

EXPORT-IMPORT BANK OF INDIA

Five thousand years ago, when Egyptian pharaohs were mummified, Indian palm wine, myrrh and other spices were the preservatives of choice. Around the same time, Harappan dwellers imported lapis lazuli from the mountains of Central Asia and exported them as exquisite jewellery. A mere two millennia ago, Indian indigo dyed the purple robes of Caesar, even as her woollen blankets kept his legions warm. African, Arabian, Chinese and East Asian ports were host to many an Indian fleet trading in dyes, textiles and spices. With such a past, fifty years is just a speck in the saga of Indian exports, but much has also happened since the India of today came into being half a century ago; boldly claiming its own place in the economic arena.

At the turn of the century, India's exports went mostly to United Kingdom and Europe, comprising agricultural produce like rice, cotton, jute, tea and animal produce like hides. Independence, however, saw jute and cotton manufactures make up the bulk of exports, along with tea, as the Second World War nourished Indian manufacturing. Exports

found new markets in America and developing areas like East Europe and North Africa, as Europe and Japan paused to rebuild their ravaged economies.

But not for long. Export pessimism shifted the focus inward. As its neighbours raced ahead, India, which had over one percent of world trade at Independence, watched its share of world trade dip below half percent, with no growth in the first ten years and little thereafter. Fortunately, the game has changed

over the last two decades. Today, fifty years hence, as India aims to recapture the

share in world trade, her strength is the variety of merchandise exported to over two hundred and twenty nations.

Today's export basket of chemicals, textiles, engineering products, electronics and software cannot but invite comparison to the dyes, cotton and silk fabric and lapis lazuli creations that it exported five millennia ago. India has travelled far in time and today is poised to take on the challenge to become a global trading partner. Exim Bank is proud to be a part of this journey.

Indian Exports:

Beyond Fifty Years

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Board of Directors



Shri T. R. Prasad
Secretary
Department of Industrial
Policy and Promotion



Shri P. P. Prabhu
Secretary
Ministry of Commerce



Dr. Shankar N. Acharya
Chief Economic Adviser
Ministry of Finance



Shri D. R. S. Chaudhary
Joint Secretary
Ministry of Finance



Shri Y. B. Desai
Managing Director



Shri Jagdish Capoor
Deputy Governor
Reserve Bank of India



Shri S. H. Khan
*Chairman & Managing
Director*
Industrial Development
Bank of India



Shri Devavrat Mehta
*Chairman & Managing
Director*
Export Credit Guarantee
Corporation of India Ltd.



Shri Rashid Jilani
*Chairman & Managing
Director*
Punjab National Bank



Shri A. T. Pannir Selvam
*Chairman & Managing
Director*
Union Bank of India



Shri M. V. Subbiah
*Chairman & Managing
Director*
E.I.D. Parry (India) Ltd.



Shri Avijit Mazumdar
Chairman
TIL Ltd.



Shri S. K. Bijlani
President
Magnus Engineers Pvt. Ltd.



Dr. Arun N. Dravid
*Managing Director & Chief
Executive Officer*
Humphreys & Glasgow
Consultants Ltd.



The Past Decade

(Rs. in million)

| | 1988-89* | 1989-90* | 1990-91 | 1991-92 | 1992-93 | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | Cumulative (1988-98) | Annual Average Growth % |
|---|----------|----------|---------|---------|---------|---------|---------|---------|---------|---------|-------------------------|----------------------------------|
| Business | | | | | | | | | | | | |
| Export Bids Approved | 53870 | 36430 | 35100 | 71870 | 86370 | 144590 | 95880 | 72000 | 93219 | 121741 | 811070 | 13 |
| Commitments-in-Principle** | 5697 | 3948 | 10574 | 17902 | 8900 | 1730 | 4101 | 1766 | 1076 | 7175 | 62869 | 66 |
| Export Contracts Secured | 5700 | 4300 | 9000 | 10877 | 12655 | 16769 | 17030 | 16030 | 23196 | 18946 | 134503 | 16 |
| Loans | | | | | | | | | | | | |
| Sanctions | 10626 | 9550 | 10433 | 11399 | 15902 | 6508 | 29030 | 24657 | 12421 | 18406 | 148932 | 36 |
| Disbursements | 9130 | 8878 | 8582 | 11073 | 12956 | 8109 | 15561 | 21300 | 12566 | 13704 | 121859 | 15 |
| Outstandings | 9347 | 11178 | 13154 | 16161 | 18419 | 20337 | 25961 | 29302 | 34513 | 39166 | | 19 |
| Guarantees | | | | | | | | | | | | |
| Commitments-in-Principle** | 4070 | 3551 | 4700 | 7125 | 6018 | 7682 | 8700 | 9810 | 11388 | 12191 | 75235 | 9 |
| Guarantees sanctioned | 488 | 498 | 1069 | 530 | 1268 | 1369 | 690 | 2027 | 1365 | 4024 | 13328 | 52 |
| Guarantees issued | 698 | 394 | 336 | 946 | 1043 | 1037 | 832 | 1731 | 1481 | 1912 | 10410 | 25 |
| Guarantees outstanding | 5373 | 5969 | 6183 | 12142 | 12134 | 7517 | 6836 | 9081 | 10215 | 12094 | | 14 |
| Resources | | | | | | | | | | | | |
| Paid-up Capital | 2205 | 2338 | 2568 | 2962 | 3356 | 3574 | 4403 | 5000 | 5000 | 5000 | | |
| Reserves | 796 | 989 | 1204 | 1475 | 1819 | 2261 | 3119 | 3997 | 5445 | 7058 | | |
| Notes, Bonds & Debenture | 2620 | 3200 | 3840 | 4540 | 5240 | 6498 | 6440 | 8861 | 9165 | 8267 | | |
| Deposits | — | — | — | — | — | 1504 | 1620 | 1404 | 660 | 371 | | |
| Other Borrowings | 7681 | 8614 | 9538 | 11198 | 11034 | 10827 | 14431 | 13346 | 20352 | 21808 | | |
| Total Resources | 14840 | 17243 | 19943 | 24679 | 26935 | 28916 | 36067 | 39694 | 49329 | 52118 | | |
| Performance | | | | | | | | | | | | |
| Net Profit | 284 | 272 | 308 | 376 | 467 | 580 | 788 | 1100 | 1516 | 2017 | 7708 | 26 |
| Dividend | 70 | 80 | 90 | 100 | 120 | 140 | 160 | 200 | 310 | 410 | 1680 | 22 |
| Staff (Numbers) | 135 | 138 | 139 | 132 | 126 | 122 | 122 | 137 | 149 | 151 | | |
| Ratios | | | | | | | | | | | | |
| Capital Assets Ratio (%)*** | 20.2 | 19.3 | 18.9 | 18.0 | 19.2 | 20.2 | 20.9 | 22.7 | 21.2 | 23.1 | | |
| Net Profit on Capital (%) | 10.9 | 12.0 | 12.6 | 13.6 | 14.8 | 16.7 | 19.8 | 23.4 | 30.3 | 40.3 | | |
| Net Profit on Capital and Reserves (%) | 8.2 | 8.6 | 8.7 | 9.2 | 9.7 | 10.5 | 11.8 | 13.3 | 15.6 | 17.9 | | |
| Net Profit on Assets (%) | 1.6 | 1.7 | 1.7 | 1.7 | 1.8 | 2.1 | 2.4 | 2.9 | 3.4 | 4.0 | | |
| Net Profit per Employee | 1.65 | 1.99 | 2.22 | 2.77 | 3.62 | 4.68 | 6.46 | 8.50 | 10.60 | 13.44 | | |

* 1988-89 year pertains to the period January 1988 to March 1989 due to change in accounting year. From 1989-90 onwards, the financial year is from April to March.

** Commitments-in-principle refer to the extent of financial assistance committed by Exim Bank at the bid submission stage. Such commitments convert into sanctions when bids materialise as contracts.

*** Capital Assets Ratio is Capital and Reserves as a percentage of Assets at year end. Other ratios are based on average values for the year.

Note: Data pertains to General Fund.

Economic Environment

GLOBAL ECONOMY

World output expanded by 4.1 per cent during 1997* which was only marginally higher than growth during the previous year (4.0 per cent). The growth of real GDP in industrial countries accelerated from 2.5 per cent in 1996 to 2.8 per cent in 1997. In contrast, there has been an economic slowdown in developing countries. The estimated growth rate for developing countries in 1997 was 5.9 per cent, compared with 6.4 per cent in 1996.

In the United States, GDP growth accelerated from 2.8 per cent in 1996 to 3.8 per cent in 1997. The significant growth in output and employment was accompanied by low inflation and consolidation in fiscal balances. In Canada, there was an increase in growth rate from 1.5 per cent in 1996 to 3.7 per cent

in 1997. The recovery has gained momentum since mid 1996, spurred by strengthened confidence in the economy, decline in short and long term interest rates and improved external competitiveness.

In Germany and France, growth rates picked up from 1.4 per cent and 1.5 per cent respectively in 1996 to 2.3 per cent for both countries in 1997. The main stimulus has come from exports. Another supportive factor for economic activity was the low level of interest rates in both Germany and France during 1995 and 1996. Output growth for Italy was estimated at only 1.3 per cent in 1997 though this is higher compared with 0.7 per cent during the previous year. Economic activity in Italy has been particularly subdued because of necessary efforts to restore balance in public finances to match the Maastricht reference target. GDP growth in the United Kingdom increased from 2.3 per cent in 1996 to 3.5 per cent in 1997. Buoyant domestic demand has offset the effect of the appreciating Sterling.

The Japanese economy experienced a sharp deceleration in growth from 3.9 per cent in 1996 to 1 per cent in 1997. The Japanese economy picked up in 1996 and the early part of



Mr. Charles Dallara delivers the 1998 Commencement Day Annual Lecture

* Statistics on the global economy pertain to the calendar year. The figures for 1997 are estimates/projections.



1997 because of increased domestic demand. However, the increase in consumption tax in April 1997 affected the growth of the economy adversely. The faltering of Japan's recovery can be attributed to the lingering effects of the collapse of asset prices during the early 1990s and the persistent loan problem in the financial system.

Growth in output of Asian developing countries declined significantly from 8.1 per cent in 1996 to 6.8 per cent in 1997. Several South East Asian countries faced a severe financial and economic crisis during 1997, following large outflows in short term capital and sharp depreciation in their currencies. Starting with Thailand, the crisis spread rapidly to several countries in the region, especially Indonesia, Malaysia, Philippines and Korea. This has led to an

economic slowdown in affected countries. In the Asian region, China was the fastest growing economy in 1997 with a growth rate of 8.8 per cent.

In Africa, GDP growth was 3.4 per cent in 1997 compared with 5.3 per cent in 1996. Drought in Morocco and civil war and political turmoil in Congo contributed to this slowdown in growth. Cote d'Ivoire, Mali and Senegal are continuing their recovery following exchange rate adjustment accompanied by suitable policies. Botswana, Malawi, Uganda, Algeria and Tunisia are also enjoying robust growth as a result of market-oriented reforms and greater macroeconomic discipline, together with improved business conditions. Nigeria's economic performance remains subdued following weaknesses in macroeconomic and structural policies.

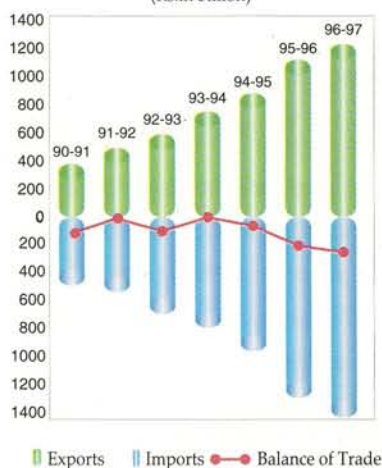
Developing countries in the Western Hemisphere showed improved growth of 5.2 per cent in 1997 compared with 3.5 per cent in 1996. Chile's economy remains the strongest in the region. There are encouraging signs that improved macroeconomic discipline and intensified structural reforms are improving the growth outlook for other countries. Both Argentina and Mexico have continued to recover after the 1995 crisis and growth is expected to remain fairly strong in

the near future. In Brazil, inflation continued to abate and it was 6.4 per cent in 1997, but the current account deficit has been rising.

