

About Export-Import Bank of India (EXIM Bank)

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About Export-Import Bank of India (EXIM Bank):

- It is the **premier export finance institution of the country**.
- **It was established** by the Government of India, **under the Export-Import Bank of India Act, 1981**
- EXIM Bank **wholly owned by the Government of India**.
- **Services:**
 - EXIM Bank **provides financial assistance to exporters and importers**.
 - It **extends Lines of Credit (LOCs) to overseas financial institutions, regional development banks, sovereign governments and other entities overseas**, to enable buyers in those countries **to import** developmental and infrastructure projects, equipment, **goods and services from India, on deferred credit terms**.
 - It functions as the **principal financial institution for coordinating the work of institutions engaged in financing export and import** of goods and services with a view to promoting the country's international trade.
- **Structure:**

- The operations of the Bank are **governed by a Board of Directors**.
- The Board of Directors **consists of a chairman, a managing director, two deputy managing directors; one director** each nominated by the Reserve Bank of India; IDBI Bank Ltd. and ECGC Ltd.; and **not more than 12 directors nominated by the Central Government**.

What is a Line of Credit (LoC)?

- It is a **preset borrowing limit that can be tapped into at any time**.
- All LOCs **consist of a set amount of money that can be borrowed as needed, paid back, and borrowed again**.
- The borrower **can take money out as needed until the limit is reached**.
- As money is repaid, it can be borrowed again in the case of an open line of credit.

Q1) What is a Line of Credit (LoC)?

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Source: [Future LoCs to Africa could cover defence, says EXIM Bank MD](#)

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