# India's Russian oil buy to dwindle, some irreplaceable imports to continue for now


**NEW DELHI, FEB 8:** India is likely to begin scaling back its crude oil purchases from Russia under an agreement reached with the United States in exchange for lower trade tariffs, sources said, adding that these imports will continue for now, as refiners like Nayara Energy have limited alternatives.

US President Donald Trump on Friday signed an executive order rescinding a punitive 25 per cent duty on all imports from India, saying the move followed New Delhi's commitment to stop imports of Russian oil.

While Indian refiners, which process crude oil into fuels such as petrol and diesel, have not received any formal directive to halt Russian purchases, they have been informally advised to begin scaling back buys from Moscow, three sources with knowledge of the matter said.

Most refiners will continue to honour purchase commitments made before the announcement – orders typically placed six to eight weeks in advance – but will not place new orders thereafter, they said.

Hindustan Petroleum Corporation Ltd (HPCL), Mangalore Refinery and Petrochemicals Ltd (MRPL) and HPCL-Mittal Energy Ltd (HMEL) had stopped buying oil from Russia soon after the US last year slapped sanctions on Moscow's key exporters, while others like Indian Oil Corporation (IOC) and Bharat Petroleum Corporation Ltd (BPCL) will wind down their purchases, sources said.

Reliance Industries Ltd, India's biggest buyer, which late last year paused purchases after US sanctions on Rosneft and Lukoil, is also likely to cease purchases after its resumption cargo of 1,50,000 barrels is delivered in the next couple of weeks.

The only exception to this rule is likely to be Nayara Energy. Nayara was first sanctioned by the European Union and then by the UK for its Russian links (Rosneft holds 49.13 per cent in Nayara). Because of these sanctions, no other major supplier is willing to do any commercial transaction with the company, resulting in it being forced to buy Russian oil from non-sanctioned entities.

While the Oil Ministry has refused to comment on the issue, the Commerce Ministry and the Ministry of External Affairs have not directly commented on commitments made by India with regard to Russian oil purchases.

Sources said India's oil imports from Russia have been on the decline since the US sanctions on Rosneft and Lukoil came into effect.

In December 2025, they averaged 1.2 million barrels per day, down from a peak of USD 2.1 million barrels per day in May 2023. In January, they further came down to USD 1.1 million barrels, and the expectation was that they may decline to less than USD 1 million this month or the next. With the new understanding with the US, the imports may halve soon.

India meets about 90 per cent of its crude oil needs through imports, and purchases of discounted Russian oil – sold at lower prices after Western countries imposed sanctions on Moscow over its invasion of Ukraine in February 2022 – have helped reduce its import costs.

Nayara, sources said, is likely to continue purchases of Russian oil from non-sanctioned entities in the near future.

The refinery's unique position was explained to US trade officials during talks in December, they said, adding that Nayara may have to be given an exemption from the 'no-Russian oil-buy' policy or a special dispensation be created. According to Sumit Ritolia, Lead Research Analyst, Refining and Modeling at Kpler, the India-US trade deal announced is unlikely to result in a near-term reduction in India's Russian crude imports.

"Russian volumes remain largely locked in for the next 8-10 weeks and continue to be economically critical for India's complex refining system, supported by deep discounts on Urals relative to Brent. Imports are expected to stay broadly stable in the 1.1-1.3 million barrels a day range through Q1 and early Q2," he said.

"Despite a recent moderation in purchases, India is unlikely to fully disengage in the near term."

Prashant Vasisht of Icra said the US-India trade deal reportedly includes India stepping up purchase of US crude oil and potentially start buying oil from Venezuela.

"For the Indian refining sector, there are ample avenues, including the US, to purchase crude as Russian crude accounted for less than 2 per cent of Indian crude imports prior to FY2023."

The discounts on Russian crude oil were marginal prior to the US announcing sanctions on some Russian crude suppliers in October 2025, and Icra estimates that replacement of Russian crude with market-priced crude would lead to an increase in the import bill of the country by less than 2 per cent.

