



Enabling, Guiding & Facilitating SMEs Through Exports

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Development Financial Institution for promoting exports

- ★ Set up in September 1981 under an Act of Parliament to finance, facilitate and promote India's international trade and investment.
- ★ Wholly owned by Government of India.
- ★ Commenced operations in March 1982.
- ★ Principal financial institution for coordinating the working of institutions engaged in financing export and import of goods and services

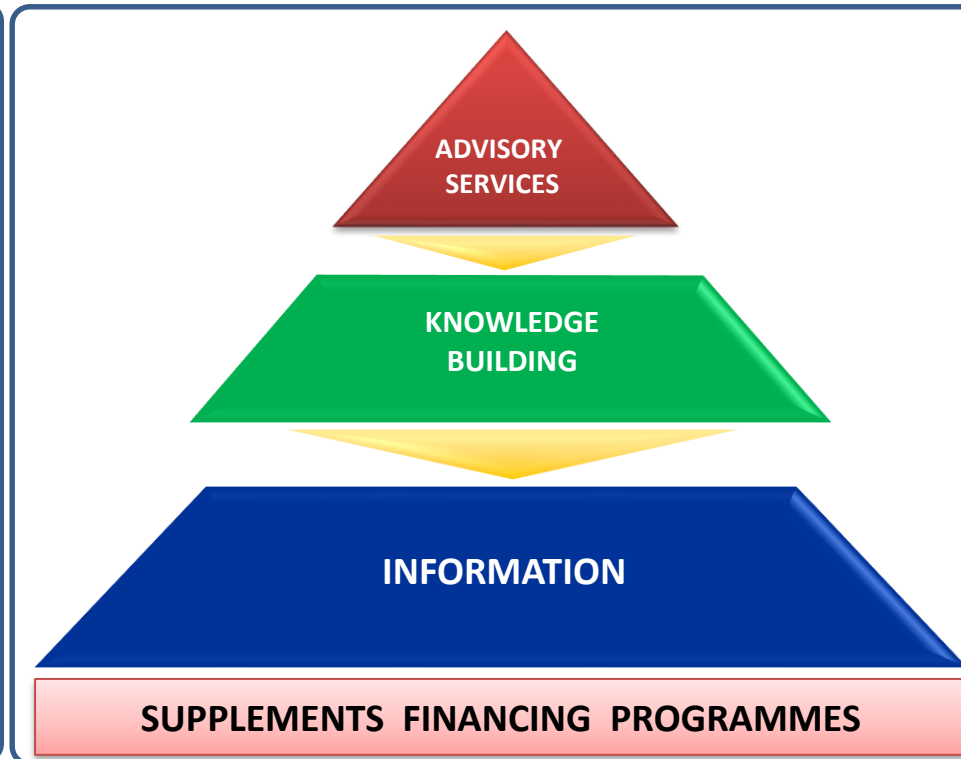


RANGE OF PRODUCTS & SERVICES

At All Stages of Export Business Cycle



Value Based Services to Exporters



FINANCING, FACILITATING INDIA'S TWO WAY TRADE & INVESTMENT

MSME Definition

Organization	Turnover
Micro	Less than 5 crore
Small Enterprise	INR 5 crore to INR 75 crore
Medium Enterprise	INR 75 crore to INR 250 crore

❖ **Definitions: Global Perspective**

- European Union (EU) and Organization for Economic Co-operation and Development (OECD): Medium Enterprise with turnover upto approx. USD 57 mn and total assets of approx. USD 49 mn.
- China: Medium Enterprise with turnover of ~USD 50 mn and total assets of ~USD 66.67 mn, with employees upto 2000.



- ★ SME growth is essential for country's development. SMEs contribute to the Indian economy
- ★ approx. 45% of India's manufactured output
- ★ approx. 40% of total exports
- ★ largest manpower employer overall after agriculture
- ★ SMEs are mostly in unorganized sector and source of livelihood for millions
- ★ SME Constraints: Financing, Technology challenges [upgradation; capacity enhancement], Marketing etc,
- ★ Dominating sectors: Sports Goods, Readymade Garments , Processed Food, Leather, Marine Products etc.



