

India tightens gas supplies as restaurants warn of closures

Hospitality sector faces LPG supply disruptions • Panel to review hotel industry requests

MUMBAI: India ordered tighter controls over natural and cooking gas on Tuesday following import disruptions caused by the Middle East war, with restaurants warning it could spark widespread closures.

The world's most populous nation is the fourth largest liquefied natural gas (LNG) buyer, and second-largest buyer of liquefied petroleum gas (LPG), such as that used for cooking - much of which is sourced from the Middle East. "The ongoing conflict in the Middle East has resulted in the disruption of liquefied natural gas shipments through the Strait of Hormuz," the Ministry of Petroleum said in an order issued on Tuesday.

It said the new rules would "ensure equitable distribution and continued availability for priority sectors". The ministry ordered that LNG supplies be prioritized to supply households, transport sectors and production of LPG. But other sectors, including fertilizer plants and tea industries, would receive 70 to 80 percent of consumption needs, "subject to operational availability".

Restaurants and hotels across India warned of disruptions and possible shutdowns on Tuesday, as the Iran war constricts supplies of cooking gas, prompting authorities to set up a panel to review industry requests. The fuel shortage comes as the US-Zionist entity war on Iran has halted ship traffic in the Gulf and the Strait of Hormuz, driving up energy prices and transport costs, hitting exports and output from Gulf producers, such as Qatar and Saudi Arabia.

India, the world's second-biggest importer of liquefied petroleum gas (LPG), invoked emergency powers last week to order refiners to crank up production for domestic use, leaving the hospitality industry struggling to get sufficient supply.

"We have LPG stock for two days. We are working on contingencies," said Bert Mueller, founder of Mexican food chain California Burrito, with more than 100 stores spanning Bengaluru and Chennai in India's south to Delhi and Noida in the north. "We are conserving gas and installing induction stoves at certain stores." India's oil ministry said it had set up a panel to review requests for LPG supply to restaurants and other industries, following appeals from two industry bodies.

To meet the gap, gas supplied to petrochemical facilities and power plants would either be fully or partially curtailed. Indian industries including several ceramics and tile firms have already said they are facing a cutback in gas supplies that could impact production.

Restaurants and hotels across India also warned of disruptions to operations, after a separate ministry order on Monday that prioritized domestic LPG supplies to households. The National Restaurant Association of India warned that the government order had resulted in LPG suppliers "across the country" signaling that



MUMBAI/CHENNAI: A delivery staff stands on a truck carrying liquefied petroleum gas (LPG) cylinders at a distribution point in Mumbai on March 10, 2026. (Right) A closed restaurant is seen due to a shortage of LPG cylinders in Chennai on March 10, 2026. — AFP



supplies to eateries would be stopped. "The restaurant industry is predominantly dependent on commercial LPG for its operations," it said in a statement. "Any disruption therein will lead to a catastrophic closure of majority of restaurants." PC Rao, head of a hotel industry association in the southern tech-city Bengaluru, said the "situation was dire". "Supply of gas has been hit and many of the smaller establishments only have one to two days of stock left," Rao said.

"The big ones probably have about 10 days worth remaining. Now, people will look to change or restrict their menus bearing in mind the situation." "The restaurant industry is predominantly dependent on commercial LPG for its operations," the National Restaurant Association of India, which represents more than half a million restaurants, told the food processing ministry on Monday. "Any disruption therein will lead to a catastrophic closure," the NRAI said in a letter, while another body, the Federation of Hotel & Restaurant Associations of India, also sought government help.

Indian companies have raised LPG prices for the first time in about a year, as the war boosts prices of the imports that fill two-thirds of annual LPG consumption.

India's largest supplier of LNG, Qatar, halted production last week after Iran's strikes on Gulf countries in retaliation for Zionist and US strikes against it. In the southern tech hub of Bengaluru dubbed India's Silicon Valley, several restaurants said deliveries had dropped sharply, fanning that kitchens will come to a halt if the situation is not resolved. — Agencies

G7 ready to act on oil surge, holds off tapping reserves

BRUSSELS: G7 nations said on Monday they were prepared to implement "necessary measures" in response to surging global oil prices but stopped short of committing to release emergency reserves, despite crude prices briefly surpassing \$119 a barrel as the US-Zionist entity war on Iran continues.

"We are not there yet," French Finance Minister Roland Lescure told reporters in Brussels, after hosting a teleconference meeting of G7 finance ministers. "What we've agreed upon is to use any necessary tools if need be to stabilize the market, including the potential release of necessary stockpiles." Oil prices hit their highest levels since mid 2022 on Monday, propelled by fears of prolonged shipping disruption and reduced output from some major producers wary of the conflict escalating. However, the market reversed late in the day, with benchmarks falling below \$90 a barrel, after President Donald Trump told CBS News that the war was "pretty much" complete.

A G7 official told Reuters there was "broad consensus" not to release reserves at this stage. "It was not that someone was against, it's just about timing. More analysis is needed," the official said, adding that a final decision would fall to G7 leaders. Lescure, whose country holds the G7 presidency this year, said there were currently no supply problems in either Europe or the United States.

Western economies coordinate their strategic oil stockpiles through the Paris-based International Energy Agency, which was formed after the 1970s oil crisis. "We stand ready to take necessary measures, including to support global supply of energy such as stockpile release," the G7 finance ministers said in a joint statement. European Economic Commissioner Valdis Dombrovskis said G7 finance ministers did not discuss specific market conditions that would be needed to trigger the release of strategic oil reserves, focusing only on the shared will to tap stockpiles if necessary.

Dombrovskis said more discussions among G7 energy ministers about a response to the oil price surge would take place on Tuesday. German Chancellor Friedrich Merz, Italian Prime Minister Giorgia Meloni and Belgian Prime Minister Bart De Wever have invited a group of European leaders to discuss competitiveness, including the issue of energy prices, in a videoconference on Tuesday. — Reuters