IMPORTANT NOTICE

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(2) NON-U.S PERSONS (AS DEFINED IN REGULATION S (AS DEFINED BELOW)), PURCHASING THE SECURITIES OUTSIDE THE UNITED STATES (U.S.) IN AN OFFSHORE TRANSACTION IN RELIANCE ON REGULATION S. NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE U.S.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the supplemental offering circular dated January 10, 2023 (together with the offering circular dated July 7, 2022, the "**Offering Circular**") following this page, and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of this Offering Circular. In accessing this Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE U.S. OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND THE NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

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Confirmation of the Representation: In order to be eligible to view this Offering Circular or make an investment decision with respect to the securities, investors must be either (1) qualified institutional buyers ("**QIBs**") (within the meaning of Rule 144A under the Securities Act ("**Rule 144A**")) or (2) non-U.S. persons eligible to purchase the securities outside of the U.S. in an offshore transaction in reliance on Regulation S under the Securities Act ("**Regulation S**"). By accepting the electronic mail and accessing this Offering Circular, you shall be deemed to have represented to us (1) that you and any customers you represent are either (a) QIBs or (b) non-U.S. persons eligible to purchase the securities outside the U.S. in an offshore transaction in reliance on Regulation S under the Securities Act and that the electronic mail address that you gave us and to which this electronic mail has been delivered is not located in the U.S., and (2) that you consent to the delivery of this Offering Circular by electronic transmission.

Important Notice to Prospective Investors

Prospective investors should be aware that certain intermediaries in the context of certain offerings of Notes pursuant to this Program (each such offering a "**CMI Offering**"), including certain Dealers, may be "capital market intermediaries" ("**CMIs**") subject to Paragraph 21 of the Hong Kong Securities and Futures Commission Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "**SFC Code**"). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as "overall coordinators" (together, the "**OCs**") for a CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an association ("**Association**") with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the relevant Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any relevant Dealer, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Dealer or its group company has more than 50% interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". If a prospective investor is otherwise affiliated with any relevant Dealer, such that its order may be considered to be a "proprietary order" (pursuant to the SFC Code), such prospective investor should indicate to the Dealer when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to the relevant CMI Offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the relevant Dealers and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. Failure to provide such information may result in that order being rejected.

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This Offering Circular has not been and will not be registered, produced or made available to all as an offer document under applicable Indian securities laws or filed with the Reserve Bank of India ("RBI"), or the Securities and Exchange Board of India ("SEBI"), or any registrar of companies ("RoC") or any other statutory, regulatory or adjudicatory body of like nature in India or any Indian stock exchanges, save and except for any information from any part of this Offering Circular which is mandatorily required to be disclosed or filed in India under any applicable Indian securities laws, including, but not limited to, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended from time to time, and under the listing agreements with any Indian stock exchanges pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time, or pursuant to the directives of any statutory, regulatory and adjudicatory body in India. The securities will not be offered or sold and have not been offered or sold, in India by means of any document or otherwise, whether as a principal or agent. The securities have not been offered or sold, and will not be offered or sold to any person, in India in circumstances which would constitute an advertisement, invitation, offer, sale or solicitation of an offer to subscribe for or purchase any securities (whether to the public or by way of private placement) within the meaning of the Companies Act, 2013, as amended from time to time, along with the rules framed thereunder, or any other applicable Indian securities laws for the time being in force.

Supplemental Offering Circular

Export-Import Bank of India

(established in the Republic of India under The Export-Import Bank of India Act, 1981)

U.S.$10,000,000,000 Global Medium Term Note Program

This Supplemental Offering Circular is supplemental to, and should be read in conjunction with, the Offering Circular dated July 7, 2022 (the "**Original Offering Circular**" and, together with this Supplemental Offering Circular, the "**Offering Circular**") and all documents which are deemed to be incorporated therein by reference in relation to the U.S.$10,000,000,000 Medium Term Note Program (the "**Program**") of Export-Import Bank of India (the "**Issuer**" or the "**Bank**").

Words and expressions defined in the Original Offering Circular shall have the same meanings where used in this Supplemental Offering Circular unless the context otherwise requires or unless otherwise stated herein.

The Issuer accepts responsibility for the information contained in the Offering Circular. Having taken all reasonable care to ensure that such is the case, the information contained in the Offering Circular is, to the best of the Issuer's knowledge, in accordance with the facts and contains no omission likely to affect its import. The Issuer, having made all reasonable enquiries, confirms that the Offering Circular contains or incorporates all information which is material in the context of the Program and the Notes, that the information contained or incorporated in the Offering Circular is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in the Offering Circular are honestly held and that there are no other facts the omission of which would make the Offering Circular or any of such information or the expression of any such opinions or intentions misleading. The Issuer accepts responsibility accordingly.

To the fullest extent permitted by law, none of the Arrangers or the Dealers accept any responsibility for the contents of this Offering Circular or for any other statement, made or purported to be made by the Arrangers or a Dealer or on its behalf in connection with the Issue or the issue and offering of any Notes under the Program. The Arrangers and each Dealer accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Offering Circular or any such statement.