INDIAN SME SECTOR

Challenges & Risks

- ★ Lack of capital
- ★ Lack of skilled human resources
- ★ Assessing Lending Risk
- ★ High cost of loans : High risk due to limited collaterals
- ★ High resource intensive - Difficulties in achieving economies of scale, investment in technology and infrastructure development
- ★ Ability to prepare cogent financial proposals



Maharashtra's Export Share

Exports through Maharashtra and All India

Year	Maharashtra	(Rs. Crore)	
		All-India	% share of Maharashtra in Indian Exports
2012-13	3,61,460	15,46,766	23.36%
2013-14	4,34,591	18,31,009	23.73%
2014-15	4,45,349	18,65,589	23.87%
2015-16	4,36,435	17,14,617	25.45%
2016-17	4,51,978	18,49,428	24.43%
2017-18	1,80,844	7,39,805	24.25%

➤ The main products exported from Maharashtra are gems & jewellery, petrochemicals, readymade garments, cotton yarn, metal & metal products, agro-based products, engineering items, drugs & pharmaceuticals and plastic & plastic items.



Export Potential of Select Products

Products exported from Ahmednagar	Actual Exports from India (In US\$ mn)	Untapped Export Potential	
		India (In US\$ mn)	World (In US\$ bn)
Sugar and allied products	1400	2200	27.8
Milk	4.2	3.3	4.1
Other Dairy Products	308.5	438	61.9
Other Cereals	835.7	1100	33.7
Other Food Products	4000	3800	154
Pulses	307.3	134.1	12.8
Spices	1400	2200	9.2
Machinery	17700	12500	754.6

Exim Bank's assistance for SMEs

- ❖ Approach is to create / enhance export capabilities through a 'comprehensive package of finance, advisory services and information'.
- ❖ Undertake capacity building initiatives through :
 - Financing MSMEs for capacity development
 - Initiatives under GRID (Grassroots Initiatives & Development Programme); and
 - MAS (Marketing Advisory Services) for MSMEs
- ❖ Providing Short term and Medium/Long term Refinance to Commercial Banks/FIs.
- ❖ Endeavour is to provide finance holistically at all stages of the business cycle – customer centric approach



Financing for Capacity and Competitiveness Development:

- ❖ Financing Cost of setting up of Production Units, Modernization and Capacity Enhancement.
- ❖ Financing Research & Development Expenditure
- ❖ Financing cost of setting up JV / Warehouse Overseas

Financing support for Production:

- ❖ Pre-shipment / Post-shipment / Working Capital Finance
- ❖ Finance for Import of raw materials



Exim Bank designs suitable products to target the various constraints faced by the SME sector

- ❖ **Exim Mitra – online helpline to support small exporters**
- ❖ **Cluster Financing : Provides financial assistance to Special Purpose Vehicles (SPVs) of a cluster of MSMEs, under Cluster based financing approach of Exim Bank.**



Cluster Financing

- ❖ **Exim Bank, besides providing financial assistance to individual MSME EOUs, also provides financial assistance to Special Purpose Vehicles (SPVs) of a cluster of MSMEs. Term loans are provided to such clusters of MSME units for the following activities:**
 - **Development of new geographically contiguous cluster/industrial park, involving creation & maintenance of common infrastructure and common facilities, including inter alia construction of buildings and civil works, acquisition of assets/technology, for the benefit of industrial units within the cluster/industrial park.**
 - **Up-gradation of an existing industrial cluster or industrial estate.**
 - **Development of specific infrastructure, including common effluent treatment plant, captive power plant, transportation linkages, hazardous waste disposal.**
 - **Development of Common Facilities Centers like testing centers, cold storages, for industrial clusters, industrial estates, or a group of industries with common interests.**

Partnering like minded institutions and capitalizing on Bank's programs

❖ Key Objective of GRID Initiative

- Lending activity for supporting entities at Grassroot Level, with an objective to enhance export competitiveness and make them self sustaining.
- Organizing capacity building programs for such entities;



