

Annual Report 2021-22





Expanding Footprint, Emerging Stronger

Over the last four decades, the Export-Import Bank of India (Exim Bank) has played a crucial role in financing, facilitating and promoting India's international trade and investment. The Bank has emerged as a trusted partner in the globalisation efforts of Indian companies, providing a broad range of support at all stages of the business cycle. As a policy bank, Exim Bank has also been instrumental in facilitating the development partnerships of the Government of India, leading to generation of enormous goodwill in partner countries and a wide array of opportunities for exports of goods and services from India. The Bank, today, is also committed to sustainability as a principle across its operations.

Exim Bank, having completed 40 years of operations, is at a momentous juncture, which coincides with 75 years of India's Independence, being celebrated as *Azadi ka Amrit Mahotsav*. In these 40 years, the Bank has supported the export aspirations of Indian companies, fostered India's development partnerships, and created an enabling environment for exports from the country. In the Annual Report 2021-22, we reflect on the past, review the progress over the last year, and discuss themes that would drive the organisation, going forward.

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Annual Report

About India Exim Bank

Exim Bank is the premier export finance institution of the country, serving as the growth engine for industries and project exports through a wide range of products and services, and providing a strong institutional mechanism for the development partnerships of the Government of India.

Established by the Government of India under the Export-Import Bank of India Act, 1981, the Bank's products assist customers in their globalisation efforts, and the assistance is extended through financing, guarantees, advisory and marketing support.

As a policy bank, Exim Bank extends Lines of Credit (LOCs) to sovereign governments, overseas financial institutions, regional development banks and other overseas entities. LOCs enable borrower countries to import developmental and infrastructure projects, equipment, goods and services from India. Other flagship programmes of the Bank, such as Buyer's Credit under the National Export Insurance Account and the Concessional Financing Scheme, also facilitate exports of high-value added, technology-intensive goods and high-skilled services from India.

The Bank's financial offerings are tailored to the varied requirements of Indian exporters including, import of technology, development of export products, manufacturing, marketing, shipment, and international investment for market access and value chain linkages, among others.

Stakeholders of the Bank also benefit from a wide array of value-added services provided by the Bank, including research, marketing assistance, capacity building workshops and training for companies at the grassroots level, and information dissemination through seminars, webinars and the Exim Mitra portal.

Unique Value Proposition

**100%
owned by the
Government
of India**

**Strong
regulatory
capital position**

**Policy Bank:
Supporting
development
priorities
of partner
countries**

**Policy business
guaranteed/
insured by the
Government of
India**

**International
investment grade
rating at par with
Sovereign**

**40 years'
experience in
medium to long
term export
credit**



Objectives

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.

Board of Directors

Directors representing the Government of India



Shri Dammu Ravi
Secretary (Economic Relations)
Ministry of External Affairs



Ms. Rupa Dutta
Principal Adviser
Department for Promotion of Industry and
Internal Trade, Ministry of Commerce and Industry



Shri Rajat Kumar Mishra
Additional Secretary
Department of Economic Affairs
Ministry of Finance



Shri Suchindra Misra
Additional Secretary
Department of Financial Services
Ministry of Finance



Shri Vipul Bansal
Joint Secretary
Department of Commerce
Ministry of Commerce and Industry

Expert representing Trade and Industry



Shri Ashok Kumar Gupta
Tax Consultant

Directors from Institutions and Commercial Banks

Shri R. Subramanian
Executive Director
Reserve Bank of India



Shri Dinesh Kumar Khara
Chairman
State Bank of India



Shri M. Senthilnathan
Chairman-cum-Managing Director
ECGC Ltd.



Shri Rakesh Sharma
Managing Director & CEO
IDBI Bank Ltd.



Shri Rajkiran Rai G.
Managing Director & CEO
Union Bank of India



Shri A.S. Rajeev
Managing Director & CEO
Bank of Maharashtra

Whole-time Directors

Ms. Harsha Bangari
Managing Director



Shri N. Ramesh
Deputy Managing Director

As on May 11, 2022

Managing Director's Statement



On completion of forty impactful years of partnering India's export growth story, the team at Exim Bank is well positioned to support the export aspirations of Indian companies, create an enabling environment for exports and foster India's development partnerships, as the country progresses from the *Amrit Mahotsav* towards the *Amrit Kaal*.



Ms. Harsha Bangari
Managing Director

Exim Bank marks a milestone in its journey, completing 40 impactful years of partnering India's export growth story. This coincides with India's 75 years of independence being celebrated by the Government of India (GOI) with the "Azadi ka Amrit Mahotsav".

In these four decades of operations, the Bank's loan portfolio has grown significantly, but numbers alone do not convey the whole story. The Bank's role has, over the years, evolved to play a key catalytic role in facilitating India's increasing integration with the global economy by helping Indian enterprises to become competitive, and supporting the development priorities of partner developing countries.

The Year That Was 2021-22

During FY 2021-22, the world witnessed a compounding of crises in public health, global economy, environment and global security. The multiple waves of the pandemic continued to upend people's lives and affect the path back to normality for businesses. Alongside, economies adapted to the new normal and as economic activity revived, inflation picked up globally.

Amidst all these uncertainties that weighed on global economic recovery, trade emerged as an important driver of growth, both globally and in India. Notwithstanding formidable headwinds, both global merchandise and commercial services trade witnessed a significant recovery with double-digit growth. India's merchandise exports also touched a record US\$ 422 billion in FY 2021-22, driven by labour-intensive and resource-intensive items, as well as high-tech goods such as electronics. Services exports from India also witnessed a remarkable recovery during the year.

The second wave of the pandemic hit India around the beginning of the financial year, and was more severe than the first, followed by the third wave in the last quarter. The proactive measures from the GOI and the Reserve Bank of India (RBI) through continued fiscal stimulus, and favourable monetary and financial conditions, enabled revival of the Indian economy. The successful nationwide vaccination drive also supported India in its road to recovery and India registered a real GDP growth of 8.7 per cent during FY 2021-22. The agriculture sector continued to witness strong growth during the year. Capacity utilisations in several industries moved closer to pre-pandemic levels, resulting in the manufacturing sector witnessing a resilient recovery during the year. Growth in the services sector, though has recovered, is yet to reach pre-pandemic levels. These positive growth sentiments in the economy have also led to substantial expansion in the business of the Bank by addressing challenges in the environment and adapting to the new normal.

Financial and Business Results

The Bank's loan portfolio witnessed a growth of 13.26 per cent, mainly reflecting the growth in the Bank's policy

business and refinance portfolio. The Bank's commercial loan portfolio also registered a growth during the year, mirroring the pick-up in economic activity. The Bank's non-funded portfolio, which mainly includes project related guarantees, grew by 7.15 per cent during the year, showing an increase in project export contracts secured by Indian exporters.

The challenges in the environment did not dispirit the Bank's endeavour in improving the quality of the loan portfolio. The Bank has continued to minimise its non-performing assets (NPAs) by enhancing the due diligence process for onboarding a customer, coupled with, robust monitoring systems and an intensive focus on recovery. The Bank's initiative to sell its Security Receipts was an industry first and added a new dimension to its recovery mechanism. As on March 31, 2022, the gross NPA ratio declined to 3.56 per cent from 6.69 per cent as on March 31, 2021, and the slippage ratio reducing to 0.24 per cent from 1.52 per cent. The continued trend of prudent provisioning by the Bank resulted in the net NPAs becoming nil.

During the year, the Bank's operating profit increased by 10.87 per cent touching ₹ 31.30 billion, primarily due to improved margins, increase in fee-based income and efficient liability management. In view of the improved profitability, the Bank was able to absorb the impact on account of remeasurement of Deferred Tax Assets, and successfully transitioned to the new tax regime.

GOI on March 31, 2022, conveyed the approval of the Cabinet Committee on Economic Affairs on revamping and continuation of the Indian Development and Economic Assistance Scheme (IDEAS) covering Lines of Credit (LOCs) and the Concessional Financing Scheme, extended by the Bank to partner development countries. The revamped Scheme has further streamlined and strengthened processes for expeditious delivery of quality projects. As on March 31, 2022, the Bank has in place 310 LOCs, covering 66 countries with credit commitments of over US\$ 31.96 billion, and this year witnessed the highest value of contracts aggregating US\$ 1.90 billion being covered under the LOC portfolio.

The response under the Ubharte Sitaare Programme has been encouraging. The Bank has so far supported 19 companies across a diverse range of sectors including aerospace and defence, auto & auto components, pharmaceuticals, engineering, electronics and consumer durables. These companies distinguish themselves with a differentiated product, process or technology, and many of these companies are also making a mark in the sustainable space. During the year, the Hon'ble Minister of Finance and Corporate Affairs, Government of India, Smt. Nirmala Sitharaman, launched the Ubharte Sitaare Fund (USF), co-sponsored by Exim Bank and SIDBI.

The Bank remains grateful for the continued support of the Government of India in providing the Bank with capital over the years to strengthen its balance sheet and grow. During the year, the Bank received capital of ₹ 7.50 billion from the GOI by way of budget allocation. The infusion of ₹ 16.50 billion to the corpus of the National Export Insurance Account (NEIA) Trust by the GOI is also a significant boost for medium to long term financing for exports from the country. With such support, we look forward to a substantial increase in our support to India's project exports growth story. The Bank's Capital to Risk Assets Ratio as of March 31, 2022, stood at a robust 30.49 per cent (25.89 per cent on March 31, 2021). This is, however, based on the zero-risk weightage for GOI guaranteed Lines of Credit / Concessional Finance Scheme Loans. At a risk weightage of 50 per cent instead, the adjusted CRAR would stand at 20.61 per cent (as compared to 18.30 per cent on March 31, 2021), which is robust and offers room for growth.

The early part of FY 2021-22 saw continued support for a broader recovery via economic stimulus and accommodative policies across markets, while in the second half of the year there was significant volatility in the global credit spreads. The Bank was able to leverage upon such market conditions during the year, and raised foreign currency resources aggregating US\$ 2.41 billion equivalent, through a variety of instruments. During the year, the Bank successfully raised a 5-year CNH 500 million bond, which was the largest CNH issuance out of India with lowest coupon in the currency. The Bank also raised its first HKD bond, valued at HKD 435 million, thus diversifying its currency mix and tapping new investors. The Bank was also successful in its liability management exercise by replacing high-cost borrowing of US\$ 700 million, resulting in cost reduction along with tenor elongation.

In view of the non-representativeness of LIBOR post June 30, 2023, and the RBI's roadmap for LIBOR transition, the Bank started offering Alternative Reference Rate (ARR) based products during the year. The Bank has also adhered to the ISDA 2020 IBOR Fallbacks Protocol, thus minimising the risks of transition. The Bank has upgraded its IT systems for addressing any issues arising out of such transition, particularly in derivative, borrowing and lending transactions.

Strengthening ESG Considerations

With sustainability becoming the cornerstone of all businesses, the Bank has constantly acknowledged that Environmental, Social and Governance (ESG) today is more holistic and extends beyond just environmental issues. The Bank has taken a step further in its ESG considerations by setting up its ESG framework. This framework, which is aligned with global best practices, would enhance

transparency and communication with our stakeholders. The Framework outlines the Bank's intent to enter into sustainable financing transactions to finance projects that have a positive environmental and social impact while supporting its business strategy. With eligibility criteria in six green and four social areas, the Second Party Opinion Provider has confirmed the Framework as 'Credible and Impactful'. Under the framework, the Bank has also set up a Sustainable Financing Committee (SFC), including representations from the Bank's operating, compliance, and legal groups, to evaluate projects that may be eligible under this Framework. In March 2022, the Bank also strengthened its ESG Policy for Sustainable Development / Responsible Financing.

Supporting Grassroots, Uplifting Communities

The pandemic has been particularly difficult for grassroots enterprises. As part of our strategy for an inclusive growth, the Bank continued its handholding support by way of design, product and packaging workshops for grassroots enterprises. During the year, the Bank also actively pursued various CSR initiatives in the areas of education, healthcare, skill development and livelihood development. Over a quarter of the support under CSR was for health and nutrition projects, supporting the nation in the relentless pursuit of better public health and hygiene.

Supporting Policy Development through Research

During the year, the Bank published 18 research publications on topics of contemporary relevance to international trade and investment. Given the renewed focus of the Government of India on signing mutually beneficial free trade agreements with like-minded countries, the Bank undertook two research studies on the subject, and continues to engage with the Department of Commerce to undertake research studies on opportunities for India, from bilateral trade and investment agreements with countries/regions such as the EU, the UK and Canada.

The Bank's quarterly forecasts of India's exports using an Export Leading Index (ELI) model developed in-house, were found to be quite accurate, once again, when compared to the actual data for exports. This has positioned the Bank as a reliable source of information on the likely near-time trajectory of India's exports.

In recognition of the need for export promotion at the state-level, the Bank has jointly worked with the state governments to evaluate state-level export performance and potential, and outline strategies for development of trade competitiveness. The Bank continued its commitment to such endeavours during the year through research on the states of Uttar Pradesh, Andhra Pradesh and Assam.

Guidance from the Board of Directors

The Bank has a wealth of expertise within its Board of Directors, who have been guiding the Bank towards attaining its objectives. They include our Board of Directors representing the Government of India – Shri Dammu Ravi, Secretary (Economic Relations), Ministry of External Affairs; Ms. Rupa Dutta, Principal Adviser, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry; Shri Rajat Kumar Mishra, Additional Secretary, Department of Economic Affairs, Ministry of Finance; Shri Suchindra Misra, Additional Secretary, Department of Financial Services, Ministry of Finance; and Shri Vipul Bansal, Joint Secretary, Department of Commerce, Ministry of Commerce and Industry. We continue to benefit and learn from the expertise of Directors from various institutions and commercial banks, which include Shri R. Subramanian, Executive Director, Reserve Bank of India; Shri Dinesh Kumar Khara, Chairman, State Bank of India; Shri M. Senthilnathan, Chairman-cum-Managing Director, ECGC Ltd.; Shri Rakesh Sharma, Managing Director & CEO, IDBI Bank Ltd.; Shri A. S. Rajeev, Managing Director & CEO, Bank of Maharashtra; and Shri Rajkiran Rai G., Managing Director & CEO, Union Bank of India; apart from my colleague, Shri N. Ramesh, Deputy Managing Director of the Bank. The Bank also takes the opportunity to welcome Shri Ashok Kumar Gupta, Tax Consultant, on the Board, and looks forward to his guidance and support in taking the Bank to greater heights. The achievements outlined in this report would not have been possible without their support.

There have also been changes on the Board of the Bank due to relinquishment of directorships consequent upon change in office or achieving superannuation. These include Shri Rahul Chhabra, Secretary (Economic Relations), Ministry of External Affairs; Shri Rajat Sachar, Principal Adviser, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry; Shri K. Rajaraman, Additional Secretary (Investment), Department of Economic Affairs, Ministry of Finance; Shri Pankaj Jain, Additional Secretary, Department of Financial Services, Ministry of Finance; Shri Amitabh Kumar, Joint Secretary, Department of Commerce, Ministry of Commerce and Industry; and Shri David Rasquinha, Managing Director, Exim Bank relinquished their directorships consequent upon change in office on achieving superannuation, as may be the case. The Bank gratefully acknowledges their invaluable contribution as Directors and will always remain indebted to them.

My colleagues on the Board and I would especially like to express our appreciation to Shri David Rasquinha for his distinguished and valuable services during his 36 years with the Bank, including his four-year tenure as Managing Director at the helm of the Bank. The guidance and support extended by him has helped the Bank achieve considerable progress and strengthen the Bank. We wish him good health and happiness in retirement.

Looking Ahead

The Bank has, over the last four decades, continued to evolve its programmes and services to meet the needs of its stakeholders in a dynamic environment. Given that the pandemic has exacerbated the gap in global trade finance, the Bank has, during the year, conceptualised two new programmes, Trade Assistance Programme (TAP) and Factoring, to support incremental international trade. TAP provides support through credit enhancement to trade instruments to augment the capacity of commercial banks to support cross-border trade transactions, and Factoring aims to meet the post-shipment financing requirements of exporters, particularly MSMEs.

The Bank recognises that sustainable development is an institutional commitment and an integral part of its pursuit of good corporate citizenship and the fundamentals of sound business practices.

On completion of forty impactful years of partnering India's export growth story, the team at Exim Bank is well positioned to support the export aspirations of Indian companies, create an enabling environment for exports and foster India's development partnerships, as the country progresses from the *Amrit Mahotsav* towards the *Amrit Kaal*.



Ms. Harsha Bangari

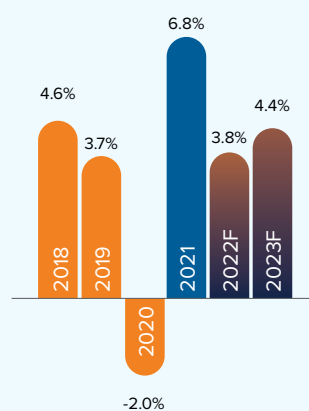
Managing Director

Economic Environment

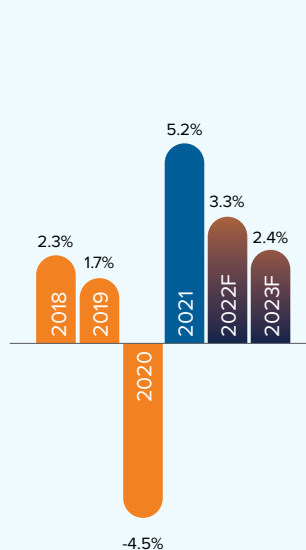
Global Economic Environment

Real GDP Growth

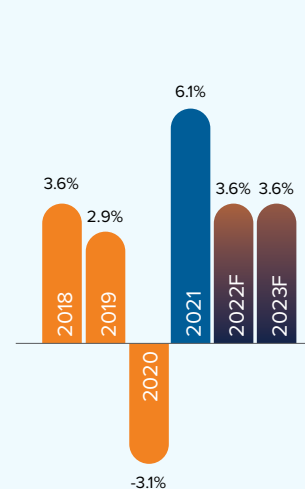
Emerging Market and Developing Economies



Advanced Economies



World

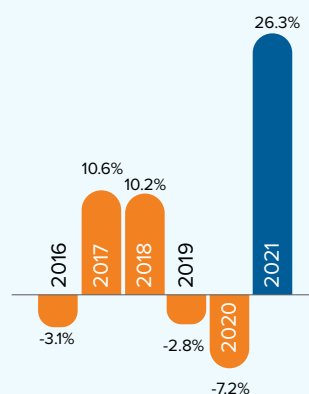


Note: F – Forecast

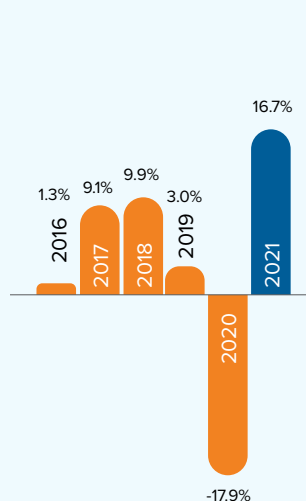
Source: WEO, IMF April 2022

Global Exports Growth

Total Merchandise Exports

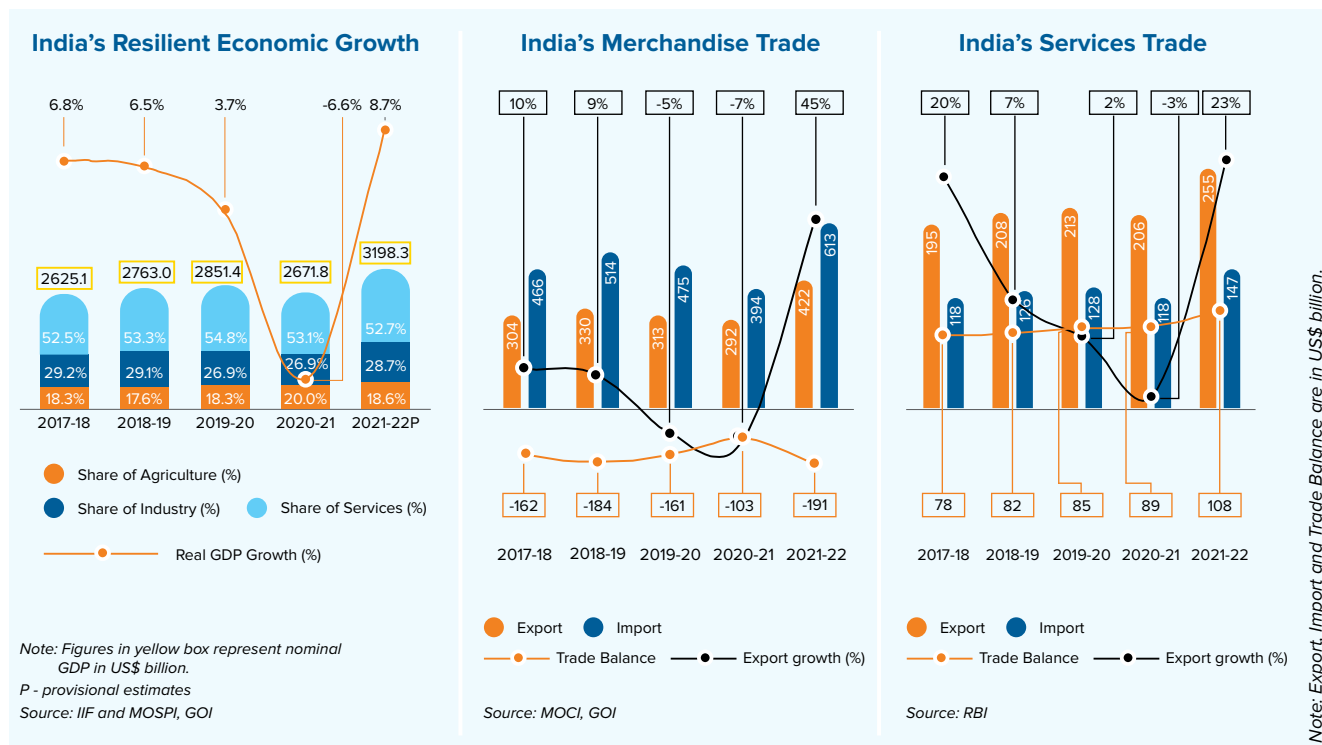


Total Services Exports



Source: WTO

Indian Economic Environment



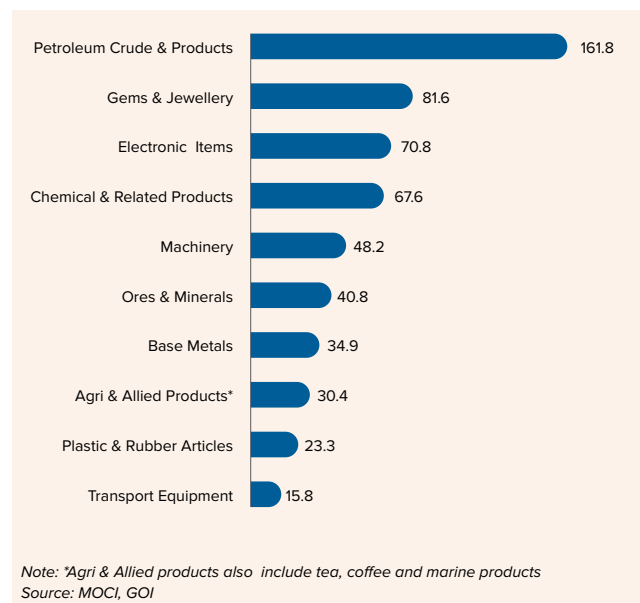
India's Top 10 Merchandise Exports

(US\$ billion)



India's Top 10 Merchandise Imports

(US\$ billion)



India's Export Performance in Select Sectors

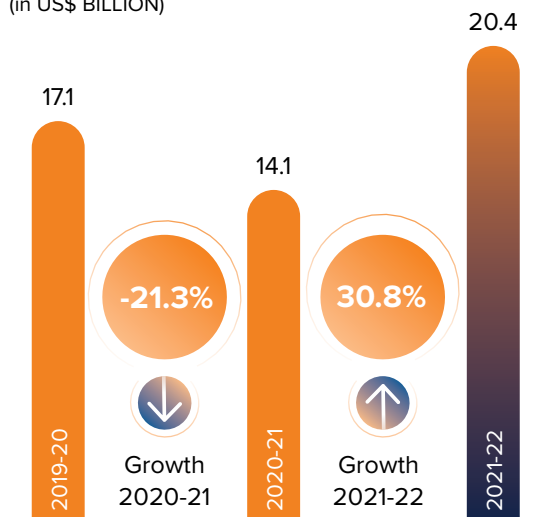


(in US\$ BILLION)

