



UPSC & STATE PCS CURRENT AFFAIRS · UJIYARI.COM

DAILY CURRENT AFFAIRS

Choke Point: The US-Iran War Reaches the Strait of Hormuz, and India's Oil Bill

31 July 2026 ·

IR

ECONOMY

GS2

GS3

CURATED & WRITTEN BY

**Bharat Choudhary**

UPSC Educator & Content Creator

[in linkedin.com/in/epicbharat](https://www.linkedin.com/in/epicbharat)

ALSO FROM THE CREATOR

BharatNotesFree UPSC notes, MCQs, PYQ analysis. **100% Free.**bharatnotes.com →

ADVERTISE

Advertise with Ujiyari

Reach thousands of UPSC aspirants daily.

[✉ epicbharat@gmail.com](mailto:epicbharat@gmail.com)

Choke Point: The US-Iran War Reaches the Strait of Hormuz, and India's Oil Bill

31 July 2026 · 5 min read ·

✓ Every fact web-verified against primary sources

The US-Iran war, which began with surprise US-Israel strikes on 28 February 2026, escalated sharply in the final week of July: a heavy wave of US strikes on Iranian targets near Bandar Abbas and Kish on July 29 followed an intercepted Iranian attack on US positions, with Iranian advisers warning of a “full-scale offensive.” Commercial shipping traffic through the Strait of Hormuz, already sharply reduced since the Hormuz-specific campaign began in mid-March, fell further through late July.

THE ESCALATION, IN BRIEF

PARAMETER	DETAIL
Conflict duration	War began 28 February 2026 ; the Strait of Hormuz-specific campaign began 19 March 2026
Late-July escalation	US strikes on Bandar Abbas and Kish (29 July 2026), after an intercepted Iranian attack on US positions
Regional spillover	Jordan and Kuwait intercepted Iranian missiles during the exchange
Hormuz traffic	Collapsed from a pre-war baseline of roughly 120 vessels/day ; fell further through late July, at times to single digits, from a mid-July level of roughly 10-14/day
India's public position	PM Modi called for de-escalation and freedom of navigation through the Strait in a July call with President Trump, after earlier voicing “deep concern” in March 2026

WHY THE STRAIT OF HORMUZ MATTERS FOR INDIA

The Strait of Hormuz, the narrow waterway between Iran and Oman connecting the Persian Gulf to the Arabian Sea, is the single most important **chokepoint** in India's energy-security map. It is not just a Gulf issue; it is a direct line item in India's import bill and current account.

FACT	SIGNIFICANCE
Roughly 30-40 per cent of India's crude oil imports (out of about 5 million barrels per day) transit the Strait, down from a higher pre-2026 share after India's post-March diversification push	Any sustained closure or slowdown still directly threatens supply volumes, not just price
Gulf countries also supply a large share of India's LNG	Gas-price shocks compound the crude-price shock on the current account
India has historically balanced ties with both the US and Iran	A prolonged US-Iran war forces India to manage two important relationships simultaneously without being seen to take sides
Crude futures briefly fell on a 27 July pause before the fresh escalation reversed the move	Markets are pricing this as an unresolved, not a closed, risk

INDIA'S STRATEGIC AUTONOMY TEST

India's approach to West Asia has long rested on compartmentalising relationships: strong energy and diaspora ties with the Gulf Arab states, growing strategic and defence cooperation with Israel, and an independent civilisational relationship with Iran anchored in connectivity projects like Chabahar port. A direct US-Iran war strains this compartmentalisation because India depends on US-aligned financial and shipping-insurance infrastructure even as its Chabahar investment and historical ties run through Tehran.

TRACK	INDIA'S STAKE
Energy security	Import dependence on Gulf crude and LNG; price and volume risk from Hormuz disruption
Chabahar port	India's connectivity investment to Afghanistan and Central Asia bypassing Pakistan, routed through Iranian territory
Diaspora	Large Indian expatriate populations across Gulf Cooperation Council states, exposed to regional instability
US relationship	Deepening strategic and defence partnership, including technology cooperation, that India cannot afford to jeopardise

THE DIVERSIFICATION RESPONSE

India's post-2019 energy strategy, built after US sanctions cut Iranian oil imports to zero, already leans on diversified sourcing: Russian discounted crude (a major share of imports since 2022), West African grades, and US crude cargoes. A prolonged Hormuz disruption tests how far this diversification actually insulates

India, since much of the diversified basket, particularly West African and US crude, still requires longer shipping routes and higher freight costs, partially offsetting the geopolitical insurance it provides.

