

# Economy

WEDNESDAY, FEBRUARY 12, 2020



## STATE OF THE ECONOMY

Nirmala Sitharaman, finance minister

A lot of assumptions were being put on us... One thing I concede and that is it (government) is certainly predisposed about not repeating faulty remedies that the UPA government gave in 2008-09. None of that will be repeated by us

## Quick View

### HC to Maha: Call meet on slum rehab scheme

THE BOMBAY High Court on Tuesday asked the Maharashtra government's housing department and the Slum Rehabilitation Authority (SRA) to convene a meeting to discuss the issue of agreements between SRA and realty firm Housing Development Infrastructure (HDIL) pertaining to 24 slum rehabilitation schemes in Mumbai's Bandra Kuria Complex.

## GST ANNUAL RETURN

# SC stays extension of filing date on Centre's plea

FE BUREAU  
New Delhi, February 11

THE SUPREME COURT has stayed the Rajasthan High Court order that extended the deadline for filing of Form GSTR-9 (annual return) and Form GSTR-9C (reconciliation statement) without fine by up to a week to February 12, 2020 on a plea by the Centre that the move could undermine its efforts to boost GST compliance.

Having had to extend the deadlines for filing of the two forms several times and come under flak for such leniency, the government pleaded in the SC: "Tinkering with such time lines would have a catastrophic

impact on the functioning of GST law, as it has the tendency to create confusion and ambiguity in the trade."

The stay order was passed pursuant to Mehta's submissions that only ₹200 per day was being charged for the filing of late returns and the amount will be refunded in case the government lost the case. However, the apex court bench led by Justice RF Nariman directed the HC to decide the issue on the basis of facts without getting influenced by its ad-hoc order.

The government had earlier extended the due dates for filing annual return and reconciliation statement several times.

It also allegedly undermined the utility of these returns by virtually removing its crucial anti-evasion features. As the GSTR-9 and GSTR-9C forms have now been 'simplified', taxpayers won't require to provide the split of input tax credit availed on inputs, input services and capital goods. Also, they won't need to provide HSN-level information of outputs or inputs, etc, for 2017-18 and 2018-19.

The SC clarified that there would be no penal consequences for delayed filing due to problems of the GSTN server after the Tax Bar Association pointed out to various technical errors and glitches at the



GSTN portal. Mehta also assured the court that no penal consequences would be taken on account of delayed filing.

Justice Nariman also directed the government to look into the problems and come out with a solution after the association pointed out

that the capacity for online processing of GST applications on the portal www.gst.gov.in was extremely limited.

As on February 4, 7,61,432 GSTR 9Cs have been successfully filed, constituting more than 61% of the total forms required to be filed as per law, of which over 5 lakh GSTR 9Cs have been successfully filed in last 15 days, the government said.

More than 25 lakh taxpayers would be filing their GSTR-1 statements of outward supplies made in January 2020 from 7-8 January 2020, the ministry said, adding that if this queue is not cleared (which gives ₹80,000 crore every

month), this would cause disruption in cash flow of both the Central and the state governments. As of now, 1.2 crore assesses are registered under the GST.

The government said that the HC erred by ignoring the well-settled principle of law that the government enjoys a wide latitude in decision making pertaining to fiscal policy, and the scope of interference by the courts in such policy decisions are very limited.

The dates of annual returns for 2017-18 (GSTR-9) and the reconciliation statement (GSTR-9C) required for taxpayers with aggregate turnover exceeding ₹2 Crore) have

already been extended several times. These extensions are based on recommendations of the GST Council.

By way of a notification on February 3, 2020, the finance ministry had again extended the date for filing returns pertaining to FY 2017-2018 to February 5, 2020 for Group 1 and February 7, 2020 for Group 2.

Unable to file returns within the cut-off date of February 5, the Rajasthan Tax Bar Association had moved the HC seeking extension of the due date on the grounds that many of its members could not access the portal and could not file returns on time.

## From the Front Page

### AAP sweeps Delhi again

The victory also assumes significance as it came in the face of BJP's no-holds barred attack against protesters opposing the Citizenship (Amendment) Act as "supporters of Pakistan" during the bitterly-fought campaign.

"Dilliwalon, ghazab kar diya apne (Delhiites, you have done the impossible). I love you," Kejriwal, flanked by his wife, daughter and senior party leaders, said in a brief thank you address at the party's headquarters here.

"It is the beginning of new kind of politics today. This is very auspicious message for the country and the politics of work can only take our country to the 21st century," he added. "It is a victory for Bharat Mata (mother India)," he said as a large number of supporters cheered him.