Automotive Products

Share
2021-22

4.8%

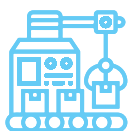
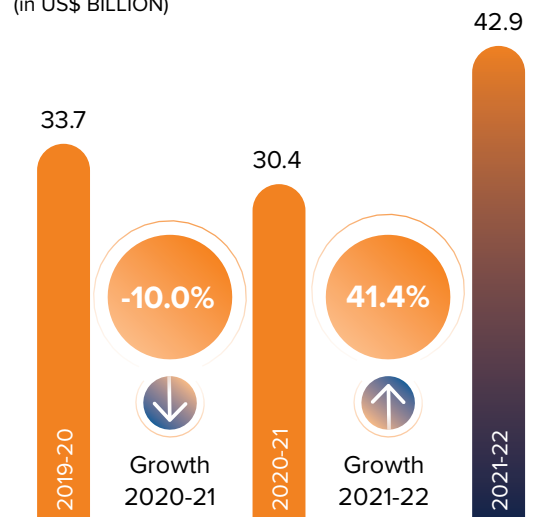


(in US\$ BILLION)

Textiles & Allied Products

Share
2021-22

10.2%

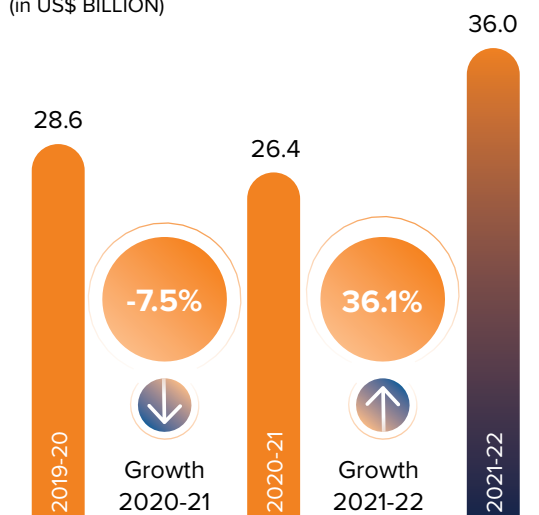


(in US\$ BILLION)

Capital Goods

Share
2021-22

8.5%

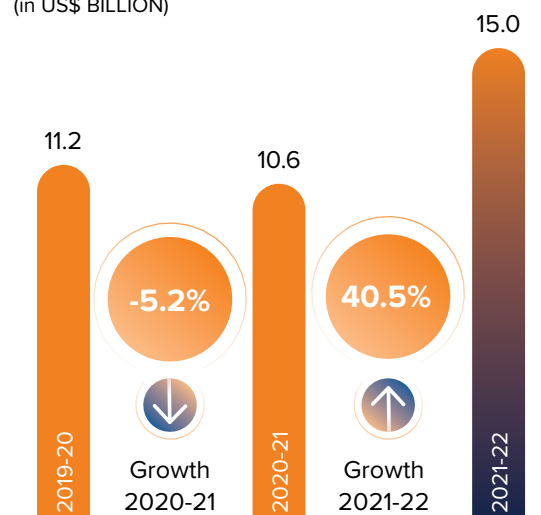


(in US\$ BILLION)

Electronics

Share
2021-22

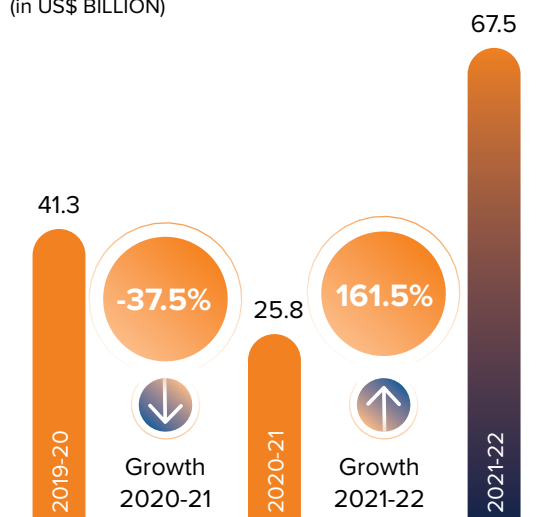
3.6%



Petroleum Products

Share
2021-22**16.0%**

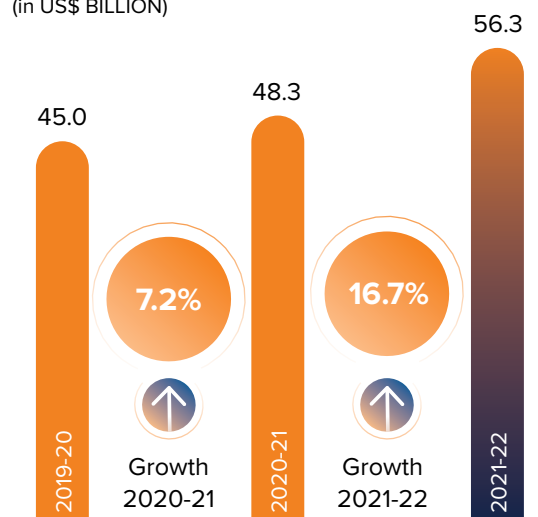
(in US\$ BILLION)



Chemicals & Related Products

Share
2021-22**13.4%**

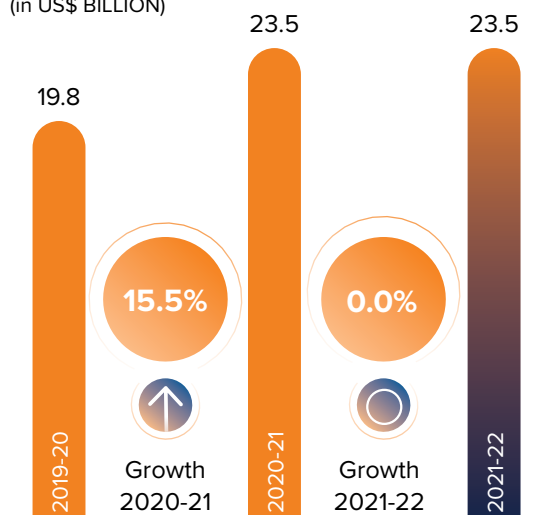
(in US\$ BILLION)



Drugs & Pharmaceuticals

Share
2021-22**5.6%**

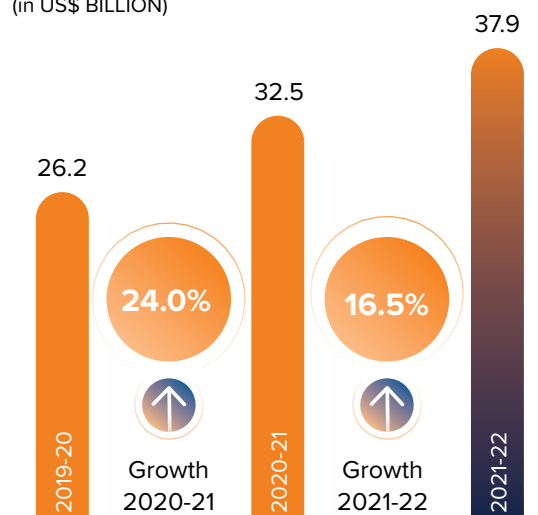
(in US\$ BILLION)



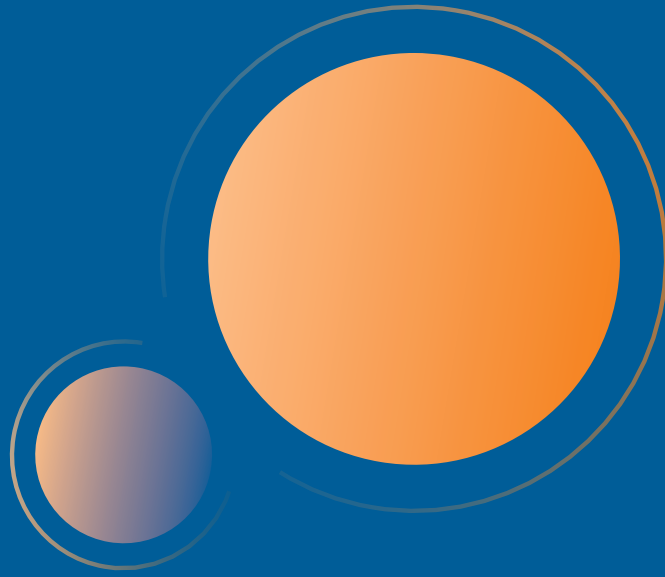
Agricultural Products*

Share
2021-22**9.0%**

(in US\$ BILLION)



*Agricultural products does not include plantation and marine products
Source: DGCI&S



Directors' Report

Review of operations and financial performance

Loan Assets

Exim Bank approved loans aggregating ₹ 548.08 billion under its various lending programmes during FY 2021-22, as against ₹ 365.21 billion during FY 2020-21. Loan disbursements during FY 2021-22 were ₹ 522.71 billion, as against ₹ 341.22 billion during FY 2020-21, while loan repayments during FY 2021-22 amounted to ₹ 423.90 billion, as against ₹ 248.54 billion in FY 2020-21. Net loan assets as on March 31, 2022 were ₹ 1,176.19 billion, registering an increase of 13.26 per cent vis-à-vis the previous year. Rupee loans and advances accounted for 23 per cent of net loan assets as on March 31, 2022, while the balance 77 per cent were in foreign currency (FC). Short-term loans accounted for 18 per cent of net loans and advances as on March 31, 2022.

Non-Funded Facilities

During FY 2021-22, the Bank sanctioned non-funded facilities aggregating ₹ 140.55 billion, as against ₹ 64.22 billion in FY 2020-21, comprising project guarantees, financial guarantees, and Letters of Credit. The Bank's aggregate non-funded portfolio, comprising Guarantees, Letters of Credit and Standby Letters of Credit, stood at

₹ 152.47 billion as on March 31, 2022, as against ₹ 142.29 billion as on March 31, 2021, representing an increase of 7.15 per cent. Guarantees issued during FY 2021-22 amounted to ₹ 39.84 billion, as against ₹ 30.71 billion in FY 2020-21. Letters of Credit issued during FY 2021-22 amounted to ₹ 9.35 billion, as against ₹ 3.70 billion in FY 2020-21. Guarantees in the books of the Bank as on March 31, 2022 were ₹ 145.37 billion, as against ₹ 139.67 billion as on March 31, 2021, and Letters of Credit as on March 31, 2022 amounted to ₹ 7.10 billion as against ₹ 2.62 billion as on March 31, 2021.

Income/Expenditure

The Bank registered profit before tax of ₹ 21.50 billion on account of the General Fund during FY 2021-22, as against a profit before tax of ₹ 3.56 billion for the year 2020-21. After providing for income tax of ₹ 14.12 billion on account of change in tax regime, profit after tax amounted to ₹ 7.38 billion during FY 2021-22, as against a profit after tax of ₹ 2.54 billion during FY 2020-21. Out of this profit, an amount of ₹ 6.64 billion is transferred to the Reserve Fund. The balance of ₹ 0.74 billion will be transferred to the Government of India (GOI) as provided in the Export-Import Bank of India Act, 1981.

Profit before tax and profit after tax of the Export Development Fund during 2021-22 were both at



A BC-NEIA facility of US\$ 100 million was extended for design, supply and assembly of transmission lines from Nouakchott to Nouadhibou in Mauritania.



LOC of US\$ 15 million extended to the Government of Kenya for supply, installation and commissioning of capital goods and engineering goods for development of SMEs.

₹ 123.46 million, as against ₹ 93.65 million during 2020-21. The cumulative profit of ₹ 919.15 million is carried forward to the next year.

Business income, including interest on loans, exchange commission, brokerage and fees, etc. during 2021-22 was ₹ 46.67 billion, as compared to ₹ 46.09 billion in 2020-21. Investment income during 2021-22, including interest on Bank deposits, was ₹ 36.97 billion, as compared to ₹ 39.68 billion in 2020-21. Interest expenses in 2021-22 at ₹ 49.57 billion were lower by ₹ 5.34 billion. Administrative expenses as a percentage of total expenses (excluding provisions for contingencies) worked out to 5.27 per cent during 2021-22, as against 4.54 per cent during 2020-21.

Borrowings

Total borrowings of the Bank were at ₹ 1,074.77 billion as on March 31, 2022, lower by 1.95 per cent than the total borrowings of ₹ 1,096.17 billion as on March 31, 2021, reflecting efficient liability management.

Resources

During the year, the Bank received capital of ₹ 7.50 billion from the GOI by way of budget allocation. As on March 31, 2022, the Bank's total resources including paid-up capital of ₹ 159.09 billion and reserves of ₹ 33.18 billion aggregated ₹ 1,267.05 billion.

The Bank's resource base inter-alia includes rupee bonds, certificates of deposit, commercial papers, term deposits, foreign currency bonds, foreign currency loans and long-term swaps. During the year, the Bank raised borrowings of varying maturities [excluding raised and repaid during the year aggregating ₹ 373.48 billion], comprising rupee resources of ₹ 190.46 billion and foreign currency resources of US\$ 2.41 billion equivalent. Foreign currency resources of US\$ 133.38 million were raised through bonds, US\$ 1.91 billion through bilateral / club / syndicated loans and US\$ 368.63 million equivalent through swaps. As on March 31, 2022, the Bank had a pool of foreign currency resources equivalent to US\$ 11.58 billion and outstanding rupee borrowings of ₹ 451.25 billion. Market borrowings as on March 31, 2022, constituted 100 per cent of the total borrowings and 86 per cent of the total resources of the Bank.

Foreign Currency Resources

The Bank has been constantly tracking various currencies and their associated swap curves. Due to the relatively attractive levels of the US\$ / CNH swap curve and with the objective of currency and investor diversification, the Bank's London branch, issued a 5-year CNH 500 million bond under the GMTN Programme. This was the largest CNH issuance out of India. Further, for the first time the Bank issued an HKD 435 million bond with a tenor of up to



The Bank listed its US\$ 1 billion 10-year bond on AFRINEX in presence of Shri Pravind Kumar Jugnauth, Hon'ble Prime Minister of the Republic of Mauritius.

3 years by way of private placement. During the year, the Bank also raised funds through bilateral loans from foreign banks.

So far, the Bank has raised foreign currency resources in diverse currencies. Apart from the United States Dollar, Euro, Great Britain Pound and Japanese Yen, the Bank till date, has raised resources in Australian Dollar, Hong Kong Dollar, Mexican Peso, Offshore Renminbi, Singapore Dollar, South African Rand, Swiss Franc, and Turkish Lira.

With the objective to further diversify its investor base, the Bank listed its US\$ 1 billion 10-year bond, issued in January 2021, on AFRINEX at a virtual listing, during the launching ceremony of AFRINEX on October 25, 2021. With this listing, the Bank was also the first issuer on the Securities Official List of AFRINEX, a pan-African exchange based out of Mauritius.

Transition from LIBOR to Alternative Reference Rates

The Bank has a substantially dollarised balance sheet directly or indirectly linked to the USD LIBOR. In view of the non-representativeness of LIBOR post June 30, 2023, and the RBI's roadmap for LIBOR transition, the Bank has made significant progress towards migrating to Alternative Reference Rates (ARRs). The Bank has mapped and is in the process of transitioning the assets, liabilities, and derivative exposures, which are linked to LIBOR, and its respective interest and benchmark resets.

To ensure a smooth transition, the Bank adhered to the ISDA 2020 IBOR Fallbacks Protocol in August 2021. With this, the risk of transition to alternate benchmark for derivative contracts is expected to be minimal. The Bank has upgraded its IT systems for addressing any issues

arising out of this transition, particularly in derivative, borrowing and lending transactions, thereby also enabling the Bank to undertake fresh ARR-linked transactions. The Bank started offering ARR-based products well within the timelines. In July 2021, the Bank executed a GBP loan transaction, with pricing linked to Overnight SONIA (Sterling Overnight Interbank Average Rate). With this transaction, the Bank, became one of the first few banks in India to transact in SONIA-linked loans. In its endeavour to constantly spread awareness about the transition and to support its existing and new customers, the Bank published FAQs on LIBOR transition on its website.

International and Domestic Rating

The Bank is rated Baa3 (Stable) by Moody's, BBB - (Stable) by S&P Global Ratings, BBB - (Stable) by Fitch Ratings and BBB+ (Stable) by Japan Credit Rating Agency. All the above ratings are of investment grade or above and are at par with the sovereign rating. The Bank's domestic debt instruments have the highest rating viz., AAA (Stable) for long-term instruments and A1+ for short-term instruments from the rating agencies CRISIL and ICRA.

Asset Quality

As per the Reserve Bank of India (RBI)'s prudential norms for financial institutions, a credit / loan facility in respect of which interest and / or principal has remained overdue for more than 90 days, is defined as a Non-Performing Asset. The Bank's gross NPAs at ₹ 43.47 billion worked out to 3.56 per cent of the total loans and advances as on March 31, 2022. The Provision Coverage Ratio (PCR) was 100 per cent, hence NPAs (net of provisions) worked out to zero as on March 31, 2022.

Asset Classification

'Sub-standard assets' are those where interest and / or principal remains overdue for more than 90 days. Sub-standard assets that have remained as NPAs for a period exceeding 12 months are classified as 'doubtful assets.' 'Loss assets' are those considered uncollectable. The gross NPAs as on March 31, 2022, comprised sub-standard assets of 0.64 per cent indicating high quality

onboarding of new assets and tight control on slippage ratio, and doubtful assets of 99.36 per cent. The Bank did not have any loss assets as on March 31, 2022.

Capital Adequacy

The Capital to Risk Assets Ratio (CRAR) was 30.49 per cent as on March 31, 2022, as compared to 25.89 per cent as on March 31, 2021, as against a minimum 9 per cent norm stipulated by the RBI. The Debt-Equity Ratio was 5.59 as on March 31, 2022, as compared to 6.15 as on March 31, 2021.

Exposure Norms

The RBI has prescribed credit exposure limits for All India Financial Institutions, at 15 per cent of the financial institutions' Total Capital Funds (TCF), for exposure to individual borrowers and at 40 per cent of TCF for borrower groups effective from March 31, 2002. An additional exposure up to 5 per cent of TCF (i.e. a total exposure up to 20 per cent of TCF for single borrowers and 45 per cent of TCF for group borrowers) can be taken in exceptional circumstances, with the prior approval of the Board. The exposure ceilings for individual borrowers and borrower groups can be exceeded by an additional 5 per cent of TCF and 10 per cent of TCF, respectively (over and above the maximum limits of 20 per cent and 45 per cent, respectively), provided the additional credit exposure is on account of infrastructure projects in India. The Bank's credit exposures to single borrowers and borrower groups as on March 31, 2022 were within the limits stipulated by the RBI. There was one borrower as on March 31, 2022, for which exposure over 15 per cent of TCF was assumed with the approval of the Board.

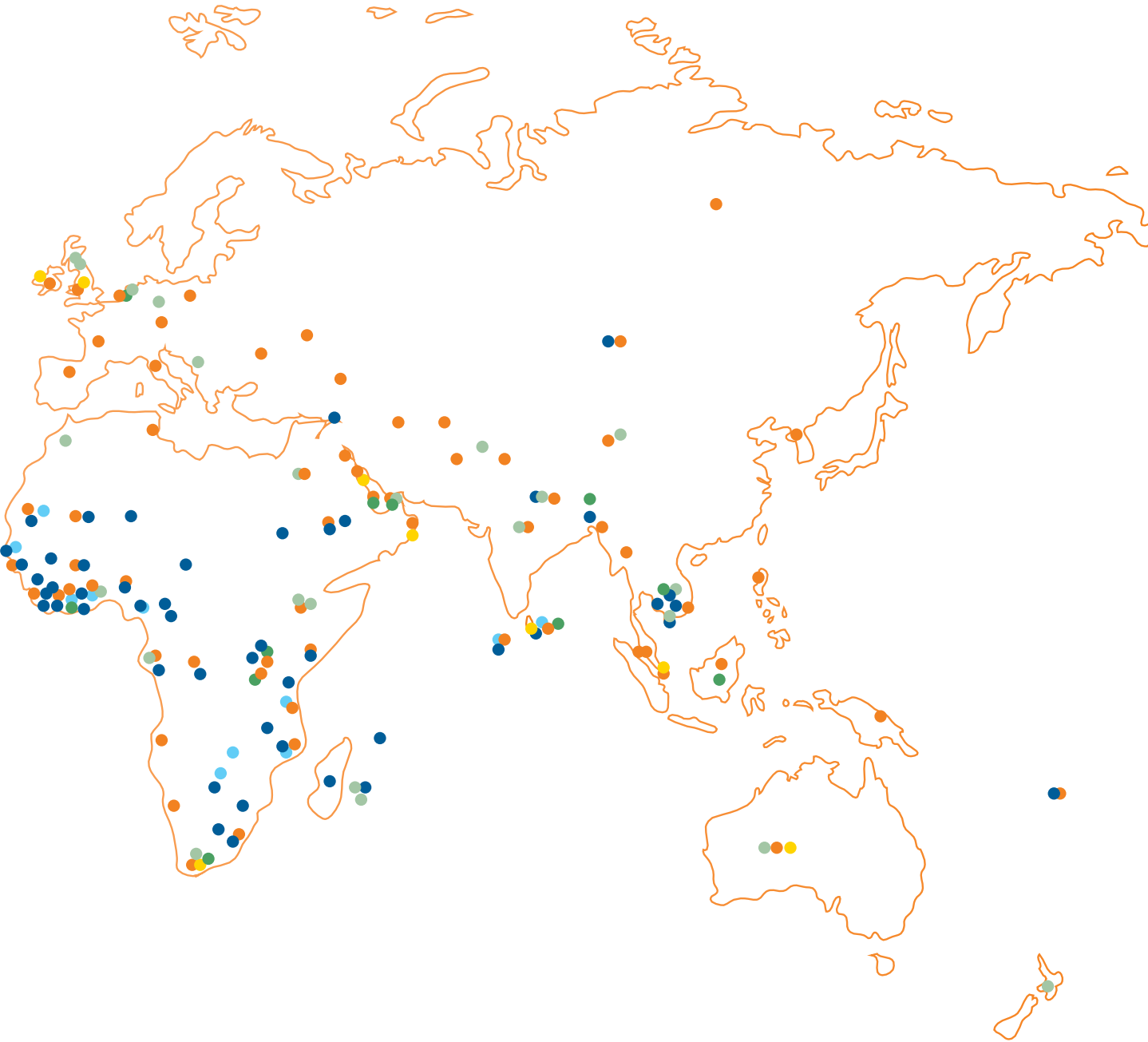
The RBI has advised financial institutions to adopt internal limits on exposures to specific industry sectors to ensure that the exposures are more evenly spread over various sectors. The exposure limit adopted by the Bank for each industry sector is 15 per cent of the Bank's aggregate credit exposure to all industry sectors. None of the Bank's exposures to individual industry sectors was more than 15 per cent of its total industry exposure as on March 31, 2022.

Supporting Indian Companies in their Globalisation Efforts:

Expanding Footprint



Map not to scale. Only for representation purpose





Business Operations



**Exim Bank as
a financier of
exports**



**Exim Bank as
a facilitator of
exports**



**Exim Bank as
a promoter of
exports**



**Exim Bank's
institutional
infrastructure**

PROJECTS, PRODUCTS AND SERVICES EXPORTS

The Bank provides a range of export credit products like finance for export of projects and consultancy services, capital equipment finance, export project cash-flow deficit finance and guarantees. The Bank is equipped to offer a comprehensive financing package to Indian project exporters, including funded support and project related guarantee facilities.

Export Contracts

During the year, the Bank supported 86 project export contracts secured by more than 17 Indian companies valued at US\$ 4.50 billion (including deemed exports) in 39 countries across Asia-Pacific, Africa, North and South America and CIS. Some major project contracts supported by the Bank during the year included:

- Designing and building of 60 km expressway being executed in Ethiopia.
- Supply and installation of major transformer stations and 400 kV overhead lines in Kuwait.
- Procurement of plant, design, supply, installation, testing and commissioning of 280 km 400 kV double circuit overhead transmission, being executed in Tanzania.
- Design, supply, installation and commissioning of single circuit (400 kV) and double circuit (500 kV) transmission lines, being executed in Georgia.



An LOC of US\$ 500 million to SBM (Mauritius) Infrastructure Development Company Ltd. extended for various infrastructure projects in Mauritius, including supply of flood pumps.

