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Economic Hazards and Threats to Indian Ports on POL Handling

Narmadha S
School of Commerce,
Stella Mary's College
Madras University, Chennai, Tamilnadu

***Abstract* – This paper examines the economic hazards and financial threats faced by Indian ports engaged in Petroleum, Oil and Lubricants (POL) handling during and after the 2026 Iran–Israel–US war and the resulting closure and contested reopening of the Strait of Hormuz (28 February–20 June 2026, with intermittent renewed closures thereafter). Drawing on government press releases, central bank and ministry data, international energy agency reporting, and Indian equity- and currency-market data, the paper quantifies the channels through which the conflict transmitted economic shocks to Indian port-based petroleum logistics: crude price escalation, war-risk insurance inflation, freight-rate spikes, port congestion, rupee depreciation, capital outflows, and fiscal strain on oil marketing companies (OMCs). The analysis finds that although India's structural diversification away from Gulf-origin crude (reducing Hormuz-linked exposure from roughly 55% to approximately 70% sourced outside the Strait) cushioned physical supply disruption, it did not insulate the country from price-channel and freight-channel shocks. Brent crude rose from approximately $69–72/barrel in February 2026 to a peak near $113–119/barrel in March 2026, India's crude basket peaked at $113.57/barrel, war-risk insurance premiums for very large crude carriers (VLCCs) rose 300–400%, and Indian benchmark equity indices shed over ₹40 lakh crore in market capitalisation within four weeks. The paper concludes with a hazard-mapping framework for Indian POL-handling ports and policy recommendations for strategic reserve management, insurance-pool mechanisms, and freight-cost mitigation.**

***Keywords* - Strait of Hormuz; POL handling; Indian ports; crude oil price shock; war-risk insurance; VLCC freight rates; current account deficit; oil marketing companies; energy security; maritime chokepoint risk**

I. INTRODUCTION

Petroleum, Oil and Lubricants (POL) cargo constitutes the single largest commodity category handled at Indian major ports by volume, with POL terminals at Vadinar, Sikka, Kandla, Jamnagar (captive), Mundra, Paradip, Visakhapatnam, Mumbai/JNPT and Chennai forming the backbone of India's crude-import and refined-product logistics chain. Because India imports the overwhelming majority of its crude oil requirement and a large share of that crude historically transited the Strait of Hormuz, any disruption to the Strait constitutes a direct hazard to port-based POL handling: it raises landed cost, lengthens or reroutes voyages, inflates insurance and freight, increases tanker waiting times and demurrage, and creates discontinuities in throughput that cascade into refinery utilisation, retail fuel supply, and macro-financial indicators.

The 2026 Iran–Israel–US war began on 28 February 2026 with coordinated US–Israeli strikes on Iran ("Operation Epic Fury"), which killed Supreme Leader Ali Khamenei and triggered Iranian missile and drone retaliation against Israel, US bases in the Gulf, and Gulf Arab states. Iran declared the Strait of Hormuz "closed" from 4 March 2026 and the Islamic Revolutionary Guard Corps Navy (IRGCN) subsequently mined sections of the Strait, attacked merchant vessels, and turned back tankers, including vessels carrying India-bound cargo. A US naval blockade of Iranian ports operated in parallel from 13 April to 29 May 2026, producing what analysts term a "dual blockade" of the Gulf. A US–Iran memorandum of understanding signed on 17 June 2026 nominally ended the war and provided for reopening of the Strait, but Iran's military command re-declared closure on 20 June amid continued Israeli strikes in Lebanon, illustrating the fragility of the post-war transit regime even after the formal ceasefire.

This paper asks: what were the principal economic hazards transmitted to Indian ports and POL-handling infrastructure through this crisis, and what do the realised financial data show about their magnitude? Section 2 sets out methodology and data sources. Section 3 establishes the baseline exposure of Indian ports to Hormuz-linked POL flows. Section 4 presents the financial and operational impact data during the active conflict. Section 5 analyses the post-conflict and recurring-closure phase. Section 6 develops a hazard taxonomy specific to Indian port POL handling. Section 7 discusses policy implications, and Section 8 concludes.

II. METHODOLOGY AND DATA SOURCES

This is a desk-based, data-driven analytical paper rather than a primary-data econometric study. It synthesises publicly disclosed figures from four categories of source, triangulated wherever more than one source reported a comparable metric:

- Government and statutory sources: Press Information Bureau (PIB) releases from the Ministry of Petroleum & Natural Gas and Ministry of Shipping/Directorate General of Shipping; Petroleum Planning & Analysis Cell (PPAC) basket pricing; RBI-linked rupee data reported in financial press.

