EXIM (Export and Import Bank of India)

Brought into being in 1982 by the Government of India under the Export-Import Act, 1981, the Export and Import Bank of India is a key player in the financial services and products sector of the country. With an objective to provide financial assistance, promote trade, and motivating overseas entities to invest in the country, the bank primarily focuses on lending for promoting the exports of the country for encouraging the buyers outside India and Indian suppliers. Let's now dive into knowing the EXIM Bank, the reason behind its set up, its history, functions and more.

History of the Export and Import Bank of India

There was a need of a dedicated export financing individual in the country for the past twenty years before the bank was finally established. Not just thus, by the 1980s, project exports were increasing significantly, so did the urgency of a supporter did. As a solution to these problems, the EXIM Bank of India was set up to put an end to this never-ending debate. Immediately after its establishment in 1982, Shri R.C. Shah was appointed as the first chairman and managing director of the bank. Currently, Ms Harsha Bangari is the Managing Director of the Bank since 2021.

Constitution of the Bank

The Bank's organizational structure mainly consists of four units, namely:

- **Board of Directors**: Known to be the highest decision-making body in the bank, a managing director, a chairman, executive directors, and the non-executive directors make up the Board of Directors.
- **Senior Management**: Overlooking the everyday operations the in management, the Senior Management is constituted by the chairman, managing director, and general managers.
- **Business Divisions**: To move forward with its products and services, the bank's business divisions include corporate banking, SMEs, Risk Management, project finance, lines of credit, treasury, export services, apart from others.
- **Offices**: The bank has nine regional offices spread across the country, and six overseas representative offices.

Functions of the EXIM

The Bank mainly works in two domains- products and services. Under the product umbrella, it provides financial aids such as:

- **Corporate Banking**: The Bank extends many financing programs with an aim to increase the export ability of Indian companies

- **Lines of Credit**: Indian Exporters can avail a line of credit by the bank to expand to new areas
- **Buyer's Credit**: Not just encouraging the export side of the country, the bank also offers credit facilities to overseas buyers to motivate them to import goods from India
- **Overseas Investment Finance**: The Bank helps Indian companies to invest in their joint ventures or companies outside the country by providing term loans to them
- **Project Financing**: Indian Exporters need not to worry about getting funded for their projects as the bank finances export-oriented projects

Moving from the product functions of the bank to the services, the bank offers various ones, including:

- **Export Advisory Services**: Exporters can take help of the bank by gaining information, advices, and support from the bank to help themselves in realms like risk evaluation, competition, and more
- **Analysis and Research**: The Bank researches domains like international economics, profiles and more which helps It to identify risks and gain more information on the subject
- **Marketing Advisory Services**: One of the main obstacles an Indian exporter faces is finding distributors in other countries to help them expand their business. They often spend much time and efforts in locating partners overseas. This problem is solved by the bank as it helps exporters in India to pin point distributors across the globe
- **Personnel Training**: Apart from providing financial products and services to Indian Businesses, the bank also offers trainings and workshops to add to their export capabilities and enhance their businesses

Summing up

The Export and Import Bank of India solved the long-going problem of exporters trying to find a financer for their project, or being able to locate partners abroad, or even get them equipped with the relevant knowledge needed to excel in the export marketing before finally stepping in. Currently headquartered in Mumbai and headed by the managing director Harsha Bangari, the EXIM Bank offers financial products like lines of credit, financing projects, buyer's credit, including others, and services like export advisory, personnel training, marketing advisory, research and more. This is a great aid for exporters in India to expand their ventures across the globe.