- Design, supply and installation of 2 x 220 kV overhead line being executed in Uzbekistan.
- Supply of steel structures to Australia.
- Consultancy contract for engineering services for new steel plant and hot strip mill, being executed in UAE.
- Execution of acquisition process and supply of conductor for a 230 kV line project in Bolivia.

Export Credits and Guarantees

During FY 2021-22, the Bank approved Export Credits and Guarantees aggregating ₹ 103.19 billion by way of buyer's credit and funded / non-funded support to Indian exporters for Project Exports. Disbursements amounting to ₹ 42.08 billion and guarantees aggregating ₹ 19.11 billion were issued during the year. These guarantees mainly pertain to overseas projects in sectors such as EPC services, engineering goods, capital goods, agro and food products, construction, power, mining and minerals etc. Disbursements under the Buyer's Credit programme aggregated ₹ 8.83 billion for exports to countries that include Ghana, Senegal, Nigeria, Uganda, South Africa, Thailand, UAE, etc. During the year, the Bank also extended credit lines aggregating US\$ 160 million to banks in Asia and Africa to facilitate supply of goods and services and support socio-economic development projects.

Lines of Credit

Lines of Credit (LOCs), extended under the Indian Development and Economic Assistance Scheme (IDEAS) of the GOI, are important instruments for sharing India's development experience with partner countries to support economic and infrastructure projects in the partner countries, generate socio-economic benefits in the partner countries, promote bilateral trade in goods and services, and support capacity building and skills transfer. The Bank, on behalf and with the support of the Government of India, extends Lines of Credit to sovereign governments, regional development banks and overseas entities to promote development in partner countries.

During the year, the Bank extended 6 LOCs aggregating US\$ 1.13 billion, to support the export of projects, goods and services from India. LOCs extended by the Bank during the year include LOCs to the Governments of Guyana, Kyrgyz Republic, Madagascar, Myanmar, Palestine and Sri Lanka. These LOCs will catalyse exports by way of financing projects such as renewable energy like solar power, supply of petroleum products, and developmental and sustainable projects. The Bank has a portfolio of 310 GOI-LOCs with credit commitments aggregating US\$ 31.96 billion which are at various stages of implementation. With ever expanding reach, the LOCs have gained momentum



The Bank extended a term loan to Avon Newage Cycles Pvt. Ltd. for expansion of its manufacturing facility.

in stimulating economic growth across 66 countries in Africa, Asia, Latin America, Oceania and the CIS region.

During FY 2021-22, several projects supported under LOCs helped partner countries in meeting their developmental priorities, while concomitantly creating large opportunities for Indian companies in high value-added and technology-intensive sectors. The Social Housing Project in Mauritius is one such project, which will provide affordable housing to the middle-class population in Mauritius and improve their standard of living. The project for construction of 956 housing units and associated infrastructure work has been built with a support of US\$ 25 million under a GOI-LOC of US\$ 500 million extended to the SBM [Mauritius] Infrastructure Development Company Ltd. The project was inaugurated by the Hon'ble Prime Ministers of India and Mauritius.

Another example of transformative development through LOCs is the Modi-Lekhnath project in Nepal, which involves construction of a 42-kilometre power transmission line connecting New Modi to Lekhnath and its associated substations at New Modi, Laha Chowk and Lekhnath in central Nepal. The project would ensure quality and reliable power supply in the region. Three substations built as part of the project were inaugurated during the year, fostering India's commitment to the 'Neighbourhood First' policy. The substations were financed under an LOC of US\$ 250 million to the Government of Nepal.

On March 31, 2022, the GOI issued the revised guidelines for Indian Development and Economic Assistance Scheme (IDEAS 2022). The revised guidelines aim to further streamline the processes and enable expeditious delivery of quality assets. Key changes in IDEAS 2022 include (i) mandatory appointment of Project Management Consultant for all projects of US\$ 10 million and above (except for supply contracts); (ii) the requirement for Borrowing Government to enter into a comprehensive maintenance contract for three to five years, after commissioning of the project and completion of the warranty period; (iii) streamlining of various timelines in respect of the LOC; and (iv) an amount up to 0.50 per cent of the LOC can be utilised for evaluation of the project on completion by the lending bank or through an independent agency.

Concessional Financing Scheme

The Bank has extended a term loan of US\$ 1.60 billion to the Bangladesh-India Friendship Power Company Pvt. Ltd. (a 50:50 joint venture between the Bangladesh Power Development Board, Bangladesh and NTPC Ltd., India) for financing the strategic 1320 MW (2*660 MW) ultra super-critical Maitree Super Thermal Power Project on turnkey basis at Rampal, District-Bagerhat, Bangladesh. The contract was awarded to Bharat Heavy Electricals Ltd., following an International Competitive Bidding process. State-of-the-art technologies have been selected for this project to make it an environment friendly project. Once commissioned, the Maitree Super Thermal Power Project is expected to be one of the largest power plants in Bangladesh. The power plant is part of the Government



Modi-Lekhnath transmission line in Nepal financed under an LOC of US\$ 250 million to the Government of Nepal.



A passenger variant dornier aircraft manufactured by Hindustan Aeronautics Ltd. supplied to the Mauritius Police Force under an LOC of US\$ 100 million to the Government of Mauritius.

of Bangladesh's plan for infrastructure development in the country, particularly in the power sector, augmenting the power generation capacity and reducing the current power deficit. The plant will also create employment opportunity for the local people and improve transportation system in the project area. The project has achieved physical progress of more than 80 per cent. An amount of US\$ 1.26 billion has been disbursed as of March 31, 2022, under the scheme.

Buyer's Credit under the National Export Insurance Account

As on March 31, 2022, the Bank has sanctioned an aggregate amount of US\$ 3.01 billion, for thirty-four projects, valued at US\$ 3.29 billion, under the Buyer's Credit under National Export Insurance Account (BC-NEIA). The Cabinet Committee on Economic Affairs of the GOI has provided for additional corpus infusion of ₹ 16.50 billion in the NEIA from FY 2021-22 to FY 2025-26, out of which ₹ 7.44 billion has been received in FY 2021-22. The key projects supported by the Bank include:

- Water projects in Sri Lanka, Uganda and Cameroon;
- LPG storage facility in Mozambique;
- Supply of vehicles and spares to Côte d'Ivoire, Senegal and Tanzania;
- Transmission lines in Cameroon, Mauritania, Senegal, Zambia and Guinea;
- A railway line project in Ghana;
- Agriculture projects in Ghana and Madagascar;

- An irrigation project in Suriname;
- Road projects in Maldives, Zambia and Ghana; and
- Housing projects in Maldives.

The Bank has also given in-principle commitments for an aggregate amount of US\$ 2.93 billion for supporting 24 projects valued at US\$ 3.41 billion, under BC-NEIA, at the request of several leading Indian project exporters.

BUILDING EXPORT COMPETITIVENESS

The Bank operates a range of financing programmes aimed at enhancing the export competitiveness of Indian companies. During FY 2021-22, the Bank sanctioned loans aggregating ₹ 157.02 billion under programmes for enhancing export competitiveness. Disbursements amounted to ₹ 81.63 billion under these programmes.

Loans to Export Oriented Units

Exim Bank's term loans to export-oriented units (EOUs) help improve export capabilities and enhance international competitiveness of Indian companies. During the year, the Bank approved term loans of ₹ 43.09 billion to 23 export-oriented units. Disbursements amounted to ₹ 9.37 billion. Under the Production Equipment Finance Programme, 8 exporting companies were sanctioned ₹ 5.27 billion for financing acquisition of production equipment, and disbursements under the programme amounted to ₹ 4.00 billion. A total of 14 companies were sanctioned long-term working capital loans aggregating

₹ 27.76 billion during the year, and disbursements amounted to ₹ 10.42 billion.

Among other support under its lending programme for EOUs, the Bank is financing capacity building in the solar PV module and cell manufacturing segment. The support would contribute to India's transition towards a greener energy mix, and also position the country as an alternative, reliable supply base for renewable energy projects globally. The Bank has issued letters of credit/standby letters of credit for purchase of equipment and capital goods, including services components, for setting up of a 2,000 MWp solar PV module and cell manufacturing facility at Mundra SEZ.

While the support by Exim Bank under its lending programme for EOUs is typically focused on bolstering manufacturing exports from the country, it often engenders promotion of exports from other sectors of the economy as well. A case in point is the support for part-financing the cost of setting up a fertiliser unit at Sindri, Jharkhand, which will boost availability of urea for agriculture in the Eastern region of the country, accelerate economic development in the region, and potentially create exportable surplus from the agriculture sector in the region. The support would also contribute towards reduction in India's long-time dependence on imports of urea, achievement of self-sufficiency in the sector, and saving of foreign exchange spent on imports of these products.

Technology Upgradation Fund Scheme

The Bank is one of the nodal agencies appointed by the Ministry of Textiles, GOI, to establish and approve the eligibility of projects under Technology Upgradation Fund Scheme (TUFS), and release subsidy directly to the approved projects. As on March 31, 2022, the Bank has accorded approval for 236 projects with aggregate cost of ₹ 192.57 billion. Loans approved and disbursed under TUFS aggregate ₹ 69.94 billion and ₹ 76.56 billion, respectively. The Bank's assistance to the textile industry under TUFS is spread across various segments of textile manufacturing and covers several states in India.

Overseas Investment Finance Programme

The Bank has a comprehensive programme covering equity finance, loans, guarantees and advisory services, to support Indian outward investment. During the year, 16 corporates were sanctioned funded and non-funded assistance aggregating ₹ 24.94 billion for part financing their overseas investments in 8 countries. So far, the Bank has provided finance to 652 ventures set up by 483 companies in 78 countries. Overseas investments supported during FY 2021-22 include, setting up of an

integrated greenfield facility in the USA to manufacture food ingredients, setting up of a chemical facility in the Philippines; acquisition of a company engaged in manufacturing solid surface products for kitchens and bathrooms in the UK; and acquisition of a data and network solutions provider company in the UK. Aggregate assistance extended towards overseas investment amounts to ₹ 637.54 billion covering various sectors including pharmaceuticals, home furnishings, readymade garments, construction, paper, textiles, garments, chemicals, dyes, computer software and IT, engineering goods, healthcare, natural resources, metal and metal processing, mining and minerals, agriculture, agro-based products, oil and gas, etc.

Standby Letters of Credit / Letters of Credit

To facilitate transactions of export-oriented units, the Bank issues LCs mainly for imports financed by the bank. The bank also extends financial guarantees by way of Guarantees / SBLCs to enable export oriented units raise funds for their overseas ventures at competitive rates. During the year, the Bank issued financial guarantees amounting to ₹ 20.73 billion. The Bank's financial guarantee portfolio stood at ₹ 67.97 billion as on March 31, 2022, as against ₹ 13.62 billion as on March 31, 2021. During the year, the Bank opened 86 LCs aggregating ₹ 9.35 billion. The Bank also handles negotiation / collection of export documents. The Bank handled 1,340 export documents worth ₹ 97.49 billion.



Term loan extended to Sedemac Mechatronics Pvt. Ltd. for part-financing R&D activities, under the Bank's Ubharte Sitaare Programme.



Aluthgama, Mathugama and Agalawatta integrated water supply project in Sri Lanka financed under BC-NEIA facility of US\$ 164.90 million to National Water Supply and Drainage Board, Sri Lanka.

Ubharte Sitaare Programme

The Ubharte Sitaare Programme (USP) is aimed at identifying Indian enterprises with potential advantages by way of technology, products, or processes along with export potential, but currently not utilising their full potential or unable to tap their latent potential to grow. The nature of assistance under the USP includes a mix of structured

support, both financial and advisory services through debt (funded and non-funded facilities), investments in equity / equity like instruments and technical assistance to Indian companies.

As on March 31, 2022, the Bank has sanctioned credit facilities to 19 companies, aggregating ₹ 3.88 billion and has disbursed ₹ 1.54 billion, both fund and non-fund based, under the programme. The sanctions are spread across diverse sectors such as aerospace and defence, auto & auto components, pharmaceuticals, engineering, electronics, leather goods, consumer durable, and plastic products, among others. With support and intervention under the USP, the Bank would play a catalytic role in supporting these companies towards increasing their capacities, diversifying existing product portfolios, and expanding their footprint in various geographies, thus contributing to overall growth of the identified companies and having downstream benefits such as job creation and increase and diversification of India's exports.

Under the Programme, an Alternative Investment Fund, christened 'Ubharte Sitaare Fund (USF)', co-sponsored by Exim Bank and SIDBI was launched in August 2021 by Smt. Nirmala Sitharaman, Hon'ble Minister of Finance and Corporate Affairs, Government of India. The objective of the USF is to identify and invest in small and mid-size ventures, in manufacturing and service industries, with good export potential and possibility to emerge as future champions of export, by way of equity, and equity like products. USF announced the first close on March 16, 2022, and total commitments from various banks / institutions under USF stood at ₹ 2.95 billion as on March 31, 2022.



Business Operations



**Exim Bank as
a financier of
exports**



**Exim Bank as
a facilitator of
exports**



**Exim Bank as
a promoter of
exports**



**Exim Bank's
institutional
infrastructure**

EXIM BAZAAR

To further the Bank's support to grassroots enterprises and artisans, the Bank launched a new initiative titled 'Exim Bazaar' in 2017, as an exclusive marketing platform for the artisans. 'Exim Bazaar' has been substantially scaled up since then. 'Exim Bazaar' is part of the Bank's efforts to provide the much-needed recognition and awareness for India's traditional arts and crafts.

Given the encouraging response and success of the earlier editions, the Bank organised the seventh and the eighth editions of Exim Bazaar, at Ahmedabad and Mumbai, respectively, during the year. The Bazaar provided spot sales to the grassroots enterprises and artisans, and also helped them establish contacts with corporate and retail buyers. It also made the visitors aware about the rich cultural heritage of India and the variety of art forms that the country has to offer.

Art forms such as Madhubani paintings, leather puppetry, Warli paintings, Pichwai paintings, Phulkari fabrics, Pattachitra paintings, Phad paintings, Banarasi silk fabrics, lac bangles, Kawad paintings, Kalamkari paintings, Chanderi weaving, ceramic blue pottery, Dokra art, among others were displayed and sold at these exhibitions. Seventy-five grassroots enterprises and artisans were invited to display and sell their work at the Exim Bazaar to commemorate 75 years of India's Independence.

MARKETING ADVISORY SERVICES

The Bank helps Indian firms in their globalisation efforts by proactively assisting them in locating overseas distributors / buyers / partners for their products and services on a success fee basis through its Marketing Advisory Services programme.

EXIM MITRA

The Exim Mitra Portal of the Bank has made access to trade information simple and easy. The portal acts as a single gateway to a wide range of trade information which has been curated using the Bank's institutional linkages and experience in export promotion.

The portal provides a wide range of export related information like demand across products and markets; information pertaining to market standards, sanitary/ phytosanitary requirements; rules and regulations in key markets, like the USA and the EU; government incentives across various sectors; relevant contact information of handholding agencies; cost and duration of shipments from across the globe, and country ratings.

The Bank has partnered with 12 banks/financial institutions for facilitating trade finance. Prospective exporters can fill and submit an online form on the portal, which captures preliminary data pertaining to loan applications. These details are automatically shared with participating banks. The portal therefore acts as a much needed intermediary between suppliers and users of trade finance.



Exim Bazaar in Mumbai was inaugurated by Shri Bhagat Singh Koshiyari, Hon'ble Governor of Maharashtra.

As on March 31, 2022, the Bank's helpline on the Exim Mitra portal catered to over 1,050 queries from exporters from an array of sectors. Most of the queries come from MSME exporters in labour intensive sectors that typically have limited access to information on export opportunities and risks, and the financing options for exports.

The bank also disseminates a monthly e-newsletter, "Exim Connect" to the registered users of the portal, which helps the users remain up to date with the latest developments in international trade.

AWARD FOR BUSINESS EXCELLENCE

Exim Bank and Confederation of Indian Industry (CII) joined hands in 1994, to promote 'excellence' among Indian companies through the 'CII-Exim Bank Award for Business Excellence' for best Total Quality Management practices adopted by an Indian company. The Award is based on the European Foundation for Quality Management model. In 2021, there were nineteen companies which received varying levels of recognition. Kirloskar Ferrous Industries Ltd., JSW Steel Ltd. (Dolvi Works), Godrej Construction and Godrej Precision Engineering (Godrej & Boyce Mfg. Co. Ltd.) were adjudged the winners of the CII-Exim Bank Award for Business Excellence.

INTERNATIONAL ECONOMIC RESEARCH ANNUAL AWARD

The International Economic Research Annual (IERA) Award was instituted by the Bank in 1989. The objective of the Award is to promote research in international economics, trade, development and related financing, by Indian nationals at universities and academic institutions in India and abroad, leading to a doctorate degree. The Award consists of a sum of ₹ 350,000 and a citation. The winner for the year 2020 was Dr. Sanjana Goswami, for her doctoral thesis titled 'Empirical Studies in International Trade'. Dr. Goswami received her degree in 2020 from the University of California, Irvine, USA.

BRICS ECONOMIC RESEARCH ANNUAL AWARD

During India's Presidency under the BRICS Interbank Co-operation Mechanism in 2016, the Bank instituted the BRICS Economic Research Award, with the objective to encourage and stimulate advanced doctoral research on topics of contemporary relevance to the member nations of BRICS, in the field of international economics, trade, development and related financing. The Award, comprising of a citation and prize money of ₹ 1.50 million



The Hon'ble Minister of Finance and Corporate Affairs, Smt. Nirmla Sitharaman, launched the Ubharte Sitaare Fund in Lucknow in the presence of Shri Siddharth Nath Singh, Hon'ble Minister for MSME and Export Promotion, Government of Uttar Pradesh.



BRICS Economic Research Annual Award 2021 presented to Dr. Rahul Singh during the Annual BRICS Financial Forum hosted by the Bank.

is sponsored by the Bank. The Award is presented for an exemplary doctoral research work by nationals of any of the five member nations of BRICS. The winner of the Award for the year 2021 was Dr. Rahul Singh,

for his doctoral thesis titled 'Essays in International Trade in the Post Liberalisation India'. Dr. Singh received his degree in 2020 from the Indian Institute of Management, Bangalore.



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RESEARCH AND ANALYSIS

The Bank's Research and Analysis Group offers a range of insights on aspects of international economics, trade and investments through qualitative and quantitative research techniques. The research work are carried out under the broad classification of regional, sectoral and policy related studies, and published in the form of Occasional Papers, Working Papers, special publications, books, etc.

Based on stakeholder consultations and desk research, the Bank published several sector-specific studies during the year. This included studies on niche segments such as sports goods, sectors crucial for sustainable growth such as solar and creative industry, sectors of significance to Bank's operations such as project exports, and key agriculture and allied segments such as shrimps and prawns and dairy.

During the year, the Bank also undertook research on India's trade and investment relations with several countries/regions. This included studies on potential for cooperation with groupings such as BRICS and CARIFORUM, countries of growing relevance for India's trade and investment such as the UK, UAE, and Australia, and regions of economic and strategic importance for India such as Africa and Central Asia.

Given the renewed focus of the Government of India on signing mutually beneficial free trade agreements (FTAs) with like-minded countries, the Bank undertook several studies on the subject during the year. The Study titled "India's Engagements in Free Trade Agreements: Looking Ahead" assessed India's major trade agreements and their impact on India's trade. The Bank also undertook several country-specific studies that analysed the opportunities for India from bilateral trade and investment agreements. The proposed India-UK FTA was assessed in a study titled "India-UK Bilateral Relations: Trends, Opportunities

and Way Ahead", which was widely appreciated by stakeholders, including the RBI and the Ministry of Commerce and Industry. The Department of Commerce, Ministry of Commerce and Industry is also engaging with the Bank to undertake similar FTA impact assessment studies for other countries/ regions.

The Bank also published a special publication titled "Reorienting Trade Policy: Towards a Synchronised Trade and Investment Framework for India". The Study undertakes an analysis of India's trade policy, along with assessment of the framework for investment and industrial policies in the country. Accordingly, suitable strategies and areas of policy interventions are identified in the Study for fine-tuning the trade policy and synchronising it with the investment policies. Some of the sectors which have been analysed in detail in the Study are automobile, electronics, pharmaceuticals, medical devices, solar panel and leather.

During 2021-22, 18 research studies were published. These include the following:

1. Indian Sports Goods Industry: Strategies for Tapping the Export Potential
2. Indian Solar Sector: Fostering Growth and Sustainable Development
3. Indian Dairy Sector: Trends and Prospects for Greater Export Orientation
4. Project Exports from India: Tapping Potential Amid Changing Dynamics
5. India's Creative Industry for Export Sustainability
6. Export Potential of India's Shrimps and Prawns
7. India's Trade and Investment Relations with Australia: Recent Trends and Potential
8. Building a Resilient Africa: Enhanced Role of India
9. India-United Kingdom Bilateral Relations: Trends, Opportunities and Way Ahead
10. Enhancing India-CARIFORUM Economic Relations and Prospects for Cooperation
11. Re-connecting India and Central Asia: Prospects for Enhancing Trade and Investment
12. Enhancing India's Engagements with UAE
13. Enhancing BRICS Co-operation: Way Forward
14. Essay in International Trade in Post Liberalisation India
15. Empirical Studies in International Trade
16. Reorienting Trade Policy: Towards a Synchronised Trade and Investment Framework for India
17. India's Engagement in Free Trade Agreements: Looking Ahead
18. Exports from Uttar Pradesh: Trends, Opportunities and Policy Perspective



Publication titled 'Prospects for Enhancing India-Japan Trade Relations', released by Shri Dammu Ravi, Secretary (Economic Relations), Ministry of External Affairs.



Shri Piyush Goyal, the Hon'ble Minister of Commerce & Industry, Consumer Affairs, Food & Public Distribution and Textiles, interacted with Indian exporters at an event organised by the Bank in Mumbai, as a part of *Vanijya Saptah*.

SUPPORT TO STATES FOR PROMOTION OF EXPORTS

In recognition of the need for export promotion at the state level, and in accordance with its mandate of promoting India's international trade, the Bank has been engaging with state governments in India to evaluate the state-level export performance and potential, and outline strategies for development of trade competitiveness. The Bank has so far prepared strategy papers for the states of Uttar Pradesh, Karnataka, Kerala, West Bengal, Rajasthan, Andhra Pradesh, Madhya Pradesh, Punjab, Bihar, Jharkhand, Sikkim and Mizoram. The strategy papers focus on, inter alia, enhancing trade competitiveness, promoting innovation, bolstering availability of export finance, enhancing value addition in the production cycles, capacity building, creating awareness about exports, increasing branding and marketing of products from the states, and creating an institutional mechanism for nudging exports to a higher growth trajectory.

The Bank during 2021-22 published a study titled 'Exports from Uttar Pradesh: Trends, Opportunities and Policy Perspective'. The Study was released by Smt. Nirmala Sitharaman, Hon'ble Minister of Finance and Corporate Affairs, Government of India at Lucknow.

The Government of Andhra Pradesh has also engaged with the Bank for preparation of an export strategy paper for

the State. As part of the engagement, the Bank organised several rounds of discussions with stakeholders from the State during the year.

EXPORT LEADING INDEX

As part of its continued research initiatives, the Bank had developed an in-house model to generate an Export Leading Index (ELI) for India to track and forecast the movement in India's exports. The ELI, derived from the model, gauges the outlook for the country's exports and is essentially developed as a leading indicator to forecast growth in total merchandise and non-oil exports of the country, on a quarterly basis, based on several external and domestic factors that could impact exports of the country.

Based on the ELI model, the Bank forecast total merchandise exports for the full year (i.e. 2021-22) at US\$ 414.8 billion, growing by 42.0 per cent, with non-oil exports at US\$ 353.4 billion, growing at 32.9 per cent, during the same period. These forecasts released in Q4 FY22, were found to be much in line with the actual (preliminary) estimates of US\$ 417.8 billion of total merchandise exports and US\$ 352.8 billion of non-petroleum goods exports in FY 2021-22, released by the Ministry of Commerce and Industry, Government of India. India's actual (revised) merchandise exports touched a record high of US\$ 421.9 billion, while non-oil exports amounted to US\$ 354.4 billion in 2021-22, growing at 44.6 per cent and 33.2 per cent, respectively.

The Bank's forecasts are released during the first week of the months of June, September, December, and March, for the corresponding quarters. The results presented therefrom could be of interest to policy makers, researchers, and exporters, among others.