UPSC RELEVANCE

GS Paper 2: India and its neighbourhood; effect of policies and politics of developed and developing countries on India's interests; Indian diaspora.

GS Paper 3: Indian economy, mobilisation of resources; infrastructure, energy; security challenges and their management in border areas linked to it.

Prelims pointers:

- Strait of Hormuz connects the **Persian Gulf** to the **Arabian Sea**, lying between **Iran and Oman**.
- Roughly **30-40 per cent** of India's crude imports transit the Strait as of mid-2026, after India's post-March diversification reduced its Hormuz-routed share.
- India's principal current crude sources: **Russia** (largest single-country share since 2022), **Iraq**, **Saudi Arabia**, **UAE**, plus growing **US and West African** volumes.
- **Chabahar port** (Iran): India's connectivity investment bypassing Pakistan for Afghanistan/Central Asia access.

★ FACTS CORNER, KNOWLEDGE PEDIA**THE CONFLICT:**

US-Iran war began 28 February 2026; the Hormuz-specific campaign began 19 March 2026.

Fresh escalation: US strikes near Bandar Abbas and Kish, 29 July 2026.

Hormuz shipping traffic collapsed from a ~120/day baseline, falling further through late July, at times to single digits.

INDIA'S EXPOSURE:

Roughly 30-40 per cent of India's ~5 million bpd crude imports transit the Strait of Hormuz as of mid-2026.

India depends on Gulf LNG as well as crude, compounding the exposure.

PM Modi called for de-escalation and freedom of navigation in a July call with President Trump, after voicing "deep concern" in March 2026.

INDIA'S DIVERSIFICATION HEDGE:

Russian crude has been the largest single-country source since 2022 sanctions-driven discounting began.

West African and US crude add route diversity but at higher freight cost.

Chabahar port remains India's Iran-routed connectivity investment, adding complexity to India's balancing act.

Sources: Reuters, Press Information Bureau, Petroleum Planning and Analysis Cell

Source: Choke Point: The US-Iran War Reaches the Strait of Hormuz, and India's Oil Bill — Ujiyari.com | Free
UPSC & State PCS Current Affairs

RELATED EDITORIALS

HINDUSTAN TIMES

[Apple Shouldn't Judge the CCI for Copy-Pasting](#)

31 Jul

BUSINESS STANDARD

[Investors Are Finally Reassessing AI Valuations](#)

31 Jul

HINDUSTAN TIMES

[Air India's Turnaround Goes Off the Flight Plan](#)

31 Jul

INDIAN EXPRESS

[Power Sector Reform: The Bottleneck Has Moved From Generation to Regulation](#)

31 Jul

RELATED KEY TERMS

KEY TERM

[16th Finance Commission](#)

The constitutional body chaired by Arvind Panagariya that recommends...

KEY TERM

[ACNAS](#)

Advisory Committee on National Accounts Statistics, the expert body...

KEY TERM

[Act East Policy](#)

India's strategic foreign policy framework prioritising active...

KEY TERM

[Agri-Photovoltaic](#)

A dual land-use technology that integrates elevated solar panels with...



CURATED & WRITTEN BY

Bharat Choudhary

UPSC Educator & Content Creator

[in linkedin.com/in/epicbharat](https://www.linkedin.com/in/epicbharat)[Read Full Article on Ujiyari →](#)<https://ujiyari.com/daily/2026/07/31/us-iran-war-strait-of-hormuz-india-impact-2026/>

ALSO FROM THE CREATOR

BharatNotes

Free UPSC study platform — subject-wise notes across all 4 GS papers, Prelims MCQs, Mains answer frameworks, PYQ analysis & progress tracking. **100% Free • No Login Required.**

[Start Preparing → bharatnotes.com](#)

📢 OPPORTUNITY

Advertise with Ujiyari

Reach **thousands of serious UPSC & State PCS aspirants** daily through our PDFs, website, and social channels.

Ideal for: Coaching institutes • EdTech platforms • Book publishers • Exam prep apps

[✉ epicbharat@gmail.com](mailto:epicbharat@gmail.com)

Write to us for rates & media kit

Free UPSC & State PCS Current Affairs · ujiyari.com · bharatnotes.com