This Supplemental Offering Circular has not been and will not be registered or published as a prospectus or a statement in lieu of a prospectus with the Registrar of Companies, the Securities and Exchange Board of India or any other statutory or regulatory body of like nature in India in respect of a public offer or information memorandum or other offering material in respect of any private placement of securities under the Companies Act, 2013, as amended from time to time, and the rules framed thereunder or any other applicable Indian securities laws. This Supplemental Offering Circular has not been and will not be reviewed or approved by any regulatory authority in India, including, but not limited to, the Securities and Exchange Board of India, any Registrar of Companies, the Reserve Bank of India, or any stock exchanges in India. This Supplemental Offering Circular and the Notes are not and should not be construed as an advertisement, invitation, offer or sale of any securities to the public or any person resident in India. The Notes have not been and will not be, offered or sold to any person resident in India.

The date of this Supplemental Offering Circular is January 10, 2023

Arrangers and Dealers

Barclays **Citi**

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CAPITALISATION OF THE BANK

The following table sets forth the capitalization and indebtedness of the Bank as of September 30, 2022. This table should be read in conjunction with the Bank's financial statements as of September 30, 2022 and the schedules and notes presented elsewhere herein.

	As of September 30, 2022	
	(unaudited)	
	(₹ in million)	*(U.S.$ in million)*[1]
Short-Term Debt[2][3]:		
Short-Term Debt (Rupee)	206,742.18	2,541.55
Short-Term Debt (Foreign Currency)	112,720.57	1,385.71
Total Short-Term Debts (a)	319,462.76	3,927.26
Long-Term Debt:		
Long-Term Debt (Rupee)	278,779.17	3,427.12
Long-Term Debt (Foreign Currency)	579,917.38	7,129.11
Total Long-Term Debts (b)	858,696.54	10,556.23
Total Debt (c) = (a+b)	1,178,159.30	14,483.49
Capital and Reserves:		
Paid-up Capital	159,093.66	1,955.79
Reserve Fund	15,647.55	192.36
Other Reserve	3,894.62	47.88
Special Reserve	13,640.00	167.68
Total Capital and Reserves (d)	192,275.83	2,363.71
Total Capitalization[4] = (b) + (d)	1,050,972.38	12,919.94

Notes:

(1) For figures as of September 30, 2022, U.S. dollar translations have been made using the exchange rate reported by the Foreign Exchange Dealer's Association of India on September 30, 2022, which was ₹81.3450=U.S.$1.00.

(2) In case of rupee borrowings, short-term debt relates to debt raised with original maturity up to one year.

(3) In case of foreign currency borrowings, short-term debt is defined as debt raised with original maturity of up to three years.

(4) Capitalization excludes short-term debt.

RECENT DEVELOPMENTS

Six Months of Fiscal 2023 Performance Highlights

For figures as of and for the six months ended September 30, 2022, U.S. dollar translations have been made using the exchange rate reported by the Foreign Exchange Dealer's Association of India on September 30, 2022 which was ₹81.3450=U.S.$1.00.

	Six Months Ended September 30,		
	2021	**2022**	**% change**
	(₹ in millions, except percentages)		
Net interest income	14,166.02	15,435.52	8.96
Non-interest income	1,633.90	2,415.75	47.85
Non-interest expense	1,649.47	1,930.48	17.04
Operating income	15,799.92	17,851.27	12.98
Total income	40,586.77	47,693.79	17.51
Operating profit	14,150.45	15,920.79	12.51
Provisions and contingencies (including tax provision)	9,479.81	4,293.40	(54.71)
Net interest margin	2.02%	2.08%	0.06%
Net profit after tax	3,010.02	8,555.27	184.23

Net Interest Income

Net interest income increased by ₹1,269.50 million, or 8.96%, from ₹14,166.02 million for the six months ended September 30, 2021 to ₹15,435.52 million (U.S.$189.75 million) for the six months ended September 30, 2022, primarily as a result of higher increase in interest income as compared to increase in interest cost.

Non-Interest Income

Non-interest income increased by ₹781.85 million, or 47.85%, from ₹1,633.90 million for the six months ended September 30, 2021 to ₹2,415.75 million (U.S.$29.70 million) for the six months ended September 30, 2022, primarily as a result of an increase in fee-based income and income from exchange rate translation.

Non-Interest Expense

Non-interest expense increased by ₹281.01 million, or 17.04%, from ₹1,649.47 million for the six months ended September 30, 2021 to ₹1,930.48 million (U.S.$23.73 million) for the six months ended September 30, 2022, primarily as a result of an increase in administrative expenses owing to the post-pandemic normalization of business activities during the six months ended September 30, 2022.

Operating Income

Operating income (comprising of net interest income and non-interest income) increased by ₹2,051.35 million, or 12.98%, from ₹15,799.92 million for the six months ended September 30, 2021 to ₹17,851.27 million (U.S.$219.45 million) for the six months ended September 30, 2022, primarily as a result of increases in both net interest income and non-interest income.

Total Income

The Bank's total income increased by ₹7,107.02 million, or 17.51%, from ₹40,586.77 million for the six months ended September 30, 2021 to ₹47,693.79 million (U.S.$586.31 million) for the six months ended September 30, 2022, primarily as a result of an increase in loan assets owing to the post-pandemic recovery in economic activities and a significant increase in the average 6-months USD LIBOR which is used as the interest basis in a majority of the Bank's loan portfolio.