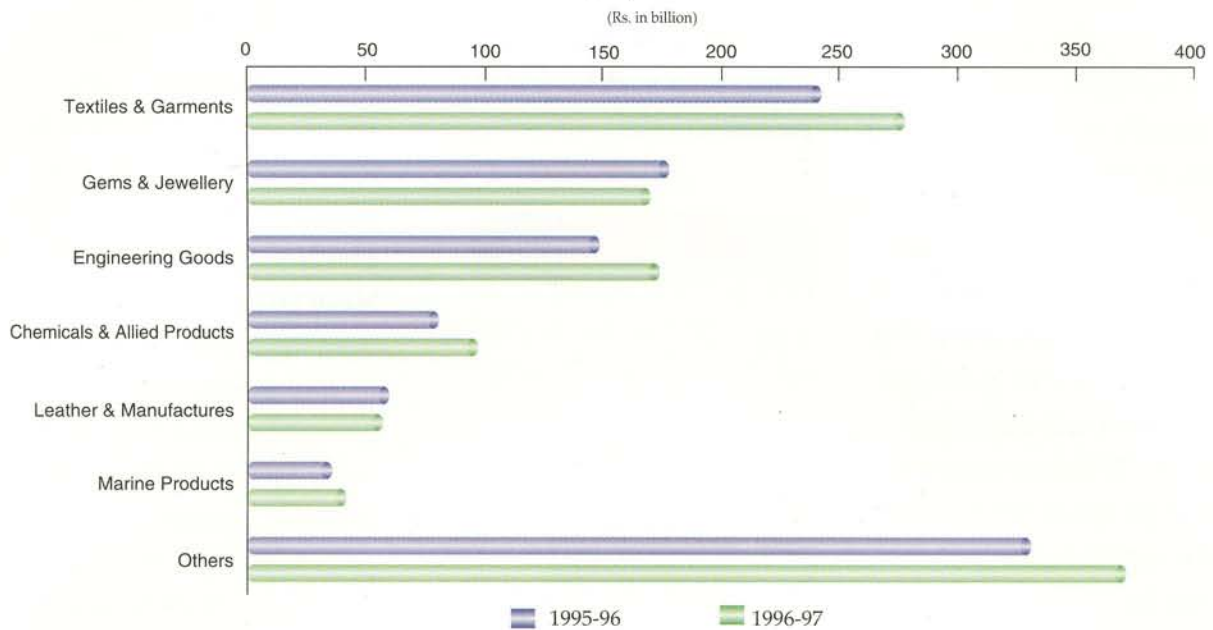
Developing countries in the Middle East and Europe are estimated to have grown by 4.1 per cent in 1997. This is marginally lower than growth of 4.6 per cent in 1996. In Turkey, high fiscal deficit and inflation are affecting economic growth.

Countries in transition in Central and Eastern Europe and Central Asia witnessed a positive growth of 1.9 per cent in 1997, for the first time during the nineties. Many countries in the region such as Poland, Czech Republic, Slovak Republic, Hungary, Slovenia and Baltic Republics which have pursued comprehensive stabilisation and reform policies are experiencing growth with moderate inflation though in Czech and Slovak Republics growth may slow down in the short run as a result of recent exchange market pressures. They have achieved substantial progress in terms of reintegration with the world economic and financial system. Russia and the Central Asian republics have witnessed a growth of 1.3 per cent in 1997 as against negative growth in previous years.

Trends in India's Foreign Trade
(Rs.in billion)



Composition of India's Exports (Major Items)



World Trade

Growth in the volume of world trade in goods and services accelerated from 6.2 per cent in 1996 to an estimated 8.6 per cent in 1997. Exports of developing countries registered a lower growth rate of 7.5 per cent in 1997 as compared with 9.5 per cent in 1996. Among developing countries, Asian economies registered highest growth rate of 9.4 per cent in 1997. The growth rate of exports of Africa was 5.8 per cent in 1997, which was almost half of the growth of 10.5 per cent registered in 1996. Export growth for developing countries from the Western Hemisphere also declined from 11.8 per cent in 1996 to 7 per cent in 1997. However, for the countries in transition, export

growth accelerated from 3.8 per cent in 1996 to 5.2 per cent in 1997. The growth of exports in volume terms from major industrial countries increased from 5 per cent in 1996 to 8.7 per cent in 1997. The United States registered a substantial increase in export growth from 8.3 per cent in 1996 to 11.7 per cent in 1997. The growth in Japan's exports also increased sharply from 2.3 per cent to 10.5 per cent in volume terms during the same period.

Current Account Balance and External Debt of Developing Countries

The current account deficit of developing countries as a whole increased from US\$ 79 billion in

1996 to US\$ 87 billion in 1997. This was largely a result of expansion of domestic demand. The current account deficit for Asian developing countries declined from US\$ 38 billion in 1996 to US\$ 17 billion in 1997. The reduction in current account deficit was because of the turmoil in currency and financial markets in several Asian countries. However, for developing countries in the Western Hemisphere, the current account deficit has risen from US\$ 38 billion to US\$ 63 billion during the same period.

There was a sharp reduction in net private capital flows to developing countries which fell from US\$ 216 billion in 1996 to US\$ 145 billion in 1997. This was because of large capital outflows from South East



Asian countries affected by the financial and economic crisis in the region. Net private capital flows to Asian developing countries fell dramatically from US\$ 101 billion in 1996 to US\$ 34 billion in 1997.

External debt as a proportion of GDP of developing countries declined from 34.2 per cent in 1996 to 32 per cent in 1997. In 1997, the share of short term debt in total debt was 17.3 per cent compared with 19 per cent in 1996. External debt to export of goods and services has also fallen from 156.3 per cent in 1996 to 145.4 per cent in 1997. The ratio of debt service payments to export of goods and services (DSR) for developing countries has declined marginally from 23.1 per cent in 1996 to 22.6 per cent in 1997. The DSR in 1997 was highest for the Western

Hemisphere countries (45.5 per cent), followed by Africa (24.2 per cent). The DSR of Asian developing countries was much lower at 15.7 per cent.

INDIAN ECONOMY

GDP growth for 1997-98* is estimated at 5 per cent. In 1996-97, GDP growth was 7.5 per cent.

Agriculture & Industry

Foodgrains production in 1997-98 is 194.1 million tonnes, which is 2.6 per cent lower compared with 1996-97 production figure of 199.3 million tonnes. As on March 1, 1998 the stock of food grains with Central Government was 18.7 million tonnes, which was higher than the minimum buffer stock norm of 15.4 million tonnes for the first quarter of 1998.

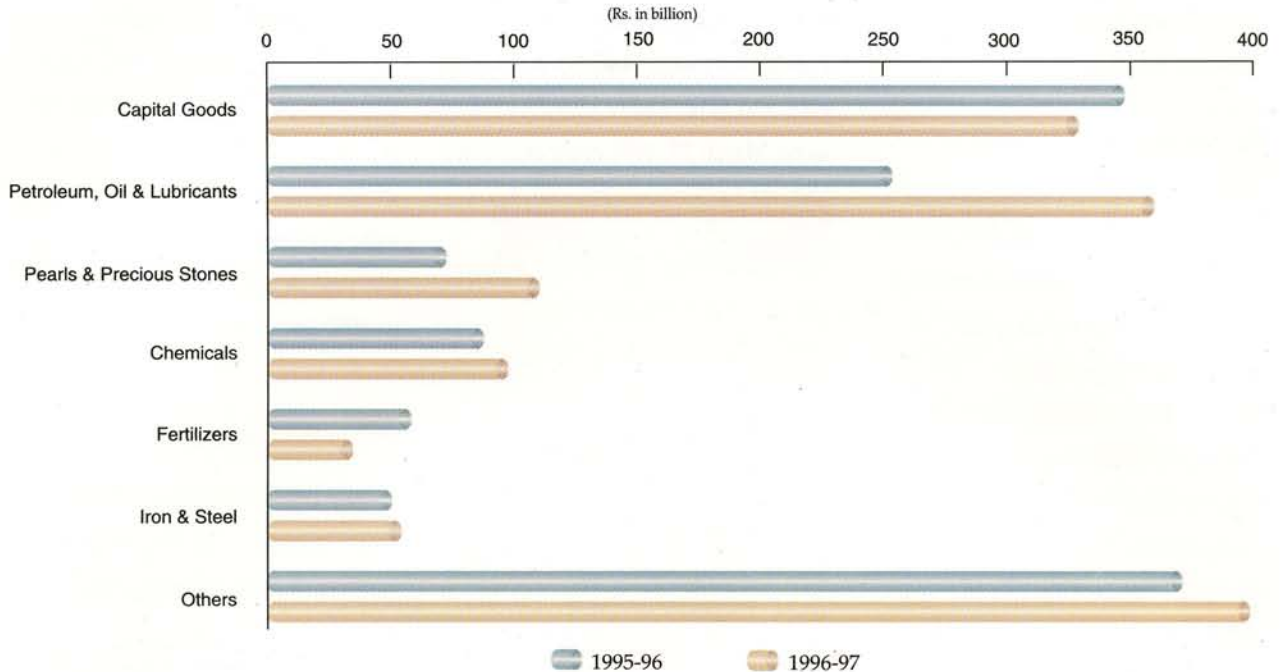
After registering a robust growth rate of 8 per cent in 1996-97, industry recorded a growth rate of 4.2 per cent in April-March 1997-98. The manufacturing sector, which contributes 77.1 per cent of industrial production registered a growth of 3.6 per cent in April-March 1997-98. The industrial slow down was evident from the negative growth (-4.0 per cent) of the capital goods industry for the period April-March 1997-98. During this period, consumer goods industry grew by 4.6 per cent, basic goods by 7 per cent and intermediate goods by 6.9 per cent. Of the 17 sub sectors within the manufacturing sector, two sectors have registered growth rates around 10 per cent in April-February 1997-98. Non-metallic minerals (13.1 per cent), chemical products (9.8 per cent) are the fastest growing sectors. The other sectors which are relatively doing well are paper products (7.4 per cent), jute textiles (7.4 per cent), cotton textiles (6.1 per cent) and electrical machinery (4.9 per cent). The five sectors which registered negative growth for the period are food products, wood products, leather products, textile products and transport equipment.



India-Mexico Business Seminar at Mexico City

* Statistics in this section correspond to the Indian fiscal year which runs from April to March of the next year. Statistics for 1997-98 are provisional/estimates.

Composition of India's Imports (Major Items)



Infrastructure

Six infrastructure and core industries viz., coal, crude oil, electricity generation, steel, cement and petroleum products recorded an average growth of 4.6 per cent in April-February 1997-98 compared with a growth of 3.5 per cent for the same period of 1996-97. Production of coal during April-February 1997-98 at 263.3 million tonnes, was higher by 3.9 per cent as compared with the corresponding period of 1996-97. Crude oil production increased by 3.3 per cent during the same period. Electricity generation for the period April-February 1997-98 was at 382.8 billion Kwh which was 6.7 per cent higher compared with the

corresponding period of 1996-97.

Railway revenue earnings by goods traffic showed an increase of 5.4 per cent.

Capital & Money Market

The capital market continued to be in a subdued state during 1997-98. During the financial year 1997-98, new capital issues were only Rs 45.7 billion and number of issues were 110. In 1996-97, total capital raised through capital market was Rs 142.8 billion and number of issues were 882.

Gross Domestic Savings reached a new peak of 26.1 per cent of GDP in 1996-97, exceeding its previous peak of 25.3 per cent in 1995-96. Gross Domestic Investment

marginally increased to 27.3 per cent of GDP in 1996-97 from 27.1 per cent in 1995-96.

The annual growth of broadly defined money supply (M3) increased from 16 per cent on March 31, 1997 to 17 per cent on March 31, 1998. The growth of money supply is the result of increase in net bank credit to Government and bank credit to commercial sector.

Inflation

The annual inflation rate (as measured by the Wholesale Price Index) was 6.9 per cent in 1996-97. The provisional figure for inflation showed a decline during 1997-98. The average annual inflation rate



for 1997-98 is estimated at 5 per cent. The fall in prices of primary articles contributed to lower inflation in 1997-98.