GRASSROOTS INITIATIVES FOR DEVELOPMENT (GRID)

- ❖ Supporting artisan groups / producer groups / MSEs not just in terms of finance but also in terms of conducting skill upgradation programmes.
- ❖ MOU's signed with - IITM Rural Technology Business Incubator; All India Artisans And Craftworkers Welfare Association (AIACA) ; Women on Wings (WoW); Gocoop Solutions & Services Private Ltd. (e-commerce platform for handlooms & handicrafts) etc
- ❖ Capacity Building and Skill upgradation programmes
 - Workshops: For Design Development, Product development, Branding, Packaging etc.
 - Training Programmes: On Skill Development, Quality Control, Packaging etc.
 - Seminars: Organising Seminars in collaborating with State Governments etc.
 - Events: Organising and inviting artisans for events, exhibitions, art shows, festivals etc. and also for inhouse events organised by Exim Bank



Some of the Workshops Organised

❖ Bidar, Bidri Youth Mandal, Karnataka:

Two workshops on Design Sensitization and Design Development in association with National Institute of Design (NID) for over 50 bidri artisans. Over 30 prototypes of utility and affordable products were developed with an international appeal.

❖ Pochampally Handloom Park, Pochampally:

Product Development workshop for Pochampally Weavers, in association with National Centre for Design and Product Development . Over 50 artisans, including 42 women participants. The objective of workshop was to develop skills, provide support leading to promotion of domestic as well as international business opportunities, and to improve the livelihood and economic status of weavers and technicians.



Match Making, Skill Development and Capacity Building

- ❖ Assistance to Indian companies to access overseas and domestic markets by way of locating distributor(s) / buyer(s) / partner(s) for quality Indian products & services
- ❖ Platform provided for marketing and sale of handicraft and handloom products for NGO's and artisans
- ❖ Capacity building, design sensitization, product development, diversification and innovation through workshops / seminars / training programme
- ❖ To organise participation in trade fair, exhibitions and buyer-sellers meet



Workshop & Training Programmes

VATSALYA / ANOOTHY, RAJASTHAN

- ★ Bank supported a Skill Development Training Programme in Block Printing & Dyeing conducted for around 200 women artisans of Anoothi, for duration of 6 month in Jaipur, Rajasthan.
- ★ The training programme aimed at developing required skills in women artisan with an effort to create necessary awareness on block printing.
- ★ This initiative lead to promotion of domestic as well as international business.

Presentation Flow of Exim Mitra

1. What is EXIM Mitra?
2. Trade Related Information (Export Import Intelligence)
3. Trade Finance
4. Credit Insurance
5. Helpline

EXIM Mitra: Walkthrough



1. What is EXIM Mitra?

Exim Bank has launched an information based portal christened as “EXIM Mitra” for exporters /importers in an effort to fulfil twin objectives;

-  Delivery of trade related information
-  Facilitation of access to credit and insurance for exporters and importers.