EXIMIUS CENTRE FOR LEARNING

The Eximius Centre for Learning (ECL) is responsible for the overall conduct, coordination and implementation of programmes, seminars and workshops for Indian exporters and importers with a view to enhance their awareness, as also to facilitate India's international trade and investment. During the financial year 2021-22, ECL conducted 19 seminars for exporters, with themes broadly classified into export capability creation, business opportunities, industry, country and region focus, and export potential of Indian states. Due to the pandemic, most of these seminars were conducted on virtual platforms.

To promote and facilitate more project exports and enable larger community of project exporters to benefit from the enhancement of corpus of the NEIA Trust by the Government of India, outreach seminars, titled 'Enhancing Global

Opportunities for Indian Project Exporters' were organised at Mumbai, Hyderabad and Indore. Roundtable discussions with vaccine manufacturers with pharma companies, in association with Japan Bank for International Cooperation and Pharmaceutical Export Promotion Council of India, were held during the year, with focus on innovative funding structures.

ECL partners with Multilateral Development Banks (MDBs) to jointly organise seminars on business opportunities in projects funded by them. During the year, the Bank partnered with the Asian Development Bank (ADB) to organise two online interactive workshop on business opportunities in projects funded by the ADB.

The Bank partnered with various regional chambers and export promotion councils to reach out to MSMEs facilitating export awareness amongst the community. Outreach seminars for the Bank's programmes, especially the Ubharte Sitaare Programme, were held across various locations. The Bank also organised sector-focused seminars for the agriculture and chemical industry. Stakeholders, including Indian exporters and export promotion councils, participated in these sessions. Two region-focused webinars were also organised, titled, 'Deepening India-ASEAN Cooperation' and 'India-Japan Economic Partnership: Trade & Beyond'.

With a view to reach out to a larger audience keen on knowing about matters pertaining to international trade, economy, and trade-related policy, among others, the Bank conducts online educative sessions. The sessions, called 'Exim Bank's Masterclass', were held on topics such as 'Business and Operational Excellence for Accessing International Markets', and 'Impact of Union Budget on Select Sectors'. Economists from the Bank as well as external experts were invited as speakers for the Masterclasses.

INSTITUTIONAL LINKAGES

The Bank has fostered a network of alliances and institutional linkages with multilateral agencies, export credit agencies, banks and financial institutions, trade promotion bodies and investment promotion boards to help create an enabling environment for supporting trade and investment.

BRICS Interbank Co-operation Mechanism

The Bank is the nominated member development Bank from India under the BRICS Interbank Co-operation Mechanism. The Bank hosted the Annual Meeting and the Financial Forum of the BRICS Interbank Co-operation Mechanism and associated meetings online on September 8, 2021.

Asian Exim Banks Forum

In 1996, the Bank took the initiative of forming the Asian Exim Banks Forum (AEBF). The Forum seeks to enhance economic co-operation and forge stronger linkages amongst its member institutions, thereby fostering a long-term relationship within the Asian Exim Banks' community. The Forum currently has 11 member institutions and Asian Development Bank as the permanent observer.

The 26th Annual Meeting of the AEBF was organised virtually by Turk Eximbank in November 2021. The theme of the Annual Meeting was 'The effects and possible consequences of the Covid-19 Pandemic on the trade flows and investment in Asia'.

Global Network of Exim Banks and Development Finance Institutions

The Global Network of Exim Banks and Development Finance Institutions (G-NEXID) was set up in Geneva in 2006 through the Bank's initiative and other public development banks, under the auspices of United Nations Conference on Trade and Development (UNCTAD). With the active support of several other Exim Banks and Development Finance Institutions from various developing countries, the Network has endeavoured to foster enhanced South-South trade, investment, and project finance.

On account of the ongoing pandemic, the Annual General Assembly was held virtually on 10 November 2021. The Network offered an online programme on 'Blockchain Technology', from March to May 2021, which was attended by officials from the G-NEXID members cohort across the globe. In addition, an online capacity building programme on Sustainable Finance was held during the year. G-NEXID focused on discussion on various themes, which included, inter alia, intra G-NEXID Covid-19 dialogue; improving access to trade finance for SMEs through transactional connectivity; Green Sukuk and resource mobilisation for sustainable infrastructure in Sub-Saharan Africa; Public-Private Partnerships (PPPs) in transport infrastructure and logistics; LIBOR transition; and frauds in trade finance: recent cases and toolbox for preventing intentionally deceptive actions. UNCTAD and United Nations Department of Economic and Social Affairs (UNDESA), in partnership with G-NEXID, organised a Trade Policy Dialogue on Trade Finance under Covid-19, wherein development banks in developing countries shared their experiences, and Exim Bank also participated. The outcome of the discussion will be reflected in the Inter-Agency Task Force on Financing for Development Report on Financing for Sustainable Development for 2022.



Business operations



**Exim Bank as
a financier of
exports**



**Exim Bank as
a facilitator of
exports**



**Exim Bank as
a promoter of
exports**



**Exim Bank's
institutional
infrastructure**

HUMAN RESOURCES MANAGEMENT

The Bank's staff, comprising management graduates, chartered accountants, bankers, economists, legal, library and documentation experts, engineers, linguists, human resources, marketing, and IT specialists, numbered 341 as on March 31, 2022. The Bank organises group training programmes, facilitating continuous upgradation of skills of its staff. Officers are nominated for customised training programmes and seminars including e-learning, aimed at enhancing skill sets for handling highly specialised portfolios.

During FY 2021-22, 236 officers attended 79 training programmes and seminars on various subjects relevant to the Bank's operations, which include credit rating, Indian treasury market, resolution of distressed assets, procurement policy framework, operational risk management, bond mathematics, cloud security, venture equity and audit and anti-money laundering. Trainings were also imparted in stress management, work-life balance, time management and personal effectiveness.

TREASURY

The Bank's integrated treasury handles fund management functions including investment of surplus funds, money market and forex operations, and securities trading. The Bank has segregated front, middle and back-office functions and has set up a state-of-the-art dealing room. The range of products offered by the Bank's treasury to its borrowers include foreign exchange deals, collection / negotiation of export documents, issuance of inland / foreign letters of credit/guarantees, structured loans, etc. The Bank uses financial derivative transactions for raising cost-effective funds and hedging its balance sheet exposures, with an objective of reducing market risks. The Bank is a member of the Indian Financial Network (INFINET) and has registration authority status from Institute for Development Research in Banking Technology (IDRBT), the certifying authority.

The Bank holds a digital certificate to deal through the Negotiated Dealing System-Order Matching segment (NDS-OM) of RBI, which provides the electronic dealing platform for trading in GOI securities. The securities/foreign exchange transactions of the Bank are routed through the Guaranteed Settlement Facility provided by the Clearing Corporation of India Ltd. (CCIL). The Bank is a member of Tri-Party Repo Dealing System (TREPS) and Clearcorp Order Matching System (CROMS), the Repo Dealing Systems of CCIL. The Bank is a member of FX-Clear segment, the forex dealing system of CCIL. The Bank has a centralised SWIFT facility (with connectivity to the London branch) which is capable of handling multiple Bank Identifier Codes.



The Bank part-financed Ralson Tyres Ltd. for setting up a large-scale industrial manufacturing unit of radial tyres.

During the year, the Bank has been granted a Market Maker Status by the regulator in respect of select derivative instruments including forex derivatives as well as credit derivatives. Accordingly, the Bank is in the process of upgrading its systems to enhance its activities relating to derivatives, including offerings to clients.

PROGRESS IN IMPLEMENTATION OF THE OFFICIAL LANGUAGE

During FY 2021-22, the Bank continued its efforts to strengthen the implementation of the Official Language Policy of the Government of India. The Annual Programme for FY 2021-22, received from the Department of Official Language, Ministry of Home Affairs, Government of India, was implemented through an Action Plan. The Official Language Implementation Committees constituted at the Bank's Head Office and Regional Offices reviewed the progress on quarterly basis and review meetings with Groups and Offices were also conducted.

Hindi workshops and orientation programmes were organised to encourage the staff to use Hindi in their day-to-day official work. In addition, various activities such as lectures by eminent speakers, Aaj-ka-Shabd/ Vichar, Chai Pe Charcha, Teen Sawal Pratiyogita, Rajbhasha Samvad and online competitions were organised, and officers were motivated to learn and use Hindi through these activities.

Considering the Hindi training needs, officers were nominated for suitable training programmes to attain working knowledge/ proficiency in Hindi. A scheme offering incentives, aimed at encouraging officers to learn and use Hindi in the Bank's business, is in place in the Bank. The Bank has actively participated in the meetings, programmes and competitions organised by Town Official Language Implementation Committees (TOLICs) and has also hosted interbank Hindi competitions.



The Bank's e-magazine 'Exim Sparsh' received the first prize from the Town Official Language Implementation Committee, New Delhi.

The Bank maintains its corporate website and Exim Mitra portal, both in Hindi and English. As directed in the Annual Programme, apart from literature on the Bank's operations and procedures, Hindi versions of all the issues of 'Export Advantage' and 'Agri Export Advantage' were published. The Bank's in-house magazine 'Eximius' includes a Hindi section. 'Exim Sparsh'- a half-yearly Hindi e-magazine published by the Bank's office at New Delhi, was awarded the first prize by TOLIC in Delhi. Various Hindi competitions, lectures, and 'Bal Vatika'- a dedicated programme for the children of staff members, were organised during the Hindi Divas celebrations.

The Bank's Head Office, New Delhi Office, Bengaluru, Hyderabad, Kolkata and Chandigarh Regional Offices were awarded by their respective TOLICs for commendable performance in implementing the Official Language during the year.

INFORMATION TECHNOLOGY

The Bank continued its initiatives for enhancing the use of knowledge-based tools for authentic communication across its various constituents for better sharing of information, customer empowerment and system intelligence capabilities. Systems were supported and upgraded in various areas, including those of the core banking system, business intelligence, digital documentation, automatic workflows, networks, infrastructure, and security. The Bank strengthened its practices and procedures in compliance with international standards for IT governance.

The Bank has state-of-the-art Data Centre (DC) and Disaster Recovery (DR) Site located at Mumbai and Bengaluru, respectively. The DC and the DR have active-setup and have remote monitoring capabilities, which ensures compliance with recovery time and point objectives (RTO & RPO). Both the Primary and DR Data centres are ISO 27001 certified. The Bank has implemented secured remote access-based IT infrastructure which enables

seamless transition between work from office (WFO) and work from home (WFH). Cloud and device-based audio-video conferencing facility enabled seamless business communication among stakeholders during the year.

The Bank continues to invest in infrastructure to support the growing needs of business and upgraded networks across the offices, data center, computing and other crucial equipment. Seamless integration between the Bank's core banking system and payment channels (RTGS / NEFT and SWIFT) supports better fund management and real time appropriation of funds.

The Bank has implemented an Early Warning Signals (EWS) system for monitoring of assets. The system has Application Programming Interface (API) based integration with various external and internal databases to track macro/micro events/incidents for borrowers/ industry and generates alerts as per the scoring matrix of the Bank.

During the year, the Bank designed the medium-term IT strategy to facilitate seamless information flow, analytics led decisioning, state-of-the-art stakeholder experience and compliance with regulatory norms. The IT strategy has been designed keeping automation, integration and digitisation in focus, e.g. 100% digital file journey, API-fication based open architecture for external data sourcing plug-n-play, cloud first models for new implementations.

E-GOVERNANCE AND E-PAYMENT

Systems are in place for business operations, MIS, business intelligence, document management, workflow, networks and security. The Bank has developed technology-enabled "E-Note" process that minimises paperwork and ensures seamless processing with minimal manual intervention. The Bank is a member of the National e-Governance Services Ltd. (NeSL). The Bank has created an internal



The Bank supported RM Chemicals Pvt. Ltd.'s wholly-owned subsidiary in Philippines, a manufacturer of home care, personal care and laundry products.

online database on negative lists and on information received from the Central Economic Intelligence Bureau, which are being referred during loan appraisal cycles. The Bank is using the SWIFT Alliance Access software platform to securely transmit financial and non-financial messages across countries. The messages are created in the Finacle Application (Core and Treasury) and transmitted to the SWIFT application by a Straight Through Process.

ASSET-LIABILITY MANAGEMENT

The Asset-Liability Management Committee (ALCO) of the Bank oversees the monitoring and management of market risk with support from the Bank's Risk Management Group. Liquidity/interest rate risks are managed by ALCO as per the comprehensive ALM/ liquidity policies approved by the Board. The role of ALCO includes, inter alia, reviewing the Bank's currency-wise structural liquidity and interest rate sensitivity positions vis-a-vis prudential limits prescribed by the RBI/Board, monitoring results of periodical stress testing of cash flows and identifying a suitable ALM strategy based on the quantum of interest rate risk as measured through (a) assessment of sensitivity of net interest income and (b) sensitivity of economic value, using duration-gap analysis, to interest rate movement. Regular stress testing of the currency-wise liquidity position is carried out and a Contingency Funding Plan is drawn up periodically to estimate the worst-case fund shortfall in each currency. Value-at-risk is computed for the Bank's held-for-trading and available-for-sale investment portfolio of GOI securities. Funds Management Committee (FMC) decides on the investments / disinvestments and raising of resources as per the Fund Management / Resources Plan approved by the Board at the beginning of each financial year and reviewed during the year.

RISK MANAGEMENT

The Risk Management Committee of the Board (RMC) is responsible for monitoring and managing Bank-wide risks and overseeing the policy and strategy for integrated risk management relating to credit risk, market risk and operational risk.

The RMC reviews the Bank's position about various risks (portfolio, liquidity, interest rate, off-balance sheet and operational risks) and oversees the operations of the ALCO, the FMC, the Credit Risk Management Committee (CRMC) and the Operational Risk Management Committee (ORMC), all of which have cross-functional representations. While ALCO deals with issues relating to ALM policy and processes and analyses the overall market risk (liquidity, interest rate risk and currency risk) of the Bank, CRMC is tasked with management and control of credit risks on a Bank-wide basis. The Bank has in place an advanced Credit Risk Model (CRM) that enables a broad-based credit decision support (by incorporating a range of qualitative



Tonbo Imaging India Pvt. Ltd., a manufacturer of advanced imaging and sensor systems, was supported under the Bank's Ubharte Sitaare Programme to help the company execute export and deemed export contracts secured by it.

as well as quantitative parameters / measures) and internal credit grading of borrowers depending on credit risks. The model helps in evaluation of risk of a borrower at an enterprise level as well as at a facility level depending on underlying security of the facility.

A Rating Committee is in place to independently review the credit ratings assigned by sponsor officers to the respective proposals. The ORMC reviews the occurrence of operational risk events in the Bank and recommends corrective action(s) to prevent recurrence as also includes identification, assessment, and / or measurement, monitoring and control / mitigation of operational risks related to/ emanating from IT assets of the Bank. The Bank undertakes an annual review of the Business Continuity and Disaster Recovery plans of its offices. Each of the plans is vetted for completeness about critical Business Continuity Risk Events and the safeguards in place, for mitigating the impact thereof.

RISK APPETITE POLICY

The Bank has adopted a Board approved Risk Appetite Policy aligned to its strategic, financial, and operational goals. The key dimensions considered as part of the risk appetite statement include capital adequacy, profitability, credit risk, market risk, concentration risk, liquidity risk, operational risk, reputational and compliance risk. There are risk appetite parameters under these risk dimensions with tolerance limits set for each of the parameters. The risk appetite parameters are reviewed periodically, and a half-yearly review is submitted to the Bank's Risk Management Committee. As on March 31, 2022, the Bank is in full compliance with the objectives set out in the risk appetite statement with no breaches observed in tolerance limits set across any of the risk appetite parameters.

SPECIAL SITUATIONS GROUP

To provide focused attention to monitoring of loan accounts which are under stress and strengthening of recovery measures for NPAs, the Bank has a dedicated Special Situations Group (SSG). The SSG takes proactive steps towards loan recovery as per the Board-approved Loan Monitoring and Recovery Policy, rehabilitation of NPAs which are viable, and focuses on recovery from NPA accounts where legal action is to be pursued. Monthly reviews of NPAs are undertaken by a Committee within the SSG. The Bank accords highest priority to the recovery of NPAs through a multi-pronged strategy comprising restructuring, legal action, sale of assets through court receiver, negotiations, one-time settlements, transfer / assignment of NPAs, possession and subsequent sale of assets under provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI Act) and referring the company to the National Company Law Tribunal (NCLT) under the Insolvency and Bankruptcy Code (IBC).

During the year, the Bank achieved a reduction in NPA through innovative recovery measures. In one of the accounts wherein the borrower had proposed one-time settlement (OTS), the Bank used the clause in the security documents to its advantage and instead of accepting the OTS offer, the Bank enforced its security interest. Additionally, recovery from the receivable assigned

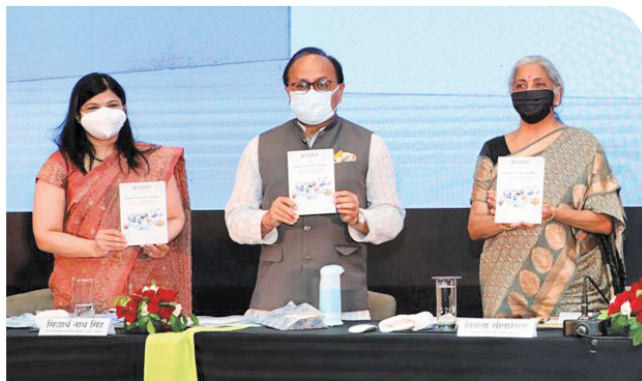
through one of its subsidiaries was also explored and established. In another account, the Bank used a unique mechanism to restructure the account in a manner which led to maximum recovery for the Bank. In other accounts, the key resolution was achieved by way of sale of security receipts, enforcement of security through the Swiss Challenge method, OTS in accounts which were unable to be sorted otherwise, legal action in India and overseas jurisdictions.

JOINT VENTURE

GPCL Consulting Services Ltd., conceived and promoted by the Bank as a private sector outfit in the year 1996, is a joint venture between Exim Bank and nine other reputed private and public sector companies. GPCL was a pioneering concept, brought to reality through a synergetic partnership among industry leaders in sectors such as agriculture, energy, industries, mining, transportation, water resources and others. GPCL, in the past year, has broadened its range of services built around the procurement function to cover areas such as bid advisory, procurement training, e-procurement solutions, project identification, pre-feasibility studies, preparation and review of reports, functioning as a lender's engineer, undertaking due diligence of projects, project monitoring, evaluation, capacity building and a variety of support services to the bilateral and multilateral lending agencies. The company recorded a total income of ₹ 50.34 million in FY 2021-22 with a pre-tax profit of ₹ 11.74 million.



Winners of the CII-Exim Bank Award for Business Excellence 2021



Publications titled 'Indian Sports Goods Industry: Strategies for Tapping the Export Potential' and 'Exports from Uttar Pradesh: Trends, Opportunities and Policy Perspective' released by Smt. Nirmala Sitharaman, Hon'ble Minister of Finance and Corporate Affairs.

KUKUZA PROJECT DEVELOPMENT COMPANY

Kukuza Project Development Company (KPDC), Mauritius is another joint venture company co-promoted by India Exim Bank along with the African Development Bank (AfDB), State Bank of India (SBI), Infrastructure Leasing & Financial Services (IL&FS) group and RSBGi Ltd., UK, to



The Bank supported the development of a neonatal intensive care unit at Dayanand Hospital in Palghar, Maharashtra, under its CSR initiatives.

facilitate Indian participation in infrastructure projects in Africa. Owing to the inability of IL&FS to subscribe to the capital, Exim Bank picked up part of the share of IL&FS with the approval of its Board, increasing its share to 36.36 per cent as on March 31, 2022. In FY 2021-22, RSBGi Ltd. became a shareholder with an investment of US\$ 0.50 million and share of 9.09 per cent. KPDC incurred a loss of US\$ 0.86 million during FY 2021-22.



Environmental, Social and Governance Initiatives

The Bank recognises that sustainable development is an institutional commitment and an integral part of its pursuit of good corporate citizenship and the fundamentals of sound business practices. During the year the Bank has taken several steps to integrate Environmental, Social and Governance (ESG) considerations across its policies, processes, and operations.

ESG FRAMEWORK

The global investor community has been increasingly re-evaluating the traditional investment approaches and consciously considering the impact of investment on overall long-term sustainability. The Bank has been ahead of market peers, in its commitment towards sustainable financing. In March 2015, the Bank launched India's first USD denominated 5-year RegS Green Bond. This was also the first benchmark-size green bond out of Asia in that year, which matured in April 2020. In 2019, the Bank issued its first ever USD denominated Socially Responsible Bond. In its endeavour to align with the global ESG considerations, and enhancing transparency and communication with its stakeholders, the Bank has set up an ESG Framework to issue green, social, or sustainable bond / loans. The Framework defines eligibility criteria in six green and four social areas, namely renewable energy, sustainable water and wastewater management, pollution prevention and control, clean transportation, green buildings, energy efficiency, access to essential services and basic infrastructure, food security and sustainable food systems, MSME financing, and affordable housing.

This Framework has been reviewed by a Second Party Opinion (SPO) Provider – Sustainalytics, confirming that the Framework is 'Credible and Impactful' and is aligned with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, and Social Bond Principles 2021, as administered by International Capital Market Association (ICMA), and Green Loan Principles 2021 and Social Loan Principles 2021, as administered by Loan Market Association (LMA), Asia Pacific Loan Market Association (APLMA), and Loan Syndications and Trading Association (LSTA). The SPO also states that the Bank is well-positioned to address common environmental and social risks associated with projects.

Such an umbrella framework for ESG bonds/loans has been well received by investors / lenders given that the Bank seeks to follow market trends and broaden its role in the expanding green, social and sustainable bond markets. The use of proceeds of such bonds / loans are required to be used exclusively to finance (the year of issuance and the next 2 years) or re-finance (past 3 years), in whole or in part, new or existing eligible green and / or social projects aligned to ICMA Principles. The Bank has also set up a Sustainable Financing Committee (SFC), including representations from the Bank's operating, compliance, and legal groups, to decide the eligibility of classifying



Supported livelihood initiatives of Yashlok Welfare Foundation; raincoats and windcheaters provided to 2,000 Mumbai Police personnel.

projects under this Framework and to conduct an annual review of all such projects supported by the proceeds of an ESG Bond / Loan. The annual reporting of the allocation of proceeds of each Bond / Loan, shall be reviewed by the SFC prior to its publication in any domain, including the Bank's Annual Report or ESG / Sustainability Report.

ESG POLICY

In March 2022, the Bank strengthened its Board-approved ESG Policy – 'Environment, Social and Governance Policy of the Bank for Sustainable Development / Responsible Financing'. The Policy has been revised to make it broad-based for a wider coverage. The key objectives of the Policy include promoting ESG competitiveness of Indian companies; contributing to Government's carbon neutrality goal; expanding social value creation; and enhancing predictability, transparency, and accountability of Bank's financing decisions through measurement and management of ESG risks. Apart from consciously and proactively strengthening the commitments towards sustainable finance, the revised Policy integrates the Bank's credit appraisal process with an ESG risk assessment. Under this assessment mechanism every proposal is checked against an Exclusion List and categorised into High, Moderate and Low risk, by the Bank's SFC.

GRASSROOTS INITIATIVES AND DEVELOPMENT

The Bank, through its Grassroots Initiatives and Development (GRID) programme, extends financial support to promote grassroots initiatives and innovations

(such as in technology), particularly the ones with export potential, and help artisans, producer groups, clusters, small enterprises, and NGOs realise remunerative return on their produce and facilitate exports from these units. The GRID programme aims to augment operational efficiencies, achieve higher value addition, and widen market access for the handicraft / handloom / agro-based products, both in India and overseas.

The Bank has been supporting and assisting rural artisans, craftsmen, weavers, clusters, self-help groups, NGOs, grassroots and micro-enterprises in capacity building and marketing activities by organising design, skill-building, and training workshops. As part of this endeavour, the Bank supported a training programme on design development for 30 weavers of Silk n Touch in Varanasi, Uttar Pradesh. The Bank also organised a 30 days training programme for 20 artisans from Warli Hastakala Group, Maharashtra in 'Product and Design Development'.

CORPORATE SOCIAL RESPONSIBILITY

During the year, the Bank supported 12 projects / programs in six states and one union territory under its Corporate Social Responsibility (CSR) activities across the areas of healthcare, nutrition, sanitation, skill development, livelihood activities and education. Several of these interventions were targeted in aspirational districts of India.