Foreign Trade and External Environment

Exports during April-March 1997-98 valued at US\$ 34 billion, showed a growth of 2.64 per cent over corresponding period of 1996-97. High export growth items during April-February 1997-98 include tobacco, plantations, nuts & seeds, spices, chemical & allied products, engineering goods, marine products, gems & jewellery and textiles. Imports during April-March 1997-98 estimated at US\$ 40.8 billion were higher by 5.8 per cent over the corresponding period of 1996-97. Oil imports during April-March 1997-98 valued at US\$ 7.6 billion accounting for 18.6 per cent of total imports, were 20.59 per cent lower than oil imports for corresponding period of 1996-97. Non-oil imports during April-March 1997-98 estimated at US\$ 33.1 billion, were 14.54 per cent higher than the level of such imports in April-March 1996-97. The high import growth items during April-February 1997-98 include gold & silver, electronic goods, coal, fertilizers, paper products and iron & steel. The trade deficit for April-March 1997-98 is estimated at US\$ 6.8 billion

compared with the deficit at US\$ 5.4 billion during the corresponding period of 1996-97. Foreign exchange reserves (excluding gold and SDRs) were US\$ 25.4 billion as on March 27, 1998 compared with US\$ 21.7 billion a year ago.

Net capital flows are expected to be positive and significant during 1997-98. During the year, foreign direct investment flows were higher at US\$ 3.2 billion compared with US\$ 2.7 billion in 1996-97. Portfolio investment flows at US\$ 1.6 billion during 1997-98 were lower than the previous year.

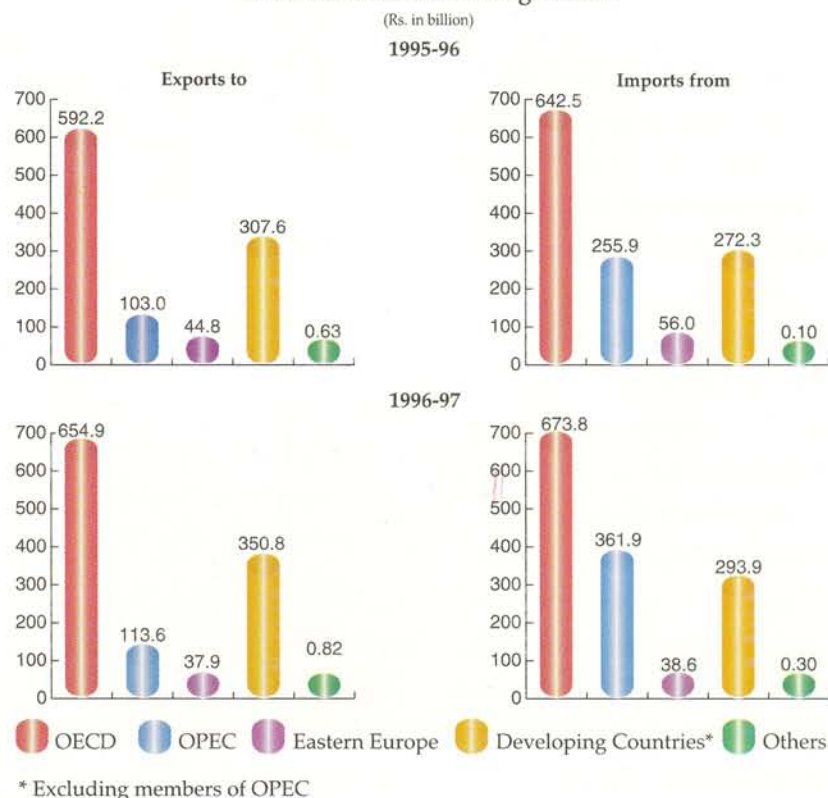
India's external debt marginally increased from US\$ 92.2 billion in

March 1997 to US\$ 92.9 billion in September 1997. There have been steady improvements in debt indicators over the past few years. The debt to GDP ratio fell from 41 per cent in 1991-92 to 23.8 per cent in September 1997. The debt service ratio declined from a peak of 30.2 per cent in 1991-92 to 18.3 per cent in 1997-98.

Policy Environment

In July 1997, Government delicensed five industries, reducing the total number of industries requiring licences to nine. The scope of MODVAT was extended to cover the textile sector. In September 1997, new

Direction of India's Foreign Trade



pricing policy for petroleum products was announced. For high speed diesel, the administered price mechanism will be dismantled in two years. The prices for petroleum products will move in tandem with their import parity prices.

In October 1997, Foreign Institutional Investors (FIIs) were allowed to invest in Government dated securities with a ceiling of 30 per cent on investment in debt instruments. To facilitate further overseas investment, the Foreign Investment Promotion Board (FIPB) will allow 100 per cent foreign equity in those cases where foreign company has expressed inability to find a suitable Indian joint venture partner, subject to the condition that foreign investor will divest at least 26 per cent of its equity in favour of Indian partners in 3 to 5 years.

Banks can borrow from overseas markets upto a maximum extent of 15 per cent of their unimpaired Tier I capital. This change in policy will permit some degree of integration between domestic and overseas money markets. The minimum size of issue of Certificates of Deposits (CDs) to a single investor was reduced from the existing Rs 10 lakhs to Rs 5 lakhs. Also in October 1997, interest rate on pre-shipment rupee export credit upto 180 days was reduced from 13 per cent to 12 per cent per annum. Interest rate on post shipment rupee export credit beyond 90 days and upto six months was pegged at 13 per cent. Bank rate, which is the refinance rate of RBI to commercial banks, was reduced from 12 per cent in April 1997 to 10 per cent in March 1998 in different phases.

From October 1997, the system of multiple prescriptions of Statutory Liquidity Ratio (SLR) was withdrawn. A uniform SLR of 25 per cent on net demand and time liabilities of the banks was introduced. Banks are permitted to fix interest rates on domestic term deposits of 30 days and above. Exporters will be allowed 50 per cent retention of exchange earnings, increased from 25 per cent, in Export Earners Foreign Currency (EEFC) accounts. SEBI registered Indian fund managers including Mutual Funds will be allowed to invest in the overseas markets subject to SEBI guidelines. Initially, there will be an overall cap of US\$ 500 million; the ceiling for individual funds will be related to size of the fund subject to a maximum of US\$ 50 million.




Visit of Mr. Omar Kabbaj, President, African Development Bank



India: Fast Forward

- In July 1997, Government delicensed five industries, reducing the total number of industries requiring licence to nine.
- The scope of MODVAT was extended to cover the textile sector.
- In September 1997, policy regarding petroleum products' price deregulation was announced.



Industrial Policy

- The Foreign Investment Promotion Board (FIPB) will allow 100 per cent foreign equity in specific cases.
- FIIs can invest in Government dated securities with a ceiling of 30 per cent on investment in debt instruments.
- Banks can borrow from overseas markets upto a maximum extent of 15 per cent of their unimpaired Tier I capital.
- The minimum size of issue of Certificates of Deposits (CDs) to a single investor reduced from Rs. 1,000,000 to Rs. 500,000.



Investment Policy

- In October 1997, interest rate on pre-shipment rupee export credit upto 180 days reduced from 13 per cent to 12 per cent per annum.
- Interest rate on post shipment rupee export credit beyond 90 days and upto six months pegged at 13 per cent.
- Uniform SLR of 25 per cent on net demand and time liabilities of banks was introduced from October 1997.
- Bank rate was reduced from 12 per cent in April 1997 to 10 per cent in March 1998 in different phases.
- In 1997-98, banks have been permitted to fix interest rates on domestic term deposits of 30 days and above.
- Exporters will be allowed 50 per cent retention of exchange earnings, increased from 25 per cent, in EEFC accounts.
- SEBI registered Indian fund managers including Mutual Funds will be allowed to invest in the overseas markets subject to an overall investment cap of US\$ 500 million.



Credit Policy

Directors' Report

The Directors are pleased to present the report of the working of the Bank with the audited Balance Sheet and accounts for the year ended March 31, 1998.

REVIEW OF OPERATIONS

During 1997-98, Bank sanctioned Rs 18.40 bn. under various lending programmes as against Rs 12.42 bn. in the year 1996-97 registering an increase of 48.15 per cent. Disbursements during the year were Rs 13.70 bn. as against Rs 12.57 bn. during 1996-97 registering an increase of 8.99 per cent. Outstandings as on March 31, 1998 stood at Rs 39.17 bn., registering an increase of 13.48 per cent over the previous year. During the year, Bank sanctioned guarantees aggregating Rs 4.03 bn. as against Rs 1.36 bn. in 1996-97. Guarantees issued amounted to Rs 1.91 bn. as against Rs 1.48 bn. in 1996-97. Outstanding guarantees as on March 31, 1998 were Rs 12.09 bn. as against Rs 10.21 bn. on March 31, 1997. The loan portfolio had an

element of refinance to commercial banks of 5.58 per cent.

Bank registered a net profit of Rs 2.02 bn. on account of General Fund during April 1997 - March 1998, as against a profit of Rs 1.52 bn. for the year April 1996 - March 1997. This is after adjusting for depreciation and other usual provisions. Net profit has increased by 33 per cent as compared to the previous year. Out of this profit, Rs 410.0 mn. accounts for dividend to the Government of India. An amount of Rs 1.51 bn. is transferred to general reserves. In addition, Bank has transferred funds aggregating Rs 100.0 mn. to Export Promotion Reserve.

Net profit of the Export Development Fund during the period was Rs 182.5 mn. which is carried forward to the next year.

Review of Bank's operations is presented below under the following heads :

- I. Projects, Products and Services Exports
- II. Building Export Competitiveness
- III. Import Financing for Exports
- IV. Foreign Trade Guarantee Programme
- V. Export Services
- VI. Information Technology
- VII. Research and Analysis
- VIII. Resources
- IX. Human Resources Development
- X. Progress in Implementation of the Official Language Policy



A meeting of Board of Directors in progress



XI. Representation of Scheduled Castes, Scheduled Tribes and Other Backward Classes.

I. PROJECTS, PRODUCTS AND SERVICES EXPORTS

Export Bids

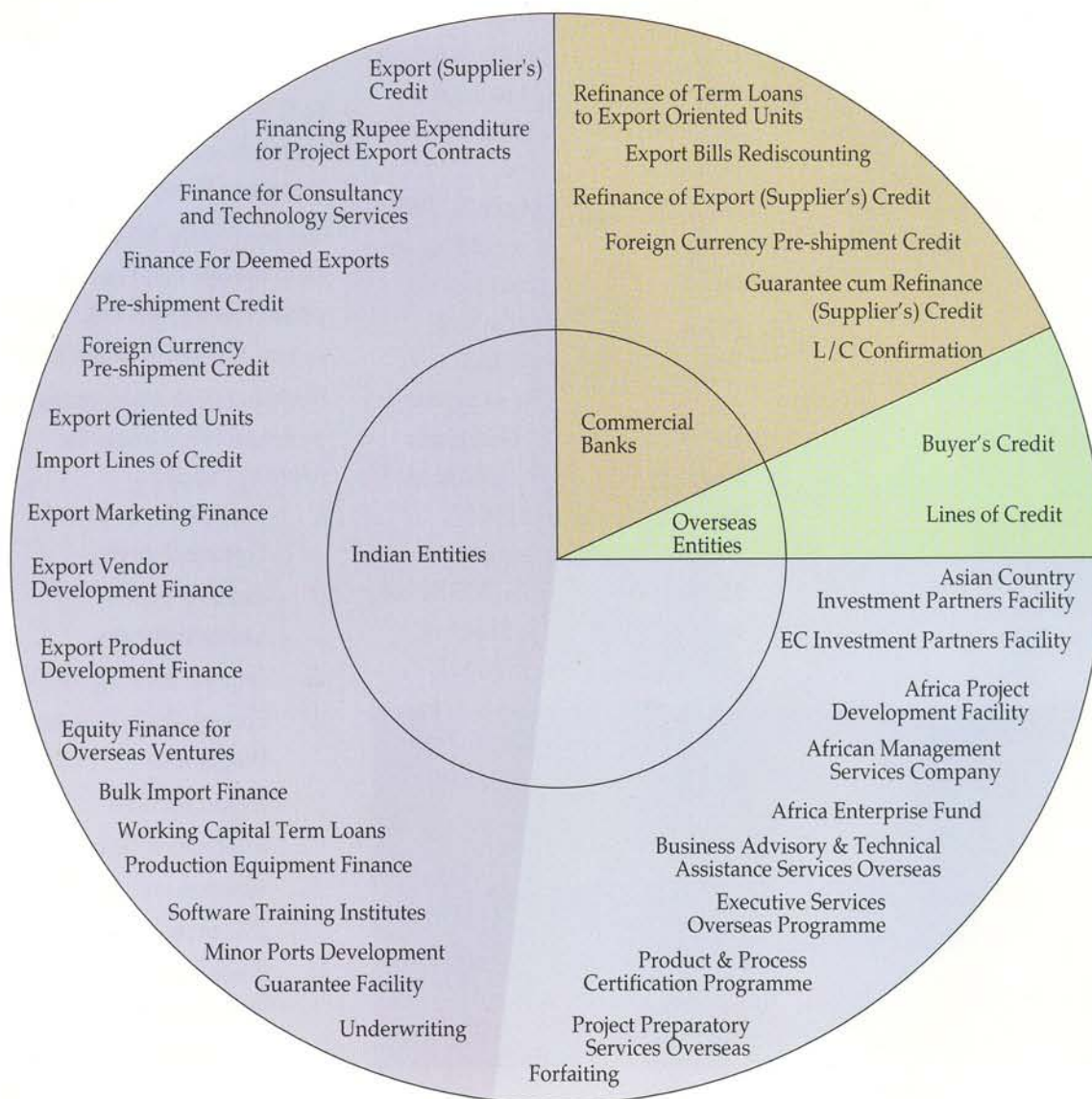
During the year 1997-98, 145 export bids valued at Rs 121.74 bn. for supply, construction and turnkey projects and consultancy services were approved by Exim Bank /