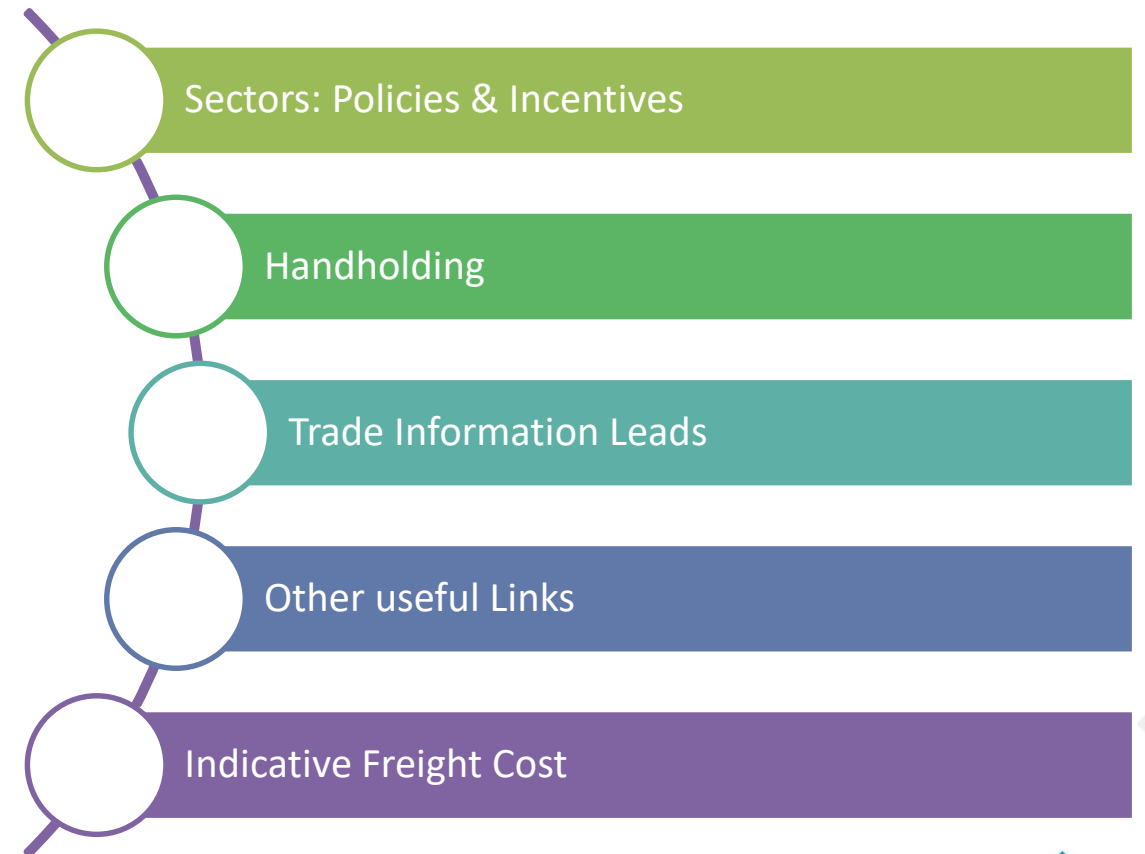
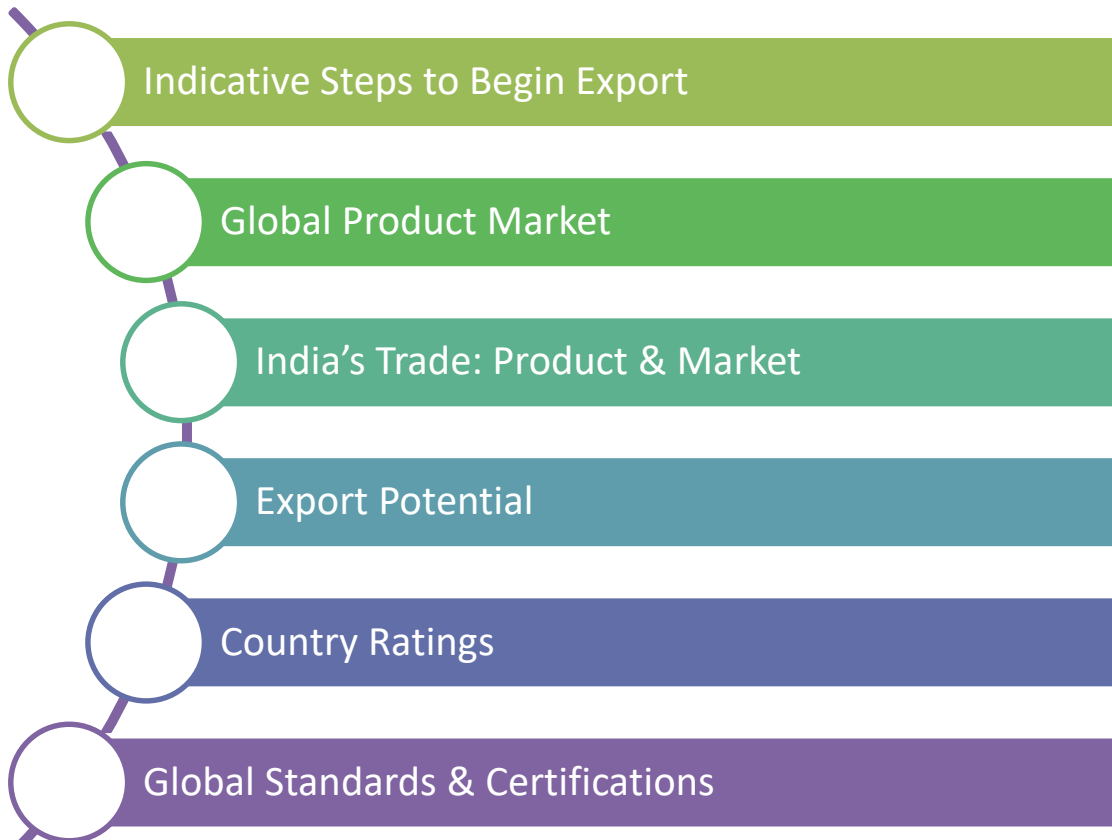
An online platform for exporters and importers.