During FY 2021-22, the Bank focused on the theme of 'Health and Nutrition' given the heightened need for such support amid the pandemic. Under healthcare and sanitation initiatives, financial support was provided for procurement of radiography equipment for hospitals in Tezpur, Assam and Ranchi, Jharkhand. Support was also extended to convert a hospital wardroom to Neonatal Intensive Care Unit in Palghar, Maharashtra. Support was also provided for procurement of medical devices for critical care in Sirohi district hospital of Rajasthan. Construction of all-weather toilets and renovation of a training hall for a women's co-operative in Leh district of Ladakh was also undertaken through the Bank's CSR support.

Under educational initiatives, the Bank supported vocational course fees of five women students from weaver community in Mizoram, financed infrastructure development in 20 schools in Solapur, Maharashtra, and extended support to a non-profit organisation in Mumbai to support educational initiatives and medical services for the underprivileged children.

As part of the skill training and livelihood support under its CSR initiatives, the Bank supported a social enterprise that focuses on poverty alleviation through training of small farmers and marketing of organic honey. The Bank also funded a not-for-profit organisation by presenting

certificates issued by the organisation, for provision of dry rations, educational supplies, activity books and hygiene products to underprivileged students and marginalised families, to high level delegates at various events of the Bank. The Bank also adopted two villages in Raigad and supported various developmental projects in these villages. Raincoat cum windcheaters were also provided to 2,000 Mumbai Police personnel as part of the Bank's assistance to an NGO which works with the marginalised sections of the society that have faced loss of livelihood and income due to Covid-19.

The Bank also supported a leading conservation organisation with the objective to support projects of ecological and environmental concerns.

SCHOLARSHIPS AT EDUCATIONAL INSTITUTIONS

With the objective of encouraging academic excellence, particularly among the reserved category students, the Bank has instituted scholarships at select educational institutions in India, viz. Dr. B.R. Ambedkar School of Economics University, Bangalore; the Indian Institute of Foreign Trade, New Delhi; the Kalinga Institute of Industrial Technology University, Odisha; the Jawaharlal Nehru University, New Delhi; the Delhi School of Economics, New Delhi; the National Institute of Agricultural Marketing, Rajasthan; the North Eastern Regional Institute of Science and Technology, Arunachal Pradesh; the Manipur University; the Mizoram University; the Sikkim (Manipal) University, Sikkim; the Tezpur University, Assam; the Nagaland University; the North Eastern Hill University, Meghalaya; the Tripura University; and the Sikkim University.

CORPORATE GOVERNANCE

The Bank ensures transparency and integrity in communication and makes available full, accurate and clear information to all concerned. The Bank is committed to and is continuously striving to ensure compliance with best practices of corporate governance as relevant to the Bank. The Bank has established a framework of strategic control and is continuously reviewing its efficacy. Business / financial performance related matters, analytical data/ information are reported to the Board / Management Committee of the Board (MC) periodically for review. The Bank has put in place a Board approved Compliance Policy and a senior official has been made responsible in respect of compliance issues with all applicable statutes, regulations and other procedures / policies as laid down by the GOI/RBI and other regulators and the Board, and for reporting deviation, if any, to the Audit Committee of the Board. During FY 2021-22, the Bank's Board held five meetings and the MC held six meetings.

REPRESENTATION OF SCHEDULED CASTES, SCHEDULED TRIBES AND OTHER BACKWARD CLASSES

Of the total staff of 341 in the Bank's service as on March 31, 2022, there were 37 Scheduled Caste (SC), 24 Scheduled Tribe (ST) and 55 Other Backward Class (OBC) staff members. Equal opportunities and trainings are provided by the Bank to staff members belonging to SCs, STs and OBCs.

INTERNAL COMMITTEE UNDER 'THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013'

The Bank has zero tolerance for sexual harassment at the workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at the Workplace, in line with the Act and the Rules made thereunder. All employees of the Bank have read, acknowledged and are aware of the Policy implemented by the Bank.

In compliance with the Act, the Bank has constituted Internal Complaints Committees for considering complaints of sexual harassment of women at the workplace as defined under the Act. The committees have held regular meetings and organised an online awareness session for employees at all offices of the Bank. No complaint was received by the Internal Complaints Committees during the FY 2021-22.

AUDIT COMMITTEE

The Audit Committee (AC) of the Board provides direction to the total audit function of the Bank to enhance its effectiveness as a management tool and to follow-up on all issues raised in the statutory, external, internal and concurrent audit reports and RBI inspection reports. The AC reviews the quarterly and annual financial statements before submission of the same to the Board. The Audit Committee met six times during the FY 2021-22.

KYC, AML AND CFT MEASURES

The Bank has a policy approved by the Board on 'Know Your Customer (KYC) norms, Anti-Money Laundering (AML) standards, and Combating Financing of Terrorism (CFT)'. The Policy conforms to the RBI guidelines in the matter. The KYC, AML and CFT policy covers:

- Customer Acceptance Policy;
- Risk Management;
- Customer Identification Procedure; and
- Monitoring of transactions.

The Bank has access to the Bankers Accuity Database, an online database service. Accuity's enhanced Global Watch List is a comprehensive collection of caution lists from all major sanctioning bodies, law enforcement agencies and financial regulators worldwide. All the customers of

the Bank are subjected to KYC standards, which establish the identity of the natural / legal person and those of the beneficial owners.

The implementation of KYC policies and procedures covers identification of corporate borrowers, term deposit holders, correspondent banks, and recruitment of new staff members. The Bank obtains data required for ensuring compliance by its counterparty banks about KYC norms through the Wolfsburg Group AML Questionnaire, in line with international market practice. The Bank maintains information in respect of certain transactions in accordance with the procedure and manner as may be specified by the RBI and Securities and Exchange Board of India from time to time. Records are maintained for minimum period of five years from the end of the business relationship, depending on the nature of transactions. An officer of the rank of Chief General Manager has been appointed as the Principal Officer, who is responsible for the Bank's KYC, AML and CFT measures. An extract of the KYC-AML-CFT Policy is posted on the Bank's website.

FAIR PRACTICES CODE FOR LENDERS

The Bank has in place, a Board approved policy on Fair Practices Code for Lenders, framed in line with RBI guidelines. The Code is available on the Bank's website.

RIGHT TO INFORMATION

The Bank, as a public authority as defined in the Right to Information (RTI) Act, 2005, is compliant with the Act. Citizens of India may apply for information under the provisions of the Act by communicating the same to the Central Public Information Officer of the Bank at its Head Office in Mumbai, or to the Assistant Public Information Officers at the Bank's Regional Offices in India, as mentioned on the Bank's website. The Bank has complied with the guidelines of the government authorities, issued from time to time. During FY 2021-22, the Bank had received a total of 143 RTI applications, which were responded within the 30 days permitted for response, as specified under the RTI Act. The Bank has filed RTI quarterly returns on the portal www.dssic.nic.in.

CENTRALISED PUBLIC GRIEVANCE REDRESS AND MONITORING SYSTEM (CPGRAMS)

CPGRAMS is an online web-enabled system developed with the objective of speedy redress and effective monitoring of grievances by Ministries / Departments / Organisations of the Government of India. The Bank has implemented the Grievance Redressal mechanism and details of the Grievance Redressal Officer for Borrowers and the Appellate Authority for Redressal of Grievances of Borrowers are provided on the Bank's website. During the financial year, the Bank received 3 grievances from borrowers on the CPGRAMS portal, which were responded to within the stipulated timeframe for response.



Financial Statements

Independent Auditor's Report

To,
The President of India

Report on the Audited Financial Statements

Opinion

We have audited the accompanying Financial Statements of General Fund of "Export-Import Bank of India" ("the Bank"), which comprise the Balance Sheet as at 31st March, 2022, the Profit and Loss account, Statement of Cash flows for the year then ended and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Financial Statements give a true and fair view of the financial position of the Bank as at 31st March, 2022, of its financial performance and its cash flows for the year then ended in accordance with the Regulation 14 (i) of Export-Import Bank of India General Regulations, 2020 and the accounting principles generally accepted in India.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note No. 28 of the Financial Statements regarding impact of COVID-19 pandemic on the Financials for the year ended 31st March 2022. In view of the continuity uncertainties, the extent of impact of the global pandemic on the Bank's operations and Financial position would depend on several factors including actions taken to mitigate its impact and other regulatory measures.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the Key Audit Matters to be communicated in our report:

Sr. No.	Key Audit Matters	How the matter was addressed in our Audit
1	<p>Identification of Non-performing advances and provisioning of advances:</p> <p>Advances constitute a significant portion of the Bank's assets and the quality of these advances is measured in terms of ratio of Non-Performing Advances ("NPA") to the gross advances of the Bank. The Bank advances constitute 86.02% of the total assets and the gross NPA ratio of the Bank is 3.56% as at 31st March, 2022.</p> <p>The Reserve Bank of India's ("RBI") guidelines on Income recognition and asset classification ("IRAC") prescribe the prudential norms for identification and classification of NPAs and the minimum provision required for such assets. The Bank is also required to apply its judgement to determine the identification and provision required against NPAs by applying quantitative as well as qualitative factors. The identification of NPAs is affected by factors like stress and liquidity concerns in certain sectors.</p> <p>The provisioning for identified NPAs is estimated based on ageing and classification of NPAs, recovery estimates, value of security and other qualitative factors and is subject to the minimum provisioning norms specified by RBI.</p> <p>Additionally, the Bank makes provisions on exposures that are not classified as NPAs including advances in certain sectors and identified advances or group advances that can potentially slip into NPA. These are classified as contingency provisions.</p> <p>The Bank has detailed its accounting policy in this regard in Significant accounting policies and notes to accounts under note I (iii) Asset Classification and Provisioning.</p> <p>Since the identification of NPAs and provisioning for advances require significant level of estimation and given its significance to the overall audit, we have ascertained identification and provisioning for NPAs as a key audit matter.</p>	<p>We performed the following audit procedures, among others, included:</p> <ul style="list-style-type: none"> - Considering the Bank's policies for NPA identification and provisioning and assessing compliance with the IRAC norms. - Understanding, evaluating and testing the design and operating effectiveness of key controls (including application controls) around identification of impaired accounts based on the extant guidelines on IRAC. - Examined the efficacy of various internal controls over advances to determine the nature, timing and extent of the substantive procedures and compliance with the observations of the various audits conducted as per the monitoring mechanism of the Bank and RBI Inspection. - Reviewing account statements and other related information of the borrowers selected based on quantitative and qualitative risk factors. - Examining the early warning reports generated by the Bank to identify stressed loan accounts. - Holding specific discussions with the management of the Bank where there is perceived credit risk and the steps taken to mitigate the risks. - We assessed the appropriateness and adequacy of disclosures against the relevant accounting standards and RBI requirements relating to NPAs including the additional disclosures required in accordance with the Regulatory Package and Resolution Framework. <p>With respect to provisioning of advances, we performed the following procedures:</p> <ul style="list-style-type: none"> - Gained an understanding of the Bank's process for provisioning of advances. - Tested on a sample basis the calculation performed by the management for compliance with RBI regulations and internally laid down policies for provisioning. - For loan accounts, where the Bank made provisions which were not classified as NPA, we reviewed the Bank's assessment for these provisions.

Sr. No.	Key Audit Matters	How the matter was addressed in our Audit
2	<p>Contingent Liability for Income Tax:</p> <p>The Bank has material open tax litigations including matters under dispute which involve significant judgment to determine the possible outcome of these disputes.</p> <p>Since the assessment of these open tax litigations requires significant level of judgement, we have included this as a key audit matter.</p>	<ul style="list-style-type: none"> - Gained an understanding of the Bank's process for determining tax liabilities and the tax provisions. - Involved external Tax experts to understand the evaluation of likelihood and level of liability for significant tax risks after considering legal precedence, other rulings and new information in respect of open tax positions as at reporting date. - Reviewed the tax demand by referring to supporting documentation, including correspondence with tax authorities. - Assessed the disclosures within the standalone Financial Statements in this regard. - We highlighted the Bank's take on the provisioning of the disputed Income Tax liabilities. Basis the discussion with the Bank and external tax experts, disclosure of ₹ 0.50 bn was made under Contingent Liability for Income Tax.

Other Information

The Bank's Board of Directors are responsible for the other information. The other information comprises the information included in the Directors' Report, Overall Business Operations, Management and Corporate Governance but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance / conclusion thereon. In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other Information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. When we read the Annual report, if we conclude that there is a material misstatement therein, then we will communicate the matter to those charged with governance.

Other Matters

The Bank has ten domestic Representative Offices (ROs), eight overseas offices and one foreign branch. The financial accounting systems of the Bank are centralised for the Domestic and Overseas Offices. We could visit only 3 domestic ROs and have not been able to visit the other domestic ROs and foreign branch because of COVID-19 Pandemic and have relied on the accounting statements and returns received from the branch/ROs, which are included in these Financial Statements.

The audit review of the Financial Statements of the year ended 31st March, 2021, was carried out by previous Independent Auditor of the Bank who have expressed an unmodified opinion on the same vide report dated 18th May 2021.

Our opinion on this statement is not modified in respect of this matter.

Responsibilities of Management for the Financial Statements

Management of Bank is responsible for the preparation and fair presentation of the Financial Statements in accordance with the provisions of the Act and the Regulations framed thereunder and for such internal controls as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Government of India either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain Professional Skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement have been drawn up as per Schedules I, II and III of the Export-Import Bank of India General Regulations, 2020.

We further report that:

- We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit and have found them to be satisfactory.
- The Balance Sheet, the Statement of Profit and Loss Account and Cash Flow Statement dealt with by this Report are in agreement with Books of Account.
- The transactions of the Bank, which have come to our notice, have been within the powers of the Bank.
- The accounting statements, information and returns received from the representative/branch offices and a foreign branch of the Bank have been found adequate for the purposes of our audit.
- In our opinion, the aforesaid Financial Statements dealt with by this report comply with the applicable Accounting Standards.

For GMJ & Co.

Chartered Accountants

Firm Registration No.: 103429W

CA Atul Jain

Partner

Mem No. 037097

UDIN: 22037097AITRFS5650

Place: New Delhi

Date: 11th May 2022

BALANCE SHEET AS AT 31ST MARCH, 2022

GENERAL FUND

		This year (As at 31.03.2022) ₹	Previous year (As at 31.03.2021) ₹
LIABILITIES	SCHEDULES		
1. Capital	I	159,093,663,881	151,593,663,881
2. Reserves	II	33,182,168,229	26,543,243,671
3. Profit & Loss Account	III	737,600,000	253,900,000
4. Notes, Bonds and Debentures		911,445,743,000	965,345,341,400
5. Bills Payable		-	-
6. Deposits	IV	1,774,864,091	2,051,739,943
7. Borrowings	V	161,553,999,474	128,772,977,903
8. Current Liabilities and Provisions for contingencies		47,758,579,490	33,014,055,544
9. Other Liabilities		51,868,672,455	40,441,231,470
Total		1,367,415,290,620	1,348,016,153,812
ASSETS			
1. Cash & Bank Balances	VI	32,733,783,010	144,922,665,318
2. Investments	VII	109,025,261,755	100,172,242,817
3. Loans and Advances	VIII	1,145,615,812,525	1,024,413,455,089
4. Bills of Exchange and Promissory Notes Discounted/ Rediscounted	IX	30,575,800,000	14,100,000,000
5. Fixed Assets	X	3,689,339,694	3,959,149,600
6. Other Assets	XI	45,775,293,636	60,448,640,988
Total		1,367,415,290,620	1,348,016,153,812
CONTINGENT LIABILITIES			
(i) Acceptances, Guarantees, endorsements and other obligations		138,112,009,528	136,925,745,884
(ii) On outstanding forward exchange contracts		-	1,504,006,991
(iii) On underwriting commitments		-	-
(iv) Uncalled Liability on partly paid investments		178,279,005	180,035,910
(v) Claims on the Bank not acknowledged as debts		5,081,997,787	7,752,500,000
(vi) Bills for collection		-	-
(vii) On participation certificates		-	-
(viii) Bills Discounted/Rediscounted		-	-
(ix) Other monies for which the Bank is contingently liable		15,076,162,871	5,580,808,626
Total		158,448,449,191	151,943,097,411

'Notes to Accounts' attached.

For and on behalf of the Board

Shri N. Ramesh
Deputy Managing Director

Ms. Harsha Bangari
Managing Director

Shri Dammu Ravi

Ms. Rupa Dutta

Shri Suchindra Misra

Shri R. Subramanian

Shri M. Senthilnathan

Shri Dinesh Kumar Khara

Shri Rajkiran Rai G.

Shri Ashok Kumar Gupta

For GMJ & Co.
Chartered Accountants
Firm Regn. No. 103429W

(CA Atul Jain)
Partner
M. No. 037097

Place: New Delhi
Dated: May 11, 2022

PROFIT & LOSS ACCOUNT

GENERAL FUND

		This year (2021-22) ₹	Previous year (2020-21) ₹
EXPENDITURE	SCHEDULES		
1. Interest		48,891,292,969	54,181,896,186
2. Credit Insurance, Fees and Charges		683,294,538	736,601,198
3. Staff Salaries, Allowances etc. and Terminal Benefits		875,750,434	946,231,917
4. Directors' and Committee Members' Fees and Expenses		239,800	-
5. Audit Fees		1,198,100	1,198,100
6. Rent, Taxes, Electricity and Insurance Premia		277,875,453	233,717,376
7. Communication Expenses		42,983,915	50,891,039
8. Legal Expenses		42,755,953	50,210,455
9. Other Expenses	XII	1,123,453,662	926,601,821
10. Depreciation		391,207,376	401,966,573
11. Provision for loan losses/contingencies depreciation on investments		9,806,678,917	24,671,675,118
12. Profit/(Loss) carried down		21,497,517,260	3,563,241,717
Total		83,634,248,377	85,764,231,500
Provision for Income Tax (Net of deferred tax) [including Deferred tax of ₹ 13,915,030,279 (previous year - ₹ 776,148,307)]		14,120,992,702	1,023,357,227
Balance of profit/(Loss) transferred to Balance Sheet		7,376,524,558	2,539,884,490
		21,497,517,260	3,563,241,717
INCOME			
1. Interest and Discount	XIII	79,763,834,132	79,798,063,740
2. Exchange, Commission, Brokerage and Fees		3,715,617,529	2,501,882,725
3. Other Income	XIV	154,796,716	3,464,285,035
Total		83,634,248,377	85,764,231,500
Profit/(Loss) brought down		21,497,517,260	3,563,241,717
Excess Income/Interest tax provision of earlier years written back		-	-
		21,497,517,260	3,563,241,717

'Notes to Accounts' attached.

For and on behalf of the Board

Shri N. Ramesh
Deputy Managing Director

Ms. Harsha Bangari
Managing Director

Shri Dammu Ravi

Ms. Rupa Dutta

Shri Suchindra Misra

Shri R. Subramanian

Shri M. Senthilnathan

Shri Dinesh Kumar Khara

Shri Rajkiran Rai G.

Shri Ashok Kumar Gupta

For GMJ & Co.
Chartered Accountants
Firm Regn. No. 103429W

(CA Atul Jain)
Partner
M. No. 037097

Place: New Delhi
Dated: May 11, 2022

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

GENERAL FUND

	This year (As at 31.03.2022) ₹	Previous year (As at 31.03.2021) ₹
Schedule I : Capital:		
1. Authorised	200,000,000,000	200,000,000,000
2. Issued and Paid-up : (Wholly subscribed by the Central Government)	159,093,663,881	151,593,663,881
Schedule II : Reserves:		
1. Reserve Fund	15,647,552,765	9,008,628,207
2. General Reserve	-	-
3. Other Reserves :		
Investment Fluctuation Reserve	1,939,296,400	1,939,296,400
Sinking Fund (Lines of Credit)	1,955,319,064	1,955,319,064
4. Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	13,640,000,000	13,640,000,000
	33,182,168,229	26,543,243,671
Schedule III : Profit & Loss Account:		
1. Balance as per annexed accounts	7,376,524,558	2,539,884,490
2. Less: Appropriations:		
- Transferred to Reserve Fund	6,638,924,558	537,684,490
- Transferred to Investment Fluctuation Reserve	-	1,748,300,000
- Transferred to Sinking Fund	-	-
- Transferred to Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	-	-
3. Balance of the net profits (Transferable to the Central Government in terms of Section 23(2) of the EXIM Bank Act, 1981)		
	737,600,000	253,900,000
Schedule IV : Deposits:		
(a) In India	1,774,864,091	2,051,739,943
(b) Outside India	-	-
	1,774,864,091	2,051,739,943
Schedule V : Borrowings:		
1. From Reserve Bank of India :		
(a) Against Trustee Securities	-	-
(b) Against Bills of Exchange	-	-
(c) Out of the National Industrial Credit (Long Term Operations) Fund	-	-
2. From Government of India	-	-
3. From Other Sources :		
(a) In India	22,840,442,293	-
(b) Outside India	138,713,557,181	128,772,977,903
	161,553,999,474	128,772,977,903

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

GENERAL FUND

	This year (As at 31.03.2022) ₹	Previous year (As at 31.03.2021) ₹
Schedule VI: Cash & Bank Balances:		
1. Cash in Hand	202,366	1,482,382
2. Balance with Reserve Bank of India	1,301,482,828	191,813,444
3. Balances with other Banks:		
(a) In India		
i) in current accounts	1,670,137,227	6,743,703,578
ii) in other deposit accounts	1,750,000,000	21,000,000,000
(b) Outside India	28,011,960,589	111,088,386,576
4. Money at call and short notice / Lending under TREPS	-	5,897,279,338
	32,733,783,010	144,922,665,318
Schedule VII: Investments: (net of diminution in value, if any)		
1. Securities of Central and State Governments	92,764,120,000	93,573,740,000
2. Equity Shares & Stocks	1,787,631,245	1,734,555,661
3. Preference Shares and Stocks	-	-
4. Notes, Debentures and Bonds	3,308,400,010	4,863,947,156
5. Others	11,165,110,500	-
	109,025,261,755	100,172,242,817
Schedule VIII : Loans & Advances:		
1. Foreign Governments	533,183,676,763	478,222,803,060
2. Banks:		
(a) In India	139,158,500,000	93,159,800,000
(b) Outside India	2,349,567,500	1,090,304,683
3. Financial Institutions:		
(a) In India	-	-
(b) Outside India	90,190,094,780	50,921,812,932
4. Others	380,733,973,482	401,018,734,414
	1,145,615,812,525	1,024,413,455,089
Schedule IX : Bills of Exchange and Promissory Notes Discounted/Rediscounted:		
(a) In India	30,575,800,000	14,100,000,000
(b) Outside India	-	-
	30,575,800,000	14,100,000,000
Schedule X : Fixed Assets: (At cost less depreciation)		
1. Premises		
Gross Block b/f	5,120,083,818	4,767,405,894
Additions during the year	15,329,824	352,677,924
Disposals during the year	-	-
Gross Block as at the end of the year	5,135,413,642	5,120,083,818
Accumulated Depreciation	1,702,085,519	1,477,013,450
Net Block	3,433,328,123	3,643,070,368

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

GENERAL FUND

	This year (As at 31.03.2022) ₹	Previous year (As at 31.03.2021) ₹
2. Others		
Gross Block b/f	1,432,461,033	1,185,896,824
Additions during the year	113,879,687	281,394,653
Disposals during the year	54,396,420	34,830,444
Gross Block as at the end of the year	1,491,944,300	1,432,461,033
Accumulated Depreciation	1,235,932,729	1,116,381,801
Net Block	256,011,571	316,079,232
	3,689,339,694	3,959,149,600
Schedule XI : Other Assets:		
1. Accrued interest on		
a) investments / bank balances	11,017,809,688	11,377,940,070
b) loans and advances	6,432,399,561	6,026,583,840
2. Deposits with sundry parties	57,293,416	57,572,733
3. Advance Income Tax paid (Net)	3,456,521,868	4,588,507,286
4. Others [including Net Deferred tax asset of ₹ 16,642,969,567 (previous year ₹ 30,557,999,846)]	24,811,269,103	38,398,037,059
	45,775,293,636	60,448,640,988
	This year (2021-22) ₹	Previous year (2020-21) ₹
Schedule XII : Other Expenses:		
1. Export Promotion Expenses	7,030,733	4,885,349
2. Expenses on and related to Data Processing	1,250,341	4,967,419
3. Repairs and Maintenance	347,563,495	300,311,862
4. Printing and Stationery	9,544,157	6,612,095
5. Others	758,064,936	609,825,096
	1,123,453,662	926,601,821
Schedule XIII : Interest and Discount:		
1. Interest and Discount on loans and advances/bills discounted/ rediscounted	43,392,577,052	43,788,660,137
2. Income on Investments/bank balances	36,371,257,080	36,009,403,603
	79,763,834,132	79,798,063,740
Schedule XIV : Other Income:		
1. Net Profit on sale/revaluation of investments	(283,996,746)	2,715,922,640
2. Net Profit on sale of land, buildings and other assets	2,257,350	(81,867)
3. Others	436,536,112	748,444,262
	154,796,716	3,464,285,035

Note :

Deposits under 'Liabilities' [ref. Schedule IV (a)] include 'on shore' foreign currency deposits aggregating US\$ 12.63 mn (Previous year US\$ 18.76 mn.) kept by counter party banks / institutions with Exim Bank against reciprocal rupee deposits / bonds. Investments under 'Assets' [ref. Schedule VII 4.] include bonds aggregating ₹ 0.59 bn (Previous year ₹ 0.86 bn) on account of swaps.