Working Group*. This represents an increase of 30.59 per cent in value terms over the previous year. Of these, 118 bids valued at Rs 119.24 bn. were on cash payment terms while 27 bids valued at Rs 2.50 bn. were on credit terms. The bids made on cash payment terms included 50 bids valued at Rs 44.24 bn. which were financed by multilateral institutions and other external sources of finance. Exim Bank extended

support to Indian companies to submit export bids for projects/ contracts in 37 countries. New markets where Indian companies submitted bids with Exim Bank's support during the year included Australia, Namibia, Taiwan and Ukraine.

During 1997-98, Bank made Commitments-in-principle** aggregating Rs 19.37 bn., comprising Rs 7.18 bn. for loans and Rs 12.19 bn.

Exim Bank's Major Programmes



for guarantees. Commitments-in-principle for loans comprised Rs 3.44 bn. for turnkey projects, Rs 846.1 mn. for supply contracts, Rs 951.1 mn. for construction projects, Rs 180.5 mn. for consultancy projects and Rs 1.76 bn. for lines of credit.

Commitments-in-principle for guarantees comprised Rs 5.63 bn. for construction projects, Rs 5.19 bn. for turnkey projects, Rs 137.8 mn. for consultancy services and Rs 1.23 bn. for supply contracts.

Bank conveyed interest in co-financing Air Navigation Modernisation Project in Russia and Power Station Modernisation Project in Ukraine, part funded by European Bank for Reconstruction and Development (EBRD).

*The Working Group is an inter-institutional mechanism consisting of Exim Bank, Reserve Bank of India, Export Credit Guarantee Corporation of India Limited, Government of India and commercial banks. It functions under the auspices of Exim Bank. Project Export bids valued beyond Rs.1 bn. involving deferred payment and/or issue of guarantees are cleared by the Working Group. Export bids valued between Rs 250 mn. and Rs 1 bn. are cleared by the Bank. Export bids up to Rs 250 mn. are cleared by commercial banks provided they are in conformity with the RBI guidelines. Export bids in respect of consultancy and technology services export on deferred payment terms are cleared by Working Group regardless of value. Consultancy and technology services bids on cash terms upto Rs 50 mn. and Rs 100 mn. are cleared by commercial banks and Exim Bank respectively, and beyond Rs. 100 mn. are cleared by Working Group.

** Commitments-in-principle refer to the extent of finance committed by Exim Bank at the export bid submission stage. Such commitments convert into sanctions when bids materialise as contracts.

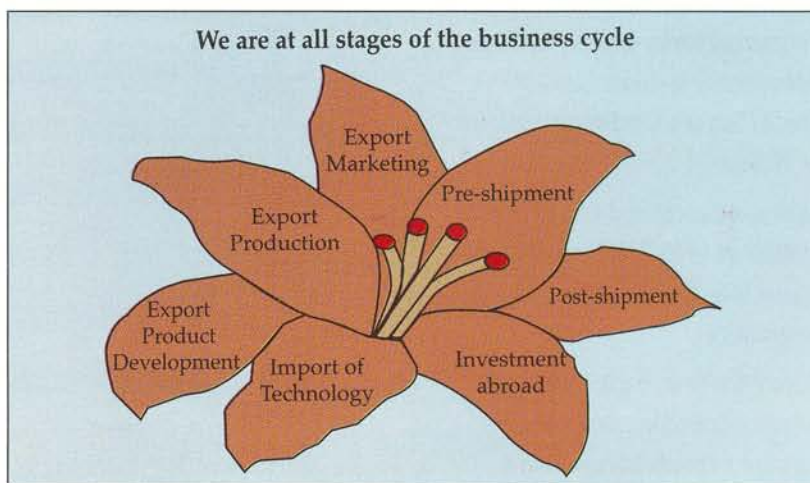
Export Contracts

Sixty contracts worth Rs 18.95 bn. covering twenty-one countries were secured by thirty-two Indian exporters during 1997-98. These consisted of turnkey contracts valued at Rs 12.40 bn., consultancy services contracts valued at Rs 3.26 bn., supply contracts valued at Rs 2.81 bn. and construction contracts valued at Rs 479.3 mn. The value of turnkey contracts has gone up by 44 per cent over the previous year. Some major turnkey contracts secured during the year include supply and erection of transmission lines in Saudi Arabia, Syria and UAE and supply and erection of external telephone cable plant and ancillary services in Malawi. Major consultancy contracts secured during the year include on-shore rig drilling in Kuwait, Oman and Qatar, computer software services in USA, maintenance of diesel locos in Malaysia and design and engineering services for conversion of power plants in Iran. Supply contracts include export of commercial vehicles to Sri Lanka

and Ghana, tractors to USA and pharmaceuticals to Iran.

Multilateral Funded Projects Overseas (MFPO)

During 1997-98, Indian companies submitted 191 export bids valued at Rs 67.52 bn. for MFPO. Indian companies secured 51 contracts valued at Rs 9.07 bn. during the year, registering an increase of 66 per cent over the previous year. These comprised 12 turnkey contracts valued at Rs 6.45 bn., 31 contracts valued at Rs 2.36 bn. for supplies, 7 contracts valued at Rs 162.7 mn. for consultancy services and one construction contract for Rs 100.8 mn. Out of total contracts secured, 18 contracts valued at Rs 1.56 bn. were funded by World Bank, 14 contracts valued at Rs 3.61 bn. by Asian Development Bank, 2 contracts valued at Rs 752.0 mn. by African Development Bank and 17 contracts valued at Rs 3.15 bn. by other agencies including EBRD, Overseas Economic Co-operation Fund (OECF), Japan, Caisse Francaise De Developpement



(CFD), France, Danish Fund and Kuwait Fund for Agriculture and Economic Development (KFAED). The geographical distribution of contracts secured in terms of number was South Asia (36), Africa (7), Central Asia (4), West Asia (3) and CIS (1).

Strategic Market Entry Support

During 1997-98, Bank extended strategic market entry support aggregating Rs 4.5 mn. in respect of nine contracts to encourage exporters to develop responsive bids under international competitive bidding procedures. Under this programme, Bank reimburses the cost of tendering in respect of successful bids for MFPO.

Export Credits and Guarantees

During 1997-98, Bank sanctioned Rs 3.09 bn. by way of supplier's credit and Rs 209.6 mn. as refinance of supplier's credit to commercial banks. Bank also extended a Line of Credit of US\$ 5 mn. to Industrial Development Bank, Kenya. Disbursements of supplier's credit were Rs 1.68 bn. and disbursements under refinance of supplier's credit to commercial banks were Rs 226.5 mn. Disbursements under Lines of Credit/Buyer's Credits amounted to Rs 78.3 mn.

Bank also sanctioned and disbursed an amount of Rs 390.0 mn. under Export Bills Rediscounting programme.

During the year, Bank introduced maturity linked interest rates for supplier's credits in rupees and

foreign currency as well as Lines of Credit/Buyer's Credits extended to overseas institutions/governments for financing exports from India.

During 1997-98, Bank sanctioned Guarantees for Rs 1.54 bn. and issued Guarantees for Rs 0.81 bn. These Guarantees related to overseas projects in sectors such as telecommunication, power generation and distribution, oil exploration, petrochemicals and plastics.

Forfaiting

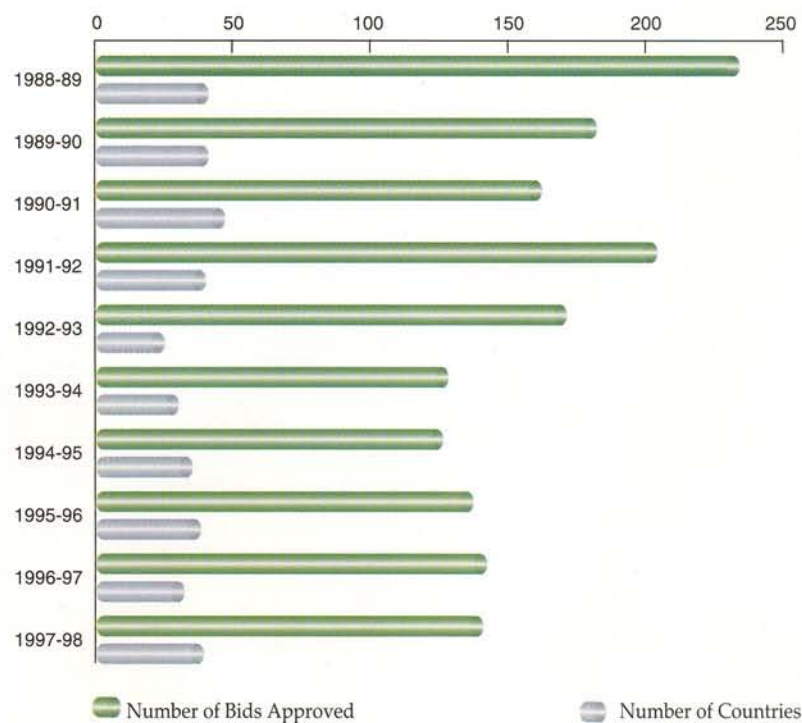
The programme represents an alternate funding source for Indian exporters to enhance their exports to existing and new markets. Forfaiting transactions for an aggregate US\$ 13 mn. were facilitated during the year covering exports to USA, UK, Germany, Monaco, Netherlands,

Turkey, Brazil, Japan, Malaysia, Vietnam, Hong Kong, Sri Lanka, Croatia, Ukraine, Ghana, South Africa, Iran and other Middle East countries. With a view to familiarising exporters with this programme, a series of seminars were organised during the year.

Settlement Against Project Receivables from Iraq

During 1997-98, Reserve Bank of India issued 11.40 per cent Government of India Compensation (Project Exports to Iraq) Bonds, 2003 for an aggregate amount of Rs 2.16 bn. in favour of exporters, banks and Exim Bank against project receivables from Iraq. Of these, Exim Bank received RBI bonds valued at Rs 625.7 mn. In addition, Exim Bank received an amount of Rs 284.3 mn. from ECGC towards settlement of

Export Bids Approved



claims under policies/counter-guarantees in respect of projects in Iraq, out of a total of Rs 659.4 mn. settled by ECGC. Earlier, in 1994-95, RBI had issued on behalf of GOI, bonds aggregating Rs 9.18 bn. Of these, Exim Bank received bonds aggregating Rs 2.42 bn. In the same year, Bank had also received bonds and cash from ECGC valued at Rs 411.8 mn. and Rs 228.6 mn. respectively. During 1995-96, Bank received from ECGC bonds and cash valued at Rs 291.9 mn. and Rs 350.3 mn. respectively.

II. BUILDING EXPORT COMPETITIVENESS

Bank operates a range of financing programmes aimed at enhancing export competitiveness of Indian companies. During the year, Bank introduced working capital term loan facility for export-oriented units. Bank now offers comprehensive financing package covering term loans for investment, working capital finance and foreign trade related guarantees.

