

West Asia crisis a 'live balance of payments stress test': CEA

OMCs losing ₹1K cr a day, says Puri; doesn't rule out fuel price hike

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The crisis in West Asia has emerged as a "live balance of payments stress test", carrying direct implications for inflation, the current account deficit and the rupee, V Anantha Nageswaran, chief economic advisor (CEA) in the finance ministry, said on Tuesday. Petroleum and Natural Gas Minister Hardeep Singh Puri, meanwhile, did not rule out a rise in pump fuel prices, saying state-run oil marketing companies (OMCs) were losing nearly ₹1,000 crore a day because of the disruption.

Addressing the Confederation of Indian Industry's (CII's) Annual Business Sum-

mit, Nageswaran said: "Managing the current account credibly, financing it, and preventing further currency depreciation are the central macroeconomic imperatives of FY27. India's fiscal consolidation path, infrastructure investment, and the reform record of recent years provide the foundation."

Many economists have sharply revised upwards their estimates for India's current account deficit in FY27, with forecasts now ranging between 1.5 per cent and 2.4 per cent of gross domestic product (GDP).

Describing India's exposure to the West Asia crisis as structural rather than temporary, the CEA said the consequences were unlikely to dissipate once tensions ease. Turn to Page 7 ▶



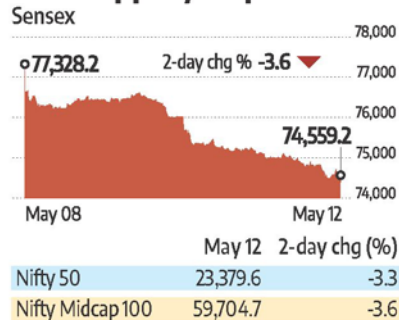
**WEST ASIA
CONFLICT**

**EDIT:
MANAGING
FISCAL
FALLOUT 9 ▶**

Lower by the day: ₹ finds no bottom; equities sink 2%

Deep losses in equities, driven by surging crude oil prices and sustained foreign outflows, have erased more than ₹17 trillion in investor wealth over the past two trading sessions, with the Sensex and Nifty sliding nearly 2 per cent again on Tuesday. The rupee weakened to a fresh low of 95.63 against the dollar, while long-term bond yields hardened. REPORTS ON P4 & SEC II, 1 ▶

On a slippery slope



'Permitted unless prohibited': NITI's reforms guidebook

"On criminalisation, despite the two Jan Vishwas legislations, the numbers have not come down. This is because a lot of unnecessary criminalisation is in the state and municipal laws," he said.

The government has constituted a deregulation committee headed by Cabinet Secretary T V Somanathan to coordinate reform efforts with states.

Gauba said India's economy had reached an inflection point and sustaining growth over many years was now imperative. "For Indian companies and global firms, we are a vast market of 1.4 billion with rising incomes. But

we should be an attractive proposition as a global production and an innovation house, not just for domestic consumption," he said.

Gauba also urged industry to move away from demands for protectionism, saying India's expanding network of free trade agreements would benefit exporters only within a framework of reciprocity. Echoing broader government concerns as put forth by Das a day earlier, the NITI Aayog member added said industry must increase investments in research, development and skilling, arguing these responsibilities cannot rest solely with the state.

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"They are the early-stage consequences of a sustained disruption to one of the world's most critical energy and commodity corridors. These structural shifts are not forces operating at a safe analytical distance. The West Asia crisis has brought them into simultaneous, light contact with the Indian economy," Nageswaran said.

Speaking at a separate session, Puri said he was "not saying fuel prices will not go up", while stressing that any decision on price revisions would be unrelated to elections.

"The OMCs are incurring losses of ₹1,000 crore per day due to the West Asia crisis. In the current quarter, OMCs' under-recovery is likely to go up to ₹2 trillion, while losses might surge to ₹1 trillion. The rate at which we are going, this one quarter of losses may wipe out the entire profits made in last year," he said.

Despite the energy shock triggered by the crisis, India has sufficient reserves, he added, with stocks of crude oil adequate for 60 days, lique-



Chief Economic Advisor Anantha Nageswaran described India's exposure to the West Asiatic crisis as structural rather than temporary PHOTO: PTI

fied natural gas (LNG) for 60 days and liquefied petroleum gas (LPG) for 45 days. As the country faces a shortage of cooking fuel, refineries have increased LPG production to 54,000 tonnes a day from pre-conflict levels of 35,000 tonnes a day.

Commerce and Industry Minister Piyush Goyal, speaking at another session, said the deteriorating global

environment and mounting geopolitical tensions had prompted Prime Minister Narendra Modi to issue a broader call for urgency and action. "What our Prime Minister has attempted to do is to guide us that it cannot be business as usual. And India has always performed during the times of adversity," he said.

He also clarified that the prime minister's remarks on

curbing foreign travel referred only to leisure travel, not business travel. "Please go all over the world for your business. Spend money to get more money. Get more foreign exchange into the country. Get investors. Get export orders. We are planning to take 500 delegations in the next eight or nine months to all parts of the world particularly the FTA countries," he added.

CJI forms panel in ₹50,000 crore push for court infra

Appointing more judges would likely bring up the need to add to the 22,712 courtrooms available in the country.

Apart from the Supreme Court, high courts and trial courts, the working conditions at several tribunals have also been flagged several times. During a hearing on a plea concerning vacancies in the National Green Tribunal, a Supreme Court bench comprising justices B V Nagarathna and R Mahadevan had criticised the Centre over poor infrastructure for tribunal members.

"Former chief justices and high court judges are treated without dignity. Even for stationery, they have to keep requesting. The most rickety car is given to a tribunal chairperson. Housing, infrastructure, transport... nothing is in place," Nagarathna remarked.

The Bench also referred to an earlier ruling of another Bench directing the government to improve infrastructure in the National Company Law Tribunal (NCLT) and National Company Law Appellate Tribunal (NCLAT). In September last year, the Supreme Court, too, observed that retired high court judges were reluctant to join tribunals because they were treated "without dignity", while the tribunals lacked even basic facilities.

Several tribunals in the national capital continue to function from temporary or shared premises.

Successive tribunal heads

have similarly flagged the infrastructure problem. Former NCLAT chairperson S J Mukhopadhyaya had identified the lack of permanent staff and inadequate courtroom space as major constraints, while former NCLT president Ramalingam Sudhakar raised concerns about the tribunal's ability to handle large and complex insolvency matters without specialised benches.

The committee formed by the CJI has also been tasked with examining bottlenecks faced by stakeholders in the justice delivery system and recommend measures to improve facilities for judges, lawyers, litigants and court visitors. It will also explore technology-driven interventions aimed at faster disposal of cases, expansion of computerisation and e-courts, and measures to digitally manage cases filed in courts.

Its mandate also includes improving citizen-centric services to bridge the digital divide, planning modern court complexes and enhancing working conditions for judicial officers and court staff. Earlier this month, the Union Cabinet approved a proposal to increase the sanctioned strength of the Supreme Court from 33 to 37 judges (excluding the Chief Justice of India) in the first such expansion since 2019.

The proposal will be formalised through an amendment to the Supreme Court (Number of Judges) Act, 1956. Prime Minister Nar-