Operating Profit

Operating profit (comprising net interest income and non-interest income less operating expenses) increased by ₹1,770.34 million, or 12.51%, from ₹14,150.45 million for the six months ended September 30, 2021 to ₹15,920.79 million (U.S.$195.72 million) for the six months ended September 30, 2022, primarily as a result of greater increases in net interest income and non-interest income as compared to the increase in interest expenses.

Provisions and Contingencies

Provisions and contingencies decreased by ₹5,186.41 million, or 54.71%, from ₹9,479.81 million for the six months ended September 30, 2021 to ₹4,293.40 million (U.S.$52.78 million) for the six months ended September 30, 2022, primarily as a result of a reduction in the provision coverage ratio on NPAs during the six months ended September 30, 2022.

Net Interest Margin

Net interest margin (being interest income on loans and investments deducting interest expense over average gross earning assets (including cash and bank balances, investments, loan assets (including bills rediscounted)) increased by 0.06% from 2.02% for the six months ended September 30, 2021 to 2.08% for the six months ended September 30, 2022, primarily as a result of a greater increase in interest income as compared to the increase in interest expenses.

Net Profit After Tax

As a result of the foregoing, the Bank's net profit after tax amounted to ₹8,555.27 million (U.S.$105.17 million) for the six months ended September 30, 2022 compared to a net profit after tax of ₹3,010.02 million for the six months ended September 30, 2021.

Financial Condition

Assets

The following table shows a breakdown of the components of the Bank's assets as of March 31, 2022 and September 30, 2022.

	As of March 31, 2022	As of September 30, 2022	% change
	(₹ in millions, except percentages)		
Cash and bank balances	32,733.78	41,724.38	27.47
Investments (net)	109,025.26	142,792.25	30.97
Loans and advances (net of provisions)	1,145,615.81	1,235,759.84	7.87
Bills of exchange and promissory notes discounted/rediscounted	30,575.80	21,016.70	(31.26)

	As of March 31, 2022	As of September 30, 2022	% change
	(₹ in millions, except percentages)		
Fixed assets (net)	3,689.34	3,550.20	(3.77)
Other assets	45,775.29	64,799.35	41.56
Total	1,367,415.29	1,509,642.73	10.40

Cash and bank balances increased by ₹8,990.60 million, or 27.47%, from ₹32,733.78 million as of March 31, 2022 to ₹41,724.38 million (U.S.$512.93 million) as of September 30, 2022, primarily as a result of an increase in balances held in bank deposits for immediate debt servicing requirements and treasury management.

Investments (net) increased by ₹33,766.99 million, or 30.97%, from ₹109,025.26 million as of March 31, 2022 to ₹142,792.25 million (U.S.$1,755.39 million) as of September 30, 2022, primarily as a result of increased deployment in investments.

Loans and advances (net of provisions) increased by ₹90,144.03 million, or 7.87%, from ₹1,145,615.81 million as of March 31, 2022 to ₹1,235,759.84 million (U.S.$15,191.59 million) as of September 30, 2022, primarily as a result of an increase in economic activity on account of the easing of COVID-19 pandemic related disruptions.

Bills of exchange and promissory notes discounted/rediscounted decreased by ₹9,559.10 million, or 31.26%, from ₹30,575.80 million as of March 31, 2022 to ₹21,016.70 million (U.S.$258.36 million) as of September 30, 2022, primarily as a result of the ordinary course of business operations.

Fixed assets (net) decreased by ₹139.14 million, or 3.77%, from ₹3,689.34 million as of March 31, 2022 to ₹3,550.20 million (U.S.$43.64 million) as of September 30, 2022, primarily as a result of a marginal increase in accumulated depreciation.

Other assets increased by ₹19,024.06 million, or 41.56%, from ₹45,775.29 million as of March 31, 2022 to ₹64,799.35 million (U.S.$796.60 million) as of September 30, 2022, primarily as a result of an increase in accrued interest on loan assets.

As a result of the foregoing, the Bank's total assets increased by ₹142,227.44 million, or 10.40%, from ₹1,367,415.29 million as of March 31, 2022 to ₹1,509,642.73 million (U.S.$18,558.52 million) as of September 30, 2022.

Liabilities

The following table shows a breakdown of the components of the Bank's liabilities as of March 31, 2022 and September 30, 2022.

	As of March 31, 2022	As of September 30, 2022	% change
	(₹ in millions, except percentages)		
Capital	159,093.66	159,093.66	—
Reserves	33,182.17	33,182.17	—
Profit and loss account	737.60	8,555.27	1,059.88

	As of March 31, 2022	As of September 30, 2022	% change
	(₹ in millions, except percentages)		
Notes, bonds and debentures	911,445.74	897,715.50	(1.51)
Bills payable	—	—	—
Deposits	1,774.86	1,621.85	(8.62)
Borrowings	161,554.00	278,821.94	72.59
Current liabilities and provisions for contingencies	47,758.58	57,494.29	20.39
Other liabilities	51,868.67	73,158.05	41.04
Total	1,367,415.29	1,509,642.73	10.40

Capital remained at ₹159,093.66 million (U.S.$1,955.79 million) as of September 30, 2022.

Reserves remained at ₹33,182.17 million (U.S.$407.92 million) as of September 30, 2022.