Later, he visited the famous Hanuman temple near Connaught Place along with his family and deputy chief minister Manish Sisodia.

All AAP heavyweights, including Sisodia, Raghav Chadha and Atishi, Gopal Rai and Satyender Jain emerged victorious.

Narendra Modi congratulated Kejriwal for his party's win and wished him "the very best" in fulfilling the aspirations of the people. "Congratulations to AAP and Shri Arvind Kejriwal ji for the victory in the Delhi assembly elections. Wishing them the very best in fulfilling the aspirations of the people of Delhi," the Prime Minister tweeted.

Opposition leaders hailed AAP's landslide win as a defeat of the politics of polarisation and hate and a victory of inclusive politics, saying "winds of change" are blowing in the country.

Leaders of non-BJP parties cutting across party lines said

the poll outcome showed that elections can be fought and won on the development plank. There was also a call for all regional parties to come together to keep the BJP out of power.

West Bengal chief minister Mamata Banerjee, who was among the first to congratulate Kejriwal, said the Delhi polls have proven that only development will work.

"I have congratulated Arvind Kejriwal. People have rejected BJP. Only development will work, CAA, NRC and NPR will be rejected," the TMC supremo told reporters in Kolkata, amid the protests against the CAA, National Register of Citizens (NRC) and National Population Register (NPR).

NCP supremo Sharad Pawar utilised the AAP's sweeping win to stress that regional parties need to come together to keep the BJP out of power.

"The Delhi poll results indicate that 'winds of change' are blowing in the country. The results are not surprising to me," Pawar told reporters in Pune.

"The BJP, as usual, played the communal card to polarise votes, but failed," he said.

The elections in the national capital took place in the midst of massive protests in the city and elsewhere over the new citizenship law, an issue which was strongly raised by the BJP top leadership during the campaigning which often turned bitter and vitriolic.

Though BJP's campaign focused on national security issues, AAP mainly focused on its achievements in the fields of education, healthcare and infrastructure.

AAP had registered a sensational victory in 2015 by winning 67 seats in a hurricane march that almost wiped out the BJP and the Congress.

"We have been saying since the beginning that the upcom-

ing polls will be fought on the basis of work done by us" AAP spokesperson Sanjay Singh told reporters.

A clear majority shows that doing Hindu-Muslim politics will not work anymore, AAP volunteer Fareen Khan said at the party office.

### FM: Green shoots of recovery visible

The FM also exuded confidence that the announcement of the proposed investments of ₹103 lakh crore over a six-year period through FY25 under the National Infrastructure Pipeline would help draw more FDI in various projects.

Foreign exchange reserves stood at \$466.69 billion as of January 24, compared with \$413 billion at the end of the last fiscal. "It reflects increasing confidence in the Indian economy," she said.

Industrial growth, too, is witnessing a recovery, with the index of industrial production having turned positive with a 1.8% rise in November after three straight months of contraction. Purchasing Managers' Index (PMI) for manufacturing scaled a near eight-year peak in January and that of services jumped to a seven-year high.

Sitharaman also pointed at worse macro-economic fundamentals during the UPA era to take a pot shot at former finance minister and senior Congress leader P Chidambaram for his recent remark that the economy is "perilously close to a collapse and is being attended by incompetent doctors". During the Modi government's tenure (since FY15), fiscal deficit has ranged between 3.3% and 4.1% of GDP, against 4.5-6.6% between FY09 and FY14. "This happened even when the economy was managed by the com-

petent doctor," she said sarcastically.

Responding to criticism that economic recovery is being led by just government spending, the minister said various measures — such as the sharp cut in the corporate tax rate, the removal of dividend distribution tax, reduction in GST rates for electric vehicles, amendments to the Insolvency & Bankruptcy Code (IBC) for faster disposal of cases and the amalgamation of 10 banks into four to create size and scale — are