CASH FLOW STATEMENT

Amount (₹ mn)

Particulars	This year (2021-22)	Previous year (2020-21)
Cash flow from Operating Activities		
Net Profit / (Loss) before tax and extra-ordinary items	21,497.52	3,563.24
Adjustments for		
- (Profit)/Loss on sale of fixed assets (Net)	(2.26)	0.08
- (Profit)/Loss on sale of Investments (Net)	284.00	(2,715.92)
- Depreciation	391.21	401.97
- Discount/Expenses on bond issues written off	166.57	224.01
- Transfer from Investment Fluctuation Reserve	-	-
- Provisions/Write Off of Loans/Investments & other provisions	9,806.68	24,671.68
- Others - to specify	-	-
	32,143.72	26,145.05
Adjustments for		
- Other Assets	(540.24)	(41,656.52)
- Current liabilities	16,159.32	(45,233.82)
Cash generated from operations	47,762.80	(60,745.29)
Payment of income tax/interest tax	(1,131.99)	53,991.65
Net cash flow from Operating activities (A)	48,894.78	(6,753.64)
Cash flow from Investing activities		
- Net purchase of fixed assets	(119.14)	(632.07)
- Net change in investments	(9,137.02)	10,914.34
Net cash used in / raised from Investing activities (B)	(9,256.16)	10,282.27
Cash Flow from Financing activities		
- Equity capital infusion	7,500.00	13,000.00
- Loans borrowed (net of repayments made)	(21,395.45)	43,775.83
- Loans lent, bills discounted and rediscounted (net of repayments received)	(137,678.16)	(44,048.44)
- Dividend on equity shares and tax on dividend (Balance of Net profits transferred to Central Government)	(253.90)	(123.90)
Net cash used in / raised from Financing activities (C)	(151,827.51)	12,603.49
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(112,188.88)	16,132.12
Opening Cash and Cash Equivalents	144,922.67	128,790.54
Closing Cash and Cash Equivalents	32,733.78	144,922.67

For and on behalf of the Board

Shri N. Ramesh
Deputy Managing Director

Ms. Harsha Bangari
Managing Director

Shri Dammu Ravi

Ms. Rupa Dutta

Shri Suchindra Misra

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Shri Rajkiran Rai G.

Shri Ashok Kumar Gupta

For GMJ & Co.
Chartered Accountants
Firm Regn. No. 103429W

(CA Atul Jain)
Partner
M. No. 037097

Place: New Delhi
Dated: May 11, 2022

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

I SIGNIFICANT ACCOUNTING POLICIES

(i) Financial Statements

a) Basis of preparation

The Balance Sheet and the Profit and Loss account of Export-Import Bank of India (Exim Bank) (General Fund and Export Development Fund) have been prepared in accordance with the accounting principles followed in India. The financial statements have been prepared under the historical cost convention on an accrual basis unless otherwise stated. The accounting policies that are applied by the Bank are consistent with those used in the previous year. The form and manner in which the Balance Sheet and the Profit and Loss Account of Exim Bank are prepared have been provided in the Export-Import Bank of India General Regulations, 2020 approved by the Board of Directors with the previous approval of Government of India under Section 39 (2) of Export-Import Bank of India Act, 1981 (28 of 1981). Certain important financial ratios / data are disclosed as part of the “Notes to Accounts” in terms of Reserve Bank of India (RBI) Master Direction DBR.FID.No.108/01.02.000/2015-16 dated June 23, 2016.

b) Use of estimates

The preparation of financial statements in conformity with accepted accounting principles requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities and provisions (including contingent liabilities) as of the date of the financial statements and the reported income and expenses for the reporting period. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

(ii) Revenue Recognition

Income/Expenditure is recognised on accrual basis except in respect of interest on Non-performing Assets (NPA) / Non-Performing Investments, “Stressed Assets”, interest on loans under Strategic Debt Restructuring, central government guaranteed loans having overdues more than 90 days, fee income, commission, commitment charges and dividend which are accounted on cash basis. NPAs are determined as per RBI guidelines issued to All-India Financial Institutions. Discount/ redemption premium offered on Exim Bank Bonds has been amortised over the tenure of the bond and included in interest expenses.

(iii) Asset Classification and Provisioning

Loans and Advances shown in Balance Sheet comprise only principal outstanding net of provisions for Non-Performing Assets (NPA). Interest receivables are grouped under “Other Assets.

Loan Assets are classified into the following groups: Standard Assets, Sub-standard Assets, Doubtful Assets and Loss Assets, taking into consideration the degree of credit weaknesses and extent of dependence on collateral security for realisation of dues. Classification of loan assets and provisioning are as per RBI guidelines issued to All-India Financial Institutions.

(iv) Investments

The entire investment portfolio is classified under three categories:

- (a) “Held to Maturity” (the securities acquired with the intention to hold them to maturity),
- (b) “Held for Trading” (the securities acquired with the intention to trade by taking advantage of the short-term price/interest rate movements, etc.) and
- (c) “Available for Sale” (the balance investments).

The investments are further classified as:

- i) Government securities
- ii) Other approved securities
- iii) Shares
- iv) Debentures and Bonds
- v) Subsidiaries/Joint Ventures
- vi) Others (Commercial Papers, Mutual Fund Units, etc.)

The classification of various instruments of investments, categorisation, shifting among categories, valuation and provisioning of investments are done in accordance with the norms laid down by RBI for All-India Financial Institutions.

(v) Fixed Assets and Depreciation

- (a) Fixed Assets are stated at historical cost less accumulated depreciation.
- (b) Depreciation is provided for on straight-line method basis at the following rates:

ASSET	DEPRECIATION RATE
Owened Buildings	5%
Furniture and Fixtures	25%
Office Equipment	25%
Other Electrical Equipment	25%
Computers and Computer Software	25%
Motor Vehicles	25%
Mobile Phones and other electronic items subject to rapid technological obsolescence	33.33%

- (c) In respect of assets acquired during the year, depreciation is provided for the entire year in the year of purchase and in respect of assets sold during the year, no depreciation is provided in the year of sale.
- (d) When a depreciable asset is disposed of, discarded, demolished or destroyed, the net surplus or deficit is adjusted in the Profit and Loss Account.

(vi) Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date based on internal / external factors to provide for impairment in the value of the assets or reverse impairment losses recognised in previous periods, as applicable. Impairment loss is recognised when the carrying amount of an asset exceeds recoverable Amount.

(vii) Accounting for Foreign Currency Transactions

- (a) Assets and liabilities denominated in foreign currency are translated at the exchange rate notified by the Foreign Exchange Dealers' Association of India (FEDAI) at the year end.
- (b) Income and expenditure items are translated at the average rates of exchange during the year.
- (c) Outstanding foreign exchange contracts are revalued at rates of exchange notified by the FEDAI for specified maturities and the resulting profits / losses are included in the Profit and Loss Account.
- (d) Contingent liabilities in respect of guarantees, acceptances, endorsements and other obligations are stated at the rates of exchange notified by FEDAI at the year end.

(viii) Guarantees

Provisioning for guarantees is made taking into account the likely losses on projects till their completion, for uncovered portion under ECGC policies.

(ix) Derivatives

The Bank presently deals in derivative contracts such as Interest Rate Swaps, Currency Swaps, Cross-Currency Interest Rate Swaps and Forward Rate Agreements, for hedging its assets and liabilities. Based on RBI Guidelines, the above derivatives undertaken for hedging purposes are accounted on accrual basis. Qualitative and Quantitative disclosures pertaining to outstanding derivative contracts are reported in the “Notes to Accounts” in accordance with RBI’s Master Direction on Presentation, Disclosure and Reporting norms for All India Financial Institutions on the Balance Sheet date.

(x) Provision for Employee Benefits

- a) Provident Fund, Gratuity Fund and Pension Fund are defined benefit schemes administered by the Bank and the Bank’s contributions to these funds are charged to the Profit and Loss Account for the year.
- b) Gratuity, Pension and Leave Encashment are defined benefit obligations. Liabilities towards these obligations are provided for on the basis of actuarial valuation at the end of each financial year based on the projected unit credit method.

(xi) Accounting for taxes on Income

- (a) Provision for current tax is made, based on the tax payable under the relevant statute.
- (b) Deferred tax on timing difference between taxable income and accounting income is accounted for, using the tax rates and the tax law enacted or substantially enacted as on the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is a virtual certainty of realisation.

(xii) Provisions, Contingent Liabilities and Contingent Assets

As per AS 29 – “Provisions, Contingent Liabilities and Contingent Assets” issued by the Institute of Chartered Accountants of India (ICAI), the Bank recognises provisions only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are disclosed unless the possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

(xiii) Deferment of Implementation of Indian Accounting Standards (Ind AS)

In terms of Reserve Bank of India’s (RBI) circular dated August 04, 2016, Indian Accounting Standards (Ind AS) was applicable to all Banks, NBFCs and AIFIs for the accounting periods beginning from April 01, 2018 onwards with comparatives for the period ending March 31, 2018. RBI vide its letter dated May 15, 2019 addressed to Exim Bank has conveyed deferment of implementation of Ind AS by the AIFIs until further notice.

II NOTES TO ACCOUNTS – GENERAL FUND

1. Agency Account

As Exim Bank is acting only in the capacity of an agency to facilitate certain transactions in Iraq relating to Indian contractors, foreign currency receivables advised to the Bank equivalent to ₹ 52.09 bn (previous year ₹ 50.25 bn) held on agency account including a sum of ₹ 47.07 bn (previous year ₹ 45.40 bn) assigned to Government of India (GOI) are not included in the above Balance Sheet.

2. Taxes on Balance of Profit Transferable to GOI

The capital of the Bank is wholly subscribed by the Central Government and the Bank does not have any share capital. The balance of profit transferable to the Central Government in accordance with Section 23 (2) of the Export-Import Bank of India Act, 1981 is not termed as dividend. Consequently, dividend distribution tax is considered not payable, in the light of the judgement passed by the Income Tax Appellate Tribunal in case no. ITA No. 7720 / M / 2014 on February 14, 2020 and hence, no provision has been made for the same.

3. (a) Contingent Liabilities

Guarantees include expired guarantees amounting to ₹ 1.17 bn (previous year ₹ 0.67 bn), yet to be cancelled in the books.

(b) Claims not acknowledged as debts

An amount of ₹ 5.08 bn (previous year ₹ 7.75 bn) shown under Contingent Liabilities as “Claims on the Bank not acknowledged as debts”, pertains to claims / counter-claims filed against the Bank mostly by Bank’s defaulting borrowers in response to legal action initiated against them by the Bank. None of the claims / counter-claims is considered as maintainable in the opinion of Bank’s solicitors and none of them has reached the stage of final hearing. Based on professional advice, no provision is considered necessary.

(c) Contingent Liability on account of Income-Tax

An amount of ₹ 0.50 bn (previous year Nil) has been included under Contingent Liabilities on account of disputed income tax matters pending before various adjudicating authorities, which in the Bank’s assessment are less likely to result in liability being materialized and against which a refund of ₹ 0.90 bn is receivable.

The Bank has started recording such contingent liability on gross basis during FY 2021-22 based on the discussions with Statutory Auditors.

(d) Forward Exchange Contracts, Currency / Interest rate Swaps

(i) The outstanding forward exchange contracts as at March 31, 2022 have been fully hedged. The Bank undertakes derivatives transactions (Interest Rate Swaps, Forward Rate Agreements and Currency-cum-interest rate swaps), for the purpose of Asset-Liability management as per RBI guidelines issued vide circular Ref. No. MPD.BC.187/07.01.279/1999-2000 dated July 7, 1999, and thereafter. The Bank also unwinds and re-enters such transactions based on requirements/market conditions. The outstanding derivative transactions are captured in the interest rate sensitivity position, which is monitored by the Asset Liability Management Committee (ALCO) and reviewed by the Board. The credit equivalent of derivatives is arrived at as per ‘Current Exposure’ method prescribed by RBI. The fair value and the price value of a basis point (PV01) of derivatives are disclosed separately in the ‘Notes to Accounts’ as stipulated by RBI. The premium or discount arising at inception of forward exchange contracts is amortized over the life of the contracts. Any profit or loss arising on cancellation of forward exchange contracts is recognized as income / expense for the year.

(ii) The Bank is permitted to be a ‘market maker’ in FX Swaps, Currency Swaps and Foreign Currency Interest Rate Swaps without any tenor or currency restrictions.

(e) Profit / Loss on Exchange fluctuation

Assets and liabilities denominated in foreign currency are translated at the exchange rate notified by the Foreign Exchange Dealers' Association of India (FEDAI) at the year end. Income and expenditure items are translated at the average rates of exchange during the year. The notional loss on such translation of the retained earnings on FC operations during the current year is ₹ 0.07 bn (previous year notional profit of ₹ 0.08 bn).

4. Disclosure relating to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Act, 2006: There have been no reported cases of delayed payments to Micro, Small and Medium Enterprises.

5. ADDITIONAL INFORMATION AS REQUIRED BY RESERVE BANK OF INDIA**5.1 Capital****(a)**

Particulars	(₹ bn)	
	As on March 31, 2022	As on March 31, 2021
(i) Common Equity	168.40	139.58
(ii) Additional Tier 1 Capital	-	5.00
(iii) Total Tier 1 Capital (i+ii)	168.40	144.58
(iv) Tier 2 Capital	11.26	11.42
(v) Total Capital (Tier 1 + Tier 2)	179.66	156.00
(vi) Total Risk weighted assets (RWAs)	589.28	602.47
(vii) Common Equity Ratio (Common Equity as a percentage of RWAs)	28.58%	23.17%
(viii) Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	28.58%	24.00%
(ix) Capital to Risk weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	30.49%	25.89%
(x) Percentage of the shareholding of the Government of India in the Bank	100%	100%
(xi) Amount of equity capital infused by the Government of India	7.50	13.00
(xii) Amount of additional Tier 1 capital raised; of which		
a) Perpetual Non-Cumulative Preference Shares (PNCPS);	NIL	NIL
b) Perpetual Debt Instruments (PDI)	NIL	NIL
(xiii) Amount of Tier 2 capital raised; of which		
a) Debt Capital Instruments	NIL	NIL
b) Perpetual Non-Cumulative Preference Shares (PNCPS);	NIL	NIL
c) Redeemable Non-Cumulative Preference Shares (RNCPS)	NIL	NIL
d) Redeemable Cumulative Preference Shares (RCPS)	NIL	NIL

- (b) The amount of subordinated debt raised and outstanding as on March 31, 2022 as Tier-II capital: ₹ NIL (previous year: ₹ NIL).

(c) Risk weighted assets

Particulars	(₹ bn)	
	As on March 31, 2022	As on March 31, 2021
(i) 'On' balance sheet items	448.46	461.85
(ii) 'Off' balance sheet items	140.82	140.62

- (d) The share holding pattern as on the date of the balance sheet: Capital wholly subscribed by the Government of India.
- The CRAR and other related parameters have been determined as per the extant capital adequacy norms prescribed by RBI for the Financial Institutions (FIs).
 - The revised Framework to be prescribed by the RBI, including the Basel III norms, is still at draft stage. The Bank will implement Basel III norms for determining CRAR from the date they become effective. However, the final notification from RBI is awaited.

5.2 Free Reserves and Provisions

(a) Provisions on Standard Assets

(₹ bn)		
Particulars	2021-22	2020-21
Provisions towards Standard Assets	8.11	0.87

(b) Disclosure on provisions made on accounts in accordance with RBI Circular on COVID-19 Regulatory Package

In terms of the RBI circulars DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020 ('Regulatory Package'), DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 and DOR.FID.No.8140/01.02.000/2019-20 dated May 08, 2020 on COVID-19 Regulatory Package - Asset Classification and Provisioning, lending institutions are required to disclose the provisions made in respect of accounts for which moratorium was granted and benefit of asset classification was extended. The details of such provisions are as under:

(₹ bn)		
Particulars	2021-22	2020-21
Number of Borrowers	-	3
Loan outstanding amount	-	0.5
Amount overdue	-	0.001
Amount for which asset classification benefit extended	-	0.5
Amount of Provision made	-	0.05

(c) Floating Provisions

(₹ bn)		
Particulars	2021-22	2020-21
(a) Opening balance in the floating provisions accounts	-	-
(b) The quantum of floating provisions made in the accounting year	-	-
(c) Amount of draw down made during the accounting year	-	-
(d) Closing balance in the floating provisions account	-	-

5.3 Asset Quality and Specific Provisions

(a) Non-Performing Advances

(₹ bn)

Particulars	2021-22	2020-21
(i) Net NPAs to Net Advances (%)	-	0.51%
(ii) Movement of NPAs (Gross)		
(a) Opening Balance	74.13	93.62
(b) Additions during the year	5.09	14.92
(c) Reductions during the year	35.75	34.41
(d) Closing balance	43.47	74.13
(iii) Movement of Net NPAs		
(a) Opening balance	5.33	17.57
(b) Additions during the year	-	5.33
(c) Reductions during the year	5.33	17.57
(d) Closing balance	-	5.33
(iv) Movement of Provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	68.80	76.05
(b) Provisions made during the year	0.86	24.71
(c) Write off / write back of excess provisions	26.19	31.96
(d) Closing balance	43.47	68.80

(b) Non-Performing Investments

(₹ bn)

Particulars	2021-22	2020-21
(i) Net NPIs to Net Investments (%)	0.54%	0.31%
(ii) Movement of NPIs (Gross)		
(a) Opening Balance	7.05	6.02
(b) Additions during the year	8.82	1.69
(c) Reductions during the year	2.12	0.66
(d) Closing balance	13.75	7.05
(iii) Movement of Net NPIs		
(a) Opening balance	0.31	0.17
(b) Additions during the year	0.34	0.19
(c) Reductions during the year	0.06	0.05
(d) Closing balance	0.59	0.31
(iv) Movement of Provisions for NPIs (excluding provisions on standard assets)		
(a) Opening balance	6.74	5.86
(b) Provisions made during the year	8.54	0.99
(c) Write off / write back of excess provisions	2.12	0.11
(d) Closing balance	13.16	6.74

(c) Non-Performing Assets (a+b)

(₹ bn)

Particulars	2021-22	2020-21
(i) Net NPAs to Net Assets (Advances + Investments) (%)	0.05%	0.50%
(ii) Movement of NPAs (Gross Advances + Gross Investments)		
(a) Opening Balance	81.18	99.64
(b) Additions during the year	13.91	16.61
(c) Reductions during the year	37.87	35.07
(d) Closing balance	57.22	81.18
(iii) Movement of Net NPAs		
(a) Opening balance	5.64	17.74
(b) Additions during the year	0.34	5.52
(c) Reductions during the year	5.39	17.62
(d) Closing balance	0.59	5.64
(iv) Movement of Provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	75.54	81.91
(b) Provisions made during the year	9.40	25.70
(c) Write off / write back of excess provisions	28.31	32.07
(d) Closing balance	56.63	75.54

5.4 Particulars of Accounts Restructured - Current Year

(₹ bn)

Sr. No.	Type of Restructuring Asset Classification	Details	Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others				
			Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured Accounts as on date of opening of the FY (opening figures)	No. of borrowers Amount outstanding Provision thereon	2 0.07 0.04	- - -	5 1.02 1.02	- - -	7 1.09 1.06	- - -	- - -	1 0.01 0.01	- - -	1 0.01 0.01	1 0.24 0.03	- - -	10 8.45 8.45	- - -	11 8.69 8.48
2	Fresh restructuring / Additions during the year	No. of borrowers Amount outstanding Provision thereon	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	3 6.91 1.80	- - -	2 6.40 6.40	- - -	5 13.31 8.20
3	Upgradations to restructured standard category during the FY	No. of borrowers Amount outstanding Provision thereon	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers Amount outstanding Provision thereon	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
5	Down gradations / Reductions of restructured accounts during the FY	No. of borrowers Amount outstanding Provision thereon	2 0.07 0.04	- - -	- 0.03 0.03	- - -	2 0.10 0.07	- - -	- - -	- - -	- - -	- - -	- 0.09 -	- - -	- 0.82 0.82	- - -	- 0.91 0.89
6	Write-offs of restructured accounts during the FY	No. of borrowers Amount outstanding Provision thereon	- - -	- - -	1 0.07 0.07	- - -	1 0.07 0.07	- - -	- - -	- - -	- - -	- - -	- - -	- - -	1 0.66 0.66	- - -	2 0.73 0.73
7	Restructured Accounts as on date of closing of the FY (closing figures)	No. of borrowers Amount outstanding Provision thereon	- - -	- - -	4 0.92 0.92	- - -	4 0.92 0.92	- - -	- - -	1 0.01 0.01	- - -	- 0.01 0.01	4 7.06 1.83	- - -	11 13.37 13.37	- - -	15 20.43 15.20
			-	-	0.92	-	0.92	-	-	0.01	-	0.01	-	-	-	-	16.13

Previous Year:

(₹ bn)

Sr. No.	Type of Restructuring		Details	Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others				
	Asset Classification			Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured Accounts as on date of opening of the FY (opening figures)		No. of borrowers Amount outstanding Provision thereon	3 0.14 0.07	- - -	8 2.48 2.48	- - -	11 2.62 2.55	- - -	- - -	2 0.01 0.01	- - -	2 0.01 0.01	3 2.45 2.18	- - -	9 8.60 7.77	- - -	12 11.05 9.95
2	Fresh restructuring/ Additions during the year		No. of borrowers Amount outstanding Provision thereon	- - -	- - -	1 0.06 0.06	- - -	1 0.06 0.06	- - -	- - -	- - -	- - -	- - -	- - -	- - -	3 2.13 2.13	- - -	3 2.13 2.19
3	Upgradations to restructured standard category during the FY		No. of borrowers Amount outstanding Provision thereon	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY		No. of borrowers Amount outstanding Provision thereon	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
5	Downgradations/ Reductions of restructured accounts during the FY		No. of borrowers Amount outstanding Provision thereon	1 0.07 0.03	- - -	1 1.20 1.20	- - -	2 1.27 1.23	- - -	- - -	- - -	- - -	- - -	2 2.22 2.15	- - -	- 1.52 0.69	- - -	2 3.74 2.84
6	Write-offs of restructured accounts during the FY		No. of borrowers Amount outstanding Provision thereon	- - -	- - -	3 0.31 0.31	- - -	3 0.31 0.31	- - -	- - -	1 - -	- - -	- - -	1 - -	- - -	- - -	- - -	2 0.75 0.75
7	Restructured Accounts as on date of closing of the FY (closing figures)		No. of borrowers Amount outstanding Provision thereon	2 0.08 0.04	- - -	5 1.02 1.02	- - -	7 1.10 1.06	- - -	- - -	1 0.01 0.01	- - -	1 0.01 0.01	1 0.24 0.03	- - -	10 8.45 8.45	- - -	11 8.69 8.49

5.5 Movement of Non-Performing Assets

(₹ bn)

Particulars	2021-22	2020-21
Gross NPAs as on 1 st April (Opening balance)	74.13	93.62
Additions (Fresh NPAs) during the year	2.47	14.88
Interest funding	1.18	0.04
Exchange Fluctuation	1.44	-
Subtotal (A)	79.22	108.54
Less:		
(i) Upgradations	6.91	-
(ii) Recoveries (excluding recoveries made from upgraded accounts)	10.10	4.03
(iii) Technical / Prudential write offs	18.02	28.13
(iv) Write offs other than those under (iii) above	0.72	0.91
(v) Exchange Fluctuation	-	1.34
Subtotal (B)	35.75	34.41
Gross NPAs as on 31st March (closing balance) (A-B)	43.47	74.13

Gross NPAs as per Appendix Part C-2 of RBI Master Circular DBR.No.BP.BC.2 /21.04.048/2015-16 dated July 01, 2015.