- Multilateral and energy-agency sources: International Energy Agency (IEA) Oil Market Report (12 March 2026); UNCTAD's "Strait of Hormuz Disruptions: Implications for Global Trade and Development" (March 2026); UK House of Commons Library briefing on the conflict.
- Financial-market sources: Business Standard, Business Today, and Upstox/brokerage research on Sensex, Nifty, rupee (USD/INR), FII flows, and 10-year G-Sec yields during March–June 2026; Xeneta and Linerlytica freight-rate and port-congestion data; Baltic Exchange tanker indices.
- Trade and shipping intelligence: Kpler vessel-tracking data on crude import volumes; MarineTraffic and UKMTO incident reporting; Wikipedia's continuously updated and well-cited "2026 Strait of Hormuz crisis" and "2026 Iran war" entries, used for chronology cross-verification; Operation Urja Suraksha (Indian Navy) reporting on vessel-specific outcomes at Indian ports.

Limitations: official Indian port-authority-level financial disclosures (e.g., port-wise revenue loss, demurrage cost, or terminal-specific throughput decline) were not available in the public domain in granular form at the time of writing; the paper therefore relies on national-aggregate and company-level (OMC) data as the closest available proxies for port-level economic hazard, supplemented by vessel-specific case evidence (e.g., named tankers turned back, seized, or escorted) as qualitative corroboration of throughput disruption at named ports including Kandla, Mundra, Paradip, Mumbai and Visakhapatnam. All monetary figures are reported as disclosed in source material, with currency and base period noted.

III. BASELINE EXPOSURE: INDIAN POL-HANDLING PORTS AND THE STRAIT OF HORMUZ

1. Structural Dependence Before the War

India is the world's third-largest oil consumer and importer, consuming approximately 5.5 million barrels per day (mbd) of crude and importing 85–89% of its requirement. Prior to the 2026 conflict, the Strait of Hormuz accounted for approximately 41–45% of India's crude oil imports, 55% of LNG imports, and 88–90% of LPG imports during the first nine months of FY2026; in January 2026 the Hormuz-linked share of crude imports had risen sharply to 53%, up from 41–42% in prior years, as Indian refiners increased Gulf purchases ahead of the crisis. The IEA's principal-buyer breakdown places India as the second-largest destination for Hormuz-transiting crude and condensate at roughly 14–14.7% of global flows (2.1 mbd), behind China (37–38%) and ahead of South Korea (12%) and Japan (10.9%) — meaning India and China together absorbed over half of all Strait-transiting volumes, and any closure event was structurally certain to be Asia-centric in its impact, with India among the two most exposed economies globally.

2. The Port-Level POL Handling Network

Indian POL throughput is geographically concentrated at a small number of west-coast deep-water terminals best positioned for Gulf-origin crude: Vadinar and Sikka (Gujarat, serving Reliance and Nayara refineries), Kandla and Mundra (Gujarat, mixed crude/LPG/container), Jamnagar (captive Reliance/BPCL refinery jetties), and Mumbai/JNPT. East-coast terminals — Paradip (Odisha, IOCL) and Visakhapatnam (HPCL) — receive crude routed around the Cape or via longer eastward Gulf-of-Oman transits and were the principal beneficiaries of rerouted, Navy-escorted cargo during the crisis. Because Gulf crude bound for Indian state refiners is procured predominantly on a loading basis (i.e., the Indian buyer arranges and bears the cost of shipping rather than buying delivered), any increase in freight or war-risk insurance cost falls directly and immediately on Indian importers and, transitively, on the economics of the receiving port terminal — a structural feature that made Indian POL handling unusually sensitive to the freight-and-insurance channel of the crisis, as distinct from the pure commodity-price channel.

3. Pre-War Diversification Already in Progress

Some mitigation was already underway before February 2026. Russian crude, which became a significant part of India's import mix after 2022, accounted for roughly one-third of imports through the 2024–2026 period, providing a non-Hormuz-dependent supply line into west-coast ports. Indian refiners had also been increasing purchases from West Africa and Latin America. This pre-existing diversification is the principal reason the crisis became, for India, predominantly a price-and-freight shock rather than a volumetric supply collapse — but it did not eliminate exposure, because global benchmark pricing (Brent) and Gulf-linked freight markets are set globally regardless of which specific barrels a given port terminal physically receives.