During 1997-98, Bank sanctioned loans of Rs 13.84 bn. and disbursed Rs 10.85 bn. under its programmes for enhancing export competitiveness. Outstandings under these programmes aggregated Rs 27.74 bn. representing 21.67 per cent growth over the previous year.

Loans to Export Oriented Units

During 1997-98, Bank sanctioned term loans of Rs 6.65 bn. to 51 export oriented units.

Disbursements during the year amounted to Rs 5.06 bn. In addition, Bank sanctioned and disbursed refinance aggregating Rs 94.2 mn. and Rs 54.9 mn. respectively to commercial banks in respect of term loans for export oriented projects. Outstandings as on March 31, 1998 amounted to Rs 13.29 bn. Export oriented units financed by the Bank cover a wide range of sectors such as computer hardware and software, agro processing, electronics, textiles, auto components, chemicals and pharmaceuticals, process control instruments, gold jewellery and steel products.

Under Production Equipment Finance Programme, 24 exporting companies were sanctioned Rs 1.93 bn. for financing acquisition of production equipment. Disbursements under this programme amounted to Rs 1.78 bn. during the year.

Ten companies were sanctioned working capital term loans aggregating Rs 1.59 bn. Disbursements amounted to Rs 970.3 mn.

Software Training Institutes

With a view to augmenting supply of qualified and trained manpower to the computer software industry and to upgrade the skills in a fast changing technology, Bank extends finance for establishment and expansion of software training institutes. During the year, sanctions and disbursements amounted to Rs 46.8 mn. and Rs 21.7 mn. respectively.

Export Marketing Finance

During 1997-98, Bank extended support to 10 companies for upgradation of production facilities and implementation of strategic export market development plans to penetrate and sustain presence in developed country markets. Sanctions amounted to Rs 616.4 mn. and disbursements were Rs 581.4 mn. The products supported include bulk drugs and pharmaceuticals, Ayurvedic and natural health products, herbal extracts, two wheelers and light commercial vehicles.

Export Product Development

During 1997-98, Bank sanctioned loans aggregating Rs 74.0 mn. to 3 companies in the pharmaceutical and commercial vehicles sectors for development/adaptation of products for exports to developed country markets. Disbursements during the year amounted to Rs 13.7 mn.

Export Vendor Development

Under this programme, during the year, Bank sanctioned and disbursed Rs 47.5 mn. and Rs 32.6 mn. respectively for the automotive sector.

Overseas Investment Finance

Loans aggregating Rs 2.07 bn. were sanctioned to 9 companies for setting up 10 joint ventures and wholly owned subsidiaries abroad, under Overseas Investment Finance programme. Disbursements during the year amounted to Rs 1.04 bn. These projects are being set up in Austria, Italy, Turkey, China, Vietnam, Morocco, Tanzania, Uganda and Zambia in sectors such



as pharmaceuticals, steel, textiles, sugar, fertilizers, packaging and bicycles.

European Community Investment Partners (ECIP) Programme

Under the ECIP programme, one proposal was approved by EC during the year for carrying out feasibility study for setting up a joint venture in India with a medium size company from Sweden for manufacture of power generation equipment. An aggregate of 32 proposals have so far been sponsored to EC under this programme.

Asian Country Investment Partners (ACIP) Programme

With the experience gained in operating ECIP programme, Bank has introduced a similar programme viz. ACIP which aims at supporting existing and potential joint ventures in India between Indian companies and those from other Asian countries. Under ACIP, an Indo-Japanese joint venture has been sanctioned a loan of Rs 5 mn. for financing human resource development activities.

Export Facilitation

Bank sanctioned Rs 720.0 mn. for a minor port development in Gujarat during the year. Disbursements during the year amounted to Rs 1.27 bn.

Underwriting Programme

During the year, Bank provided underwriting support amounting to Rs 50.0 mn. for an export oriented project financed by the Bank and

extended bridge loan of Rs 50.0 mn. against the public issue.

Cluster of Excellence Programme

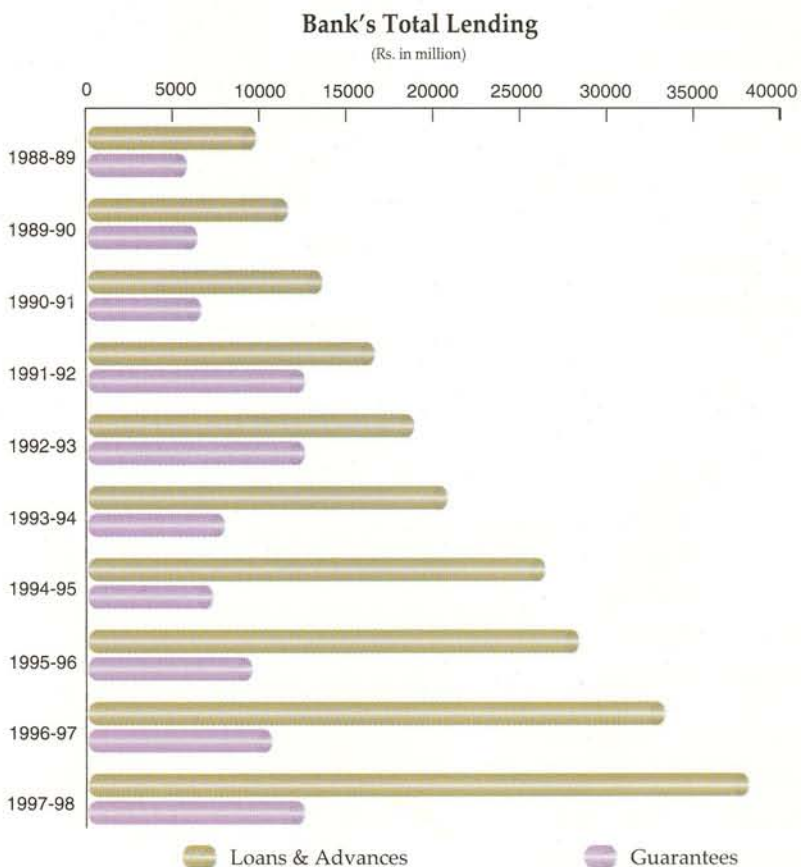
Under the Cluster of Excellence programme for upgradation of quality management standards, 94 companies in ten clusters at Bangalore, Hyderabad, Chennai, Coimbatore, Calcutta, New Delhi, Faridabad, Pune and Mumbai are being assisted to obtain ISO 9000 certification. 46 of the 94 companies have already obtained certification and the others are in advanced stages of implementation.

Product and Process Quality Certification

Under the Product and Process Quality Certification programme, Bank provides financial support to

cover 50 per cent of the cost incurred in obtaining certification of compliance with international quality standards.

During the year, Bank expanded the scope of the programme to cover additional international, regional and country specific quality standards. These include international certifications such as WHO certification for pharmaceuticals, TICK/IT for software, regional certifications such as HACCP certification for food products and Eco-Tex certification for textiles in Europe, Underwriter's Laboratories certification for engineering products in North America and country specific certifications such



as US-FDA approval for food products, JIS mark for industrial products in Japan.

In order to encourage units in small scale sector to enhance the quality of their products to meet international standards, financial support was enhanced from 50 per cent to 75 per cent of the eligible costs.

During the year, five companies were extended financial support to the tune of Rs 1.8 mn. under the programme.

Award for Business Excellence

Exim Bank in association with Confederation of Indian Industry (CII) has instituted an Annual Award for Business Excellence for best TQM practices adopted by an Indian company. This award was given during the year for the first time since it was instituted in 1995, to Hewlett-Packard India Ltd. in recognition of the company's strong and unflinching commitment to business excellence.

III. IMPORT FINANCING FOR EXPORTS

Bulk Import Finance

Under this programme, an amount of Rs 400.0 mn. was sanctioned and disbursed for bulk import of raw materials and components. Outstandings as on March 31, 1998 stood at Rs 103.4 mn.

Foreign Currency Pre-shipment Credit

Under this programme, Bank sanctioned and disbursed US\$ 7 mn. and US\$ 2 mn. respectively.

Import Lines of Credit

During the year, an aggregate amount equivalent to Rs 82.6 mn. was sanctioned to export-oriented units for financing import of capital goods from Korea and Italy under lines of credit from Exim Bank of Korea and Mediocredito Centrale, Italy. Disbursements aggregating Rs 314.2 mn. equivalent were effected under the lines of credit from Exim Bank of Korea and San Paolo Bank, Italy. Bank has lines of credit in place for financing import of machinery from UK, Italy, other European countries, USA and Korea.

IV. FOREIGN TRADE GUARANTEE PROGRAMME

Under this programme, Bank sanctioned guarantees aggregating Rs 2.49 bn. to export oriented units for fulfilling export obligation under the Export Promotion Capital Goods (EPCG) Scheme, deferred payment guarantees covering import of capital goods and advance-cum-performance guarantees on behalf of Indian exporters. Guarantees issued during the year amounted to equivalent of Rs 1.10 bn. Guarantees sanctioned and issued under EPCG scheme amounted to Rs 338.4 mn. and Rs 20.5 mn. respectively. These Guarantees were issued on behalf of exporting companies manufacturing ceramic tiles, polyester film and silk products. Bank sanctioned deferred payment guarantee of Rs 0.99 bn. covering import of capital goods for a petrochemical project. Advance-cum-performance guarantees aggregating Rs 1.08 bn. were

sanctioned and issued for export of packaging material, processed food and steel products.

V. EXPORT SERVICES

Bank provides information, advisory and support services which complement its financing programmes. These services are provided on a fee basis to Indian companies and overseas entities. These services include market related information, sector and feasibility studies, technology supplier identification, partner search, investment facilitation and development of joint ventures both in India and abroad.

During the year, Bank provided a diverse range of services to more than 90 companies. A representative sample includes information on sanitaryware market for setting up a joint venture in India, identification of a buyer for sale of a marine container manufacturing unit in India, conducting market research for setting up sales offices in eastern Europe, study for taking over a company in Italy, information on polyester staple fibre manufacturers in Korea, construction and engineering contractors in India, users of antimony trioxide in USA, household electrical industry in Taiwan and advance alerts on projects funded by multilateral agencies.

Bank also provided information and advisory services to members of the Eximius Club set up by the Bank to meet the international business needs of member corporates. These



companies have wide ranging interests in sectors such as engineering, energy, electronics, computer software, textiles, pharmaceuticals and chemicals. Club members also include companies who are active players in bidding and securing contracts in projects funded by multilateral agencies.

Bank is correspondent in India of the European Commission's trade and investment co-operation network, Bureau de Rapprochement des Entreprises (BRE). Through BRE network, Bank disseminates among Indian companies, information on trade and investment opportunities emanating from various countries as also publicizes on BRE network, corporate profiles of Indian companies seeking partners or offering their products and technologies. During the year, information on 150 business opportunities was disseminated to Indian companies and corporate profiles of 43 Indian companies were circulated globally through BRE network.

With a view to enlarging networking with international organisations and other service providers, Bank entered into co-operation agreements and Memoranda of Understanding, during the year, with business promotion agencies in Spain, Hungary, Russia, South Africa and Mexico. Such international linkages facilitate exchange of information, identification of joint venture partners, logistic support for

seminars, exchange of faculty and establishing Lines of Credit.

During the year, Bank became an honorary member of Association of African Development Finance Institutions (AADFI). The AADFI was set up in 1975 under the auspices of the African Development Bank with the objective of creating co-ordination and economic solidarity among the development finance institutions in the African continent.

As part of its efforts to disseminate information among overseas entities on Bank's loan programmes and services, Exim Bank participated in the 'Made in India' exhibition organised by CII in Johannesburg, South Africa from February 11-14, 1998.

With the objective of developing and strengthening relationship with institutions in developing countries, Bank sponsored during 1997-98, two officials from financial institutions in Namibia and Zimbabwe to attend a 6 week International Programme on Development Banking conducted by the National Institute of Bank Management, Pune.

During 1997-98, Bank accepted an intern from Canada under Youth International Internship Programme (YIIP), sponsored by Government of Canada. The programme aims at fostering closer commercial relations between Canada and the host countries.