Notes, bonds and debentures decreased by ₹13,730.24 million, or 1.51%, from ₹911,445.74 million as of March 31, 2022 to ₹897,715.50 million (U.S.$11,035.90 million) as of September 30, 2022, primarily as a result of repayments under foreign currency bonds.

There were no bills payable as of September 30, 2022 which have fallen due for payment.

Deposits decreased by ₹153.01 million, or 8.62%, from ₹1,774.86 million as of March 31, 2022 to ₹1,621.85 million (U.S.$19.94 million) as of September 30, 2022, primarily as a result of maturity of deposits.

Borrowings increased by ₹117,267.94 million, or 72.59%, from ₹161,554.00 million as of March 31, 2022 to ₹278,821.94 million (U.S.$3,427.65 million) as of September 30, 2022, primarily as a result of fresh borrowings.

Current liabilities and provisions for contingencies (which relate to provisions on standard loans) increased by ₹9,735.71 million, or 20.39%, from ₹47,758.58 million as of March 31, 2022 to ₹57,494.29 million (U.S.$706.80 million) as of September 30, 2022, primarily as a result of an increase in provision for contingencies.

Other liabilities increased by ₹21,289.38 million, or 41.04%, from ₹51,868.67 million as of March 31, 2022 to ₹73,158.05 million (U.S.$899.36 million) as of September 30, 2022, primarily as a result of an increase in other miscellaneous liabilities.

As a result of the foregoing, the Bank's total liabilities increased by ₹142,227.44 million, or 10.40%, from ₹1,367,415.29 million as of March 31, 2022 to ₹1,509,642.73 million (U.S.$18,558.52 million) as of September 30, 2022.

Liquidity

Operating activities

The Bank's operations generated net cash of ₹20,578.64 million (U.S.$252.98 million) for the six months ended September 30, 2022 as against ₹16,789 million generated for the six months ended September 30, 2021, primarily as a result of an increase in net interest income.

Investing activities

The Bank's investing activities used net cash of ₹33,650.21 million (U.S.$413.67 million) and generated ₹149.92 million for the six months ended September 30, 2022 and September 30, 2021, respectively, on account of the increased deployment of funds in investments and purchase of fixed assets.

Financing activities

The Bank's financing activities generated net cash of ₹22,062.16 million (U.S.$271.22 million) and used ₹80,016.13 million for the six months ended September 30, 2022 and September 30, 2021 respectively, primarily as a result of an increase in overall borrowings by the Bank.

Other Financial Highlights

Solvency Ratio

The solvency ratio is the ratio of capital plus reserves to net NPAs. The solvency ratios of the Bank for the periods indicated below are as follows:

Financial Year/Period	Ratio
FY20	9.27
FY21	33.42
FY22	Not applicable(1)
6MFY23	5.58

Note:

(1) The solvency ratio for FY22 is not applicable because net NPA is nil for FY22.

Capital Infusion

The Government has allotted capital of ₹15 billion in FY20, ₹13 billion in FY21, ₹7.50 billion in FY22 and none in 6MFY23.

Capital Adequacy

The following table sets forth, as of the periods indicated, the Bank's capital adequacy ratios:

Financial Year/Period	CRAR	Tier 1 CRAR	Tier 2 CRAR
FY20	20.13%	18.70%	1.43%
FY21	25.89%	24.00%	1.89%
FY22	30.49%	28.58%	1.91%
6MFY23	28.14%	26.31%	1.83%

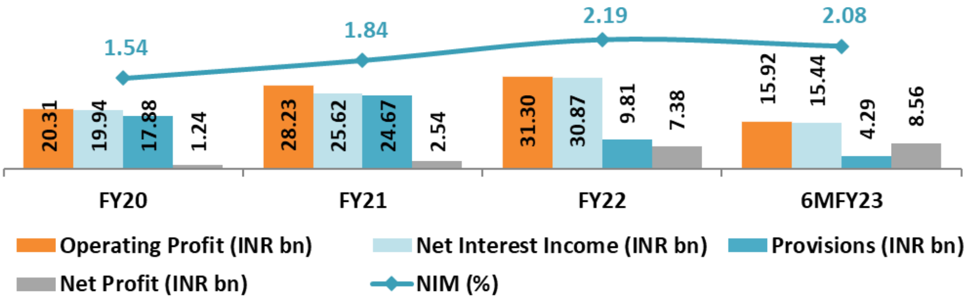
Total Assets and Total Loans Assets (₹ billion)

The following table sets forth, as of the periods indicated, the Bank's total assets and total loan assets:

Financial Year/Period	Total Assets	Total Loan Assets
FY20	1,308.41	994.47

Financial Year/Period	Total Assets	Total Loan Assets
FY21	1,348.02	1,038.51
FY22	1,367.42	1,176.19
6MFY23	1,509.64	1,256.78

Financial Ratios of the Bank



Net Interest Margin was 1.54% for FY20, 1.84% for FY21, 2.19% for FY22 and 2.08% for the six months ended September 30, 2022.

Operating Profit was ₹20.31 billion for FY20, ₹28.23 billion for FY21, ₹31.30 billion for FY22 and ₹15.92 billion for the six months ended September 30, 2022.

