

DAILY NEWS MONITOR: 16 SEPTEMBER 2021

1. Auto sector, drone PLIs: Green light for new-age tech

Source: The Economic Times ([Link](#))

The cabinet approved production linked incentive (PLI) schemes to the tune of ₹26,058 crore for the automobile and ancillary sectors, clearly signalling India's move towards green mobility, and drones. For the auto sector, the incentives offered over a five-year period seek to attract more than ₹42,500 crore investment in the production of environmentally cleaner electric and hydrogen fuel cell vehicles. The government expects this to generate ₹2.3 lakh crore of incremental production and 760,000 jobs. The PLI scheme for drones will run for three years and offer ₹120 crore in incentives, expected to trigger ₹5,000 crore in investment, yield output of ₹1,500 crore over this period and create 10,000 new jobs.

2. GST Council to discuss treating food delivery apps as restaurants, levying 5% tax

Source: Financial Express ([Link](#))

The all-powerful GST Council is likely to discuss on 17 September a proposal to treat food delivery apps such as Zomato and Swiggy as restaurants and levy 5 per cent GST on supplies made by them, an official said. A proposal to make the delivery platforms liable to pay the Goods and Services Tax (GST) on restaurant services supplied through them is one of over four-dozen proposals that will be taken up by the Council at its meeting in Lucknow on September 17. If approved, the apps would be given certain time to make changes in their software to allow for such tax to be charged. Once approved by the GST Council, food delivery apps will have to collect and deposit GST with the government, in place of restaurants, for deliveries made by them. There would be no extra tax burden on the end consumers.

3. Cabinet approves relief package for telecom sector

Source: PTI ([Link](#))

The Union Cabinet is believed to have approved a package for the telecom sector, aimed at giving relief to companies such as Vodafone Idea that have to pay thousands of crores in unprovisioned past statutory dues, according to sources. The wide set of measures proposed entail reforms for the ailing sector by way of granting moratorium on unpaid dues, redefining AGR prospectively and cut in Spectrum Usage Charges. Telecom Minister Ashwini Vaishnaw is slated to brief the media shortly on decisions taken by the Union Cabinet at its meeting held on 15 September.

4. Blue-Collar Worker App Becomes a Unicorn in Under Two Years

Source: Bloomberg ([Link](#))

Apna, a digital hiring startup in India that connects millions of blue-collar workers to employers, reached a valuation of \$1.1 billion with a new funding round led by Tiger Global Management. The startup reached unicorn status just 21 months after creating the app, and 15 months after beginning full-scale operations. It's now raised \$100 million in a Series C round also joined by Owl Ventures LLC, Insight Partners Inc. and Sequoia Capital India. It serves more than 16 million users and 150,000 employers and enables an average of 18 million job interviews each month, the company said in a statement 16 September.

5. India expected to grow at 7.2% in 2021 but economic growth could decelerate next year: UN report

Source: Money Control ([Link](#))

India is expected to grow at 7.2 percent in 2021 but economic growth could decelerate next year, according to a United Nations report which said the recovery in the country is constrained by the ongoing human and economic cost of the COVID-19 pandemic and the negative impact of food price inflation on private consumption. The UNCTAD Trade and Development Report 2021, released here on 15 September, sounded a cautiously optimistic note to say that the global economy is set for a strong recovery in 2021, albeit with a good deal of uncertainty clouding the details at the regional and country levels over the second half of the year. After a 3.5 percent fall in 2020, the United Nations Conference on Trade and Development (UNCTAD) expects world output to grow 5.3 percent this year, partially recovering the ground lost in 2020. The report said that India "suffered a contraction" of 7 percent in 2020 and is expected to grow 7.2 percent in 2021.

6. Govt may waive GST in border mkt

Source: Hindustan Times ([Link](#))

The Union government is considering waiving off goods and services tax (GST) on products sold at the marketplace on the zero line of the Indo-Bangladesh border to further strengthen the economic ties between the two countries as Bangladesh has surpassed Hong Kong to become India's fourth-biggest export destination, said people aware of the development. For a formal approval, the matter will be placed in the 45th meeting of the GST Council in Lucknow on September 17, two people aware of the matter said, requesting anonymity. "The move is reciprocal as Bangladesh does not impose any tax on the border 'haat' (market) limited to about four dozen vendors, catering to local needs in that remote area. Besides, it has no significant revenue implications," said one person, who works in an economic

ministry. At present, there are four operational ‘haats’ along the India-Bangladesh border. Two of them are located in Meghalaya and two are located in Tripura.

7. Biden admin pressing India to resume export of Covid vaccines: Report

Source: Hindustan Times ([Link](#))

The Joe Biden administration has been pressing Prime Minister Narendra Modi reportedly to let India resume exporting Covid-19 vaccines, and is tying it to a possible prominent role for him at a global summit US President plans to hold on the sidelines of the UN general assembly meetings. “We have been regularly communicating with (the) government of India in bilateral and multilateral channels to discuss vaccine supply and inquire about timeline for exports,” a US official told Axios news publication, insisting, at the same time, that “these conversations are not tied to a specific summit or engagement”. Prime Minister Modi’s participation in the summit will not be incumbent upon his agreeing to resuming export of vaccines.