

# Indian refinery pulls Russian oil from Australian petrol amid backlash



By [David Crowe](#), The Sydney Morning Herald/The Age, November 19, 2025

**London:** The owner of the world's biggest oil refinery is vowing to stop using Russian cargoes to produce petrol and diesel for the Australian market after a global backlash at the trade, as tougher US sanctions start to curb the revenue that flows to Moscow.

Reliance Industries, the largest Indian supplier of fuel to Australia, said it would end the use of Russian oil at its export refinery from December 1, although it made no similar promise for a neighbouring facility that supplies India's domestic market.

The pledge marks a major shift in approach after fierce criticism of the Indian company [for using cheaper Russian oil to boost its profits](#) at a time when the sales also help Russian President Vladimir Putin fund his war on Ukraine.

While analysts welcomed the promise, they said there was no way to verify how the vast Reliance refinery in Jamnagar would phase out the Russian cargoes unless Australian fuel importers conducted their own due diligence to ensure they were not selling "tainted" oil.

All the major fuel retailers in Australia said they complied with the trade sanctions imposed on Russian oil and did not buy from Russia, but Ukrainian Australians have called on them to go further because of the way Russian oil is processed in third countries and on-sold to Australia.

The Centre for Research on Energy and Clean Air, a non-profit group based in Europe, estimates that between February 2023 and June 2025 Australians bought \$3.8 billion worth of petrol and diesel produced from Russian crude and refined in India.

The group estimated this generated about \$2 billion in tax revenue for Moscow.

Reliance Industries said it was already scaling back the use of Russian supplies at its export refinery in Jamnagar, which is located in a Special Economic Zone and separated from a domestic refinery located nearby to supply the Indian market.

“Russian crude oil imports, which have already been on a downward trend, will within this month, cease altogether to be imported by the RIL refinery located in the SEZ,” a Reliance spokesman told this masthead.

“And from 1st December onwards product exports from [the] SEZ refinery will be from non-Russian crude oil.

“All our product exports to Australia are from the refinery in SEZ and will have been derived from non-Russian crude oil from that date.”

CREA analyst Vaibhav Raghunandan estimated that Indian supplies comprised about 10 per cent of the petrol and diesel sold in Australia. The Jamnagar refinery, he said, accounted for 90 per cent of those Indian supplies. Most of the rest comes from a refinery in Mangalore.

Raghunandan welcomed the statement from Reliance but said it seemed to apply to the export refinery in the SEZ and it would be difficult to check how supplies were kept separate from the domestic refinery in the same complex.

“The company has maintained that they’re able to segregate the crude and process it differently for different markets,” he said.

“I think that if that is true, the onus lies on importers and buyers in Australia and elsewhere to do their due diligence so they are able to say they are satisfied with Jamnagar’s processes.”

The move comes days ahead of a deadline set by US President Donald Trump to commence tough sanctions on Rosneft and Lukoil, dramatically increasing the risks for traders who buy from those companies.

Reliance, chaired by billionaire Mukesh Ambani, struck a 10-year contract with Rosneft last December to buy about half the Russian company’s seaborne oil exports, in a deal estimated to account for about 0.5 per cent of global supply.

While many refineries in western nations stopped using Russian oil, Reliance continued doing so and generated profits from the lower price charged for cargoes that were blocked elsewhere.

Trump announced the sanctions on October 22 [after the collapse of an attempted summit with Putin](#) to broker a ceasefire in Ukraine, signalling his impatience with the Russian leader.

Treasury set November 21 as the start date for the sanctions and [warned that those doing business with the sanctioned companies would be exposed to further action.](#)

“Violations of US sanctions may result in the imposition of civil or criminal penalties on US and foreign persons,” it said. This raised a potential risk for any business executive transiting through the US.

While the Trump administration has given Lukoil a waiver until December 13 due to the complexities of some of its operations – including a refinery in Bulgaria – there is no similar postponement for Rosneft.

The US Treasury said on Monday the sanctions were already driving down the price of Russian oil and therefore the revenue for the Kremlin.

Foreign Minister Penny Wong has called on Australian companies to ensure they were not buying from suppliers who bought from Russia, saying the industry had a responsibility not to fund the “illegal and immoral” invasion of Ukraine.

The European Union [sharpened its approach last month by imposing rules on October 16](#) to halt the import of refined fuels produced from Russian crude, a move aimed at refineries such as those in India.

Australia is yet to match that move, but the Department of Foreign Affairs and Trade said last week [it was evaluating options to place further pressure on Russia’s oil revenues](#).

While the changes at Jamnagar could reduce the volume of Russian oil being used for petrol and diesel sold in Australia, the Australian Federation of Ukrainian Organisations has called for action across the industry to stop “blood oil” coming from all sources.

“Our fuel importers are aware of their supply chains, they know what they are buying, they are just putting profits above ethics,” organisation chairwoman Kateryna Argyrou said.

“It is their responsibility to act ethically and to understand that their current purchasing decisions are undermining the Australian government’s support for Ukraine. If they won’t act, the government must intervene.”

“Further, the Albanese government can apply bans at the refinery level, rather than targeting countries as a whole.”

Australian suppliers Ampol, BP and Mobil declined to specify whether they used imports from India for any of the fuel they sold to motorists, but Viva Energy said it only relied on India for 1 per cent of its imports over the past year and this had fallen to zero. Caltex said it did not use any Indian supplies.

“We conduct appropriate checks on trading counterparties and documents that are used to evidence the origin of products,” BP said when this masthead asked if its imports came from India.

Ampol said it was focused on the safe and reliable supply of fuel.

“Ampol remains deeply concerned about the ongoing situation in Ukraine and the profound impact it is having on Ukraine’s people,” it said.

Mobil Oil Australia said it complied with all sanctions imposed by the Australian government.

Caltex, however, was specific about ruling out the use of Indian supplies, saying: “Our Australian Caltex business does not import products from any Indian refineries.”

Viva Energy, which operates Shell service stations in Australia, said it did not import Russian crude.

“Over the past year, approximately 1 per cent of Viva Energy’s import program has come from India.

“Currently Viva Energy has no Indian fuel imports coming to Australia.”