Additionally, Venezuelan crudes are heavy and sour and therefore, cheaper and would be of interest to Indian refiners, many of whom can process these types of crudes, he added. (PTI)

# Musk's Starlink entry into Pak's satellite internet market delayed over security concerns


**ISLAMABAD, FEB 8:** The licence to Starlink to enter Pakistan's satellite internet market is delayed over data security concerns, the ongoing Musk-Trump fallout and competition from Chinese firms, local media reported on Sunday.

Starlink, owned by tech billionaire Elon Musk, is among several companies seeking approval to operate in Pakistan, but officials say unresolved security and geopolitical considerations have slowed the approval process.

The government has come to know that Starlink could transmit certain data bypassing Pakistan's monitoring, regulatory and safety checks, reported the Express Tribune, citing sources.

"We cannot allow a license to Starlink without ensuring a safety check to ensure the safety of the data of consumers in Pakistan," a senior government official was quoted as saying by Express Tribune.

According to the officials, the row between US President Donald Trump and Elon Musk is another reason the Pakistani establishment is not ready to grant security clearance, fearing it could provoke displeasure from Trump. The US president and Musk had enjoyed good rapport in the past but they later drifted apart.

Pakistan and the US have enjoyed improved relations since Trump returned to power last year, and therefore, Pakistan does not want to take any step that could raise concerns in Washington.

"But the real reason is that the government has tested some cases in which Starlink was supposed to pick up some sensitive data while providing satellite-based internet services," sources said.

The government is working to address the issue, which delayed granting a licence to Starlink, according to the sources.

Currently, Pakistan retains control over internet data as Pakistan Telecommunication Company Limited (PTCL) is a majority shareholder in the undersea cable infrastructure.

However, authorities fear they would not have similar control over satellite-based internet data and that foreign companies, particularly Starlink, might be involved in data theft.

Satellite-based services would primarily be provided in remote areas such as Balochistan, where conventional internet services are either limited or unavailable, sources further said.

Currently, relevant authorities monitor internet services and can even suspend connectivity in the event of security concerns. However, officials fear they may face difficulties blocking satellite-based services when required.

At present, five companies are seeking licences for satellite-based internet services in Pakistan, with plans to invest millions of dollars in the country.

According to the Pakistan Space Activities Regulatory Board (PSARB), five companies, including Starlink and China-based Shanghai Spacecom Satellite Technology Limited (SSST), have shown strong interest in providing satellite internet services.

Chinese companies already have an upper hand in the Pakistani market over the US firms. The Chinese companies are also seeking entry into Pakistan's satellite internet market and view Starlink as a direct competitor.

However, the registration process remains pending with the PSARB board, which has yet to finalise the licensing regime.

According to PSARB officials, the government has completed consultations with stakeholders, but requires more time to put safety mechanisms in place before allowing satellite-based internet services to commence operations.

# Russian airstrike on Ukrainian city kills 1 as US pushes June deadline for peace deal

**KYIV, FEB 8:** A Russian airstrike on a residential area in eastern Ukraine killed one person and wounded two, officials said on Sunday, after Ukrainian President Volodymyr Zelenskyy said the US has given Ukraine and Russia a June deadline to reach a peace deal.

The attack on the city of Kramatorsk in Ukraine's Donetsk region caused a fire in a nine-story apartment block, according to Ukraine's State Emergency Service.

Russia also struck energy infrastructure in Ukraine's Poltava region overnight into Sunday, Serhii Koretskyi, chief executive of Ukraine's state-owned gas company Naftogaz, said.

Russia has hammered Ukraine's power grid, especially in winter, throughout the nearly 4-year-old war. It aims to weaken the Ukrainian will to resist in a strategy that Kyiv officials call "weaponising winter."