During 1997-98, under the arrangements with International Finance Corporation, Washington D.C., Bank facilitated and part-

financed consultancy assignments awarded to two Indian experts for a rice cultivation project in Uganda and for designing a training programme for Investment Promotion in Namibia.

Bank expanded its co-operation arrangements with International Finance Corporation, Washington D.C., to cover Mekong Project Development Facility (MPDF), a recent initiative of IFC, Washington. Under MPDF, Exim Bank will facilitate consultancy support from India to small and medium sized enterprises (SMEs) in the Mekong region comprising Vietnam, Cambodia and Lao PDR.

Exim Bank As Consultant

During the year, Bank completed Phase II of the assignment to set up institutional infrastructure in the export sector, commissioned by the Reserve Bank of Zimbabwe.

Data Search Facility

Thirty-eight companies accessed information through Exim Bank from on-line databases during the year. Data provided by the Bank included business/credit information reports on potential buyers and investment partners from U.S.A. and countries in Europe, Asia and Africa and product-wise import-export statistics relating to overseas markets.

Eximius Display Centre

Eximius Display Centre at the Bank's Head Office showcases products of select companies assisted by the Bank through

finance, information and advisory services in their export market development endeavours. A host of visitors from different countries such as USA, Switzerland, Slovak Republic, Taiwan, Singapore, Hungary, Ireland, Germany, Japan visited the Centre and appreciated the variety and diversity of the products on display. Products displayed include auto components, CAD/CAM software, photovoltaic cells, healthcare products, fashion garments, jewellery, watches, bicycles, jute products amongst others. Similar display facilities are available at Bank's offices overseas.

Eximius Centre for Learning

During the year, Eximius Centre for Learning, Bangalore conducted programmes which included workshops on marketing strategies for European markets, global initiatives in electronic commerce, the future direction of the machine tool industry and seminars on business opportunities with the Asian

Development Bank, the African Development Bank, the World Bank and the Multilateral Investment Guarantee Agency (MIGA), an Expert Group Meeting on Regional Networking of Trade Related Training Facilities in association with UN-ESCAP, with participants from China, Iran, Philippines, Thailand, Singapore, Korea and India. Centre also hosted a five day workshop on "Building Skills for Economic and Commercial Diplomacy" for Foreign Services Officers from developing countries organised by Ministry of External Affairs, Government of India.

VI. INFORMATION TECHNOLOGY

Bank recognises the strategic value and potential of the Internet as a medium of communication and as a global source of information. During the year, Bank achieved 100 per cent Internet access for all its

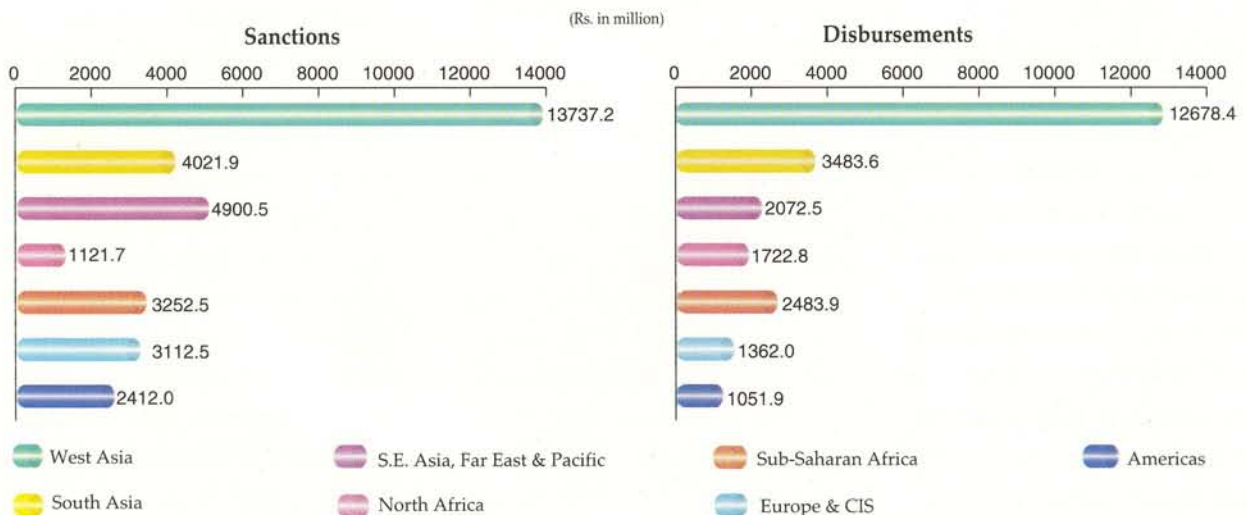
offices with Internet/ E-mail access at desk level through local area network which facilitates on-line inter-office communications and interaction with Bank's constituents, besides access to global information sources. Bank's web-site is now identified by its own domain name <http://www.eximbankindia.com>. Information on Bank's financial results, new programmes, press releases was disseminated through its home page.

During the year, Bank initiated steps to protect its computer systems against (Y2K) millenium risk. Y2K project is expected to be completed in 1998, well ahead of the year 2000.

VII. RESEARCH AND ANALYSIS

In 1989, Bank instituted an Annual Award for research in "International Trade and Related Financing". The objective is to promote research in international trade and related financing by Indian nationals at universities and academic

Regional Distribution of Loans Sanctioned and Disbursed 1988-98



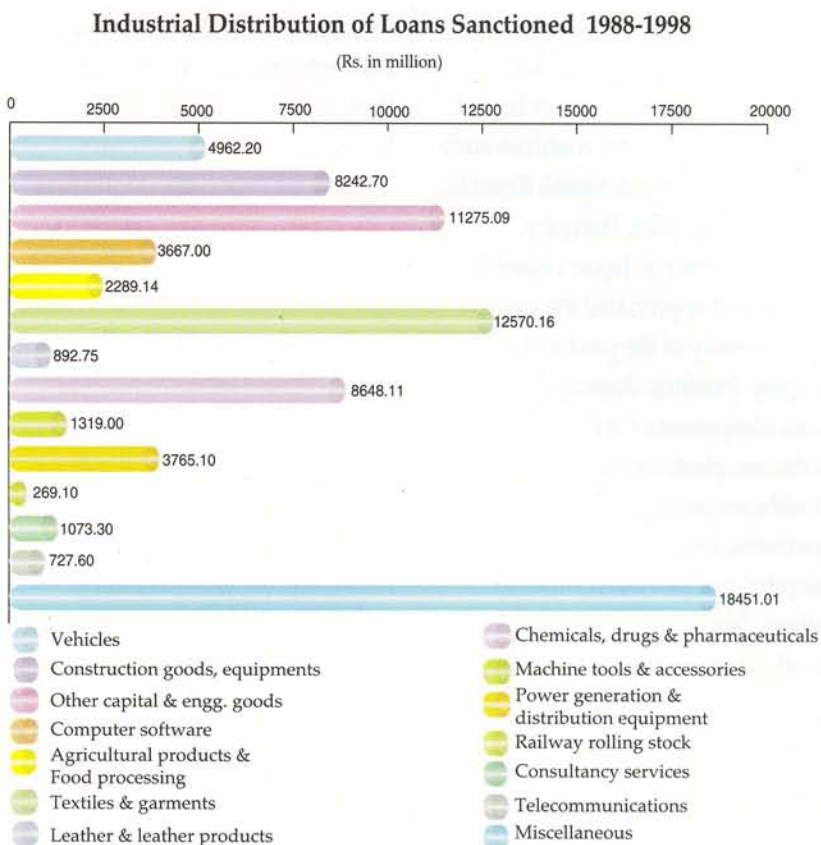
institutions in India and abroad. The award consists of a sum of rupees fifty thousand and a citation. The winner for the 1997 award was Dr. Rajat Acharyya, Lecturer in the Department of Commerce of Burdwan University, for his thesis titled: "Theoretical Aspects of Liberal Trade Policies in Transitional Economies : Exchange Rate, Competition and Exports".

Seven Occasional Papers were published by the Bank in 1997-98 covering following topics: Exporting Indian Wooden Furniture to Europe; International Technology Transfer : Contracts, Learning and Alliances; India's Exchange Rate under the Basket Arrangement: An Exposition and Evaluation; Vietnam, Cambodia and Lao PDR: A Study of India's Trade and Investment Potential; South Africa : A Study of India's Trade and Investment Potential; Export Potential of Engineering Consultancy Services; Theoretical Aspects of Liberal Trade Policies in Transitional Economies: Exchange Rate, Competition and Exports.

VIII. RESOURCES

Bank's resources as on March 31, 1998 aggregated Rs 52.12 bn. This includes paid-up capital of Rs 5.00 bn. wholly subscribed by the Government of India and reserves of Rs 7.06 bn. Bank's resources base includes bonds, fixed deposits, certificates of deposits and foreign currency borrowings/swaps.

As on March 31, 1998, outstanding rupee borrowings including bonds, fixed deposits and certificates of



deposits amounted to Rs 16.94 bn. During the year, Bank raised US\$ 75.0 mn. by way of medium term syndicated loans. As on March 31, 1998, Bank had a pool of foreign currency resources equivalent to US\$ 375.1 mn. comprising medium term swaps of US\$ 52.4 mn. and loans of US\$ 322.7 mn. During the year, CRISIL and ICRA reaffirmed 'AAA' rating for Bank's debt instruments. During the year, Bank entered into a currency-cum-interest rate swap of floating rate US\$ funds for JPY 296.0 mn. as part of liability management. This enabled the Bank to on-lend fixed rate JPY to an export oriented unit. Bank also entered into interest rate swap for arranging fixed rate US\$ 1.0 mn. against floating rate US\$ funds for extending

export credits on fixed interest rate basis.

IX. HUMAN RESOURCES DEVELOPMENT

As on March 31, 1998, Bank had a total staff of 151 including 94 professional staff, comprising engineers, economists, bankers, accountants, business school graduates, legal and language experts, library and documentation experts, personnel and computer specialists. The professional team is supported by Administrative Officers. Bank aims at continuous upgradation of skills of its officers. During 1997-98, 93 officers attended training programmes and seminars in India and 15 officers received training abroad. Programmes in

India included project appraisal and follow-up, international banking, credit risk management, documentary credit and other financial instruments, upgradation of computer literacy and self-development programmes. Overseas training programmes included port finance, limited recourse project financing programme conducted by MIGA.

X. PROGRESS IN IMPLEMENTATION OF THE OFFICIAL LANGUAGE POLICY

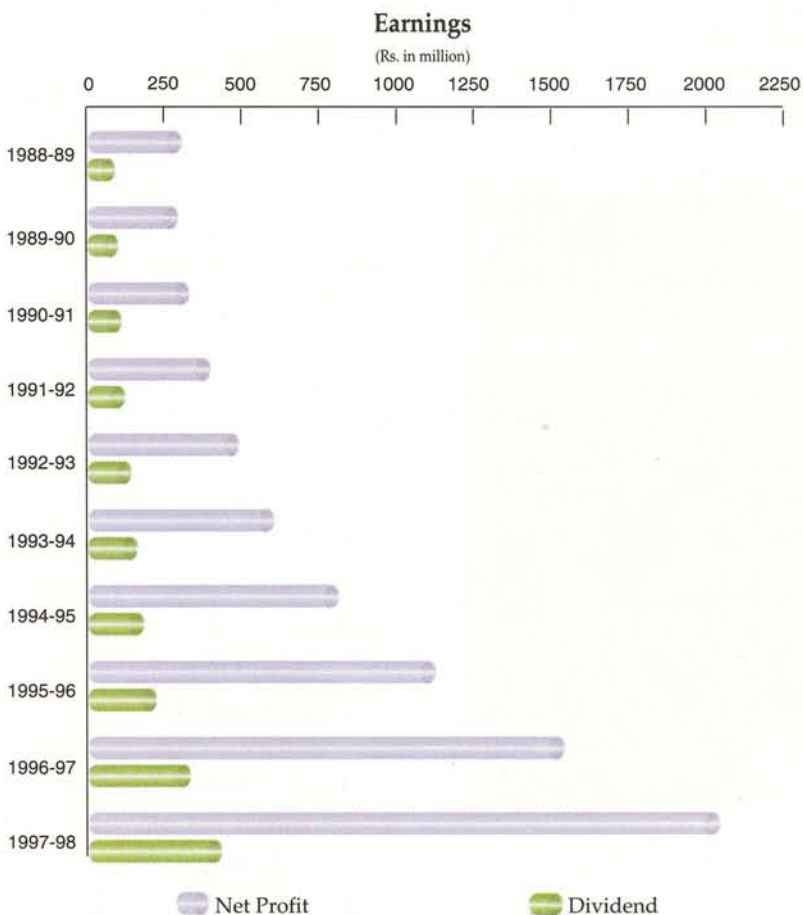
Bank's efforts aimed at accelerating the use of Hindi for official purposes received recognition from the Bank Nagar Rajbhasha Karyanvayan Samiti, Mumbai, constituted under the auspices of Department of Official Language, Ministry of Home Affairs, Government of India, as Exim Bank's Head Office was declared first for commendable performance in implementing Hindi among all Financial Institutions for the year 1995-96 and was presented a shield. Bank's Calcutta Office received certificate for the best performance in 1996 from the Bank Nagar Rajbhasha Karyanvayan Samiti, Calcutta, for the best performance during 1996 in implementing Hindi in category 'C'. Bank's House Magazine 'EXIMIUS', received third prize from Government of India, Ministry of Home Affairs, Department of Official Language for its September 1995 special issue in Hindi. Hindi versions of standard communications/loan agreements

and other documents were provided to the officers. Sixteen Hindi workshops were organised during the year for imparting training in Hindi noting and drafting to officers of the Bank. Administrative Officers were imparted training to work in Hindi on computers. A scheme offering incentives aimed at encouraging officers to use Hindi in their day-to-day work is in place in the Bank. Three officers were awarded prizes under the scheme. Another scheme to encourage non-Hindi knowing officers to learn Hindi is also in place in the Bank. One officer was presented cash award under this scheme for passing Hindi examination. Check-points are

in place to ensure compliance with the Official Language Policy and to achieve targets fixed in the Annual Programme.

