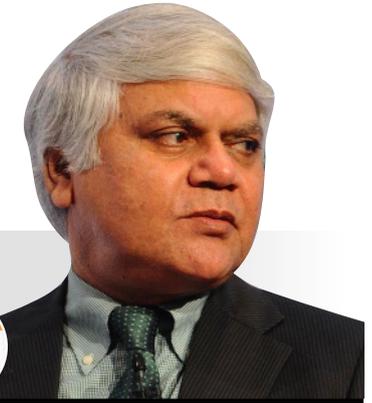


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India's Leading Energy Expert



India's economy, unlike China's, is heavily driven by domestic demand.

So, overall economic sentiment is good with demand for petroleum products and other commodities rising. Many investors have started moving their capital and even manufacturing facilities from China to India. That's a good news for us but that said, reports of protests coming from China are disturbing because although China is our rival, we don't want to see it destabilized because it tends to then open confrontations with its neighbours to divert attention. The second development we are following closely is Europe's fatigue with Ukraine. Germany is trying to now go its own way, France has different ideas and some of the smaller countries are feeling very tired, so they will probably put pressure on that Russian oil and gas to continue to flow, which means prices will ease a bit.

Does India plan to keep importing Russian crude?

India is importing 11% of its total oil requirements from Russia now, compared to about 1% at the start of the year. With prices going down, Indian refiners can go to Moscow and negotiate for even deeper discounts. Anything less than \$80 per barrel is good for Indian consumers, for our economy, and for political and economic stability in Asia. But we also would not want to see prices at \$60 as that is not good for oil producers and it is in our interest that their economies do well.

Are western sanctions on Russia working?

They are but maybe about 40% and my sense is that Germany, Italy and France are not wholeheartedly with the west on the US price cap. So even if it goes ahead, it might also work only about 50%. As far as our own crude purchases go, we do need to ship that oil and Russia has only 68 ships, including product tankers. We have only 12 of our own, which means that we have no option but to depend on other ships, most of which are registered in the western hemisphere, so the cap will prove tough for us. Insurance and payments for crude are also a big challenge so our imports from Russia may come down by about 35%.

Likely OPEC+ action at its meeting in early December?

My sense is they won't cut further because they need to understand first what happens in China as well as everything else. China is a very important customer for the Gulf, particularly to Saudi Arabia. OPEC is a very mature organization - they know Asia very well and I don't think there will be any knee jerk reactions. ■

**Paraphrased Comments*