Net Interest Income was ₹19.94 billion for FY20, ₹25.62 billion for FY21, ₹30.87 billion for FY22 and ₹15.44 billion for the six months ended September 30, 2022.

Provisions/write-offs was ₹17.88 billion for FY20, ₹24.67 billion for FY21, ₹9.81 billion for FY22 and ₹4.29 billion for the six months ended September 30, 2022.

Net Profit/(Loss) after tax was ₹1.24 billion for FY20, ₹2.54 billion for FY21, ₹7.38 billion for FY22 and ₹8.56 billion for the six months ended September 30, 2022.

The return on average assets and the return on average equity as on September 30, 2022 was 1.19% and 10.76% respectively.

No significant change

Save as disclosed in this Offering Circular, there has been no significant or material adverse change in the Bank's financial or trading position since September 30, 2022.

Business

Loans Portfolio

As of September 30, 2022, the Bank's total net loan assets amounted to ₹1,256.78 billion (U.S.$15.45 billion) while outstanding gross loan assets amounted to ₹1,302.22 billion (U.S.$16.01 billion). Export finance, overseas investment finance, term loan to exporters, import finance and export facilitation program accounted for 79.55%, 2.86%, 12.49%, 3.46% and 1.60%, respectively, of the Bank's outstanding net loan assets as of September 30, 2022.

As of September 30, 2022, the Bank's gross loan portfolio was ₹1,302.22 billion. As of that date, the Bank's gross non-fund based exposure was ₹162.85 billion. As of September 30, 2022, the Bank's outstanding non-fund-based facilities amounted to ₹162.85 billion (U.S.$2.00 billion). Performance guarantees, advance payment guarantees, financial guarantees, letters of credits, retention money guarantees and bid bond guarantees accounted for 45.31%, 25.37%, 14.40%, 10.05%, 3.53% and 1.34% respectively, of the Bank's outstanding non-fund-based facilities as of September 30, 2022.

The Bank makes loans to Indian exporters and overseas importers, and extends lines of credit to overseas financial institutions, national or regional development banks, sovereign governments and other overseas entities to finance and promote India's exports to its trading partners, particularly in developing countries. As of September 30, 2022, 44.58% of the Bank's country exposure related to South Asia, 7.45% to Central Africa, 5.82% to East Africa, 11.19% to Southern Africa, 19.15% to West Africa, 1.10% to North Africa, 2.06% to Southeast Asia and the Pacific, 1.86% to Europe, 2.26% to the Americas, 2.57% to West Asia and 1.46% to East Asia.

The following table describes the asset quality of the performing assets exposure of the commercial portfolio of the Bank, which excludes refinancing extended to banks, as of September 30, 2022:

External Ratings	**% of Total Commercial Portfolio**
A & above	83
BBB	10
BB & below	5
No Rating	2
	100

As of September 30, 2022, the Bank classifies its risk exposure as 66% GOI risk, 18% secured portfolio of corporates/banks and 16% towards corporates unsecured portfolio.

Exim Bank-Business lines

The Bank's business is classified into four categories.

- medium/long term and short-term loans;
- direct and refinance loans;
- Rupee and foreign currency loans; and
- policy and commercial business.

The following table sets forth the Bank's loan portfolio under each of the above categories over the periods mentioned:

	As of March 31,			**As of September 30,**
	2020	**2021**	**2022**	**2022**
		(%)		
Medium-/long-term loans (more than 1 year)	92	86	82	86
Short-term loans (up to 1 year)	8	14	18	14

	As of March 31,			As of September 30,
	2020	2021	2022	2022
		(%)		
Direct loans	95	89	86	86
Refinance loans	5	11	14	14
Rupee-denominated loans	16	20	23	19
Foreign currency loans	84	80	77	81
Policy (government-directed) business	60	61	60	66
Commercial business	40	39	40	34

The following table sets forth the Bank's gross fund-based loans outstanding and gross NPLs (as defined hereunder) as a percentage of gross fund-based loans outstanding, categorised by borrower industry or economic activity, as of September 30, 2022. The Board-approved limit for the Bank's exposure to an industrial sector is 15% of the Bank's total industry exposure (both fund-based and non-fund based) under its commercial portfolio (excluding refinance portfolio).

Industry or Economic Activity(1)	% of Gross loan outstanding	NPLs as a % of Gross NPLs
Financial services	12.82	-
Construction	2.61	1.69
Petrochemicals	2.58	0.24
Petroleum products	2.24	-
Miscellaneous	1.90	-
Textile and garments	1.82	5.87
Auto and auto components	1.37	0.74
Chemicals and dyes	0.90	6.23
Ferrous metals and metal processing	0.89	-
EPC services	0.79	8.66
Sovereign exposure	9.27	42.39
Others(2)	8.16	27.37

Notes:

(1) The figures in this table exclude advances lines of credit, CFS and staff loans which cannot be classified under any particular sector. NPA in sovereign exposure is on account of slippages in exposure to the Governments of Zambia, Suriname, and Sri Lanka.

(2) Others includes industries with exposure less than 0.75% of the Gross Loan Outstanding.