The portal aims to impart information pertaining to trade finance and credit insurance facilities and act as a facilitator amongst MSME entrepreneurs.

Entrepreneurs shall benefit through a single window access which would handhold them in their efforts towards internationalizing their business.

2. Export Import Intelligence

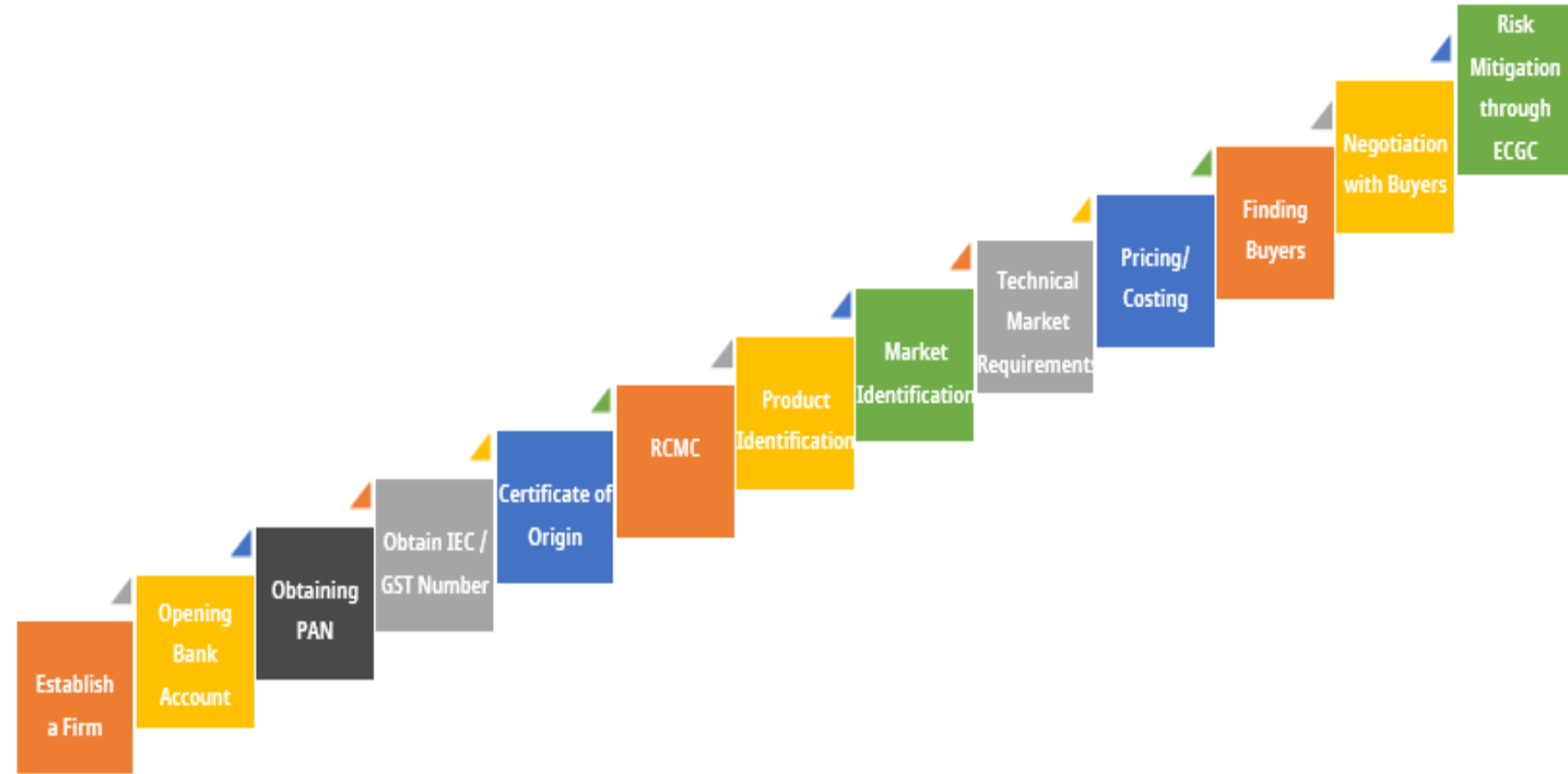
The “Export – Import Intelligence” section provides data & information on international trade -



