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STUDENTS

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INDIAN BANKING SECTOR



In January 2021, the Indian banking sector witnessed several significant developments and changes. Here are some subheadings to elaborate on various aspects of the Indian banking sector during that time:

Regulatory Reforms:

Introduction of the Integrated Ombudsman Scheme: The Reserve Bank of India (RBI) launched the Integrated Ombudsman Scheme to streamline the grievance redressal mechanism for customers of banks, non-banking financial companies (NBFCs), and payment system providers.

Amendments to Priority Sector Lending (PSL) guidelines: The RBI revised the PSL guidelines, expanding the scope of lending to include new categories like start-ups, renewable energy, and loans to farmers for installation of solar power plants.

Digital Transformation:



Adoption of Open Banking: Banks in India started embracing open banking, allowing customers to securely share their financial data with third-party applications for enhanced financial management and personalized services.

Growth of Digital Payments: The digital payment ecosystem in India experienced significant growth, with increased adoption of Unified

Payments Interface (UPI), mobile wallets, and contactless payments.

Merger and Consolidation:

Amalgamation of Public Sector Banks (PSBs): As part of the government's plan to consolidate PSBs, several mergers took place, including the merger of Oriental Bank of Commerce and United Bank of India with Punjab National Bank, and the merger of Syndicate Bank with Canara Bank.

Non-Performing Assets (NPAs) and Bad Loan Management:

Asset Quality Review (AQR) and Recognition of NPAs: The RBI conducted an Asset Quality Review, leading to the identification and recognition of a significant number of non-performing assets (NPAs) in banks' balance sheets.

Introduction of One-Time Restructuring: To address the impact of the COVID-19 pandemic on borrowers' repayment capabilities, the RBI allowed a one-time loan restructuring scheme to provide relief to affected individuals and businesses.

Capital Infusion and Fundraising:

Recapitalization of Public Sector Banks: The Indian government announced a capital infusion plan to strengthen the financial position of public sector banks, ensuring their compliance with Basel III capital adequacy norms.

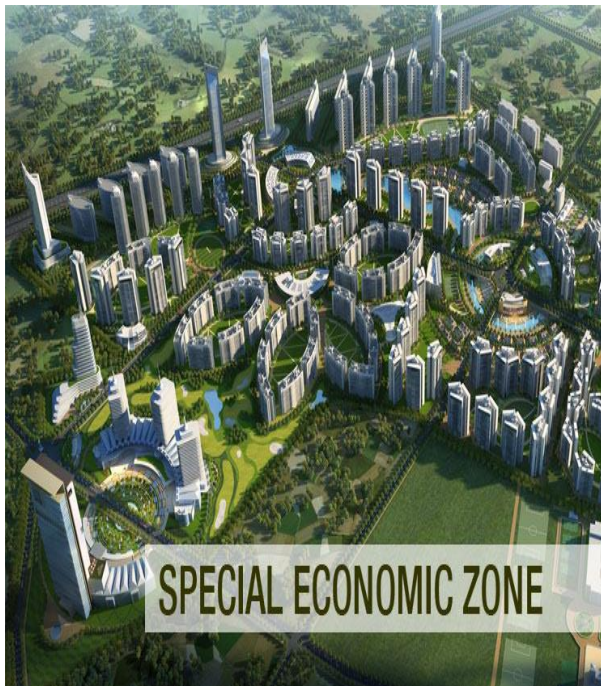
Fundraising through Additional Tier 1 (AT1) Bonds: Banks raised capital by issuing Additional Tier 1 (AT1) bonds to enhance their capital buffers and meet regulatory requirements.

Focus on Financial Inclusion:

Expansion of Jan Dhan Yojana: The government continued to expand the Pradhan Mantri Jan Dhan Yojana (PMJDY), aiming to provide banking services to the unbanked population and promote financial inclusion.

Empowerment of Micro, Small, and Medium Enterprises (MSMEs): Initiatives were taken to facilitate easier access to credit, improve financial literacy, and provide dedicated support to MSMEs to promote their growth and development.