Bank's Asset Quality

The following table sets forth, for the periods indicated, information about the Bank's gross NPA ratio, net NPA ratio, PCR, slippage ratio and credit cost ratio:

	As of March 31,			As of September 30,
	2020	**2021**	**2022**	**2022**
		(%)		
Gross NPA ratio	8.75	6.69	3.56	6.14*
Net NPA ratio	1.77	0.51	0.00	2.74*
PCR ratio(1)	89	97	100	82
Slippage ratio(2)	1.94	1.52	0.24	3.59
Credit cost ratio(3)	1.70	2.27	0.84	0.68

Notes:

(1) Computed as specific provisions on accounts classified as NPAs including any technical write-offs or gross NPAs including any technical write-offs.

(2) Computed as the ratio of new NPAs during the period to standard assets at the beginning of the year.

(3) Computed as the ratio of the provision for loan loss and contingency to average gross loans.

* Gross NPA 3.19%; Net NPA 0.15%, excluding BCNEIA NPAs which are fully covered by GOI's National Export Insurance Account and where claims have already been lodged.

As of September 30, 2022, the Bank's credit watch list is ₹79.29 billion which is nearly 6.1% of gross loans. There can be no assurance that the borrowers of the Bank will be able to meet their obligations under their loans or that the total amounts of the NPAs will not increase. See "*Risk Factors*" in the Original Offering Circular.

Non-Performing Loans (NPL)

As of September 30, 2022, the Bank's gross NPLs amounted to ₹79.92 billion (U.S.$0.98 billion). Segregation of NPAs based on the major lending programmes of the Bank as of September 30, 2022 is as follows:

Lending Programme	**% to Total NPL**	**% of Bank's Exposure**
Overseas investment finance	12.71	0.78
Term loan to exporters	19.18	1.18
Export Finance	64.51	3.96
Import Finance	3.58	0.22
Export Facilitation	0.02	0.00
Total	**100.00**	**6.14**

Exposure to National Company Law Tribunal Cases

Under the Insolvency and Bankruptcy Code, 2016, as amended from time to time ("**IBC**"), the National Company Law Tribunal ("**NCLT**") was constituted on June 1, 2016 under Section 408 of the Companies Act, 2013 to be the single adjudicating authority for all corporate default cases, including insolvency resolution and liquidation for corporate persons. Summary of cases under IBC as of September 30, 2022 is as follows:

Particular	Outstanding Amounts	Provision[(1)] %	Net Book Value	Expected Recovery[(1)]
			(₹ billion)	
(A) Exim Loans admitted/ referred to NCLT	23.46	100	-	12.60
(B) Guarantors for Exim Loans	2.66	100	-	0.00
Total	26.12	100	-	12.60

Note:

(1) The provision and expected recovery in respect of the cases under IBC have been determined based on the Bank's internal management estimate and are therefore subject to change. Such estimates are based on various key assumptions that may be affected by future market and economic conditions, as well as other exogenous factors.

Asset Liability Management

The following table sets forth the maturity profile of the assets and liabilities of the Bank as of September 30, 2022:

	Less than or equal to 1 year	More than 1 year and up to 3 years	More than 3 years and up to 5 years	More than 5 years and up to 7 years	More than 7 years
			(₹ billion)		
Maturing Assets	311	335	302	227	315
Maturing Liabilities	358	361	249	91	238

As of September 30, 2022, foreign currency resources, Rupee resources, and share capital and reserves constituted 69%, 17% and 14%, respectively, of the Bank's total lendable resources. As of the same period, foreign currency total assets and Rupee total assets constituted 72% and 28%, respectively, of the Bank's total loan assets.

Growth Strategy

The Bank has received approval from the Board and the Reserve Bank of India to set up a subsidiary in Gujarat International Finance Tec-City (GIFT City) in Gandhinagar, India to conduct trade finance business. The Bank is exploring opportunities for setting up representative offices in India / neighbouring countries.

Board of Directors

The following changes in the Board members occurred during the period from May 18, 2022 to November 30, 2022:

Mr. Rajkiran Rai Gundyadka, Managing Director & CEO, Union Bank of India, ceased to be the Director of the Bank with effect from May 31, 2022.

Mr. M. V. Rao, Managing Director & CEO, Central Bank of India, was appointed as Director of the Bank with effect from September 21, 2022.

RISK FACTORS

The risk factors entitled "Risk Factors – Risks relating to the business of the Bank – The ongoing military action between Russia and Ukraine could adversely affect the Bank's business, financial condition and results of operations", "Risk Factors – Risks relating to the business of the Bank – The Bank's business may be affected by sanctions, export controls and similar measures targeting Russia and other countries and territories as well as other responses to Russia's military action in Ukraine" and "Risk Factors – Risks relating to the business of the Bank – The business of lending carries the risk of default by borrowers" in the Original Offering Circular shall be deleted in their entirety and replaced with the following:

The ongoing military action between Russia and Ukraine could adversely affect the Bank's business, financial condition and results of operations.

On February 24, 2022, Russian military forces launched a military action in Ukraine, and sustained conflict and disruption in the region is likely. Although the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable, this conflict could lead to significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage.