2.1 Indicative Steps to Begin Export

There are certain preliminary steps that are required and rules to be followed before entering into international trade, such as - Establishing a firm, obtaining PAN, Obtaining IE Code, Certificate of origin etc.

“**Indicative steps**” provides a guide and online links for completing some processes



Obtaining PAN

It is necessary for every exporter and importer to obtain a Permanent Account Number (PAN) from the Income Tax Department.

<https://www.onlineservices.nsd.com/paam/endUserRegisterContact.html>

2.2 Global Product Market



TRADE MAP

Trade statistics for international business development
Monthly, quarterly and yearly trade data. Import & export values, volumes, growth rates, market shares, etc.



Home & Search Data Availability Reference Material Other ITC Tools More Login English

Trade Map provides - in the form of tables, graphs and maps - indicators on export performance, international demand, alternative markets and competitive markets, as well as a directory of importing and exporting companies.
Trade Map covers 220 countries and territories and 5300 products of the Harmonized System. The monthly, quarterly and yearly trade flows are available from the most aggregated level to the tariff line level.

Imports Exports

Service Product

Single Group

Please enter a keyword or a product code

Advanced search

Country Region

Please enter a country/territory or region name

Advanced search

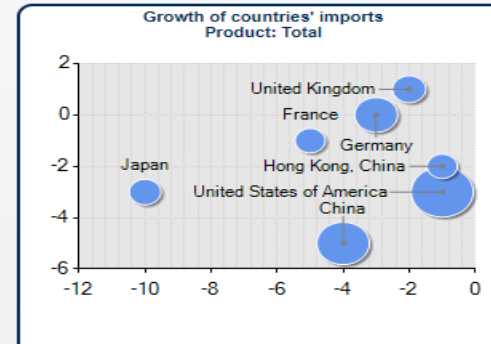
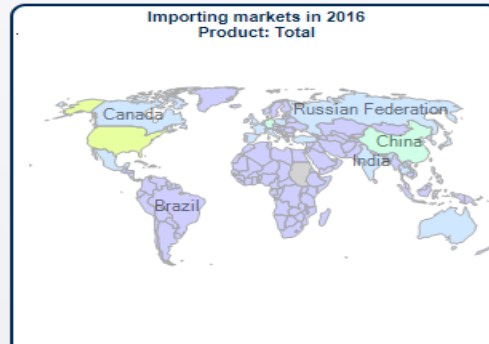
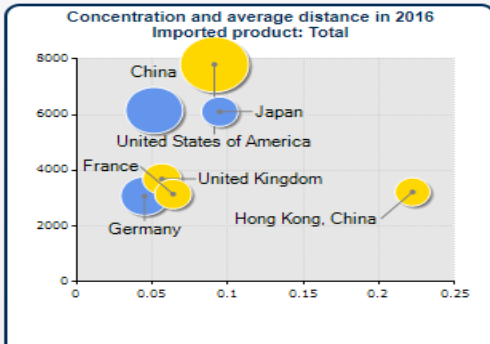
Trade Indicators

Yearly Time Series

Quarterly Time Series

Monthly Time Series

Companies



Global Product Market provides information about export performance, international demand, alternative markets and the role of competitors from both the product & country perspective.

