monomer
12.	2917 36 00	Purified Terephthalic Acid (PTA)
13.	2921 21 00	Ethylenediamine
14.	2922 11 10, 2922 11 90, 2922 12 00	Di Ethanolamine and Mono Ethanolamine
15.	2929 10 20	Toluene di-isocyanate
16.	3102 30 00	Ammonium nitrate
17.	3817 00 11	Linear alkylbenzenes
18.	3901	Polymers of ethylene (including Ethylene-vinyl acetate)
19.	3902 10 00, 3902 30 00, 3902 90 00	Polypropylene
20.	3903 11 00, 3903 19 10, 3903 19 90	Polystyrene
21.	3903 20 00	Styrene-acrylonitrile (SAN)
22.	3903 30 00	Acrylonitrile-butadiene-styrene (ABS)
23.	3904 10 10, 3904 10 20, 3904 10 90	Polyvinyl Chloride (PVC)
24.	3904 61 00	Polytetrafluoroethylene
25.	3905 12, 3905 19	Polyvinyl acetate
26.	3905 30 00	Polyvinyl alcohol
27.	3906 10 10, 3906 10 90	Poly (methyl methacrylate)
28.	3907 10 00	Polyoxymethylene (POM- acetal)
29.	3907 29	Polyols
30.	3907 29 90	Polyether Ether Ketone (PEEK)
31.	3907 30 10	Epoxy resins
32.	3907 40 00	Polycarbonates
33.	3907 50 00	Alkyd resins
34.	3907 61, 3907 69	Poly ethylene terephthalate (PET) Chips
35.	3907 91 20	Unsaturated polyester resins
36.	3907 91 50	Poly butylene terephthalate
37.	2912 11 00, 3909 10 10, 3909 20 10, 3909 40 20	Formaldehyde, Urea formaldehyde, Melamine formaldehyde, Phenol formaldehyde
38.	3909 50 00	Polyurethanes

39.	3911 90 90	Polyphenylene sulphide (PPS)
40.	4002	Poly butadiene, Styrene butadiene

Annexure 02: India's Trade with Major West Asian Countries (FY 2024–25)

**Values in USD Billion*

Country	Imports	Exports	Total Trade
United Arab Emirates	63.403	36.638	100.041
Saudi Arabia	30.121	11.757	41.878
Qatar	12.464	1.682	14.146
Oman	6.549	4.065	10.614
Kuwait	8.286	1.935	10.221
Israel	1.481	2.145	3.626
Iran	0.442	1.241	1.683
Bahrain	0.843	0.797	1.640
Total	123.589	60.260	183.849

Source: Ministry of Commerce and Industry

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