## IiAS study: Weak companies prefer Sept date for AGMs

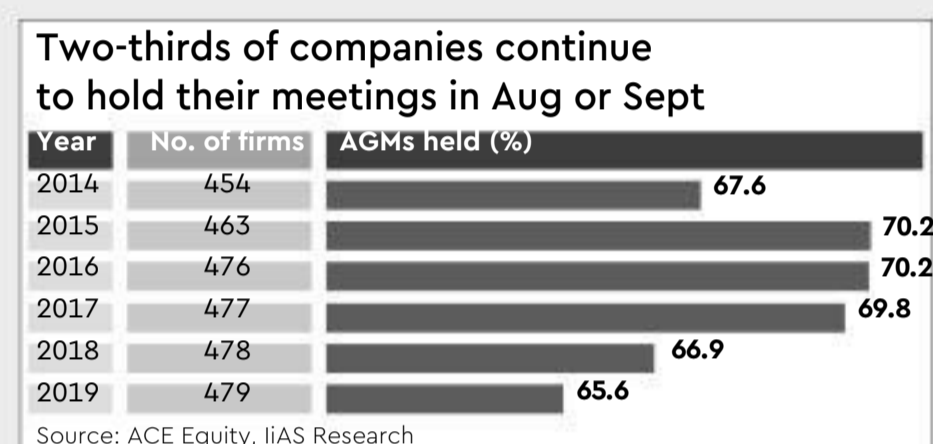
THIS IS THE basis for IiAS to suggest that keeping the AGM date towards the end could be because they hope that their shareholders will not focus on weak financial numbers as attention will shift to the new financial year's performance.

Though the number of companies which held AGMs in September has come down to 122 in FY19 from 198 in FY14, the cumulative number of annual meetings held in August and September remained over 65% in the last six years with the fiscal FY15 and FY16, having over 70% of companies holding their annual meetings in these two months.

The study further found that the median return on equity (RoE) of companies which held their meetings in September was lowest. Interestingly, the top 12 companies under the IBC process almost always held their AGMs in September. While Alok Industries did not have

an AGM in 2014, Bhushan Steel & Power did so in 2016 and 2017, respectively.

Moreover, IiAS argues that if 34% of Nifty 500 companies, comprising varied sectors and sizes, can hold AGMs within four months of the financial year-end, the remaining two-thirds should be able to do so too. Additionally, the rationale behind delayed AGMs cannot be attributed to the size of the organisation. For instance, the country's largest state-owned lender — State Bank of India — and the largest lender by market capitalisation — HDFC Bank — have held their annual



meetings in June and July. The largest company by all three parameters (revenue, profit and market value) — Reliance Industries — held its AGM in August 2019.

In June 2017, Sebi formed a committee on corporate governance under the chairmanship of Uday Kotak to enhance the standards of corporate governance of listed entities in the country. With the market regulator accepting the recommendations made by the Kotak committee, IiAS hopes that the companies would bring their AGM dates forward in the coming years.

all aimed at enabling all the four growth engines, especially private investments, to fire. To boost rural consumption, the government has increased the minimum support prices of key crops, she added.

Post-RCEP retreat: India likely to sign clutch of FTAs

in FY21

India's refusal to join the 16-nation Regional Comprehensive Economic Partnership (RCEP), the recent spikes in import duties on a host of items, and the rhetoric of some senior government functionaries raised doubts that the country may have become more circumspect, if not protectionist, when it comes to trading with other countries.

According to the sources, as the appellate body of the World

Trade Organization (WTO) remains dysfunctional and chances of its early return to RCEP talks appear remote, India, an ardent advocate of the multilateral trading system, would use "balanced" bilateral FTAs to deepen its economic engagement with select countries.

Australian trade minister Simon Birmingham will likely visit India later this month and meet commerce and industry minister Piyush Goyal to boost talks for an FTA, which is at an advanced stage of negotiations and could be clinched in the next 6-9 months, according to one of the sources.

Similarly, India will speed up talks with European Free Trade Association members — Switzerland, Norway, Iceland and Liechtenstein — for a separate trade pact in parallel to its discussions with the EU.

However, sticking to its stance, New Delhi aims to ensure "enhanced trade and better trade balance" through these agreements, in contrast with earlier FTAs that "worsened India's trade deficit", according to one of the sources. It's also seeking to rework its existing FTAs with Asean, Japan, Malaysia and South Korea to trim its trade deficit with these nations.

Importantly, the Economic Survey for 2019-20 has pointed out that generally FTAs have been beneficial for India. Between 1993 and 2018, India's exports of manufactured products grew at an annual average of 13.4% and such imports grew 12.7%. In comparison, its overall goods exports grew at an average of 10.9% and imports 8.6% during this period.

Already, on the sidelines of the World Economic Forum summit in Davos last month, Goyal held bilateral meetings with EU trade commissioner

Phil Hogan, Mexico's secretary of economy Graciela Márquez Colín, South African trade minister Ebrahim Patel and Japan's state minister of economy, trade and industry Makihara Hideki to boost prospects of bilateral trade through enhanced cooperation.