Russia's recognition of two separatist republics in the Donetsk and Luhansk regions of Ukraine and subsequent military action against Ukraine have led to an unprecedented expansion of sanction programs imposed by the United States, the European Union, the United Kingdom, Canada, Switzerland, Japan and other countries against Russia, Belarus, the Crimea Region of Ukraine, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, and in some sanction regimes, regions not under the control of the authorities of Ukraine such as Kherson and Zaporizhzhia), including, among others:

- blocking sanctions against some of the largest state-owned and private Russian financial institutions (and their subsequent removal from the Society for Worldwide Interbank Financial Telecommunication ("SWIFT") payment system) and certain Russian businesses, some of which have significant financial and trade ties to the European Union;
- blocking sanctions against Russian and Belarusian individuals, including the Russian President, other politicians and those with government connections or involved in Russian military activities; and
- blocking of Russia's foreign currency reserves as well as expansion of sectoral sanctions and export and trade restrictions, limitations on investments and access to capital markets and bans on various Russian imports.

In retaliation against new international sanctions and as part of measures to stabilize and support the volatile Russian financial and currency markets, the Russian authorities also imposed significant currency control measures aimed at restricting the outflow of foreign currency and capital from Russia, imposed various restrictions on transacting with non-Russian parties, banned exports of various products and other economic and financial restrictions. For further details on sanctions, see also "–The Bank's business may be affected by sanctions, export controls and similar measures targeting Russia and other countries and territories as well as other responses to Russia's military action in Ukraine." The situation is rapidly evolving as a result of the conflict in Ukraine, and the United States, the European Union, the United Kingdom and other countries may implement additional sanctions, export controls or other measures against Russia, Belarus and other countries, regions, officials, individuals or industries in the respective territories. Such sanctions and other measures, as well as the existing and potential further responses from Russia or other countries to such sanctions, tensions and military actions, could adversely affect the global economy and financial markets and could adversely affect the Bank's business, financial condition and results of operations.

We are actively monitoring the situation in Ukraine and assessing its impact on the Bank's business, including its business partners, suppliers and customers. To date, the Bank has not experienced any material interruptions in its infrastructure, supplies, technology systems, networks or any other areas needed to support its operations. We have no way to predict the progress or outcome of the conflict in Ukraine or its impacts in Ukraine, Russia or Belarus as the conflict, and any resulting government reactions, are rapidly developing and beyond our control. The extent and duration of the military action, sanctions and resulting market disruptions could be significant and could potentially have substantial impact on the global economy and the Bank's business for an unknown period of time. Any of the abovementioned factors could affect the Bank's business, financial condition and results of operations.

The Bank's business may be affected by sanctions, export controls and similar measures targeting Russia and other countries and territories as well as other responses to Russia's military action in Ukraine.

As a result of Russia's military action in Ukraine, governmental authorities in the United States, the European Union and the United Kingdom, among others, launched an expansion of coordinated sanctions and export control measures, including:

- blocking sanctions on some of the largest state-owned and private Russian financial institutions (and their subsequent removal from SWIFT);
- blocking sanctions against Russian and Belarusian individuals, including the Russian President, other politicians and those with government connections or involved in Russian military activities;
- blocking sanctions against certain Russian businessmen and their businesses, some of which have significant financial and trade ties to the European Union;
- blocking of Russia's foreign currency reserves and prohibition on secondary trading in Russian sovereign debt and certain transactions with the Russian Central Bank, National Wealth Fund and the Ministry of Finance of the Russian Federation;
- expansion of sectoral sanctions in various sectors of the Russian and Belarusian economies and the defense sector;
- United Kingdom sanctions introducing restrictions on providing loans to, and dealing in securities issued by, persons connected with Russia;
- restrictions on access to the financial and capital markets in the European Union, as well as prohibitions on aircraft leasing operations;
- sanctions prohibiting most commercial activities of U.S. and EU persons in Crimea and Sevastopol;
- enhanced export controls and trade sanctions targeting Russia's imports of technological goods as a whole, including tighter controls on exports and reexports of dual-use items, stricter licensing policy with respect to issuing export licenses, and/or increased use of "end-use" controls to block or impose licensing requirements on exports, as well as higher import tariffs and a prohibition on exporting luxury goods to Russia and Belarus;
- closure of airspace to Russian aircraft;
- ban on imports of Russian oil, liquefied natural gas and coal to the United States; and
- a price cap policy restricting certain covered services related to seaborne Russian crude oil and potentially other price cap policies.

The business of lending carries the risk of default by borrowers.

Any lending activity is exposed to credit risk arising from the risk of defaults by borrowers. Credit risk is defined as the risk that a customer or counterparty will be unable or unwilling to meet a commitment that it has entered into and that pledged collateral does not fully cover the lender's claims. As of March 31, 2022, approximately 21% of the Bank's total loans outstanding was by way of unsecured loans, including refinanced loans to banks; approximately 19% of the outstanding loans was classified as secured; and the remaining 60% was outstanding under the LOC, BC-NEIA category. See also *"Selected Statistical Data"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations"*. Changes in economic conditions and the level of systemic risk in the financial system may result in a deterioration in the value of security held against lending exposures and increase the risk of loss in the event of borrower default. In addition, changes in the credit quality of the Bank's borrowers, and a failure by the Bank to manage changes in credit policy, could reduce the value of the Bank's assets and require increased provisions for bad and doubtful debts. The Bank extends Lines of Credit (LOCs), at the behest and with the support of the Government of India (GoI), to foreign sovereigns, foreign central banks, national and regional development banks, overseas financial institutions and other parastatal agencies.

