

Future Fund urged to dump \$175m from Russian ‘blood oil’ refiner



Michael Read *Foreign affairs and defence correspondent, Financial Review, 26 November 2025*

The Future Fund has invested \$175.4 million in a controversial Indian conglomerate that has made billions refining and exporting sanctioned Russian oil, sparking calls for the sovereign wealth fund to sell its shares.

The fund’s latest disclosures show the value of its stake in India’s Reliance Industries rose by \$19 million in the first half of the year, even as it trimmed its holdings.

Reliance Industries, owned by Asia’s richest person, Mukesh Ambani, has become one of the world’s biggest buyers of Russian crude since Western governments – including Australia – banned direct purchases after Moscow’s invasion of Ukraine.

The company has bought at least \$US33 billion (\$51 billion) worth of Russian oil since the war began – about 8 per cent of Russia’s total crude sales, according to an investigation by *The Washington Post*, prompting accusations from the Ukrainian community that it has helped fund Vladimir Putin’s invasion.

Independent MP Andrew Wilkie said many Australians would be appalled to learn that the Future Fund was heavily invested in an Indian company that was facilitating and profiting from Russian blood oil.

“That they do so makes a mockery of the Fund’s divestment of Russian companies since the invasion of Ukraine in 2022, because in effect there’s little difference between those Russian companies and Reliance Industries,” Wilkie said.

“So too Australian super funds need to offload their Reliance investments, and indeed investments in any company facilitating Russia’s war in Ukraine, because such

investments are inherently wrong and completely out of step with community expectations.”

The Future Fund’s \$175.4 million holding in Reliance Industries is its 76th largest listed sharemarket investment out of its 2500 disclosed holdings.

Because the \$261 billion Future Fund’s cash earnings flow through to the budget and the fund is counted as an asset, the gains directly benefit the federal government’s bottom line.

The sovereign wealth fund has in the past [divested from controversial holdings](#), including a slew of Chinese companies identified in 2024 as having links to the People’s Liberation Army or alleged human rights abuses, as well as \$200 million of Russian investments following Vladimir Putin’s invasion of Ukraine.

Andrew Mencinsky, the president of the Ukrainian Council of NSW, said the Future Fund has a responsibility to align its investments with the nation’s values.

“It is unacceptable for it to support a company that continues to do business with Russia, thereby financing the Kremlin’s war machine and enabling its genocidal war against Ukraine,” Mencinsky said.

Reliance Industries is India’s biggest publicly listed company and is included in major global indices such as the MSCI Emerging Markets index that the Future Fund, super funds and other funds invest in through their passive portfolios.

The Australian Financial Review [revealed on Monday](#) that Australia’s four largest super funds – AustralianSuper, Australian Retirement Trust, UniSuper and Aware Super – have invested nearly \$110 million in Reliance Industries, triggering calls for the funds to sell down their shareholdings.

Smaller funds collectively own another \$161 million in Reliance Industries shares, according to their disclosures, with industry fund Hostplus holding \$78.9 million in stock – more than any other fund. Hostplus did not respond to a request for comment.

The investments have paid off for both the Future Fund and the \$4.3 trillion superannuation sector. Reliance Industries’ share price has surged 60 per cent over the past five years and by 20 per cent over the past 12 months, as the refiner has purchased discount Russian oil, refined it, and then sold it back to the world market.

Treasurer Jim Chalmers in November 2024 announced a new investment mandate for the Future Fund, directing it to prioritise investments in the national economic interest, including housing, renewable energy and infrastructure.

“It’s not about exclusions. It’s about the positive investments that the Future Fund can continue to make in our national economic prosperity and security,” Chalmers said at the time.

Asked whether the investment in Reliance Industries was in Australia's national interest, a spokeswoman for Finance Minister Katy Gallagher said the Future Fund was responsible for its investment decisions.

"They are expected to comply with all relevant legal obligations and have their own environmental, social, and governance policy consistent with obligations under the Future Fund Act 2006, their investment mandates, and international best practice," the spokeswoman said.

She said Reliance Industries was not included in the Future Fund's list of specific investment exclusion, which was reviewed twice per year.

A spokesman for the Future Fund said it "requires its managers to invest in compliance with applicable Australian and US sanctions and, in respect to Russia, EU sanctions".

Reliance Industries on Thursday announced it would stop purchasing crude from Russia after US President Donald Trump [in October imposed fresh sanctions](#) against Russian producers Rosneft and Lukoil and ahead of tough European Union restrictions taking effect on January 21, 2026.

Those EU restrictions – which Foreign Minister Penny Wong has so far declined to match – will effectively ban European companies from importing refined oil products made with Russian crude from third countries, such as India. The government, however, has sanctioned Rosneft and implemented sanctions and travel bans on more than 1600 individuals and entities.

A spokeswoman for Wong on Monday said the EU ban was not yet in place and it was not yet clear how it would be implemented in practice.

"We note that, unlike Australia, Europe still has some direct imports of Russian oil. We're liaising closely with the EU and UK, assessing and consulting on whether there are European regulatory measures we can utilise," the spokeswoman said.

Although Australia has banned direct imports of crude from Moscow, products refined with Russian oil have still reached local shores after being bought at a steep discount by refiners such as Reliance Industries and then sold back into the global market at a profit.

Refined oil from India made up a record 12 per cent of Australia's refined fuel imports last financial year, with purchases totalling a record \$5.3 billion, according to figures from the Department of Foreign Affairs and Trade.

The Finnish-headquartered Centre for Research on Energy and Clean Air estimates Australia imported \$US2.5 billion of oil refined from Russian crude between February 2023 and June 2025. This generated \$US1.3 billion in tax revenue for the Kremlin,

eclipsing the \$US1.15 billion in military and humanitarian aid Australia has supplied to Ukraine since the war began