SEZ Developments



Special economic zone development in January 2021

In January 2021, several countries around the world were actively involved in the development and promotion of special economic zones (SEZs). Special economic zones are designated areas within a country that have different economic regulations and policies compared to the rest of the country. They are established to attract foreign investment, promote exports, generate employment, and boost economic growth.

Here are a few notable developments related to special economic zones in January 2021:

China: China has been a prominent player in the establishment of special economic zones. In January 2021, China announced plans to create a new pilot free trade zone (FTZ) in the Hainan province, with the aim of further opening up its economy. The Hainan FTZ aimed to attract foreign investment, especially in sectors such as tourism, modern services, and high-tech industries.

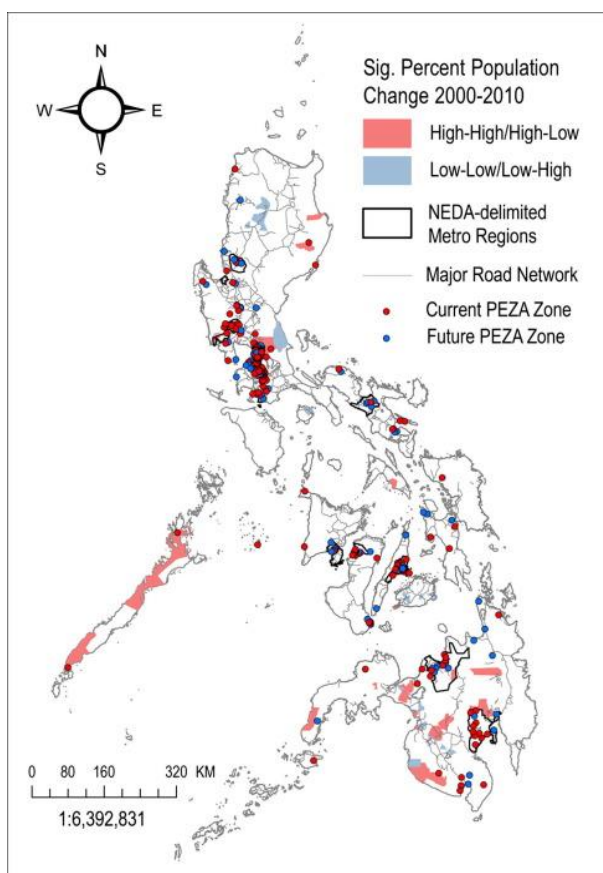
India:



In January 2021, the Indian government approved the development of a new special economic zone in Tamil Nadu. The

SEZ was intended to promote the manufacturing of mobile phones and electronic components, attracting investment and generating employment in the region.

Philippines:



The Philippines continued its efforts to develop special economic zones in January 2021. The government designated several areas as new special economic zones, including the New Clark City SEZ in Tarlac and the Philippine Economic Zone Authority (PEZA) in Cavite. These SEZs aimed to encourage investment, particularly in industries

such as manufacturing, information technology, and tourism.

Myanmar: Despite political uncertainties and challenges, Myanmar expressed its commitment to SEZ development in January 2021. The Thilawa SEZ near Yangon, a joint venture between Myanmar and Japan, continued its operations and attracted investment from various companies. The government aimed to leverage SEZs to enhance economic growth and attract foreign investment.

Kazakhstan: In January 2021, Kazakhstan announced plans to establish a new special economic zone in the city of Shymkent. The SEZ aimed to promote industrialization and diversify the economy of the region by attracting investment in sectors like manufacturing, agriculture, and logistics.

These are just a few examples of the special economic zone developments that took place in January 2021. SEZs continue to be a popular tool for governments to attract investment, stimulate economic growth, and create employment opportunities

SCIENCE AND TECHNOLOGY

In January 2021, several significant developments took place in the field of science and technology. Here are some notable advancements and events from that time:

COVID-19 Vaccines:



Multiple COVID-19 vaccines were approved and began distribution worldwide. Vaccines developed by Pfizer-BioNTech, Moderna, and Oxford-AstraZeneca received emergency use authorization in various countries, marking a significant milestone in the fight against the pandemic.