Zelenskyy told reporters Friday the US has given Ukraine and Russia a June deadline to reach a deal to end the war. If the June deadline is not met, the Trump administration will likely put pressure on both sides, he added. "The Americans are proposing the parties end the war by the beginning of this summer and will probably put pressure on the parties precisely according to this schedule," Zelenskyy said. "And they say that they want to do everything by June. And they will do everything to end the war. And they want a clear schedule of all events."

He said the US proposed holding the next round of trilateral talks next week in their country for the first time, likely in Miami. "We confirmed our participation," he added.

The latest deadline follows US-brokered trilateral talks in Abu Dhabi that produced no breakthrough as the sides cling to mutually exclusive demands. Russia is pressing Ukraine to withdraw from the Donbas, where fighting remains intense – a condition Kyiv says it will never accept. (AP)

# FPIs turn net buyers in Feb; invest Rs 8,100 cr in a week on US trade deal


**NEW DELHI, FEB 8:** After three consecutive months of heavy selling, foreign portfolio investors (FPIs) turned net buyers in the first week of February, infusing more than Rs 8,100 crore in Indian equities, aided by improving risk sentiment, along with a trade deal with the US.

The inflows follow sustained withdrawals in recent months, with FPIs pulling out Rs 35,962 crore in January, Rs 22,611 crore in December, and Rs 3,765 crore in November, data with the depositories showed.

Overall, in 2025, FPIs pulled out a net Rs 1.66 lakh crore (USD 18.9 billion) from Indian equities, marking one of the worst periods for foreign flows. The selling was driven by volatile currency movements, global trade tensions, concerns over potential US tariffs and stretched equity valuations.

According to the data, FPIs invested Rs 8,129 crore in this month (till February 6).

Himanshu Srivastava, principal manager- research at Morningstar Investment Research India, said the recent buying reflects improving risk appetite and renewed confidence in India's growth outlook.

"The sentiment was supported by easing global uncertainties, stability in domestic interest rate expectations, and optimism around India-US trade and policy developments," he added. The turnaround contrasts sharply with January's outflows, when FPIs exited Indian markets amid a global risk-off environment and elevated US bond yields.

Echoing similar views, Vaqarjaved Khan, senior fundamental analyst at Angel One, said the breakthrough in India-US trade talks helped reduce geopolitical uncertainty and fuel a market rally, alongside stabilising US yields and supportive measures announced in the Union Budget for FY26, including fiscal stimulus and sector-specific incentives. VK Vijayakumar, chief investment strategist at Geojit Investments, said the appreciation of the rupee also played a key role in improving sentiment. The rupee strengthened from a record low of 90.30 against the dollar, although it later weakened to around 90.70 by the close of February 6.

He said the rupee is expected to stabilise and gradually appreciate to below 90 per dollar by the end of March 2026, which could trigger additional FPI inflows, although outcomes will depend on how global trade and artificial intelligence-related developments unfold.

Market participants remain cautiously optimistic. Further inflows could materialise if corporate earnings momentum continues and global trade tensions remain contained, although lingering rupee weakness, elevated valuations and potential shifts in US policy could limit upside, Khan said.

# IPO-bound PhonePe targets growth in payments, merchants, new platforms

**NEW DELHI, Feb 8:** Walmart-backed PhonePe, which aims to float its initial public offering (IPO) in April, plans to deepen its presence in India's digital payments market while expanding into financial services and new consumer platforms.

In its draft papers, the company said digital payments will remain the core driver of growth, supported by investments to expand its user base, addressable market and platform scale.

India's total addressable market for digital consumer payments stood at Rs 301 lakh crore in fiscal 2025 and is projected to grow to Rs 602-681 lakh crore by fiscal 2030, the company said, citing industry estimates.

According to sources, PhonePe is aiming to launch its IPO in April.

The proposed offering will be entirely an offer for sale of 5.06 crore shares by Walmart, Microsoft and Tiger Global, with no fresh issue component.

In January, the company received regulatory approval from the Sebi to proceed with its maiden public offering, following its confidential filing in September.

To expand its consumer base, PhonePe plans to deepen penetration across smartphones and feature phones.

