

22 Despite commercial and political factors the country has
3 performed in the oil market. Explain.

The G7 cap of \$60 on Russian crude has been at place. India in order to maintain its energy security, stressed to stay out the deal as the imports of Russian oil had jumped so many times.

Commercial and political factors

The cap was aimed to stop Russia from continuing the war and hit for trade. In the meanwhile Russia became our largest oil supplier (23%) surpassing Iran.

The recent trade settlement mechanism such as rupee-ruble agreement and payments via the Vostro accounts has saved our foreign exchange and aids in internationalisation of rupee. We import crude oil from 39 countries including US and Russia. Any unilateral

more on India can greatly impact the global crude supply chain.

war crisis situation for India

The International Energy Agency reports that India will contribute 25% of the global energy consumption in two decades. India also ~~export~~ refined petroleum worth \$25 billion. So it is crucial for India to get constant supply of oil domestic and export use.

India buys oil on the CIF route cost insurance and freight route which is beneficial for us. Negotiations are also in the way to restart oil trade with Iran.

Future India's stand can be a guide for the global south in following and securing the interest of domestic energy security.