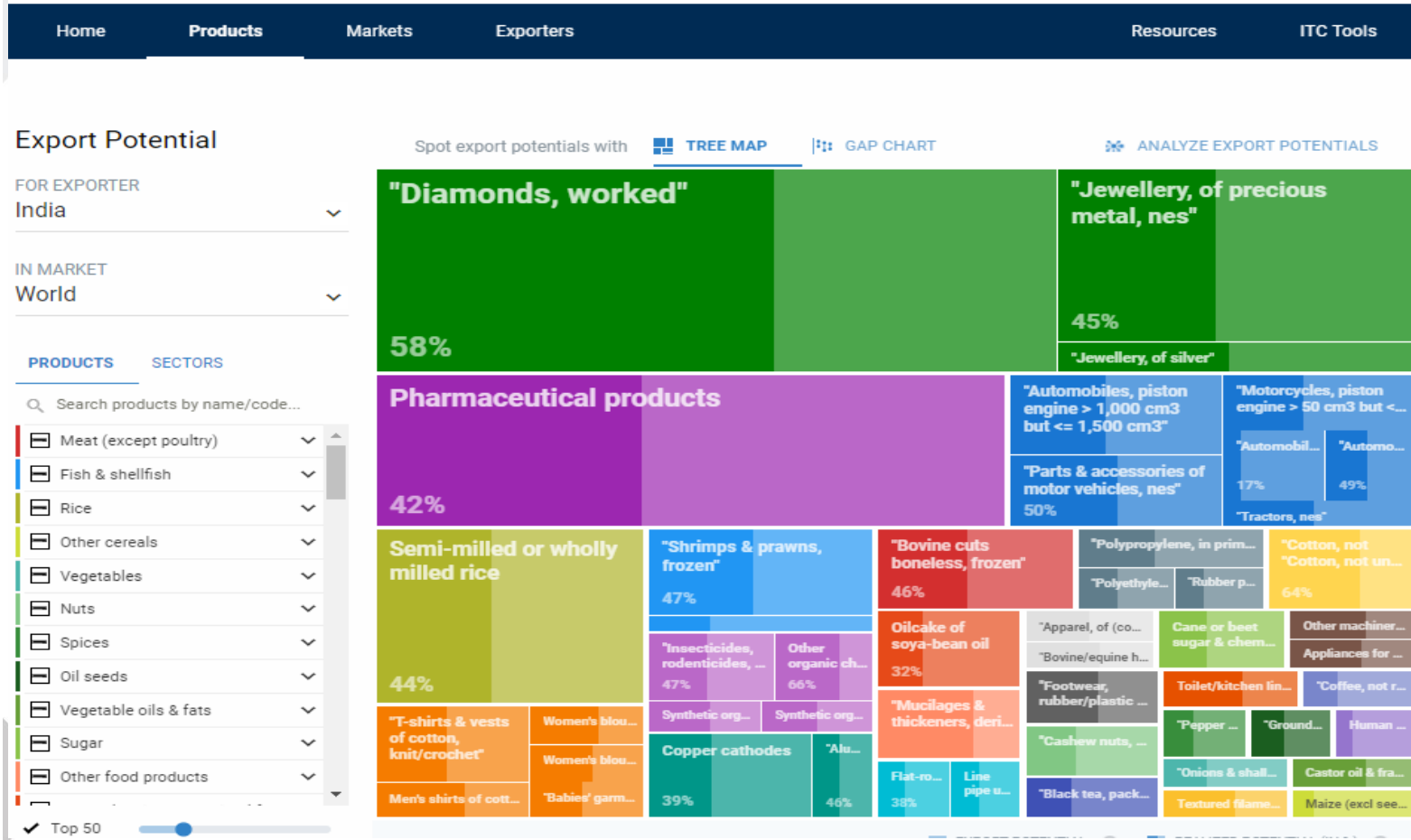


2.3 Export Potential



Export Potential Map
SPOT EXPORT OPPORTUNITIES FOR TRADE DEVELOPMENT

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Export Potential showcases results from the ITC export potential and diversification assessment methodology that spots

- Products, markets and suppliers with (untapped) export potential
- Opportunities for export diversification.



3. Trade Finance

Trade Finance Section provides information on (of select Banks which provide international trade finance.)

- ❖ Products
- ❖ Branches

We have partnered with 15 banks:

- State bank of India
- IDBI
- ICICI
- AXIS
- Yes Bank
- Standard Chartered
- Union Bank of India
- Andhra Bank
- Punjab & Sind Bank
- Corporation Bank
- Vijaya Bank
- Indian Overseas Bank
- Syndicate Bank
- Oriental Bank of Commerce
- Allahabad Bank

Preliminary Data:

The portal also facilitates capturing of preliminary data, which can be filled and submitted online by the prospective exporter/exporter applicant. The online format is brief and contains the most requisite information which would be required for a financial institution to assess the proposal, and then decide based on its merits. This preliminary data is shared with participating Banks.



4. Credit Insurance

Credit Insurance

