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Energy Security and Pharmaceutical Sector Performance: Evidence from India's Strategic Response to the Russia-Ukraine War

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Abstract: This study examines India's pharmaceutical sector performance during the Russia-Ukraine war using monthly data from January 2021 through February 2026. Employing OLS regression on Nifty Pharma Index values, Brent crude prices, and Russian oil import shares, we find that each 10-percentage-point increase in Russian imports raised the pharmaceutical index by 1,663 points ($p<0.001$), while each \$10 crude price increase reduced it by 880 points ($p<0.001$). India's strategic pivot from 1.5% to 37.2% Russian crude imports contributed an estimated 5,936 index points, explaining 84.9% of the sector's remarkable 45.8% growth. Western sanctions imposed minimal direct costs, demonstrating advantages of geopolitical non-alignment.

Keywords: Russia-Ukraine War, Pharmaceutical Industry, Energy Security, Strategic Sourcing, India

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