



Export-Import Bank of India

AN OVERVIEW





Exim Bank of India

- ❑ SET UP BY AN ACT OF PARLIAMENT IN SEPTEMBER 1981
- ❑ WHOLLY OWNED BY GOVERNMENT OF INDIA
- ❑ COMMENCED OPERATIONS IN MARCH 1982
- ❑ APEX FINANCIAL INSTITUTION
- ❑ OBJECTIVES:

“... for providing financial assistance to exporters and importers, and for functioning as the principal financial institution for coordinating the working of institutions engaged in financing export and import of goods and services with a view to promoting the country’s international trade...”

“... shall act on business principles with due regard to public interest”

(Export-Import Bank of India Act, 1981)



Evolving Vision

Product Centric Approach



Customer Centric Approach

Export Credits

1982-85

Export Capability Creation

1986-94

Comprehensive Range of Products And Services

– All Stages of the Export Business Cycle –

Exim Bank TODAY

“To develop commercially viable relationships with a target set of externally oriented companies by offering them a comprehensive range of products and services, aimed at enhancing their internationalisation efforts”

Leadership and Expertise in India’s Export Finance

Organisation



BOARD OF DIRECTORS (16)*

- Chairman and Managing Director
- 5 Directors: Government of India
- 3 Directors: Scheduled Banks
- 4 Directors : Professionals/Experts
- 1 Director nominated by RBI
- 1 Director nominated by IDBI
- 1 Director nominated by ECGC

Appointed
by
Govt. of India

OFFICES IN INDIA

HEAD		MUMBAI	
Domestic Offices	9	Mumbai Kolkata Bangalore Ahmedabad Guwahati	Delhi Chennai Hyderabad Pune

OFFICES OVERSEAS

Overseas Rep. Offices	6	Washington D.C. Singapore Durban	London Dubai Dakar
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* As per Exim Bank Act



EXIM BANK

Range of Products & Services

At All Stages of Export Business Cycle



Value Based Services to Exporters



FINANCING, FACILITATING INDIA'S TWO WAY TRADE & INVESTMENT



Financing Programmes

Financing Programmes

Export Credit

- Lines of Credit
- Buyer's Credit
- Supplier's Credit
- Pre/Post Shipment Credit

Import Credit

- Import Loan for capital goods
- Bulk Import Loan for Raw Materials

Loans for Exporting Units

- Term Loans (Rs/US\$) for expansion/ diversification/ new projects
- Term Loans (Rs) for overseas equity investment
- Term Loans (Rs/US\$) for export product development/ export marketing/ research & development
- **Direct equity stake in Indian/ Overseas ventures of exporting companies**

Project & Services Exports

Pioneering Role in Promoting Project Exports

- ❑ Exim Bank plays a pivotal role in promoting and financing project exports.
- ❑ Exports of projects and services, broadly categorised into:
 - ➔ Civil engineering construction projects
 - ➔ Turnkey projects
 - ➔ Consultancy services
 - ➔ Capital goods and transport vehicles.
- ❑ Over the past two decades, increasing number of contracts have been secured by Indian companies in West Asia, North Africa, Sub Saharan Africa, South & South East Asia, CIS and Latin America.
- ❑ Such projects have supplemented the efforts of the host country governments in achieving their developmental objectives.

Lines of Credit

A Catalyst for Trade Promotion

- ❑ Enables export of equipment and technology on deferred credit terms.
- ❑ Buyer's Credit: Direct Exposure on overseas borrowers.
- ❑ Exporters get payment on shipment.
- ❑ Extended to overseas Governments, Government agencies overseas, National or regional development banks abroad, Commercial banks abroad.
- ❑ Government of India's Lines of Credit also extended through Exim Bank.
- ❑ Over 90 operative LOCs currently amounting to approx. US\$ 3.2 billion in 90 countries in Asia, Africa, CIS and Latin America.

Promoting Investment

Supporting Two-way Investment

- ❑ **Comprehensive assistance:**
 - ➔ Pre investment advisory services
 - ➔ Finance through debt and equity
- ❑ **Finance available for:**
 - ➔ Greenfield projects;
 - ➔ Brownfield expansion;
 - ➔ Overseas acquisitions directly or through special purpose vehicles
- ❑ **Exim Bank also undertakes direct equity participation in Indian ventures abroad to enhance credibility and acceptability of Indian ventures overseas**
 - ➔ Direct minority equity participation upto US\$10 mn in overseas WOS/JV in FC
- ❑ **Exim Bank also facilitates joint investments by Indian and overseas company in third country markets in addition to facilitating investments into India.**