Mars Missions:



The month of January witnessed two Mars missions launched by space agencies. NASA's Mars 2020 mission, including the Perseverance rover and the Ingenuity helicopter, was launched on July 30, 2020, but it reached Mars on February 18, 2021. The United Arab Emirates' Hope Probe was also successfully launched, marking the first interplanetary mission by an Arab country.

Quantum Computing: Google announced a significant breakthrough in quantum computing known as "quantum supremacy." The company's quantum computer successfully

performed a task in 200 seconds that would have taken the most powerful classical supercomputers thousands of years to complete.

Artificial Intelligence: OpenAI released the GPT-3 language model, which is a highly advanced natural language processing model capable of generating human-like text. GPT-3 gained significant attention for its ability to generate coherent and contextually relevant responses.

features. The push for sustainable transportation gained momentum globally.

Climate Change: Efforts to combat climate change gained prominence, with various countries announcing ambitious goals to achieve carbon neutrality. The United States rejoined the Paris Agreement on climate change, signaling renewed commitment to addressing environmental challenges.

Electric Vehicles:



Automakers continued to make progress in the electric vehicle (EV) industry. Several companies, including Tesla, unveiled new EV models with improved range and

Gene Editing:



Researchers made strides in the field of gene editing. The CRISPR-Cas9 gene editing technology continued to advance, with scientists exploring its potential for

treating genetic disorders and developing new therapies.

Space Exploration: NASA's OSIRIS-REx mission successfully collected a sample from the asteroid Bennu and began its journey back to Earth. This mission aimed to provide valuable insights into the early solar system and the origin of life on Earth.

Import/Export Management Trends

In January 2021, import and export management was influenced by various factors, including global trade agreements, trade policies, and the ongoing COVID-19 pandemic. Here are some key aspects related to import and export management during that time:

COVID-19 Impact:



The COVID-19 pandemic continued to have a significant impact on global trade in January 2021. Many countries implemented travel restrictions, lockdowns, and other measures to contain the spread of the virus. These measures disrupted supply chains, affected production capacities, and led to a decline in international trade volumes.

Trade Policies and Agreements:

Countries around the world were engaged in various trade policies and agreements. The United States, under the new administration of President Joe Biden, continued to review and evaluate its trade relationships, with a focus on addressing issues related to intellectual property, labor, and environmental standards. Brexit, the UK's exit from the European Union, was also a significant development affecting trade between the UK and the EU.

Tariffs and Trade Barriers:



Tariffs and trade barriers continued to be a topic of concern. In January 2021, the US-China trade tensions remained unresolved, with both countries maintaining tariffs on each other's goods. Additionally, there were ongoing discussions regarding the World Trade Organization (WTO) reform and the dispute settlement mechanism.

Digital Trade: The digital economy and e-commerce were growing rapidly, and there was an increased focus on digital trade policies. The importance of cross-border data flows, data privacy, and cybersecurity became prominent topics in trade discussions.

Sustainability and Environmental Considerations: Environmental considerations and sustainability goals gained prominence in trade discussions. Many countries aimed to incorporate environmental provisions into their trade agreements, promoting sustainable practices and addressing climate change concerns.

Regional Trade Agreements: Regional trade agreements continued to be an important aspect of global trade. The Comprehensive

and Progressive Agreement for Trans-Pacific Partnership (CPTPP), the Regional Comprehensive Economic Partnership (RCEP), and the African Continental Free Trade Area (AfCFTA) were some of the significant agreements that countries were involved in or exploring.

Digital Trade Platforms:



The use of digital trade platforms and online marketplaces expanded as businesses adapted to the challenges posed by the pandemic. These platforms facilitated cross-border transactions and provided new opportunities for small and medium-sized enterprises (SMEs) to engage in international trade