IV. FINANCIAL AND OPERATIONAL IMPACT DURING THE CONFLICT (28 FEBRUARY – 17 JUNE 2026)

1. Crude Price Escalation

Brent crude rose from approximately $69–72/barrel immediately before the war to a peak estimated in the $113–119/barrel range during March 2026 — a rise of roughly 45% within four weeks of the war's outbreak, with some estimates citing a near-70% peak move from the pre-war base. India's own PPAC-tracked crude basket — the blended price actually paid by Indian refiners — peaked at $113.57/barrel in March 2026, up 72% from the January 2026 level. The financial sensitivity is material at the

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macro level: MUFG Research estimated that every $10/barrel increase in oil prices widens India's current account deficit (CAD) by 0.4–0.5% of GDP, and separately that it adds $12–14 billion to India's annual import bill. At a sustained $100/barrel, India's CAD was projected to move toward 3% of GDP, versus a pre-war baseline forecast near 1.5%.

Table 1. Price, currency and risk-premium escalation during the active conflict phase. Sources: PPAC; MUFG Research; Business Standard; Upstox Research; industry shipping estimates, March 2026.

Indicator	Pre-War Baseline (Feb 2026)	Peak During Conflict	Change
Brent crude (US$/bbl)	≈ $69–72	≈ $113–119 (March 2026)	+45% to ~70%
India crude basket (US$/bbl, PPAC)	≈ $66 (Jan 2026)	$113.57 (March 2026)	+72%
USD/INR exchange rate	≈ ₹87–88	₹92.45 (record low, March)	Rupee weakened
India 10-yr G-Sec yield	6.6% (Feb 2026)	≈ 6.9% (March 2026)	+30 bps
VLCC war-risk insurance (per voyage)	≈ $250,000	≈ $1,000,000 (premiums +300–400%)	3–4x increase

2. Equity Market and Capital Flow Impact

Indian equity markets registered an immediate and sustained negative reaction. On 4 March 2026 (the fifth day of the war), the BSE Sensex fell 1,745.59 points (2.17%) intraday to a low of 78,486.51, while the Nifty 50 slipped 531 points (2.13%) to 24,334.85; mid-cap and small-cap indices each fell roughly 1.5% in sympathy. Four weeks into the war (28 February–28 March 2026), the Nifty and Sensex were down more than 9% cumulatively, erasing over ₹40 lakh crore (≈ $480 billion at contemporaneous exchange rates) in market capitalisation. Sectoral dispersion was significant: the Nifty Bank index fell 13.6% and the Nifty PSU Bank index fell 16% over the same four-week window, driven by rising bond yields eroding the value of banks' government securities holdings. Foreign institutional investors (FIIs) sold Indian equities worth ₹1.11 lakh crore in March 2026 alone, and cumulative foreign outflows reached ₹1.61 lakh crore by 45 days into the conflict, partly offset by strong domestic mutual-fund (DII) buying that allowed the indices to recover to within roughly 3% of pre-war levels by 20 April 2026, notwithstanding the fragility of the ceasefire then in place.

3. Shipping, Freight and Insurance Cost Escalation

The IEA reported that VLCC freight rates rose to over six times their five-year average in the weeks following 28 February 2026, with knock-on increases across other tanker segments. The Baltic Exchange Dirty Tanker Index spiked 84% and the Clean Tanker Index 92% during the same period; Singapore bunker fuel prices doubled. War-risk insurance for a single VLCC voyage rose from approximately $250,000 to as much as $1,000,000 — a 300–400% premium increase — directly inflating the landed cost of crude arriving at Indian west-coast POL terminals procured on a loading basis.

Port-level congestion effects were concentrated at India's principal container/crude gateways. Xeneta data showed Nhava Sheva (JNPT) and Mundra both reaching congestion ratios of 66.7% — defined as vessels waiting to berth divided by vessels already docked — exceeding comparable transshipment hubs such as Colombo (47.6%), Port Klang (54.3%) and Tanjung Pelepas (52%). Spot freight rates from China to Nhava Sheva rose nearly 70% over a single month as shippers rerouted cargo toward Indian ports perceived as safer than Gulf-adjacent alternatives, even as the underlying Hormuz disruption simultaneously raised the cost of the crude and LPG cargo those same ports needed to receive from the opposite direction.