Exim Bank and SMEs

Market and Skill Development for SMEs

- ❑ **Exim Bank – Supporting exports from Rural Grassroots Enterprises**
 - ➔ Export Marketing support given for finding international market for products of rural industries produced by SHGs / NGOs in different states.
 - ➔ Exim's network of overseas offices play a proactive role.
- ❑ **Export Marketing Services programme**
 - ➔ Seeks to help Indian SME sector to establish their products overseas and enter new markets through Exim's overseas offices and MOU partner network
 - ➔ No upfront fees, but operates on success-fee basis
- ❑ **Eximius Centres of Learning** in Bangalore/ Pune/ Ahmedabad – for knowledge building & capacity creation for SMEs

Promotional Activities

Exim Bank as Consultant

- ❑ **Setting up an Exim Bank in Malaysia**
- ❑ **Establishing an Export Credit Guarantee Company in Zimbabwe**
- ❑ **Blueprint for establishing Exim Bank in Zimbabwe**
- ❑ **Feasibility study for setting up the Afrexim Bank**
- ❑ **Designing of Export Financing Programmes – Turkey, South Africa**
- ❑ **Export Development Project : Ukraine, Vietnam, Armenia**
- ❑ **Mauritius – Study on Projecting Mauritius as an Investment Hub for Indian Firms**
- ❑ **Feasibility study for establishment of an export credit and guarantee facility for Gulf Cooperation Council countries**

Promotional Activities

Knowledge Building: Research Publications

- ❑ **Research Studies on products, sectors, countries, macro economic issues relevant to international trade and investment**
 - ✳ **Sector Studies assessing export potential.**
 - ✳ **Bilateral Trade and Investment Studies.**
 - ✳ **International Trade Related Studies.**
- ❑ **Exim Newsletters**
 - ✳ **Export Advantage (bilingual)**
 - ✳ **Agri Export Advantage (in English, Hindi and 10 regional languages)**
 - ✳ **Indo-China Newsletter (bilingual)**
 - ✳ **Indo-Africa, Indo-Latin America and Indo-CIS Magazines (all bilingual)**
- ❑ **Contribution to Public Policy formulation through inputs on WTO aspects, impact of exchange rates on exports, transaction costs, etc.**

Promotional Activities

Knowledge Building: Research Studies

□ Sector Studies

- Computer Software
- Organic Products
- Chemicals & Pharma
- Minerals
- Floriculture
- Machine Tools
- Steel
- Capital Goods
- Medicinal Plants
- Sport Goods
- Jute

□ Bilateral Trade and Investment Studies

- Kazakhstan, Kyrgyz Republic, Uzbekistan : Trade Potential
- ASEAN, SADC, COMESA, SAARC, MERCOSUR, BIMST-EC, Latin American Countries, CIS, Maghreb, Israel, Sri Lanka, Australia & New Zealand : Trade & Investment Potential

□ International Trade Related Studies

- Transaction Costs of Indian Exports : An Analysis
- Business with Latin America
- Business Practices of Successful Indian Exporters

Institutional Linkages

Multilateral Agencies

- World Bank
- ADB
- African Development Bank
- EBRD
- MIGA
- IFC
- UNCTAD

Trade & Invt. Promotion Agencies

- JETRO
- Netherlands Council for Trade Promotion
- Polish Agency for Foreign Investment
- Board of Investment of Sri Lanka
- Board of Invt. Mauritius

Export Credit Agencies

- Exim Bank Romania
- Czech Export Bank
- Hungarian Exim Bank
- JBIC
- US Exim Bank
- PT Bank Ekspor Indonesia
- Exim Bank of China

Exim's Catalytic Role



Exim Bank: Promoting India's integration into the global economy...

- ❑ **First institution to finance & promote computer software exports (1986)**
 - ➔ **Infosys was one such company supported by Exim Bank**
- ❑ **Set up Global Trade Finance Ltd. as a joint venture with IFC and West LB (now acquired by FIM Bank of Malta) in 2001 for providing export factoring facility as an alternate trade financing instrument for SME sector.**
- ❑ **Set up Global Procurement Consultants Ltd. in 1996 as a joint venture with 10 Indian private and public sector enterprises to take up overseas assignments in procurement advisory services (has done World Bank funded assignments in 25 countries in Africa, CIS, Latin America).**
- ❑ **Launched the Asian Exim Banks Forum in 1996 and brought together 8 Exim Banks operating in Asia to promote intra-regional trade and reduce transaction cost. Bank signed Multilateral L/C confirmation facility with other Exim Banks.**

Exim's Catalytic Role



... through innovative programmes

- ❑ Introduced new trade financing instruments like pre-export financing, factoring & forfaiting. Bank offers structured financing solutions using financial derivatives
- ❑ Introduced programmes for financing R&D, export product development, quality certification, export oriented film financing etc.
- ❑ Operated successfully World Bank supported Export Marketing Finance Programme (EMF) and IFC supported Agency Credit Line programme to strengthen capabilities of SMEs.
- ❑ Awards:
 - ➔ “Book of Honor Award” by US-based World Trade Centers Association in 2002
 - ➔ “Export Development Award” by Association of Development Financing Institutions of Asia & Pacific (ADFIAP) in 2002, 2004, 2005 and 2006

