

Here's a **simple, step-by-step breakdown** of the article with **key points**:

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## What Happened?

- **Nayara Energy**, a major Indian oil refiner, has **filed a legal case against Microsoft**.
  - Microsoft **suddenly cut off digital services** to Nayara—like access to its own data and tools it had already paid for.
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## Why Did Microsoft Do This?

- Microsoft claimed it was acting in **compliance with European Union (EU) sanctions** on Russia.
  - Nayara is **partly owned (49.13%) by Russia's Rosneft**, a sanctioned company.
  - But here's the twist:
    - These are **EU sanctions**, not Indian or US ones.
    - Nayara argues there is **no legal requirement** in India or the US for Microsoft to take such action.
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## Nayara's Argument

### 1. Overreach:

Nayara says Microsoft is going beyond its legal limits by enforcing **foreign (EU) sanctions** in India.

### 2. Unilateral Action:

Microsoft acted **without warning, discussion, or legal obligation**.

### 3. Risk to Energy Security:

Nayara supplies a **big chunk of India's fuel and petrochemicals**:

- 8% of refining capacity
- 7% of petrol pumps
- 8% of polypropylene capacity

Losing access to Microsoft's tools could disrupt operations.

### 4. Fully Compliant:

Nayara says all its operations are **legal under Indian law**, and it regularly cooperates with Indian authorities.

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## What Is Nayara Doing Now?

- Nayara has approached the **Delhi High Court**.

- It is asking the court to:
    - Stop Microsoft from suspending services.
    - Order **resumption of access** to critical digital tools.
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## Bigger Picture

- **Concern:** Corporations like Microsoft might start applying foreign laws (like EU sanctions) in countries where those laws **don't officially apply**.
  - **Precedent Risk:** This could lead to **global companies making their own legal interpretations** and impacting operations of firms in unrelated countries like India.
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## Nayara's Investment Plans

- Despite these issues, Nayara is:
    - **Investing ₹70,000 crore** in future projects (ethanol, petrochemicals, ESG, etc.).
    - Already invested ₹14,000 crore since 2017.
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## Context: EU Sanctions

- The **18th EU sanctions package** against Russia (July 2025) is **very strict** due to the ongoing Ukraine war.
  - Microsoft may be acting out of caution to avoid violations.
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## Summary

- **Nayara Energy** is suing **Microsoft** for cutting off services.
- Microsoft acted due to EU sanctions, but **India has no such rule**.
- Nayara sees this as a **serious overreach** that may hurt **India's energy security**.
- They are asking the **Delhi High Court** to intervene.

Let me know if you want a 1-line summary, tweet-style breakdown, or a visual chart.