Table 2. Freight, insurance and port-congestion indicators affecting Indian POL and container gateways. Sources: IEA Oil Market Report (12 Mar 2026); Baltic Exchange; Xeneta; Sourcing Journal, 23 March 2026.

Shipping/Freight Metric	Reported Change	Period
VLCC freight rates	Risen to >6x five-year average	From 28 Feb 2026
Baltic Dirty Tanker Index	+84%	March 2026
Baltic Clean Tanker Index	+92%	March 2026
Singapore bunker fuel price	Doubled	March 2026
Nhava Sheva (JNPT) congestion ratio	66.7%	March 2026
Mundra Port congestion ratio	66.7%	March 2026
China–Nhava Sheva spot freight	≈ +70%	1-month window, March 2026

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4. Vessel-Specific Disruption at Named Indian Ports

Beyond aggregate indices, vessel-level incidents provide direct evidence of port-bound POL cargo disruption. The container ship MSC Francesca, bound for Mundra Port, was seized by IRGC forces. The VLCC Sanmar Herald and bulk carrier Jag Arnav were fired upon by IRGC gunboats near Larak Island on 18 April 2026 despite holding valid Iranian-issued transit clearance, forcing both to turn back. A Russian tanker, MT Unity, was seized at Paradip port after unloading bunker oil for IOCL, over a customs-duty payment dispute. Conversely, successful Navy-escorted transits under Operation Urja Suraksha delivered cargo to Indian ports during the crisis: the LPG carrier Jag Vikram (20,400 tonnes, 24 crew) reached Mumbai on 11 April 2026 under escort; LPG carriers BW Tyr and BW Elm, carrying a combined 94,000 tonnes, reached Mumbai, Mundra and Kandla; the tanker Symi delivered 20,000 tonnes of LNG/CNG-linked cargo to Kandla on 16 May; and the crude tanker Nissos Keros, carrying 270,000 tonnes from the UAE's Das refinery for Hindustan Petroleum, was expected at Visakhapatnam on 3 June 2026 after departing the Gulf on 25 May. At the height of the crisis, Indian authorities tracked 41 priority vessels carrying cargo deemed critical to national welfare, while globally an estimated 500,000 containers were stranded and 20,000 seafarers were reported trapped in the broader Gulf shipping system.

5. Impact on Oil Marketing Companies (OMCs) and Domestic Fuel Supply

State-owned oil marketing companies (IOCL, BPCL, HPCL) absorbed the price shock at the refining-to-retail interface because pump prices for petrol and diesel were held flat for political and social-stability reasons throughout the acute phase. This produced a paradox: elevated refining cracks (the spread between crude cost and product price) would normally benefit refiners, but frozen retail prices meant OMCs absorbed the entire spread compression instead of passing it through. Industry sources reported that state-owned fuel retailers booked quarterly losses in one quarter equal to the profit earned across the entire prior year. OMCs had entered the crisis with balance-sheet buffers built during FY2024–FY2026 low-oil-price years — IOCL's nine-month FY2026 EBITDA exceeded all prior years except FY2024, and BPCL's net debt-to-equity ratio had fallen to 0.06 — but these buffers were reported to be eroding rapidly under the strain of sustained $100+ crude with frozen retail prices.

On the LPG side — overwhelmingly Gulf-sourced and routed through Hormuz (80–90% of supply, meeting over 60% of total domestic LPG demand) — the disruption produced direct consumer-facing effects: domestic cylinder prices rose by approximately ₹60 in Delhi (to ₹913), commercial cylinder prices rose ₹114–115, supply irregularities were reported in Mumbai, Bengaluru and Kolkata, and the government imposed a 25-day inter-booking restriction to curb hoarding. The government invoked the Essential Commodities Act on 8–9 March 2026, issuing a Natural Gas Control Order and directing refineries to maximise LPG output by diverting propane, butane, propylene and butene streams into the domestic LPG pool — raising domestic LPG production by approximately 25%, directed entirely to household consumers, with commercial users (hotels, restaurants) facing prioritised but reduced allocation.

6. Fiscal Response

On 27 March 2026, the Government of India cut excise duty on petrol and diesel by ₹10 per litre, providing direct margin relief to OMCs at the cost of forgone central revenue, rather than passing the international price increase to consumers — a policy choice that shifted the fiscal burden of the Hormuz shock from households to the exchequer. Analysts warned that if the conflict extended past mid-2026, a retail price increase of ₹8–15 per litre would become "near-inevitable," as the excise-cut-and-OMC-absorption strategy was not sustainable indefinitely against a widening fiscal deficit.