Global Network of Exim Banks & DFIs



To facilitate South-South Trade & Investment Cooperation

- ❑ At the joint initiative of the Bank and UNCTAD, a Global Network of Exim Banks and Development Financial Institutions (GNEXID) was launched in March 2006 in Geneva at the hands of Dr. Supachai Panitchpakdi, Director General, UNCTAD.
- ❑ Global forum to promote trade and development finance through cooperation and exchange of information on best practices in trade and project finance
- ❑ G-NEXID members include Exim Bank of India, Afriexim Bank, Andean Development Corporation, Exim Bank of Malaysia, Exim Bank of Romania, PTA Bank, ECOWAS Bank, Exim Bank of Nigeria, SME Bank of Tunisia.
- ❑ Annual meetings to deliberate upon measures to facilitate and foster long-term relations, share experience and strengthen financial cooperation to promote trade and investment.

Exim Bank: Partner in Globalisation



- Technology
- Capital
(Foreign Investment)
- Raw Materials
- Capital Goods



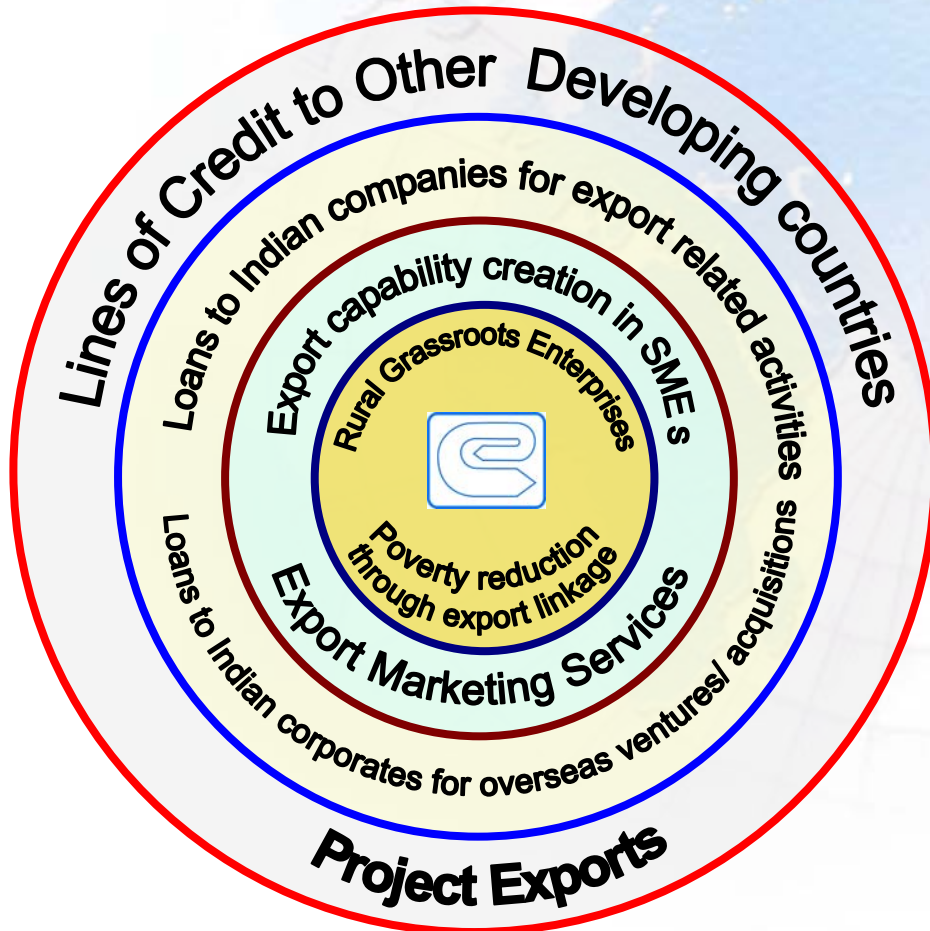
- Final Products
- Capital Goods
- Capital
(Overseas Ventures)

- Product Development
- Production
- Marketing
- Pre shipment
- Post shipment



Grassroots Business Initiative

Linking rural industries to global market



- ❑ Creation of Export Capability in Grassroots Enterprises.
- ❑ Export Marketing Services on success fee basis
- ❑ Capacity building through training
- ❑ Poverty reduction through export linkage



EXIM BANK

THANK YOU

Website

www.eximbankindia.in

www.eximbankagro.in