In compliance with the provisions of Section 3(3) of the Official Languages Act, circulars, press releases and reports were issued in Hindi and English. Loan Agreements were executed, both in Hindi and English. All letters received in Hindi were replied to in Hindi. Apart from literature on Bank's operations and procedures, Annual Commencement Day Lecture and Occasional Papers were published in Hindi.

In pursuance of Government's directives, a Hindi fortnight commencing from September 12,



1997 was celebrated. As a part of this celebration, Shri Amol Palekar, a well known cine artiste and director gave a talk in Hindi. An exhibition of Bank's Hindi publications was organised on this occasion. Bank participated in Hindi day/fortnight celebrations jointly organised under the auspices of the Town Official Language Implementation Committees of Public Sector Banks in the cities where Bank's offices are located. Hindi version of the 'Eximius : Export Advantage', a quarterly publication of the Bank, is being published under the title 'Eximius: Niryat Labh'. Bank's in-house magazine 'Eximius' has a Hindi section. A special Hindi issue of the 'Eximius' for the quarter ended September 1997 was published, covering a wide range of subjects relating to economy, finance

and latest trends and developments in Hindi literature. Cash awards were presented to two officers of the Bank for best contributions in Special Hindi issue of 'Eximius'. In pursuance of Government policy regarding progressive use of Hindi and to achieve targets fixed in the Annual Programme for 1997-98, new books on technical and other subjects as well as classical and contemporary literature were added to the Bank's Library.

XI. REPRESENTATION OF SCHEDULED CASTES, SCHEDULED TRIBES AND OTHER BACKWARD CLASSES

Bank, with a total staff strength of 151 as on March 31, 1998 has 22 Scheduled Caste, 9 Scheduled Tribe and 7 Other Backward Class staff members. Bank provided training in computers and other areas to these staff members. Bank continues to grant scholarships for scheduled caste and scheduled tribe students at the Indian Institute of Management, Lucknow and the Indian Institute of Foreign Trade, New Delhi.

ACKNOWLEDGEMENTS

Bank has developed useful relationships, both structured and informal with agencies involved in promotion of Indian exports. EU Chambers of Commerce, FICCI, ASSOCHAM, CII, EEPC, other Export Promotion Councils and Chambers of Commerce at various centres have been a valuable source of learning and support in the Bank's work. Bank has also received

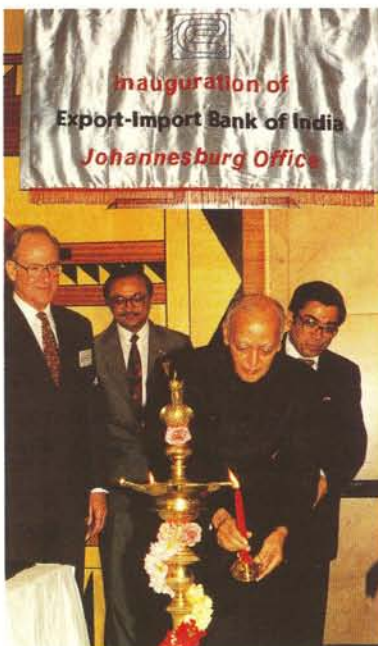
strength and value from interactions with industry, banks, financial institutions, Export Credit Guarantee Corporation of India Ltd., Ministries of Government of India, particularly the parent Ministry of Finance and the Reserve Bank of India in its endeavour to support exports. Bank thanks all multilateral agencies, international banking community and other international institutions for their support.

The staff of the Bank displayed a high level of commitment and dedication to the pursuit of business growth and new initiatives. The participative and professional work culture has consistently remained a source of strength for the Bank.

BOARD OF DIRECTORS

There have been changes on the Board during the year. Shri T.R. Prasad, Secretary, Department of Industrial Policy and Promotion, Ministry of Industry, was appointed Director on the Board. Shri Y.B. Desai was appointed as Managing Director of Export-Import Bank of India on August 25, 1997.

Shri Amar Nath Ram, Secretary, Ministry of External Affairs and Shri Devavrat Mehta, Chairman and Managing Director, Export Credit Guarantee Corporation of India Ltd., relinquished their directorships consequent upon retirement. The Board placed on record the invaluable contributions made by them as Directors.



Opening of Johannesburg Office of the Bank by Mr. L.C. Jain, Indian High Commissioner in South Africa

Balance Sheet as at
March 31, 1998
and
Profit & Loss Account
for 1997-98



Presentation of dividend cheque for 1996-97 to Shri P. Chidambaram, Union Finance Minister



Balance Sheet

as at 31st March, 1998

Liabilities

| | | This Year (As at 31.03.98) | Previous Year (As at 31.03.97) |
|--------------------------------------|-----------|-------------------------------|-----------------------------------|
| | Schedules | Rs | Rs |
| 1. Capital | I | 4,999,918,881 | 4,999,918,881 |
| 2. Reserves | II | 7,056,738,859 | 5,444,630,341 |
| 3. Profit & Loss Account | III | 410,000,000 | 310,000,000 |
| 4. Notes, Bonds & Debentures | | 8,266,745,800 | 9,164,617,301 |
| 5. Bills Payable | | — | — |
| 6. Deposits | IV | 371,121,000 | 659,577,000 |
| 7. Borrowings | V | 21,808,381,509 | 20,352,428,925 |
| 8. Current Liabilities & Provisions | | 4,824,731,489 | 4,631,906,419 |
| 9. Other Liabilities | | 4,380,394,155 | 3,766,194,238 |
| 10. Reserve for possible loan losses | | — | — |
| | Total.. | 52,118,031,693 | 49,329,273,105 |

Contingent Liabilities

| | | |
|---|----------------|----------------|
| (i) Acceptances, Guarantees, endorsements & other obligations | 12,093,988,100 | 10,214,736,900 |
| (ii) On outstanding forward exchange contracts | — | — |
| (iii) On underwriting commitments | — | 19,037,250 |
| (iv) Uncalled Liability on partly paid investments | 11,850,000 | 10,785,000 |
| (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 | — | — |

- Notes: 1. As Exim Bank is acting only in the capacity of an agency to facilitate certain transactions relating to Indian contractors, foreign currency bank balances equivalent to Rs 26,043,169,883 (Previous year Rs 23,115,554,028) held on agency account including a sum of Rs 21,960,490,934 assigned to GOI and the corresponding amounts payable, subject to fulfilment of certain conditions, are not included in the above Balance Sheet.
2. Other Liabilities include Rs 2,190,273,577 (Previous year Rs 1,743,900,960) being Reserve for Exchange Fluctuations in respect of foreign currency assets.
3. Previous year's figures have been regrouped, wherever necessary.

General Fund

Assets

| | | This Year (As at 31.03.98) | Previous Year (As at 31.03.97) |
|--|-----------|-------------------------------|-----------------------------------|
| | Schedules | Rs | Rs |
| 1. Cash & Bank Balances | VI | 4,470,867,207 | 6,436,832,918 |
| 2. Investments | VII | 6,424,778,820 | 6,344,994,241 |
| 3. Loans & Advances | VIII | 38,775,939,432 | 34,513,335,398 |
| 4. Bills Purchased, Discounted, Rediscounted | IX | 390,000,000 | — |
| 5. Fixed Assets | X | 250,121,780 | 267,395,263 |
| 6. Other Assets | XI | 1,806,324,454 | 1,766,715,285 |
| 7. Profit & Loss Account | | — | — |
| | Total.. | 52,118,031,693 | 49,329,273,105 |

For and on behalf of Board of Directors

T. C. Venkat Subramanian
Executive Director

Y. B. Desai
Managing Director

A. T. Pannir Selvam
Director

As per our attached report of even date

Haribhakti & Co.
Chartered Accountants

New Delhi,
Dated: 23rd April, 1998.



Profit & Loss Account

for the year ended 31st March, 1998

Expenditure

| | This Year | Previous Year |
|--|---------------|---------------|
| | Rs | Rs |
| 1. Interest | 2,809,414,905 | 2,620,578,936 |
| 2. Credit Insurance (including Guarantee Fee) | 14,632,164 | 17,266,828 |
| 3. Staff Salaries, Allowances etc. and Terminal Benefits | 37,261,348 | 32,800,865 |
| 4. Directors' and Committee Members' Fees and Expenses | 85,699 | 136,314 |
| 5. Audit Fees | 75,000 | 75,000 |
| 6. Rent, Taxes, Electricity and Insurance Premia | 30,670,091 | 30,250,781 |
| 7. Postage, Telegrams and Telex | 12,934,171 | 11,543,463 |
| 8. Legal Expenses | 3,403,910 | 2,380,297 |
| 9. Other Expenses | 95,273,913 | 90,843,937 |
| 10. Depreciation | 31,255,178 | 30,027,201 |
| 11. Transferred to Reserve for possible loan losses | — | — |
| 12. Profit carried to Balance Sheet | 2,016,471,535 | 1,516,147,254 |
| Total.. | 5,051,477,914 | 4,352,050,876 |

Note: Previous year's figures have been regrouped wherever necessary.

Report of the Auditors

We have audited the attached Balance Sheet of General Fund of Export-Import Bank of India as at 31st March, 1998 and also the Profit and Loss Account of General Fund of the Bank for the year ended on that date annexed thereto and report that:

1. We have 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.
2. In our opinion, the Balance Sheet and the Profit and Loss Account are properly drawn up in accordance with the requirements of the Export-Import Bank of India Act, 1981 and the Regulations framed thereunder.
3. In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet is a full and fair Balance Sheet containing all the necessary particulars and is properly drawn up so as to exhibit a true and fair view of the state of affairs of the General Fund of the Bank as at 31st March, 1998.

New Delhi,
Dated: 23rd April, 1998.

Haribhakti & Co.
Chartered Accountants

General Fund

Income

| | This Year | Previous Year |
|---|----------------------|----------------------|
| | Rs | Rs |
| (Less provision made during the year for bad and doubtful debts and other usual and necessary provisions) | | |
| 1. Interest and Discount | 4,846,142,961 | 4,213,913,700 |
| 2. Exchange, Commission, Brokerage and Fees | 196,654,867 | 121,271,915 |
| 3. Other Income | 8,680,086 | 16,865,261 |
| 4. Loss carried to Balance Sheet | — | — |
| Total.. | <u>5,051,477,914</u> | <u>4,352,050,876</u> |

For and on behalf of Board of Directors

T. C. Venkat Subramanian
Executive Director

Y. B. Desai
Managing Director

A. T. Pannir Selvam
Director

As per our attached report of even date

Haribhakti & Co.
Chartered Accountants

New Delhi,
Dated: 23rd April, 1998.