V. THE FRAGILE REOPENING AND RECURRING CLOSURE RISK (JUNE 2026 ONWARD)

1. The Islamabad Memorandum and Initial Relief

Following the Pakistan-mediated Islamabad Memorandum of Understanding signed by Presidents Trump and Pezeshkian on 17 June 2026, Brent crude fell roughly 4% to around $84/barrel on the announcement that the US would authorise "toll-free" reopening of the Strait and lift its naval blockade of Iranian ports. Indian commentary noted that a durable reopening would ease the import bill, support the rupee, narrow the CAD, and allow OMCs to recover margin — and that aviation, petrochemicals, fertiliser, shipping/logistics and food-manufacturing sectors stood to benefit most directly from normalised freight and crude pricing.

2. Renewed Closure and the Limits of the Ceasefire

The relief proved short-lived and illustrates a critical hazard for port-based planning: formal diplomatic settlement did not translate into a stable transit regime. On 20 June 2026, Iran's IRGC military command re-declared the Strait "closed to all vessel traffic," citing continued Israeli strikes in Lebanon as a breach of the MOU, even as Iran's own foreign ministry simultaneously told domestic media that shipping was "operating normally" — a split-signal pattern in which the military and diplomatic arms of the Iranian state issued contradictory status statements within hours of each other. US Vice President Vance stated on 20 June that "the straits really are open," and US CENTCOM reported 55 ship transits on 21 June, even as the central channel remained mined and the military closure declaration remained formally in force. This pattern — simultaneous, contradictory open/closed signalling from different arms of the same government — represents a distinct and underappreciated hazard category

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for port and shipping risk management: it means insurance underwriters, charterers, and port schedulers cannot rely on a single authoritative status signal, and must price risk against the more conservative (closed) signal even when commercial traffic is, in practice, partially flowing.

3. Implications for Indian Refiners' Procurement Behaviour

Vessel-tracking data compiled by Kpler showed that India's imports of West Asian crude during Q2 2026 fell to their lowest recorded level since at least 2013 — a decade-plus low spanning multiple prior sanctions cycles and price crashes. Even after the nominal reopening, Indian state refiners approached resumption of Gulf-origin, loading-basis crude purchases with what industry reporting termed "measured deliberation rather than enthusiasm," for two compounding reasons. First, the interim nature of any ceasefire (one liable to unravel within 30–60 days, as proved correct on 20 June) made committing to loading-basis purchases requiring vessel deployment and freight contracting commercially risky. Second, and counter-intuitively, the ceasefire itself was expected to create a freight-cost problem: a rush by global buyers to secure tankers in anticipation of resumed Gulf flows was expected to push VLCC charter rates higher in the near term, meaning the economics of West Asian crude could deteriorate, not improve, immediately after a ceasefire announcement — a structural feature that complicates simple before/after impact assessment of the crisis on Indian port-based procurement economics.

4. Technical Delegations and Verification Risk

US and Iranian technical delegations began negotiations in Switzerland on implementation details of the 17 June MOU, including uranium stockpile management and IAEA verification — issues unrelated to shipping on their face but material to Indian port planning because the durability of the broader nuclear settlement is what underlies the durability of the shipping reopening. For Indian POL terminal operators and refiners, this means transit-risk assessment cannot be decoupled from the unrelated nuclear-verification track of the peace process.

VI. A HAZARD TAXONOMY FOR INDIAN POL-HANDLING PORTS

Synthesising Sections 4 and 5, the economic hazards transmitted to Indian POL-handling ports during the 2026 crisis can be organised into six channels, summarised in Table 3.

Table 3. Six-channel hazard taxonomy for Indian POL-handling port economics, 2026 Hormuz crisis.

