

#### **EXIM Bank (A brief Introduction)**



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.

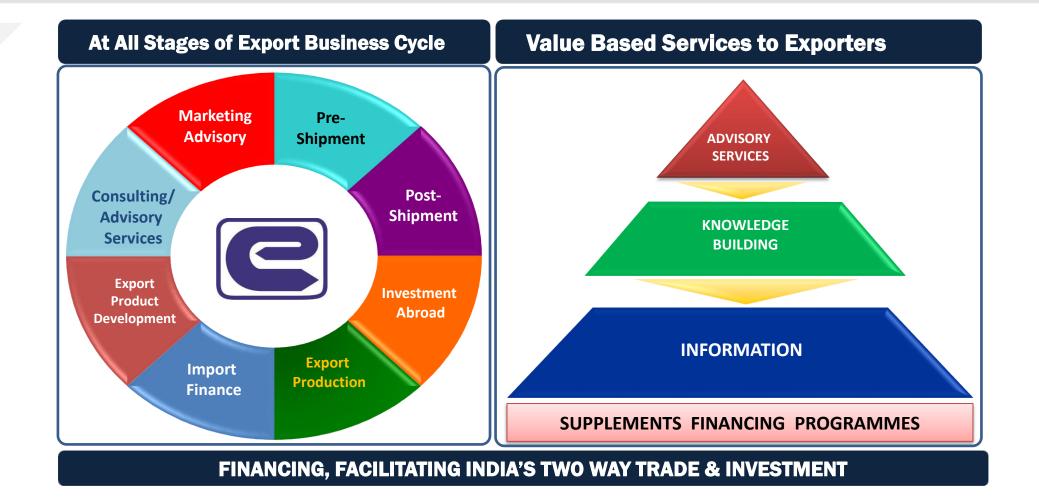
**©** Commenced operations in March 1982.

◆ Principal financial institution for coordinating the working of institutions engaged in financing export and import of goods and services



# Range of Products and Services







#### The MSME Sector



#### **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



#### **MSME Sector In India**



- 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.



#### **MSME Sector (Challenges and Risk)**



- 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



# **Exports From Maharashtra**



Exports through Maharashtra and All India					
		(`Crore)			
Year	Maharashtra	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 petrochemicals, readymade garments, cotton yarn, metal & metal products, agro-based products, engineering items, drugs & pharmaceuticals and plastic & plastic items.





# **Export Potential (Aurangabad)**

Products exported from Aurangabad	Actual Exports from India	Untapped Export Potential	
	(In US\$ mn)	India (In US\$ mn)	World (In US\$ bn)
Eabric (Cotton)	9500	2600	15.0
Fabric (Cotton)	8500	3600	15.9
Fabric (Silk)	107.4	48.9	382
Pharmaceuticals	14400	19000	606.7
Cereals	233.6	294	8.4
Plastic Tubes	11.1	6.8	1.2



#### **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
  - o 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/Fls.
- \* Endeavour is to provide finance holistically at all stages of the business cycle customer centric approach



## Exim Bank's assistance for SMEs (contd.)



#### **Financing support for Production:**

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

#### **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



### Exim Bank's assistance for SMEs (contd.)



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.



# **Grassroots Initiatives For Development(GRID)**



#### 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 Craft workers 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 in-house events organised by Exim Bank



#### MARKETING ADVISORY SERVICES



#### **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



### **Exim Mitra**



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



#### 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;





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.

Delivery of trade related information

Facilitation of access to credit and insurance for exporters and importers.

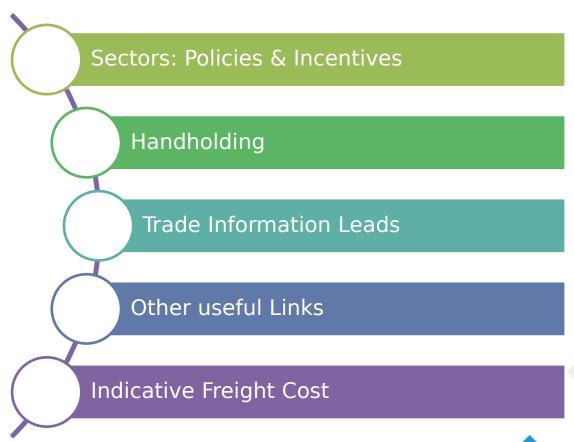


# 2. Export Import Intelligence



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

Indicative Steps to Begin Export Global Product Market India's Trade: Product & Market **Export Potential Country Ratings** Global Standards & Certifications