India's tactical shift from multilateralism to bilateral engagements comes at a time of heightened uncertainties in global trade, as countries worldwide increasingly resort to protectionism to help local industries. This has manifested in a trade war between the US and China that is still not over despite a temporary thaw, and the WTO's dispute appellate system has collapsed, as the Trump administration has blocked the appointment of judges to it.

India, too, has proposed to raise imposed duties on a host of products — including shoes, toys, wooden furniture, kitchen ware, appliances and certain food items — which will only increase its average import duty from the already-elevated level of 17.1%. Although some other countries, including China, Japan and South Korea, boast of lower tariffs than India, they have erected massive non-tariff barriers to discourage imports that they deem non-essential.

The country's merchandise exports have remained in the negative zone, having contracted for a fifth straight month through December, as external headwinds, on top of subdued domestic manufacturing, continue to hurt. Exports have barely risen in recent years. In real term, the share of exports of goods and services in the country's GDP shrank from 25.2% in FY14 to just 20.8% in FY19. In the current fiscal, it's all set to drop even further.

Already, India had pulled out of the RCEP talks in Bangkok on November 4 last year on ground that its key issues — including extra safeguard mechanism to curb irrational spike in imports, mainly from China, and tougher rules on the origin of imported products — were not addressed adequately.

Even without RCEP, India's merchandise trade deficit with China stood at \$53.6 billion in FY19, or nearly a third of its total deficit, even without factoring in the deficit with Beijing-proxy Hong Kong. Its deficit with potential RCEP members (including China) was as much as \$105 billion in FY19.

## Trump revokes WTO subsidy preferences for India, others

USTR said the decision to revise its developing country methodology for countervailing duty investigations was necessary because America's previous guidance — which dates back to 1998 — "is now obsolete".

The development marks a noteworthy departure from two decades of American trade policy regarding developing nations that could result in more stringent penalties for some of the world's top exporters. The move also reflects President Donald Trump's frustration that large economies like China and India are permitted to receive preferential trade benefits as developing nations at the World Trade Organization.

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Aster DM Healthcare Limited

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## STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019

(Amount in INR crores except per share data)

Particulars	Consolidated						Standalone					
	Quarter ended			Nine Months ended			Quarter ended			Nine Months ended		
	31-Dec-19	30-Sep-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Mar-19	31-Dec-19	30-Sep-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Mar-19
Total income	2,325.58	2,091.01	2,155.87	6,448.43	5,788.83	7,997.33	291.48	202.54	158.48	665.20	440.68	678.93
Net profit/(loss) before tax	159.67	11.83	129.90	183.78	185.98	410.25	85.48	(4.34)	(2.81)	64.28	(26.05)	48.52
Net profit/(loss) after tax	151.43	6.87	113.20	168.35	147.47	367.31	81.61	(4.34)	(2.81)	60.41	(26.05)	48.07
Total comprehensive income/(loss)	170.93	46.53	51.73	216.37	251.05	429.72	81.64	(4.32)	(2.82)	60.50	(26.11)	48.64
Equity share capital	505.23	505.23	505.23	505.23	505.23	505.23	505.23	505.23	505.23	505.23	505.23	505.23
Other equity	-	-	-	-	-	2,708.53	-	-	-	-	-	2,475.05
Earnings per share (Face value of INR 10 each)	Not Annualised	Not Annualised	Not Annualised	Not Annualised	Not Annualised	Annualised	Not Annualised	Not Annualised	Not Annualised	Not Annualised	Not Annualised	Annualised
Basic	2.78	0.06	2.00	2.90	2.47	6.63	1.62	(0.08)	(0.06)	1.20	(0.52)	0.96
Diluted	2.77	0.06	1.99	2.89	2.46	6.62	1.62	(0.08)	(0.06)	1.20	(0.52)	0.96

- The unaudited consolidated and standalone Financial Results of the Company for the period ended December 31, 2019 have been reviewed by the Audit Committee on February 11, 2020 and approved by the Board of Directors at its meeting held on February 11, 2020.
- The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Statements is made available on the Companies website www.asterdmhealthcare.com/investors and stock exchange website BSE https://www.bseindia.com/ and NSE https://www.nseindia.com/
- The Statement has been subjected to limited review by B S R & Associates LLP, the statutory auditor of the Company. The auditor has issued an unqualified review report.

For Aster DM Healthcare Limited

Sd/-  
Dr. Azad Moopen  
DIN: 00159403  
Chairman and Managing Director

Place: Dubai  
Date: February 11, 2020