5.6 Write-offs and Recoveries

(₹ bn)

Particulars	2021-22	2020-21
Opening balance of Technical / Prudential written off accounts as at 1 st April	89.19	62.68
Add: Technical / Prudential write offs during the year	18.02	28.13
Add / (Less): Exchange Fluctuation	0.97	(0.71)
Sub total (A)	108.18	90.10
Less: Recoveries made from previously technical / prudential written off accounts during the year (B)	0.56	0.91
Closing balance as on 31st March (A-B)	107.62	89.19

5.7 Overseas Assets, NPAs and Revenue

(₹ bn)

Particulars	2021-22	2020-21
Total Assets	49.58	42.74
Total NPAs	-	2.62
Total Revenue	1.47	2.08

The above figures pertain to London Branch, which started operations in October, 2010.

5.8 Depreciation and Provision on Investments

(₹ bn)

Particulars	2021-22	2020-21
(1) Investments		
(i) Gross Investments	132.74	122.61
(a) In India	131.64	121.66
(b) Outside India	1.10	0.95
(ii) Provision for Depreciation	23.72	22.43
(a) In India	22.72	21.80
(b) Outside India	1.00	0.63
(iii) Net Investments	109.02	100.18
(a) In India	108.92	99.86
(b) Outside India	0.10	0.32
(2) Movement of provision held towards depreciation on investments		
(i) Opening balance	22.43	20.77
(ii) Add: Provisions made during the year	3.47	2.94
(iii) Appropriation, if any, from Investment Fluctuation Reserve Account during the year	-	-
(iv) Less: Write off / write back of excess provisions during the year	2.18	1.28
(v) Less: Transfer, if any, to Investment Fluctuation Reserve Account	-	-
(vi) Closing balance	23.72	22.43

5.9 Provisions and Contingencies

(₹ bn)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	2021-22	2020-21
Provision for depreciation on Investment	(0.05)	0.24
Provision towards NPA	(25.36)	(7.46)
Provision made towards Income tax	14.12	1.02
Other Provisions and Contingencies*	7.33	2.31

*Includes ₹ 7.41 bn (previous year ₹ 2.03 bn) on account of provisioning towards Bank Guarantees, reversal of ₹ 0.14 bn (previous year provision of ₹ 0.01 bn) on account of Country Risk and ₹ 0.06 bn (previous year ₹ 0.26 bn) on account of exposure to entities with Unhedged Foreign Currency Exposure.

5.10 Provision Coverage Ratio

Particulars	2021-22	2020-21
Provision Coverage Ratio	100%	96.74%

5.11 Fraud Reported and provision made during the year

An amount of ₹ 4.01 bn in 6 cases (previous year ₹ 14.08 bn in 13 cases) represents advances declared as frauds during FY 2021-22. Full provision has been made for the outstanding balance as on March 31, 2022 in respect of frauds reported during the period. Further, there is no quantum of unamortised provision debited from 'other reserves' as at the end of the year.

6. INVESTMENT PORTFOLIO: CONSTITUTION AND OPERATIONS

6.1 Repo Transactions

Current Year:

(₹ bn)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on March 31, 2022
Securities sold under repos				
i) Government Securities	--	--	--	--
ii) Corporate Debt Securities	--	--	--	--
Securities Purchased under reverse repos				
i) Government Securities	--	--	--	--
ii) Corporate Debt Securities	--	--	--	--

Previous Year:

(₹ bn)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on March 31, 2021
Securities sold under repos				
i) Government Securities	--	--	--	--
ii) Corporate Debt Securities	--	--	--	--
Securities Purchased under reverse repos				
i) Government Securities	--	--	--	--
ii) Corporate Debt Securities	--	--	--	--

6.2 Disclosure of Issuer Composition for Investment in Debt Securities

Current Year:

(₹ bn)

Sr. No.	Issuer	Amount	Amount of			
			Investment made through private placement	"Below investment grade" Securities held	"unrated" Securities held	"unlisted" Securities Held
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	PSUs	-	-	-	-	-
2	FIs	1.00	1.00	-	0.06	1.00
3	Banks	0.002	0.002	-	-	-
4	Private corporates	38.27*	38.27	-	6.97	35.63
5	Subsidiaries / Joint ventures	0.003	0.003	-	0.003	0.003
6	Others	0.02	0.02	-	-	0.02
7	Provision held towards depreciation [#]	23.72	-	-	-	-
	Total	39.30	39.30	-	7.03	36.65

[#]Only aggregate amount of provision held to be disclosed in column 3.

* Out of which ₹ 19.34 bn represents investment in Security Receipts issued by Asset Reconstruction Companies (ARCs) and ₹ 6.91 bn of investments are in shares / debentures acquired as part of loan restructuring.

Amounts reported under columns 4, 5, 6 and 7 above are not mutually exclusive.

Previous Year:

(₹ bn)

Sr. No.	Issuer	Amount	Amount of			
			Investment made through private placement	"Below investment grade" Securities held	"unrated" Securities held	"unlisted" Securities Held
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	PSUs	-	-	-	-	-
2	FIs	1.27	1.27	-	0.06	1.27
3	Banks	0.002	0.002	-	-	-
4	Private corporates	27.45*	27.39	0.44	5.38	24.28
5	Subsidiaries / Joint ventures	0.003	0.003	-	0.003	0.003
6	Others	0.02	0.02	-	-	0.02
7	Provision held towards depreciation [#]	22.43	-	-	-	-
	Total	28.74	28.69	0.44	5.44	25.57

[#] Only aggregate amount of provision held to be disclosed in column 3.

*Out of which ₹ 20.20 bn represents investment in Security Receipts issued by Asset Reconstruction Companies (ARCs) and ₹ 6.79 bn of investments are in shares / debentures acquired as part of loan restructuring.

Amounts reported under columns 4, 5, 6 and 7 above are not mutually exclusive.

6.3 Sale and Transfer to / from Held to Maturity (HTM) Category

During the year ended March 31, 2022, no sale and transfer of investments to / from HTM category was executed (PY: Government Securities with book value ₹ 9.78 bn were shifted from HTM to AFS category).

7. DETAILS OF FINANCIAL ASSETS PURCHASED/ SOLD

7.1 Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

A. Details of Sales

(₹ bn)

Sr. No.	Particulars	2021-22	2020-21
(i)	No. of Accounts	2	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC/RC	-	-
(iii)	Aggregate consideration	0.10	-
(iv)	Additional consideration realised in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain/(loss) over net book value	0.10	-

- The "Assets sold to Reconstruction Companies" have been reckoned as defined in RBI Master Circular DBOD No. FID.FIC.2/01.02.00/2006-07 dated July 01, 2006 and thereafter.

B. Details of Book value of Investments in Security Receipts

(₹ bn)

Sr. No.	Particulars	Book value of Investments in Security Receipts	
		2021-22	2020-21
(i)	Backed by NPAs sold by the Bank as underlying	1.38	2.72
(ii)	Backed by NPAs sold by banks / other financial institutions / non-banking financial companies as underlying	--	--
	Total	1.38	2.72

7.2 Details of Non Performing Financial Assets Purchased / Sold**A. Details of Non Performing financial assets purchased**

(₹ bn)

Sr. No.	Particulars	2021-22	2020-21
1.	(a) No. of accounts purchased during the year	--	--
	(b) Aggregate outstanding	--	--
2.	(a) Of these, number of accounts restructured during the year	--	--
	(b) Aggregate outstanding	--	--

B. Details of Non Performing financial assets sold

(₹ bn)

Sr. No.	Particulars	2021-22	2020-21
1.	No. of accounts sold	--	--
2.	Aggregate outstanding	--	--
3.	Aggregate consideration received	--	--

8. Operating results

Sr. No.	Particulars	2021-22	2020-21
(i)	Interest income as a percentage to average working funds	6.13	6.35
(ii)	Non-interest income as a percentage to average working funds	0.30	0.47
(iii)	Operating profit as a percentage to average working funds	2.41	2.25
(iv)	Return on average assets	0.54	0.19
(v)	Net Profit / (Loss) per (permanent) employee (in ₹ bn)	0.02	0.007

- For operating results, the working funds and total assets have been taken as the average of the figures as at the end of the previous accounting year and the end of the accounting year under report. (The “working funds” refer to the net earning assets).
- All permanent, full-time employees in all cadres have been reckoned for computing per employee net profit.

9. CREDIT CONCENTRATION RISK

9.1 Capital market exposure

(₹ bn)

Sr. No.	Particulars	2021-22	2020-21
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	0.09	--
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds;	--	--
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	--	--
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	--	--
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	--	--
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	--	--
(vii)	Bridge loans to companies against expected equity flows / issues;	--	--
(viii)	Underwriting commitments taken up by the Bank in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	--	--
(ix)	Financing to stockbrokers for margin trading;	--	--
(x)	All exposures to Venture Capital Funds (both registered and unregistered)	--	--
	Total Exposure to Capital Market	0.09	--

9.2 Exposure to Country risk

(₹ bn)

Risk Category	Exposure (net) as at March 31, 2022	Provision held as at March 31, 2022	Exposure (net) as at March 31, 2021	Provision held as at March 31, 2021
Insignificant	39.69	0.23	66.75	0.26
Low	385.37	-	334.72	-
Moderate	381.76	-	510.83	-
High	263.32	-	40.45	-
Very High	69.53	-	65.57	-
Restricted	-	-	-	-
Off-credit	-	-	-	-
Total	1,139.67	0.23	1,018.32	0.26

9.3 Strategic Debt Restructuring (SDR) Scheme

(₹ bn)

Particulars	2021-22	2020-21
No. of accounts	1	1
Aggregate amount outstanding	-	-
Amount of exposure converted into equity	0.08	0.08

9.4 Resolution Plan (RP) implemented during the year

(₹ bn)

No. of Borrowers	Loan outstanding (pre-restructuring)	Loan outstanding (post-restructuring)	Recovery amount post-restructuring	Amount outstanding as on March 31, 2022
2	8.15	8.96	0.85	5.63

- In terms of the RBI circular DOR.No. STR.REC.55/21.04.048/2021-22 dated October 01, 2021 on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances.

9.5 Exposure on the Scheme for Sustainable Structuring of Stressed Assets (S4A)

(₹ bn)

Particulars	2021-22	2020-21
No. of accounts classified as standard where S4A has been applied	2	2
Aggregate amount outstanding	--	0.01
Amount Outstanding	In Part A	2.94
	In Part B	2.59
Provision Held	1.11	1.11

9.6 As on March 31, 2022, 66 accounts (PY: 68 accounts) with loan outstanding of ₹ 26.35 bn (PY: ₹ 35.14 bn) are either admitted or have been referred to the NCLT under the provisions of Insolvency and Bankruptcy Code, 2016 against which the Bank holds 100% provision (PY: 99.88%).

9.7 Prudential Exposure Limits – Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the Bank**A. The number and amount of exposures in excess of the prudential exposure limits during the year**

(₹ bn)

Sr. No.	PAN No.	Borrower Name	Industry Code	Industry Name	Sector	Amount Funded	Amount Non-Funded	Exposure as a % to Capital Funds
1.	-	African Export-Import Bank	65102	Financial Services	Financial Services	24.16	0.00	15.49

Previous Year

(₹ bn)

Sr. No.	PAN No.	Borrower Name	Industry Code	Industry Name	Sector	Amount Funded	Amount Non-Funded	Exposure as a % to Capital Funds
1.	-	African Export-Import Bank	65102	Financial Services	Financial Services	25.13	0.00	17.70

B. Credit exposure as percentage to capital funds and as percentage to total assets**Current Year:**

Particulars	Percentage to Capital Funds*	Percentage to Total Credit Exposure (TCE) [®]	Percentage to Total Assets
i) Largest single borrower	15.49	1.23	1.77
ii) Largest borrower group	23.07	1.84	2.63
iii) 20 largest single borrowers	149.97	11.94	17.11
iv) 20 largest borrower groups	154.85	12.33	17.67

*Capital Funds as on March 31, 2021

[®] TCE: Loans + Advances + Unutilised Sanctions + Guarantees + LCs + Credit exposure on account of derivatives.

- 1) Credit exposure to banks and overseas institutions guaranteed by GOI / exposure assumed at the behest of GOI, not considered for single/group borrower exposure.
- 2) As on March 31, 2022, there was one single borrower to whom credit exposure above the base ceiling of 15% of total capital funds was assumed with the prior approval of the Board. Further, there was no borrower group to whom credit exposure was above the base ceiling of 40% of capital funds. Details disclosed in para 9.7.A above.

Previous Year:

Particulars	Percentage to Capital Funds*	Percentage to Total Credit Exposure (TCE) [®]	Percentage to Total Assets
i) Largest single borrower	17.70	1.44	1.86
ii) Largest borrower group	25.25	2.05	2.66
iii) 20 largest single borrowers	158.33	12.86	16.67
iv) 20 largest borrower groups	180.01	14.62	18.96

*Capital Funds as on March 31, 2020

[®] TCE: Loans + Advances + Unutilised Sanctions + Guarantees + LCs + Credit exposure on account of derivatives.

- 1) Credit exposure to banks and overseas institutions guaranteed by GOI / exposure assumed at the behest of GOI, not considered for single/group borrower exposure.
- 2) As on March 31, 2021, there was one single borrower to whom credit exposure above the base ceiling of 15% of total capital funds was assumed with the prior approval of the Board. Further, there was no borrower group to whom credit exposure was above the base ceiling of 40% of capital funds. Details disclosed in para 9.7.A above.

C. Credit exposure to the five largest industrial sectors**Current Year:**

Sector	Percentage to Total Credit Exposure (TCE)	Percentage to Loan Assets
i) EPC Services	4.28	6.88
ii) Financial Services	3.75	6.02
iii) Chemical and Dyes	3.10	4.98
iv) Construction	2.96	4.76
v) Petrochemicals	2.07	3.33

Previous Year:

Sector	Percentage to Total Credit Exposure (TCE)	Percentage to Loan Assets
i) EPC Services	5.50	8.68
ii) Construction	3.29	5.20
iii) Chemical and Dyes	3.15	4.97
iv) Financial Services	2.22	3.51
v) Petrochemicals	2.13	3.36

- The “credit exposure” has been reckoned as defined by RBI.
- Credit exposure to banks and overseas institutions guaranteed by GOI / assumed at the behest of GOI, excluded for computing industry exposure.

D. Unsecured Advances

(₹ bn)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Unsecured Advances of the Bank	77.95	48.49
i) Of which amount of advances outstanding against charge over intangible securities such as corporate/personal guarantees, promissory notes, trust receipts, etc.	7.95	5.61
ii) The estimated value of such intangible securities (as in (i) above).	0.46	0.01

E. Factoring Exposures

The Bank has no exposure under factoring arrangement (previous year ₹ NIL).

F. Exposures where the FI had exceeded the prudential Exposures Limits during the year

(₹ bn)

Sr. No.	PAN No.	Borrower Name	Industry Code	Industry Name	Sector	Amount Funded	Amount Non-Funded	Exposure as a % to Capital Funds
1.	-	African Export-Import Bank	65102	Financial Services	Financial Services	24.16	0.00	15.49

Previous Year

(₹ bn)

Sr. No.	PAN No.	Borrower Name	Industry Code	Industry Name	Sector	Amount Funded	Amount Non-Funded	Exposure as a % to Capital Funds
1.	-	African Export-Import Bank	65102	Financial Services	Financial Services	25.13	0.00	17.70

As on March 31, 2022, there was one single borrower to whom credit exposure above the base ceiling of 15% of total capital funds was assumed with the prior approval of the Board. Further, there was no borrower group to whom credit exposure was above the base ceiling of 40% of capital funds. Details disclosed in para 9.7.A above.

10. Concentration of borrowings / lines of credit, credit exposures and NPAs

(a) Concentration of borrowings and lines of credit

(₹ bn)

Particulars	2021-22	2020-21
Total borrowings from twenty largest lenders	138.71	128.77
Percentage of borrowings from twenty largest lenders to total borrowings of the Bank	12.91%	11.75%

(b) Concentration of Credit exposures

(₹ bn)

Particulars	2021-22	2020-21
Total exposures to twenty largest borrowers	233.95	224.76
Percentage of exposures to twenty largest borrowers to Total Advances of the Bank	19.18%	20.30%
Total Exposure to twenty largest borrowers / customers	233.95	224.76
Percentage of exposures to twenty largest borrowers / customers to Total Exposure of the Bank on borrowers / customers	11.94%	12.86%
In the case of Exim Bank, percentage of total of top ten country exposures to total exposures	38.59%	35.97%

Exposure computed based on credit and investment exposure as prescribed vide RBI Master Circular on Exposure norms for financial institutions: DBR.FID.FIC.No.4/01.02.00/ 2015-16 dated July 01, 2015.

(c) Sector-wise concentration of exposures and NPAs

(₹ bn)

Sr. No.	Sector	2021-22			2020-21		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
A	Domestic Sector	374.03	28.52	8%	355.91	39.48	11%
1	Total Export Finance	330.93	25.20	8%	323.68	32.73	10%
	Agricultural sector	-	-	-	-	-	-
	Industrial Sector	151.99	17.59	12%	186.28	25.02	13%
	Ferrous Metals and Metal Processing	-	-	-	13.35	2.56	19%
	Chemical and dyes	9.96	-	0%	10.67	-	0%
	Petroleum Products	25.44	-	0%	-	-	-
	Textiles and Garments	22.62	5.16	23%	27.03	5.28	20%
	Petrochemicals	-	-	-	30.69	4.89	16%
	Others	93.97	12.43	13%	104.54	12.29	12%
	Services Sector	178.94	7.61	4%	137.40	7.71	6%
	Financial Services	139.16	-	0%	103.47	-	0%
	Others	39.78	7.61	19%	33.93	7.71	23%
2	Total Import Finance	43.10	3.33	8%	32.23	6.75	21%

(₹ bn)

Sr. No.	Sector	2021-22			2020-21		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
	Agricultural sector	-	-	-	-	-	-
	Industrial Sector	25.50	2.66	10%	28.50	5.36	19%
	Ferrous Metals and Metal Processing	-	-	-	0.15	0.15	100%
	Chemicals and dyes	16.48	-	0%	18.26	2.11	12%
	Others	9.03	2.66	29%	10.09	3.10	31%
	Services Sector	17.60	0.66	4%	3.73	1.39	37%
	Financial Services	15.16	-	0%	-	-	-
	Others	2.44	0.66	27%	3.73	1.39	37%
3	Of (A), exposures guaranteed by the Government of India	-	-	-	-	-	-
B	External Sector	105.00	14.95	14%	104.50	34.65	33%
1	Total Export Finance	105.00	14.95	14%	104.50	34.65	33%
	Agricultural sector	-	-	-	-	-	-
	Industrial Sector	62.94	12.47	20%	79.65	31.69	40%
	Ferrous Metals and Metal Processing	-	-	-	18.89	1.06	6%
	Chemicals and Dyes	5.92	3.90	66%	5.89	5.08	86%
	Textiles and Garments	3.44	-	0%	2.60	1.20	46%
	Others	53.59	8.57	16%	52.27	24.36	47%
	Services Sector	42.06	2.48	6%	24.85	2.96	12%
	Financial Services	37.42	-	0%	15.48	-	0%
	Others	4.65	2.48	53%	9.37	2.96	32%
2	Total Import Finance	-	-	-	-	-	-
	Agricultural sector	-	-	-	-	-	-
	Industrial Sector	-	-	-	-	-	-
	Services Sector	-	-	-	-	-	-
3	Of (B), exposures guaranteed by the Government of India	-	-	-	-	-	-
C	Other Exposures[#]	740.63	-	0%	646.90	-	0%
D	Total exposures (A+B+C)	1,219.66	43.47	3.56%	1,107.31	74.13	6.69%

[#]Includes advances under Lines of Credit, BC-NEIA, Concessional Finance Scheme, refinance to commercial banks and advances counter-guaranteed by banks.

Unhedged Foreign Currency Exposure

The Bank in accordance with RBI Master Direction DBR.FID.No.108/01.02.000/2015-16 dated June 23, 2016 has in place an internal guidance note on capital provisioning requirement and incremental provisioning for exposure to entities with Unhedged Foreign Currency Exposure (UFCE). As on March 31, 2022, an amount of ₹ 0.33 bn (PY ₹ 0.26 bn) was held towards currency induced credit risk and capital allocated for currency induced credit risk amounted to ₹ 8.26 bn (PY ₹ 7.29 bn).

11. DERIVATIVES

11.1 Forward Rate Agreement / Interest Rate Swap

(₹ bn)

Sr. No.	Particulars	2021-22		2020-21	
		Hedging	Trading	Hedging	Trading
1.	The Notional Principal of swap agreements	446.01	-	490.16	-
2.	Losses, which would be incurred if counter parties failed to fulfill their obligations under the agreements	1.48	-	1.40	-
3.	Collateral required by the Bank upon entering into swaps	-	-	-	-
4.	Concentration of credit risk arising from Swaps	All transactions fall within approved credit exposure limits*	-	All transactions fall within approved credit exposure limits*	-
5.	The fair value of the swap book	(13.70)	-	9.91	-

*All the interest rate swaps have been undertaken with banks

Nature and Terms of Swaps: All transactions have underlying assets / liabilities and have been undertaken for the purpose of hedging the bank's ALM position.

(₹ bn)

Instrument	Nature	Nos	Notional Principal	Benchmark	Terms
IRS	Hedging	25	401.67	LIBOR	Fixed receivable vs Floating payable
IRS	Hedging	1	1.26	LIBOR	Floating receivable vs Fixed payable
IRS	Hedging	2	41.68	LIBOR	Floating receivable vs Floating payable
IRS	Hedging	1	1.40	TONA	Fixed receivable vs Floating payable
	Total	29	446.01		

11.2 Exchange Traded Interest Rate Derivatives

(₹ bn)

Sr. No.	Particulars	Amount
1.	Notional Principal amount of exchange traded interest rate derivatives undertaken during the year	-
2.	Notional Principal amount of exchange traded interest rate derivatives outstanding as on March 31, 2022	-
3.	Notional Principal amount of exchange traded interest rate derivatives outstanding and not "highly effective"	-
4.	Mark-to-market value of exchange traded interest rate derivatives outstanding and not "highly effective"	-

11.3 Disclosures on risk exposure in derivatives

A. Qualitative disclosures

1. The Bank uses financial derivative transactions predominantly for raising cost-effective funds and hedging its balance sheet exposures, with the objective of reducing market risk. The Bank currently deals only in over-the-counter (OTC) interest rate and currency derivatives, of the type permitted by RBI.
2. Derivative transactions carry: (i) market risk i.e. the probable loss that the Bank may incur as a result of adverse movements in interest rates / exchange rates and (ii) credit risk i.e. the probable loss the Bank may incur if the counter-parties fail to meet their obligations. The Bank has in place a Derivative Policy approved by the Board, which aims at synchronizing the risk management objectives at the transaction level with those of the overall ALM position. The policy defines the use of permitted derivative products consistent with business goals of the Bank, lays down the control and monitoring systems and deals with regulatory, documentation and accounting issues. The policy also prescribes suitable risk parameters to control and manage market risk on derivative trades undertaken in the treasury book. (stop-loss limits, open position limits, tenor limits, settlement and pre-settlement risk limits, PV01 limits).
3. The ALCO of the Bank oversees management of market risks with support from the Bank's Mid-Office which measures, monitors and reports market risk associated with derivative transactions.
4. All derivative transactions outstanding in the Bank's books as on March 31, 2022 have been undertaken for hedging purposes and are in the ALM book. The income on such transactions has been accounted for on accrual basis.
5. Interest Rate Swaps (IRS) and Currency Swaps are not included in Outstanding Forward Exchange Contracts under Contingent Liabilities as per the Derivative Policy.

B. Quantitative disclosures

(₹ bn)

Sr. No.	Particulars	2021-22		2020-21	
		Currency Derivatives	Interest rate Derivatives	Currency Derivatives	Interest rate Derivatives
1	Derivatives (Notional Principal Amount)				
	a) For hedging	361.01	446.01	355.21	490.16
	b) For trading	-	-	-	-
2	Marked to Market Positions				
	a) Asset (+)	-	-	-	9.91
	b) Liability (-)	(40.54)	(13.70)	(24.95)	-
3	Credit Exposure	14.40	3.43	17.45	16.84
4	Likely impact of one percentage change in interest rate (100*PV01)				
	a) on hedging derivatives	8.73	20.61	10.05	18.65
	b) on trading derivatives	-	-	-	-
5	Maximum and Minimum of 100*PV01 observed during the year				
	a) on hedging				
	(i) Maximum	10.90	25.28	11.75	20.58
	(ii) Minimum	8.73	20.61	11.12	18.66
	b) on trading				
	(i) Maximum	-	-	-	-
	(ii) Minimum	-	-	-	-

12. Letters of Comfort issued by the Bank

During the year, the Bank has not issued any Letter of Comfort (previous year ₹ Nil) and no financial obligation has arisen on account of the outstanding commitments. The Bank has an outstanding exposure under Letter of Credit amounting to ₹ 2.44 bn, against which the Bank is in receipt of Letter of comfort amounting to ₹ 3.30 bn as on March, 31, 2022 (previous year ₹ Nil).