India had an estimated 69-70 crore smartphone users in fiscal 2025, which is projected to rise to 96-108 crore by fiscal 2030, while feature phone users are estimated at 20-30 crore, according to the DRHP.

In June 2025, PhonePe acquired conversational engagement platform Gupshup's GSPay technology stack to enable UPI-based payments on feature phones. The company said it is also exploring future consumer use cases, such as credit on UPI, transit payments across transport modes, and payments through smart and connected devices.

"We are also focused on future consumer-facing opportunities, such as enabling all forms of credit on UPI, building transit solutions across all modes of transportation, and expanding consumer touchpoints through smart and connected devices across homes and vehicles," the company said. As of March 31, 2025, PhonePe had over 29 crore active customers, representing about 41-42 per cent of India's smartphone user base, indicating significant headroom for growth. On the merchant side, PhonePe plans to expand adoption of digital payments in a market where penetration remains well below global peers. India's digital merchant payment penetration stood at about 45 per cent in fiscal 2025, compared to China's 93 per cent, according to a report by RedSeer.

Merchant digital payment volumes in India reached Rs 112 lakh crore in FY25 and are projected to grow at a compound annual rate of 20-22 per cent through FY30, supported by government initiatives, such as the Payments Infrastructure Development Fund (PIDF) scheme. India has an estimated 5.6-5.8 crore small and micro merchants, 30,000-40,000 mid-market businesses and over 20,000 large enterprises. However, only about 1.11 crore merchants transact on PhonePe on a monthly basis, with around 67.5 lakh engaging daily.

# Mundra Port posts record auto exports, liquid cargo handling in January

**NEW DELHI, FEB 8**: Adani Group's Mundra Port in Gujarat has recorded a sharp increase in automobile exports and liquid cargo volumes in January 2026, posting multiple operational records that highlighted the growing role of large, integrated ports in supporting India's trade and export flows.

The port handled its highest-ever monthly automobile export volume, shipping 25,762 vehicles through its dedicated roll-on/roll-off (RoRo) terminal at Adani Mundra Container Terminal (CT2), officials said.

The figure surpassed the previous monthly record set in May 2024, reflecting continued overseas demand for India-manufactured vehicles.

Automakers, including Maruti Suzuki and Toyota, increasingly routed exports through Mundra during the month, with shipments destined for markets across Africa, Europe, East Asia, Australia, and the Middle East, according to port officials.

Mundra also set a new single-vessel loading record in January, loading 5,701 vehicles onto a single ship, the highest number handled in one movement at the port. The operation was executed at a gross handling rate of 145, requiring coordinated yard management, terminal planning and vessel operations, while maintaining safety and security standards.

Gross handling rate is the average cargo handled per hour.

Separately, the port's liquid terminal handled 1.120 million tonnes of liquid cargo in January, marking its highest-ever monthly throughput and exceeding the previous peak recorded in December 2025, officials said.

The rise highlighted Mundra's capacity to handle multiple cargo streams simultaneously, including energy products, chemicals and industrial liquids.

Mundra is operated by Adani Ports and Special Economic Zone Limited (APSEZ), India's largest port developer and operator. APSEZ accounts for nearly 27 per cent of India's total port volumes and operates 15 ports and terminals across the country, along with four international ports in Israel, Sri Lanka, Australia and Tanzania.

As India's largest commercial port, Mundra handles more than 200 million tonnes of cargo annually. The port benefits from dedicated automotive and liquid terminals, automation, digital tracking systems and multimodal hinterland connectivity through rail and road networks.

The performance comes amid a broader policy push to expand port capacity and strengthen logistics infrastructure. The Union Budget for 2026-27, presented on February 1, reiterated the government's focus on improving maritime infrastructure and multimodal connectivity to support export-led growth.

Industry observers said sustained investment in port infrastructure and operational efficiency would remain critical as India seeks to strengthen its position in global manufacturing and trade supply chains. (PTI)