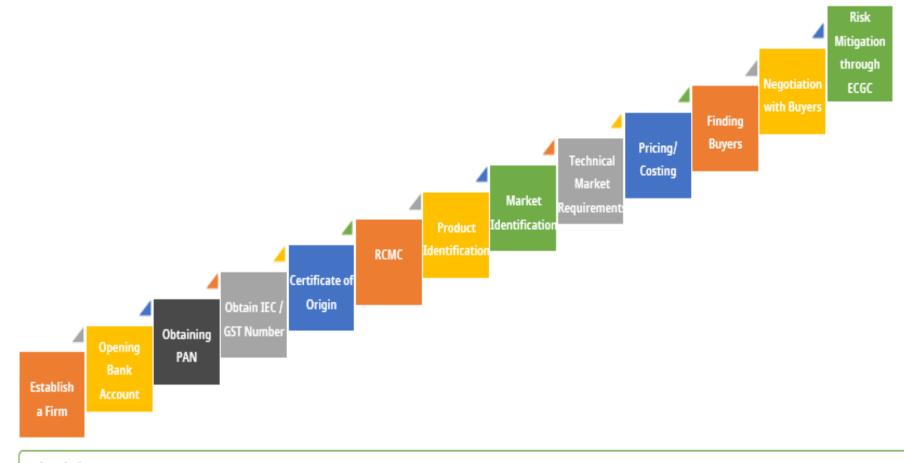


# 2.1 Indicative Steps to Begin Export



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



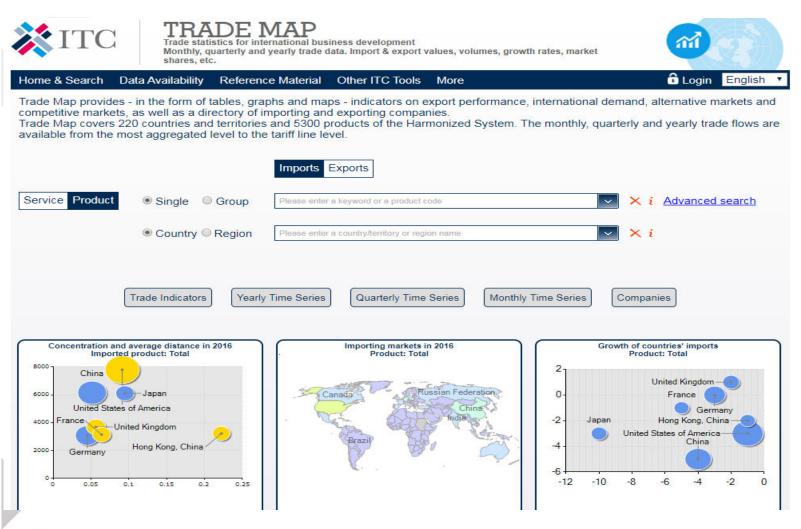
#### **Obtaining PAN**

It is necessary for every exporter and importer to obtain a Permanent Account Number (PAN) from the Income Tax Department. https://www.onlineservices.nsdl.com/paam/endUserRegisterContact.html



#### 2.2 Global Product Market



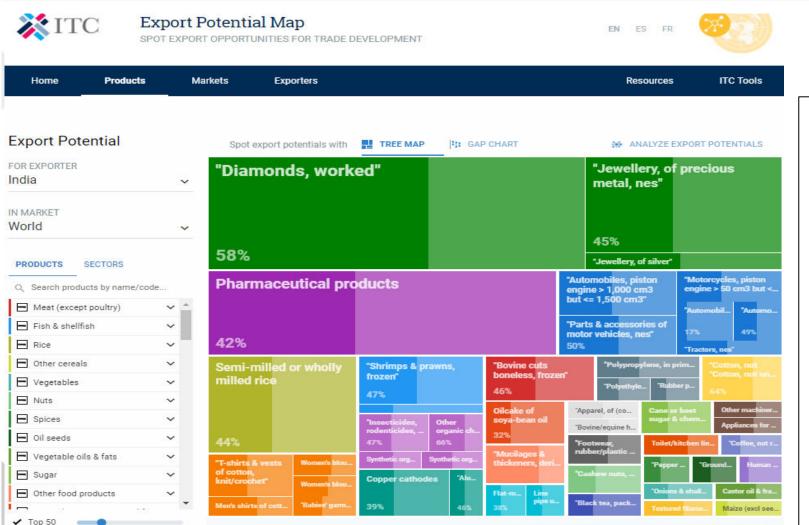


**Global Product Market** provides information about export performance, international demand, alternative markets and the role of competitors from both the product & country perspective.



# 2.3 Export Potential





**Export Potential** 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

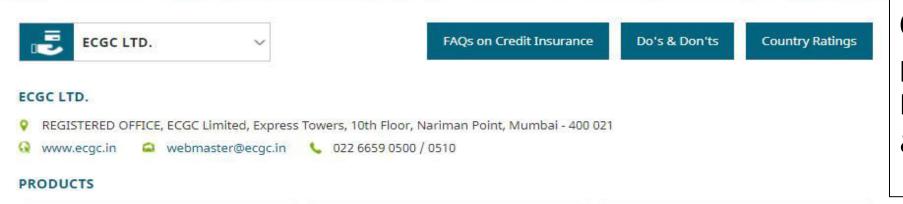
#### **Preliminary Data:**

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**



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

#### SHIPMENT COMPREHENSIVE RISKS (SCR) POLICY

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

#### EXPORTS TURNOVER POLICY (ETP)

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

View More...

#### SPECIFIC SHIPMENT POLICY (SSP)

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

View More...

LOAD MORE...

LOCATE THE NEAREST BRANCH



# 5. Helpline



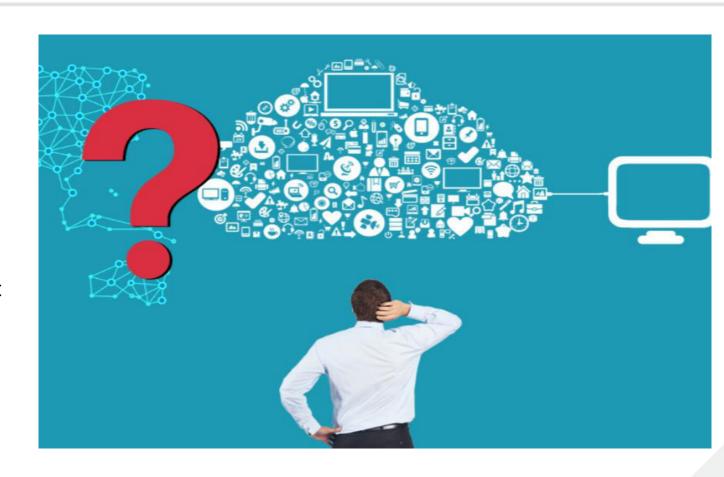
#### **Helpline:**

- ✓ 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

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









# **PARTNERING** GROWTH. **GLOBALISING** INDIA.