13. ASSET LIABILITY MANAGEMENT

Current Year:

(₹ bn)

Particulars	1 to 14 days	15 to 28 days	29 days to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Rupee Advances	25.21	11.87	28.80	19.32	94.34	28.61	35.36	0.12*	243.62
Rupee Investments	7.75	0.50	1.09	10.63	0.05	5.40	27.94	54.88	108.24
Rupee Other Assets	41.91	2.11	74.35	73.93	42.65	280.13	131.86	266.48	913.41
Rupee Deposits	0.02	0.00	0.15	27.02	33.44	8.84	0.20	0.00	69.67
Rupee Borrowings	70.38	0.55	46.44	41.91	19.94	93.51	52.35	56.50	381.58
Rupee Other Liabilities	8.86	11.82	70.09	53.82	64.11	92.72	13.82	255.45	570.70
Foreign Currency Assets	32.42	2.98	66.38	66.75	107.82	286.42	255.80	493.87	1,312.44
Foreign Currency Liabilities	34.64	2.88	82.06	82.14	132.97	371.99	177.36	300.45	1,184.48

(*) Net of loan provisions

Previous Year:

(₹ bn)

Particulars	1 to 14 days	15 to 28 days	29 days to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Rupee Advances	15.42	0.60	2.73	26.11	76.94	29.87	21.58	(1.81)*	171.44
Rupee Investments	0.00	0.00	0.09	0.05	0.14	0.57	17.82	81.52	100.17
Rupee Other Assets	35.57	24.44	125.17	32.19	64.02	173.04	131.52	274.43	860.39
Rupee Deposits	0.02	9.47	9.75	0.03	18.54	8.78	0.14	0.00	46.74
Rupee Borrowings	0.00	14.87	114.44	37.39	13.00	93.74	59.73	70.25	403.43
Rupee Other Liabilities	5.43	4.69	29.85	26.72	32.71	114.98	18.11	229.03	461.54
Foreign Currency Assets	42.17	25.74	64.65	57.65	82.77	270.45	230.30	498.63	1,272.36
Foreign Currency Liabilities	24.53	22.55	79.22	61.08	93.92	355.19	120.41	383.38	1,140.27

(*) Net of loan provisions

14. DRAW DOWN FROM RESERVES

The Bank has not drawn any amount from the Reserves.

15. BUSINESS RATIOS

Particulars	2021-22	2020-21
Return on Equity	4.75%	1.70%
Return on Assets	0.54%	0.19%
Net Profit Per Employee (₹ bn)	0.02	0.007

16. DISCLOSURE OF PENALTIES IMPOSED BY RBI

There are no penalties imposed by the Reserve Bank of India under the Reserve Bank of India Act, 1934, for contraventions of any of the provisions of the Act or non-compliance with any other requirements of the Act, order, rule or condition specified by Reserve Bank of India.

17. DISCLOSURE OF COMPLAINTS

Customer Complaints

Sr. No.	Particulars	2021-22	2020-21
(a)	No of complaints pending at the beginning of the year	-	-
(b)	No of complaints received during the year	3	2
(c)	No of complaints redressed during the year	3	2
(d)	No of complaints pending at the end of the year	-	-

18. OFF- BALANCE SHEET SPVs SPONSORED (which are required to be consolidated as per accounting norms)

Name of the SPV sponsored	
Domestic	Overseas
-	-

Disclosure as per specific Accounting Standards

19. Details of Fixed Assets

Details of Fixed Assets are given below as prescribed in AS -10 Accounting for Fixed Assets issued by the ICAI.

Current Year:

(₹ bn)

Particulars	Premises	Others	Total
Gross Block			
Cost as on March 31, 2021	5.12	1.44	6.56
Additions	0.01	0.11	0.12
Disposals	-	0.05	0.05
Cost as on March 31, 2022 (A)	5.13	1.50	6.63
Depreciation			
Accumulated as on March 31, 2021	1.48	1.12	2.60
Provided during the year	0.22	0.17	0.39
Eliminated on Disposals	-	0.05	0.05
Accumulated as on March 31, 2022 (B)	1.70	1.24	2.94
Net Block (A-B)	3.43	0.26	3.69

Previous Year:

(₹ bn)

Particulars	Premises	Others	Total
Gross Block			
Cost as on March 31, 2020	4.76	1.19	5.95
Additions	0.36	0.28	0.64
Disposals	-	0.03	0.03
Cost as on March 31, 2021 (A)	5.12	1.44	6.56
Depreciation			
Accumulated as on March 31, 2020	1.25	0.97	2.22
Provided during the year	0.23	0.17	0.40
Eliminated on Disposals	-	0.02	0.02
Accumulated as on March 31, 2021 (B)	1.48	1.12	2.60
Net Block (A-B)	3.64	0.32	3.96

20. Accounting for Government grants

GOI has agreed to pay interest equalisation amount to the Bank towards specific Lines of Credit extended by the Bank to foreign governments, overseas banks / institutions and the same is accounted on accrual basis.

21. Segment Reporting

The operations of the Bank predominantly comprise of only one business segment i.e. financial activities and hence, have been considered as representing a single business segment.

The geographic segments of the Bank are categorised as Domestic Operations and International Operations. The categorisation of operations as domestic or international is primarily based on the risk and reward associated with the place of the transaction.

(₹ bn)

Particulars	Domestic Operations		International Operations		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Revenue	82.16	83.69	1.47	2.08	83.63	85.76
Assets	1,317.80	1,305.24	49.61	42.78	1,367.41	1,348.02

22. Related party disclosures

As per AS-18 Related Party Disclosures issued by the ICAI, the Bank's related parties are disclosed below:

- Relationship

- (i) Joint Ventures:

- GPCL Consulting Services Limited
- Kukuza Project Development Company

- (ii) Key Managerial Personnel:

- Ms. Harsha Bangari (Managing Director w.e.f. September 08, 2021)
- Shri N. Ramesh (Deputy Managing Director)
- Shri David Rasquinha (Managing Director upto May 31, 2021)

- The Banks' related party balances and transactions are summarised as follows:

(₹ mn)

Particulars	Joint Venture		Key Managerial Personnel	
	2021-22	2020-21	2021-22	2020-21
Loans granted	-	-	-	-
Guarantees issued	-	-	-	-
Interest received	-	-	-	-
Guarantee commission received	-	0.20	-	-
Receipts towards services rendered	-	-	-	-
Term Deposit Accepted	-	-	3.54	3.00
Interest on Term Deposits	-	-	0.77	0.66
Amounts written-off / written-back	-	-	-	-
Term Deposit Outstanding	-	-	9.56	9.24
Loans granted and outstanding at year-end	-	-	0.36	-
Guarantees outstanding at year-end	-	-	-	-
Investments outstanding at year end	144.04	144.04	-	-
Dividend received	0.42	0.42	-	-
Maximum Loan outstanding during the year	-	-	0.56	-
Maximum Guarantees outstanding during the year	-	3.94	-	-
Salary including perquisites	-	-	16.24	13.68
Rent paid	-	-	0.59	0.48
Reimbursement of Expenses	4.77	4.49	-	-
Director's Fees received	0.04	0.03	-	-
Fees paid for consultancy	9.91	11.66	-	-

23. Accounting for Taxes on Income

(a) Details of Provision for Tax:

(₹ bn)

Particulars	2021-22	2020-21
Tax on Income	0.21	0.24
Add: Net Deferred Tax Liability	13.91	0.78
Total	14.12	1.02

During the year ended March 31, 2022, the Bank opted to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019 and accordingly recognised provision for Income tax for the year ended March 31, 2022 in line with the above option. This necessitated re-statement of the opening balance of deferred tax assets as at April 01, 2021, basis the rate prescribed in the aforesaid section. Accordingly, the Bank has recognised the provision for income tax and re-measured the accumulated deferred tax asset as at April 01, 2021 considering the rates prescribed under the aforesaid section. The resultant impact of ₹ 1,391 crore (including ₹ 933 crore on account of the re-measurement of accumulated DTA as at April 01, 2021) has been fully recognised in the profit and loss account March 31, 2022.

(b) Deferred Tax Asset:

The composition of deferred tax assets and liabilities into major items is given below:

(₹ bn)

Particulars	2021-22	2020-21
Deferred Tax Assets		
1. Provision Disallowed (Net)	20.08	35.73
Less: Deferred Tax Liability		
1. Depreciation on Fixed Assets	0.0007	0.02
2. Amortisation of Bond issue expenses	0.32	0.57
3. Special Reserve created under section 36(1)(viii)	3.12	4.58
Net Deferred Tax Assets [included in 'Other Assets' in the 'Assets' side of the Balance Sheet]	16.64	30.56

24. Financial Reporting of Interest in Joint Ventures**I.**

	Jointly Controlled Entities	Country	Percentage of holding	
			Current Year	Previous Year
A	GPCL Consulting Services Limited (GPCL)	India	28.00%	28.00%
B	Kukuza Project Development Company	Mauritius	36.36%	40.00%

- II. The aggregate amount of assets, liabilities, income and expenses related to the interest in the jointly controlled entities using the proportionate consolidation method as per AS-27 Financial Reporting of Interests in Joint Ventures is as under

(₹ mn)

Liabilities	2021-22	2020-21	Assets	2021-22	2020-21
Capital & Reserves	21.89	43.41	Fixed Assets	0.12	0.05
Loans	-	-	Investments	10.39	17.31
Other Liabilities	26.24	7.82	Other Assets	37.62	33.88
Total	48.13	51.23	Total	48.13	51.23

Contingent Liabilities: ₹ NIL (Previous Year: ₹ NIL)

(₹ mn)

Expenses	2021-22	2020-21	Income	2021-22	2020-21
Interest and Financing expenses	1.05	-	Consultancy Income	13.28	15.42
Other expenses	50.66	98.22	Interest income and Income from investment	0.72	1.53
Provisions	1.51	0.81	Other Income	0.65	0.15
			Loss	38.57	81.93
Total	53.22	99.03	Total	53.22	99.03

Note: Figures for Kukuza Project Development Company and GPCL for FY 2021-22 are unaudited and provisional.

25. Impairment of Assets

A substantial portion of the Bank's assets comprise of 'financial assets' to which Accounting Standard 28 "Impairment of Assets" is not applicable. In the opinion of the Bank, there is no impairment of its assets (to which the standard applies) as at March 31, 2022 requiring recognition in terms of the said standard.

26. Employee benefits

The Bank has adopted Accounting Standard 15 – Employee Benefits, issued by The Institute of Chartered Accountants of India (ICAI) w.e.f. April 01, 2007. The Bank recognises in its books the liability arising out of Employee Benefits as present value of obligations as reduced by the fair value of plan assets on the Balance Sheet date.

A) Amount to be recognised in the Balance Sheet

(₹ bn)

Particulars	Pension Fund	Gratuity
Fair value of Plan Assets at the end of the period	1.44	0.31
Present value of Benefit Obligation at the end of the period	(1.55)	(0.31)
Funded Status	(0.11)	0.001
Unrecognised past service cost at the end of the period	-	-
Unrecognised transitional liability at the end of the period	-	-
Net Liability recognised in the Balance Sheet	(0.11)	0.001

B) Expense to be recognised in the Profit and Loss Account

(₹ bn)

Particulars	Pension Fund	Gratuity
Current Service Cost	0.038	0.018
Interest Cost	0.097	0.020
Expected Return on Plan Assets	0.094	0.014
Actuarial Losses / (Gains)	0.025	(0.025)
Past Service Cost - Non-vested Benefit	-	-
Past Service Cost – vested benefit	0.069	-
Transitional liability	-	-
Expense recognised in Profit and Loss Account	0.134	0.000
Contributions by Employer	(0.054)	(0.086)

C) Summary of Actuarial Assumptions

Particulars	Pension Fund	Gratuity
Discount Rate (p.a.)	7.41%	7.29%
Expected Rate of Return on Assets (p.a.)	7.41%	7.29%
Salary Escalation Rate (p.a.)	7.00%	7.00%

In addition to the above, for the year 2021-22 the amount of Defined Benefit Obligation of Leave Encashment works out to ₹ 0.0138 bn (PY: ₹ 0.0333 bn), which has been fully provided for.

27. In terms of SEBI circular dated October 29, 2013, the contact details of the Debenture Trustee for various Bonds issued by Exim Bank of India are as given below:

DEBENTURE TRUSTEE**AXIS Trustee Services Ltd.**

Designated Persons: Shri. Anil Grover, Operations Head;
Shri. Sanjay Sinha, Managing Director & Chief Executive Officer

Address:**Registered Office:**

Axis House,
Bombay Dyeing Mills Compound,
Pandhurang Budhkar Marg,
Worli, Mumbai - 400 025

Corporate Office:

The Ruby, 2nd floor, SW,
29 Senapati Bapat Marg,
Dadar West, Mumbai 400 028

Tel: (022) 62300451

Email: sbteam@axistrustee.in

Website: www.axistrustee.in

28. With the onset of the COVID-19 pandemic since the Financial Year 2020, there was a significant volatility in the financial markets and uncertainty in the global economy. However, the Bank is confident of its sustainability and will continue to closely monitor the progression of this pandemic, evaluate and proactively assess and respond to its impact on the Bank's financial position and operating results.

With a view to mitigate the burden of debt servicing of the borrowers, the Reserve the Bank of India announced certain regulatory measures in the wake of the disruptions caused by COVID-19 pandemic, broadly covering the deferment of principal and interest instalments, One Time Restructuring (OTR) resolution framework etc.

Accordingly, total of 10 borrowers (3 PA and 7 NPA) with aggregate outstanding of ₹ 764.81 crore had requested the Bank for resolution under the OTR framework. OTR was successfully implemented in respect of 9 Borrower accounts with aggregate outstanding of ₹ 738.83 crore. Further, there are no cases in the Bank where resolution was implemented under the Resolution Framework – 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses.

Further, the Emergency Credit Line Guarantee Scheme (ECLGS) was introduced as part of the ₹ 20 lakh crore comprehensive package announced by the Ministry of Finance, Government of India to aid the Micro, Small and Medium Enterprises (MSMEs) sector in view of the economic distress caused by the COVID-19 pandemic. Under this scheme, the Bank supported its existing borrowers as per details below:

(₹ bn)

Scheme	2021-22				2020-21			
	Sanction	Disbursed*	Outstanding		Sanction	Disbursed	Outstanding	
			No. of Borrowers	Amount			No. of Borrowers	Amount
ECLGS 1.0	0.03	0.11	5	0.20	0.19	0.10	3	0.10
ECLGS 2.0	0.48	1.11	13	1.22	1.04	0.11	3	0.11
ECLGS 3.0	0.22	-	-	-	-	-	-	-
Grand Total	0.73	1.22	18	1.42	1.23	0.21	6	0.21

(*) includes disbursements out of loans sanctioned during FY2020-21.

29. Previous year's figures have been regrouped/re-arranged, wherever necessary.

For and on behalf of the Board

Shri N. Ramesh

Deputy Managing Director

Ms. Harsha Bangari

Managing Director

Shri Dammu Ravi

Ms. Rupa Dutta

Shri Suchindra Misra

Shri R. Subramanian

Shri M. Senthilnathan

Shri Dinesh Kumar Khara

Shri Rajkiran Rai G.

Shri Ashok Kumar Gupta

For GMJ & Co.

Chartered Accountants

Firm Regn. No. 103429W

(CA Atul Jain)

Partner

M. No. 037097

Place: New Delhi

Dated: May 11, 2022

DIRECTORS' REPORT

EXPORT DEVELOPMENT FUND (EDF)

The Department of Financial Services (DFS), Ministry of Finance conveyed the approval of the Central Government under Section 17 (1) of the Exim Bank Act, for domiciling in the EDF, a Buyer's Credit Facility of ₹ 9 billion for extending to select Iranian banks for financing export of goods and services from India to Iran. Pursuant to receipt of all necessary approvals, the EDF, on December 23, 2014, concluded an umbrella Framework Agreement with seven Iranian banks for a Buyer's Credit Facility of ₹ 9 billion to finance the export of goods and services from India to Iran. The Buyer's Credit Facility to the Iranian banks is backed by a Sovereign Guarantee of the Government of Iran. Subsequently, pursuant to approval from the Government of India, the facility was enhanced up to ₹ 30 billion, for financing import of steel rails from India, and development of the Chabahar Port in Iran.

Under the Framework Agreement, the first Contract for an aggregate value of ₹ 8.19 billion, for supply of 150,000 tonnes of steel rails from India to the Railway of the Islamic Republic of Iran was approved under the Buyer's Credit Facility. The NEIA Trust has provided Buyer's Credit (Comprehensive Risks) cover for the above facility covering first Contract.

Disbursements aggregating ₹ 8.11 billion have been made under the aforesaid facility and the physical and financial completion have since been achieved under the Contract. The amount outstanding under the facility as on March 31, 2022, stood at ₹ 3.53 billion.

INDEPENDENT AUDITOR'S REPORT

To,
The President of India
Report on the Audited Financial Statements

Opinion

We have audited the accompanying Financial Statements of Export Development Fund of "Export-Import Bank of India" ("the Bank"), which comprise the Balance Sheet as at 31st March, 2022 and the Profit and Loss account for the year then ended and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Financial Statements give a true and fair view of the financial position of the Bank as at 31st March, 2022, of its financial performance for the year then ended in accordance with the Regulation 14 (ii) of EXIM Bank of India General Regulations, 2020 and the Accounting principles generally accepted in India.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Bank's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report, Overall Business Operations, Management and Corporate Governance but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance / conclusion thereon. In connection with our audit of the Financial Statements, our responsibility

is to read the other information identified above and, in doing so, consider whether the other Information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. When we read the Annual report, if we conclude that there is a material misstatement therein, then we will communicate the matter to those charged with governance.

Other Matters

The audit review of the Financial Statements of the year ended 31st March, 2021, was carried out by previous Independent Auditor of the Bank who have expressed an unmodified opinion on the same vide report dated 18th May 2021.

Our opinion on this statement is not modified in respect of this matter

Responsibilities of Management for the Financial Statements

Management of Bank is responsible for the preparation and fair presentation of the Financial Statements in accordance with the provisions of the Act and the Regulations framed there under and for such internal controls as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Government of India either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the

disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

The Balance Sheet and the Profit and Loss Account have been drawn up as per Schedules IA and IIA of the EXIM Bank of India General Regulations, 2020.

We further report that:

- We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit and have found them to be satisfactory.
- In our opinion, the Balance Sheet and the Profit and Loss Account dealt with by this Report are in agreement with Books of Account.
- The transactions of the Bank, which have come to our notice, have been within the powers of the Bank.
- In our opinion, the aforesaid Financial Statements dealt with by this report comply with the applicable Accounting Standards.

For **GMJ & Co.**
Chartered Accountants
FRN: 103429W

CA Atul Jain
Partner
Mem No. 037097
UDIN: 22037097AITVBN9694

Place: New Delhi
Date: May 11, 2022

BALANCE SHEET AS AT 31ST MARCH, 2022

EXPORT DEVELOPMENT FUND

	This year (As at 31.03.2022) ₹	Previous year (As at 31.03.2021) ₹
LIABILITIES		
1. Loans:		
(a) From Government	-	-
(b) From Other Sources	3,526,698,130	5,094,360,835
2. Grants:		
(a) From Government	128,307,787	128,307,787
(b) From Other Sources	-	-
3. Gifts, Donations, Benefactions :		
(a) From Government	-	-
(b) From Other Sources	-	-
4. Other Liabilities	401,235,335	417,953,894
5. Profit and Loss Account	919,153,610	795,697,548
Total	4,975,394,862	6,436,320,064
ASSETS		
1. Bank Balances		
a) in current accounts	1,500,000	1,500,000
b) in other deposit accounts	-	-
2. Investments	-	-
3. Loans & Advances:		
(a) In India	-	-
(b) Outside India	4,570,530,758	5,731,575,847
4. Bills of Exchange and Promissory		
Notes Discounted, Rediscounted :		
(a) In India	-	-
(b) Outside India	-	-
5. Other Assets		
(a) Accrued interest on		
i) Loans and Advances	160,948,401	174,728,992
ii) Investments/bank balances	-	-
(b) Advance Income Tax paid	242,415,703	2,42,415,703
(c) Others	-	286,099,522
Total	4,975,394,862	6,436,320,064

EXPORT DEVELOPMENT FUND

	This year (As at 31.03.2022) ₹	Previous year (As at 31.03.2021) ₹
CONTINGENT LIABILITIES		
(i) Acceptances, Guarantees, endorsements & other obligations	-	-
(ii) On outstanding forward exchange contracts	-	-
(iii) On underwriting commitments	-	-
(iv) Uncalled Liability on partly paid investments	-	-
(v) Claims on the Bank not acknowledged as debts	-	-
(vi) Bills for collection	-	-
(vii) On participation certificates	-	-
(viii) Bills Discounted/Rediscounted	-	-
(ix) Other monies for which the Bank is contingently liable	-	-

Note :

The Bank has established Export Development Fund in terms of Section 15 of Export-Import Bank of India Act, 1981 (the Act). In terms of Section 17 of the Act, before granting any loan or advance or entering into any such arrangement, Exim Bank has to obtain the prior approval of the Central Government.

For and on behalf of the Board

Shri N. Ramesh
Deputy Managing Director

Ms. Harsha Bangari
Managing Director

Shri Dammu Ravi

Ms. Rupa Dutta

Shri Suchindra Misra

Shri R. Subramanian

Shri M. Senthilnathan

Shri Dinesh Kumar Khar

Shri Rajkiran Rai G.

Shri Ashok Kumar Gupta

For GMJ & Co.
Chartered Accountants
Firm Regn. No. 103429W

(CA Atul Jain)
Partner
M. No. 037097

Place: New Delhi
Dated: May 11, 2022

PROFIT & LOSS ACCOUNT

EXPORT DEVELOPMENT FUND

	This year ₹	Previous year ₹
EXPENDITURE		
1. Interest	413,766,067	456,095,562
2. Other Expenses	524,169	26,110
3. Profit carried down	123,456,062	93,654,717
Total	537,746,298	549,776,389
Provision for Income Tax	-	-
Balance of profit/(Loss) transferred to Balance Sheet	123,456,062	93,654,717
	123,456,062	93,654,717
INCOME		
1. Interest and Discount		
(a) loans and advances	537,746,298	549,776,389
(b) investments / bank balances	-	-
2. Exchange, Commission, Brokerage and Fees	-	-
3. Other Income	-	-
4. Loss carried to Balance Sheet	-	-
Total	537,746,298	549,776,389
Profit / (Loss) brought down	123,456,062	93,654,717
Excess Income/Interest tax provision of earlier years written back	-	-
	123,456,062	93,654,717

For and on behalf of the Board

Shri N. Ramesh
Deputy Managing Director

Ms. Harsha Bangari
Managing Director

Shri Dammu Ravi

Ms. Rupa Dutta

Shri Suchindra Misra

Shri R. Subramanian

Shri M. Senthilnathan

Shri Dinesh Kumar Khara

Shri Rajkiran Rai G.

Shri Ashok Kumar Gupta

For GMJ & Co.
Chartered Accountants
Firm Regn. No. 103429W

(CA Atul Jain)
Partner
M. No. 037097

Place: New Delhi
Dated: May 11, 2022

Our Management



Sitting from left to right





Utpal Gokhale, Deepali Agrawal, David Sinate,
Rima Marphatia, N. Ramesh, Harsha Bangari,
Mukul Sarkar, Manjiri Bhalerao, Prahalathan Iyer,
Tarun Sharma, Gaurav Bhandari

Standing from left to right

Uday Shinde, Saroj Khuntia, Manish Joshi, Dharmendra Sachan, Sujeet Bhale,
Vikramaditya Ugra, Meghana Joglekar, Shilpa Waghmare, Meena Verma,
Priti Thomas, T. D. Sivakumar, Rikesh Chand, Dayanand Shetty,
Lokesh Kumar, Nirmitt Ved



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