Schedules to the Balance Sheet

as at 31st March, 1998

| | This Year (As at 31.03.98) | Previous Year (As at 31.03.97) |
|---|-------------------------------|-----------------------------------|
| Schedule I : Capital : | Rs | Rs |
| 1. Authorised | 5,000,000,000 | 5,000,000,000 |
| 2. Issued and Paid-up (Wholly subscribed by the Central Government) | 4,999,918,881 | 4,999,918,881 |
| Schedule II : Reserves : | | |
| 1. Reserve Fund | 5,743,926,589 | 4,237,455,054 |
| 2. General Reserve | — | — |
| 3. Other Reserves : | | |
| Export Promotion Reserve | 709,116,768 | 629,921,537 |
| Reserve for Guarantee cum Refinance Programme | 72,500,000 | 72,500,000 |
| Capital Reserve Account | 254,753,750 | 254,753,750 |
| Sinking Fund (Lines of Credit) | 276,441,752 | 250,000,000 |
| | 7,056,738,859 | 5,444,630,341 |
| Schedule III : Profit & Loss Account : | | |
| 1. Balance as per annexed accounts | 2,016,471,535 | 1,516,147,254 |
| 2. Less: Appropriations: | | |
| Transferred to Reserve Fund | 1,506,471,535 | 1,131,147,254 |
| Transferred to Export Promotion Reserve | 100,000,000 | 75,000,000 |
| Transferred to Reserve for Guarantee cum Refinance Programme | — | — |
| 3. Balance of the net profits (Transferable to the Central Government in terms of Section 23(2) of the EXIM Bank Act, 1981) | 410,000,000 | 310,000,000 |
| Schedule IV : Deposits : | | |
| (a) In India | 371,121,000 | 659,577,000 |
| (b) Outside India | — | — |
| | 371,121,000 | 659,577,000 |
| 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 | 8,070,000,000 | 8,520,000,000 |
| 2. From Government of India | 228,833,334 | 286,666,667 |
| 3. From Other Sources: | | |
| (a) In India | — | — |
| (b) Outside India | 13,509,548,175 | 11,545,762,258 |
| | 21,808,381,509 | 20,352,428,925 |
| Schedule VI : Cash & Bank Balances : | | |
| 1. Cash in Hand | 74,534 | 40,284 |
| 2. Balance with Reserve Bank of India | 11,968,311 | 1,357,158 |
| 3. Balances with other Banks: | | |
| (a) In India | 2,268,441,577 | 1,780,389,826 |
| (b) Outside India | 2,140,382,785 | 4,605,045,650 |
| 4. Money at call and short notice | 50,000,000 | 50,000,000 |
| | 4,470,867,207 | 6,436,832,918 |

General Fund

| | This Year (As at 31.03.98) | Previous Year (As at 31.03.97) |
|--|-------------------------------|-----------------------------------|
| Schedule VII : Investments : | Rs | Rs |
| 1. Securities of Central and State Governments- at cost or market value whichever is less | 3,059,452,900 | 2,354,829,821 |
| 2. Equity Shares & Stocks | 355,357,720 | 421,049,420 |
| 3. Preference Shares and Stocks | — | — |
| 4. Notes, Bonds and Debentures | 39,328,200 | 155,475,000 |
| 5. Others | 2,970,640,000 | 3,413,640,000 |
| | <u>6,424,778,820</u> | <u>6,344,994,241</u> |
| Schedule VIII : Loans & Advances : | | |
| 1. Foreign Governments | 1,071,970,273 | 1,054,558,398 |
| 2. Banks : | | |
| (a) In India | 1,794,278,361 | 2,751,851,097 |
| (b) Outside India | 3,146,301,960 | 3,062,492,005 |
| 3. Financial Institutions : | | |
| (a) In India | — | — |
| (b) Outside India | 47,714,903 | 71,520,730 |
| 4. Others | 32,715,673,935 | 27,572,913,168 |
| | <u>38,775,939,432</u> | <u>34,513,335,398</u> |
| Schedule IX : Bills Purchased, Discounted, Rediscounted : | | |
| (a) In India | 390,000,000 | — |
| (b) Outside India | — | — |
| | <u>390,000,000</u> | <u>—</u> |
| Schedule X : Fixed Assets : (At cost less depreciation) | | |
| 1. Premises | 231,214,578 | 240,812,065 |
| 2. Others | 18,907,202 | 26,583,198 |
| | <u>250,121,780</u> | <u>267,395,263</u> |
| Schedule XI : Other Assets : | | |
| 1. Accrued interest on investments and on loans | 1,530,312,951 | 1,464,118,617 |
| 2. Prepaid insurance premium - paid to Export Credit Guarantee Corpn. of India Ltd. | 21,134,568 | 24,497,963 |
| 3. Deposits with sundry parties | 4,829,316 | 5,166,558 |
| 4. Others (including due from GOI against disbursement for EMF Rs 81,645,697) | 250,047,619 | 272,932,147 |
| | <u>1,806,324,454</u> | <u>1,766,715,285</u> |



Balance Sheet

as at 31st March, 1998

Liabilities

| | This Year (As at 31.03.98) | Previous Year (As at 31.03.97) |
|-------------------------------------|-------------------------------|-----------------------------------|
| | Rs | Rs |
| 1. Loans : | | |
| (a) From Government | — | — |
| (b) From Other Sources | — | — |
| 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 | 8,505,318 | — |
| 5. Profit and Loss Account | 71,290,692 | 53,045,695 |
| Total.. | <u>208,103,797</u> | <u>181,353,482</u> |

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 | — | — |

Export Development Fund

Assets

| | This Year (As at 31.03.98) | Previous Year (As at 31.03.97) |
|--------------------------------|-------------------------------|-----------------------------------|
| | Rs | Rs |
| 1. Bank Balances | 188,968,438 | 171,432,333 |
| 2. Investments | — | — |
| 3. Loans & Advances: | | |
| (a) In India | — | — |
| (b) Outside India | 8,505,318 | 9,412,818 |
| 4. Bills Purchased/Discounted: | | |
| (a) In India | — | — |
| (b) Outside India | — | — |
| 5. Other Assets | 10,630,041 | 508,331 |
| 6. Profit & Loss Account | — | — |
| Total.. | 208,103,797 | 181,353,482 |

For and on behalf of Board of Directors

T. C. Venkat Subramanian
Executive Director

Y. B. Desai
Managing Director

A. T. Pannir Selvam
Director

As per our attached report of even date

Haribhakti & Co.
Chartered Accountants

New Delhi,
Dated: 23rd April, 1998.



Profit & Loss Account

for the year ended 31st March, 1998

Expenditure

| | This Year | Previous Year |
|------------------------------------|------------|---------------|
| | Rs | Rs |
| 1. Interest | — | — |
| 2. Other Expenses | — | — |
| 3. Profit carried to Balance Sheet | 18,244,997 | 53,045,695 |
| Total.. | 18,244,997 | 53,045,695 |

Report of the Auditors

We have audited the attached Balance Sheet of Export Development Fund of Export-Import Bank of India as at 31st March, 1998 and also the Profit and Loss Account of Export Development Fund of the Bank for the year ended on that date annexed thereto and report that:

1. We have 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.
2. In our opinion, the Balance Sheet and the Profit and Loss Account are properly drawn up in accordance with the requirements of the Export-Import Bank of India Act, 1981 and the Regulations framed thereunder.
3. In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet is a full and fair Balance Sheet containing all the necessary particulars and is properly drawn up so as to exhibit a true and fair view of the state of affairs of the Export Development Fund of the Bank as at 31st March, 1998.

New Delhi,
Dated: 23rd April, 1998

Haribhakti & Co.
Chartered Accountants

Export Development Fund

Income

This Year

Previous Year

| | Rs | Rs |
|---|------------|------------|
| (Less provision made during the year for bad and doubtful debts and other usual and necessary provisions) | | |
| 1. Interest and Discount | 18,244,997 | 53,045,695 |
| 2. Exchange, Commission, Brokerage and Fees | — | — |
| 3. Other Income | — | — |
| 4. Loss carried to Balance Sheet | — | — |
| Total.. | 18,244,997 | 53,045,695 |

For and on behalf of Board of Directors

T. C. Venkat Subramanian
Executive Director

Y. B. Desai
Managing Director

A. T. Pannir Selvam
Director

As per our attached report of even date

Haribhakti & Co.

Chartered Accountants

New Delhi,

Dated: 23rd April, 1998.



Significant Accounting Policies

(i) Financial Statements

Balance Sheet and Profit and Loss account of Export-Import Bank of India have been prepared in accordance with the accounting principles followed in India and these are also generally consistent with the international accounting standards. The form and manner in which the Balance Sheet and the Profit and Loss Account of Exim Bank are prepared have been provided in Export-Import Bank of India General Regulations, 1982 approved by 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).

(ii) Revenue Recognition

(a) Income/Expenditure is recognised on accrual basis except in respect of penal interest and commitment charges, which are accounted on cash basis.

Discount/redemption premium offered on Exim Bank Bonds has been amortised over the tenure of the bond and included in interest expenses.

(b) Interest & Discount is stated at Gross Interest less interest on Non-Performing Assets (NPAs). NPAs are determined as per Reserve Bank of India (RBI) guidelines issued to All-India Term Lending Institutions.

(iii) Asset Classification and Provisioning

Loans and Advances shown in Balance Sheet comprise only principal outstandings. Interest receivables are grouped under "other assets."

Loan Assets are classified in 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. Provisions for funded facilities are made as per RBI guidelines issued to All-India Term Lending Institutions.

(iv) Investments

Bank's investments are stated at cost or market value whichever is lower. Depreciation, if any, on investments is fully provided for.

(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 over twenty years on owned buildings, and over four years on other assets.

(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 deficiency is adjusted in Revenue Account.

(vi) Accounting for Foreign Currency Transactions

(a) Foreign currency liabilities and foreign currency assets of the Bank are converted at the market exchange rate prevailing on the date of Balance Sheet (in accordance with RBI guidelines).

(b) Assets and Liabilities pertaining to overseas Representative Offices of the Bank are translated at the exchange rate as on the date of the Balance Sheet. Their income and expenses are translated at average exchange rate of remittances.

(c) The Exchange difference, if any, arising out of the translations at (a) and (b) above is debited/credited to "Reserve for Exchange Rate Fluctuations" except on account of medium/long term currency swaps where the exchange difference is grouped under "Other Assets/Other Liabilities".

(d) Exchange income in respect of loans, advances designated for repayment in foreign currency is recognised only in the year of final repayment.

(vii) Guarantees

(a) Expired guarantees are included as Contingent Liabilities till return and cancellation of original documents.

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

(viii) Provision for Terminal Benefits of Employees

The Bank has set up separate Provident Fund and Gratuity Fund which are recognised by Commissioner of Income-Tax. Liability towards Gratuity is estimated on actuarial basis and the amount is transferred to Gratuity Fund every year.

The Management Team



Sitting from Left to Right :

T.C. Venkat Subramanian, Executive Director

Y.B. Desai, Managing Director

Standing from Left to Right:

S. Sarkar, Deputy General Manager

P.A. Makwana, Deputy General Manager

R.M.V. Raman, General Manager

Ms. H.S. Advani, Deputy General Manager

N.E. Ookabhoy, Deputy General Manager

K.S. Gaikwad, General Manager

S. Sridhar, General Manager



Our Representatives



New Delhi
S. R. Rao



Calcutta
S. Bhattacharyya



Chennai
R.W. Khanna



Mumbai
A.M. Sonmale



Bangalore
D.G. Prasad



Ahmedabad
K. Muthukumaran



Washington D.C.
Anup Hiranandani



Singapore
R. Venkateswaran



Budapest
Sameer Contractor



Rome
John Mathew



Johannesburg
P.R. Dalal



The Exim Bank aims to promote India's international trade. The Logo reflects this. The Logo has a two-way significance. The import arrow is thinner than the export arrow. It also reflects the aim of value addition to exports.

Objectives

The Export-Import Bank of India was established "for providing financial assistance to exporters and importers, and for functioning as the principal institution for co-ordinating the working of institutions engaged in financing export and import of goods and services with a view to promoting the country's international trade ..."

: The Export-Import Bank of India Act, 1981.

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