

India's tactic against Trump; oil pivot from Russia to Iran

INTERVIEW

Not long ago, Bloomberg ran a report revealing New Delhi's eagerness to get oil imports from Iran rolling again. For decades, Iran stood as one of India's key economic partners, ranking second among its crude suppliers — a trend that came to a screeching halt when the Trump administration clamped down with punitive mechanisms on nations buying oil from Iran and Russia. Now, India's plan hinges heavily on getting Washington on board. Against this backdrop, Amin Rezaei Nejad, an expert on South Asian affairs, shed light on the current situation in an interview, translated below:



Oil trucks are parked outside of an oil refinery operated by Bharat Petroleum Corp. Ltd. (BPCL), in Mumbai, India, on April 4, 2025. BPCL was annually taking 2 million tons of Iranian crude oil on average when Tehran was not under US sanctions.
● DHIRAJ SINGH/BLOOMBERG



Amin Rezaei Nejad



Iranian President Masoud Pezeshkian (L) and Indian Prime Minister Narendra Modi hold talks during the 16th annual BRICS Summit in Kazan, Russia, on October 22, 2024.
● IRNA

Given India's push to restart oil imports from Iran and the long history of Tehran-New Delhi energy ties, is there any chance of returning to the old setup?

REZAEI NEJAD: The reality is that some Indian refineries are built in such a way that they can't process crude from anywhere except Iran, Russia, or Venezuela. Considering the US tariffs slapped on Russian oil imports as a form of punishment, India is left with little choice but to turn to Iranian crude. If India decides to steer clear of supplies from all three — Iran, Russia, and Venezuela — global oil prices will shoot up, hurting oil-importing countries, India included. Otherwise, it has to transform its refinery structures, which would set India back in both time and money. Given rising oil demand among India's middle class — chiefly in the form of petrol and refined products — the country can't afford to switch gears now. Replacing current suppliers isn't something that can happen overnight; It takes a lot of behind-the-scenes diplomacy to win over new sellers who can fill a share of India's oil needs. That's also a time-consuming process because producers themselves need breathing space to ramp up output. This mix of constraints means India will likely weather the economic storm triggered by punitive US tariffs just to keep its oil lifeline open through Iran. Apparently, New Delhi had already scaled back oil imports from Russia under US

pressure to stay in the game for tariff negotiations with Washington. So, the notion that India can further restrict imports from Iran simply doesn't hold water.

If we ask whether things will go back to the way they were, the answer is no. The United States no longer calls the shots as it did before; Washington can't just shut down Iranian oil sales or block off India's Iranian crude purchases. With India's domestic demand skyrocketing, any dip in consumption would drag down its GDP growth.

Given current tensions between India and the United States, will India's tilt toward Iran last?

Whenever New Delhi runs into trouble with Western powers — especially Washington — it pivots eastward. Owing to its vast ability to soak up resources, India tends to tap into eastern energy sources like Iranian hydrocarbons and branch out across other domains to beef up its strategic leverage vis-à-vis the West. The Indians even dub this policy "strategic autonomy". They've resorted to this policy more than once in the past. Frankly, it's more of a balancing game. Think tanks close to the Bharatiya Janata Party are currently pushing for this posture only until President Trump's current term runs its course. So, it doesn't seem this realignment is here to stay.

The full interview first appeared in Persian on the ANA news agency.



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History, current state of India-Russia relations

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ANALYSIS

The two countries established diplomatic relations in April 1947, shortly before India gained independence. India was on a quest to achieve economic self-sufficiency, so the then-Soviet Union was an important partner in terms of providing support for the country's heavy industry, with investment in mining, energy, and steel production. India's economic planning model was also based on the Soviet five-year plan. There is a high degree of histor-

ical affinity towards Russia in India, particularly among the older generation of policy elites. This is because the Soviet Union supported India during the Cold War, notably during the 1971 war between India and Pakistan, in which the US and China sided with Pakistan. This was arguably the peak of the Indo-Soviet relationship and also the year that the two countries signed a treaty of friendship and cooperation. But even before that, the Soviet Union had supported India. During the 1965 war between India and Pakistan, the USSR played a mediating role and hosted the so-called Tashkent summit in 1966, where a peace treaty was signed. The Soviet Union also used its

UN Security Council veto several times in support of India, half a dozen times between 1957 and 1971. This was usually on the issue of Kashmir and once with respect to India's military intervention in Goa to end Portuguese rule. It was also routine for the Indian prime minister to stop over in Moscow on the way back from Washington. The relationship has continued into the post-Cold War period. Annual summits have been held since 2000, when a strategic partnership was signed (and subsequently upgraded in 2010). India and Russia have also been holding so-called 2+2 meetings — joint meetings with foreign and defence ministers — since 2021. India's External Affairs Minister

Subrahmanyam Jaishankar has referred to the India-Russia relationship as the one constant in global politics over the last half-century.

What about current relationship between India, Russia?

Russia remains a key strategic partner for India for both practical and ideological reasons. On the practical side, India benefits significantly from access to discounted Russian crude oil, which has increased from less than 2 per cent of India's total imports before the Russian attack on Ukraine to over 40 per cent in June 2024. Indian companies have also benefitted from exporting refined Russian oil products, some

of which have found their way onto Western markets. But energy cooperation is not confined to oil. It also includes cooperation in the nuclear space, where there is a strong historical foundation. When India conducted its first nuclear test in 1974, the Soviet Union did not shun cooperation with India — unlike the US. Compared to the US, Russia has also been able to better navigate India's civil nuclear liability law, which was put in place in 2010. In February 2024, India and Russia upgraded an agreement to build six civil nuclear power plants in the Indian state of Tamil Nadu. The other area of practical cooperation is defence. Russia accounts for over 50 per cent of In-

dia's in-service military platforms. India is also the largest recipient of Russian arms exports, including the S-400 missile defence system. There has been joint production of several platforms, such as the Brahmos supersonic cruise missile, which has been exported to third countries, starting with the Philippines. Russia has been a preferred arms supplier for India for many years because it provides arms at reasonable prices without end-user constraints, and is often able to supply sensitive technologies, which other countries are not. There is also a long-standing economic relationship. India and Russia aim to increase bilateral trade from \$68 billion to \$100 billion by the end of this decade.