Hazard Channel	Mechanism	Illustrative 2026 Data Point
1. Commodity price shock	Global benchmark (Brent) repricing raises landed cost regardless of physical sourcing route	Brent +45–70%; India crude basket $113.57/bbl peak
2. Freight/charter cost shock	Loading-basis procurement exposes Indian buyers directly to VLCC charter market spikes	VLCC rates >6x five-year average
3. War-risk insurance shock	Underwriters reprice Gulf transit risk almost immediately on outbreak of hostilities	VLCC voyage premium $250k → $1,000,000
4. Port congestion / throughput delay	Rerouted global shipping concentrates at perceived-safe Indian gateways, straining berth capacity	JNPT & Mundra congestion ratio 66.7%
5. Currency / capital-flow shock	Wider CAD and FII outflows weaken INR, raising rupee cost of dollar-denominated crude and freight	INR to record low ₹92.45/USD; ₹1.61 lakh crore FII outflow
6. Signal-reliability / status-ambiguity risk	Contradictory open/closed declarations from military vs. diplomatic state organs prevent stable risk pricing	20 June 2026: IRGC "closed" vs. Foreign Ministry "normal" same day

A key analytical finding is that channels 1, 2 and 3 (price, freight, insurance) operated even where physical volumetric supply was diversified away from Hormuz — meaning India's 15-year diversification strategy (40% Hormuz dependence pre-war, reduced toward 30% during the crisis via the ~70%-outside-Hormuz sourcing shift) mitigated hazard channel exposure for volume security but provided materially less protection against price, freight and insurance channels, which are set in global, not bilateral, markets. This distinction — between volumetric security and price/cost security — is the central economic lesson of the case for Indian port and refinery financial planning.

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VII. POLICY IMPLICATIONS FOR INDIAN PORT AND ENERGY-SECURITY PLANNING

1. Strategic Petroleum Reserve Calibration

India's strategic petroleum reserve (39.1 million barrels of underground storage capacity, alongside over 107 million barrels of refinery-held commercial crude stock at end-February 2026) provided a buffer materially smaller than China's (120 days of net seaborne import cover) or Japan's. The crisis evidences a case for expanding strategic reserve capacity specifically calibrated to a multi-month port-throughput disruption scenario of the kind experienced in March–June 2026, rather than the shorter-duration disruptions reserve policy has historically targeted.

2. Freight and Insurance Pooling Mechanisms

Because loading-basis procurement transmits freight and war-risk insurance volatility directly to Indian importers, a sovereign or OMC-consortium-backed freight/insurance pooling or reinsurance-backstop mechanism for Gulf-transiting, India-bound POL cargo would reduce the volatility transmitted to port-terminal economics during acute crises, smoothing the kind of 3–4x insurance spikes observed in March 2026.

3. East-Coast Terminal Capacity and Navy Escort Capability

The crisis demonstrated the value of east-coast terminals (Paradip, Visakhapatnam) as receiving points for Navy-escorted, longer-route cargo under Operation Urja Suraksha, and of standing naval escort capability as a partial substitute for insurance-market-priced risk transfer. Continued investment in east-coast POL receiving capacity and in sustained naval escort readiness reduces dependence on commercial insurance markets during acute Hormuz-adjacent crises.

4. Demand-Side and Structural Hedges

The crisis strengthened the policy case for accelerating electrification of transport, ethanol blending, and renewable power generation — not as a substitute for crude in the near term, but as a structural reducer of the economy's aggregate exposure to the oil-price and freight channels identified in Section 6, given that India's reliance on domestic coal for roughly 75% of electricity generation already provided meaningful insulation in the power sector specifically, a pattern worth deliberately extending to transport fuel demand over the medium term.

VIII. CONCLUSION

The 2026 Iran–Israel–US war and the associated Strait of Hormuz crisis constituted, by IEA's characterisation, the largest supply disruption in the history of the global oil market, and a direct, quantifiable hazard event for Indian POL-handling ports. The financial record assembled in this paper — a 45–70% Brent price spike, a $113.57/barrel India crude-basket peak, VLCC insurance premiums rising 300–400%, freight rates exceeding six times their five-year average, port congestion ratios reaching 66.7% at India's principal west-coast gateways, a record-low rupee, and over ₹40 lakh crore in equity market-capitalisation loss within four weeks — demonstrates that India's prior diversification strategy, while successful in protecting physical crude availability, left the country's port-based POL logistics chain substantially exposed to price, freight, insurance and signal-ambiguity hazards that are set in global markets rather than determined by sourcing geography. The recurrence of Strait closure declarations even after the formal 17 June 2026 ceasefire — and the contradictory military/diplomatic signalling observed on 20 June — indicates that Indian port and refinery risk management must plan for a sustained regime of intermittent, partially-overlapping closure risk rather than treating the crisis as a single bounded event. The hazard taxonomy and policy recommendations developed here are offered as a framework for that ongoing planning task.

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