ECGC LTD. ▾

FAQs on Credit Insurance

Do's & Don'ts

Country Ratings

ECGC LTD.

REGISTERED OFFICE, ECGC Limited, Express Towers, 10th Floor, Nariman Point, Mumbai - 400 021

www.ecgc.in webmaster@ecgc.in 022 6659 0500 / 0510

PRODUCTS

SHIPMENT COMPREHENSIVE RISKS (SCR) POLICY

Purpose: An exporter whose anticipated annual export turnover is more than INR 500 lakhs is eligible for

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EXPORTS TURNOVER POLICY (ETP)

Purpose: Turnover Policy is for the benefit of large exporters who contribute not less than INR 10 lakhs

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SPECIFIC SHIPMENT POLICY (SSP)

Purpose: The Specific Buyers Policy provides cover for shipments made to a particular buyer or on L/C opening

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[LOCATE THE NEAREST BRANCH](#)



Credit Insurance provides information of Products offered by ECGC & its Branches.

5. Helpline

Helpline:

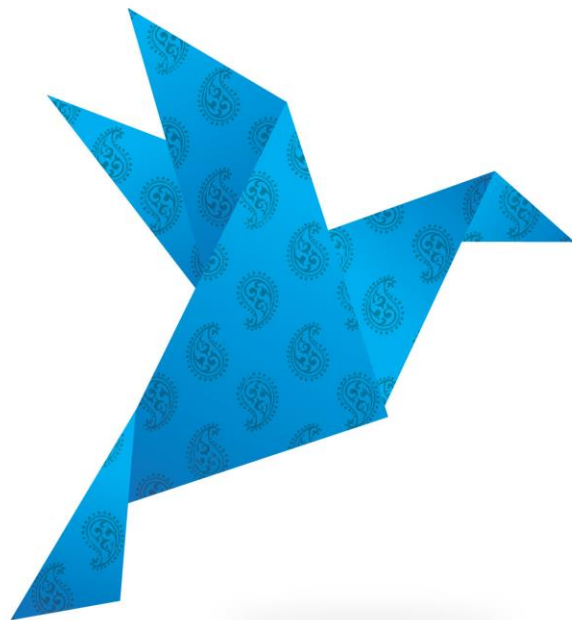
- ✓ FAQ
- ✓ Query

We have a **Helpline** section.

Here we have a section for Frequently Asked Questions & a Query section, where users can submit their queries, and we answer them all.

We have an Expert panel to support us to resolve queries.





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