The LOC portfolio is secured by an unconditional and irrevocable deed of guarantee issued by the GoI to the Bank, securing the repayment of principal and payment of interest. The sovereign borrowers under the LOCs remit the interest and principal instalments with occasional delays due to time-consuming processes and requirement for budgetary approvals and allocations. In certain events such as economic slowdown, a borrower government may request the GoI for restructuring of an LOC, and the GoI, upon consideration, approves such restructuring involving deferment of the dues. The GoI continues to support such restructured LOCs through its unconditional and irrevocable guarantee. In addition to the interest equalisation support under the LOC portfolio provided by GoI to the Bank, the GoI has also established a mechanism to provide additional budgetary support to the Bank and introduced a line item in the Union Budget, for payments to the Bank towards interest overdues of borrowers that are beyond 90 days. Since 2019, the GoI makes payment for such overdues to the Bank based on claims submitted by the Bank until such time the payments are regularised by the borrowers under the LOC portfolio. As per the Reserve Bank of India (RBI)'s Income Recognition, Asset Classification and Provisioning (IRACP) norms, such restructured accounts carrying the GoI guarantee may continue to be classified as performing assets in the books of the Bank and the Bank recognizes income only on receipt basis where dues from such borrowers exceed 90 days.

Although the Bank does not take any haircut or sacrifice in connection with such restructuring, the Bank has been advised by RBI to make provisions in respect of such restructured LOCs, which may be staggered equally over a period of three years (commencing from fiscal year 2023) and the Bank may continue to classify such accounts as performing assets. The risk profile of the restructured LOCs will not deteriorate as GoI support for these restructured LOCs, by way of the guarantee and the interest equalisation, would continue and the expected loss would be zero. Any provision (which could be material), if made, will impact the Bank's net worth accordingly. If the level of the restructured LOCs increases further or the overall quality of its loan portfolio deteriorates, an increase in provisions could be required. The Bank continues to interface with the GOI to achieve suitable resolution in the matter.

INDIAN ECONOMIC DATA

The information presented in this section has been extracted from publicly available documents, information and statistics from various sources, including officially prepared materials from the Government and its various ministries, the RBI and the Indian Banks Association, and other Indian bodies and authorities and has not been prepared or independently verified by the Bank, the Arrangers, the Dealers, the Trustee or any of their affiliates or advisers.

The Indian Economy

Growth

India has an estimated population of 1.41 billion people in Fiscal 2022. The Indian economy is the fifth largest economy in the world based on nominal GDP at U.S.$3.5 trillion for the calendar year 2022 (*Source: The International Monetary Fund's World Economic Outlook, October 2022 Update*). Real GDP growth is expected to be in the range of 6.8% (IMF data) for CY2022. The forecast for CY2023 is in the range of 6.1% (IMF data). According to IMF, the Real GDP growth of India is estimated to be higher than World average of 3.2% and 2.7% in CY2022 and CY2023, respectively (Figure 2).

According to Ministry of Statistics and Programme Implementation, India's FY22 real GDP growth is forecast at 8.7% with services, industry and agriculture constituting 52.7%, 28.7% and 18.6% of GDP, respectively (Figure 1).

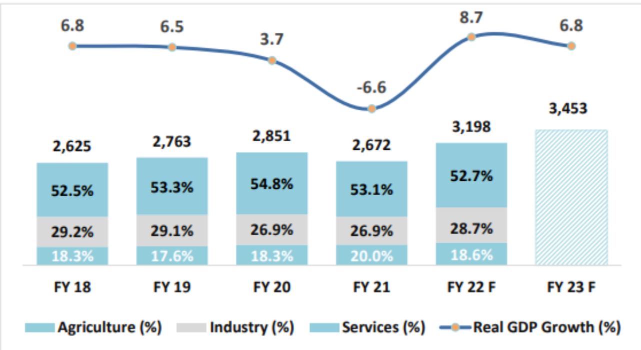


Figure 1

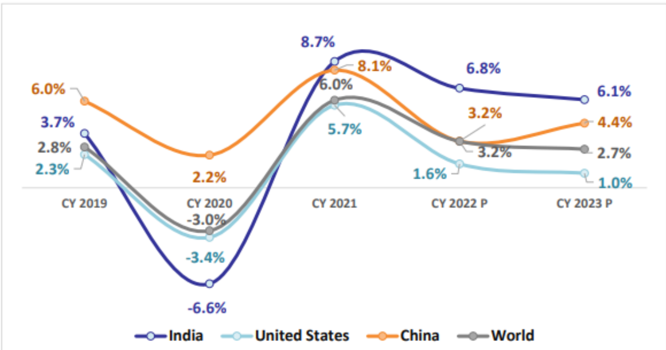


Figure 2

Trade

India's overall exports (Merchandise and Services combined) in FY22 were U.S.$677 billion, exhibiting a jump of 35.9% over FY21. Overall imports for FY22 were U.S.$760 billion, an increase of 48.44% from FY21 (Figure 3). (*Source: Foreign Trade Performance Analysis, Ministry of Commerce and Industry; and Balance of Payments Statistics, RBI*).

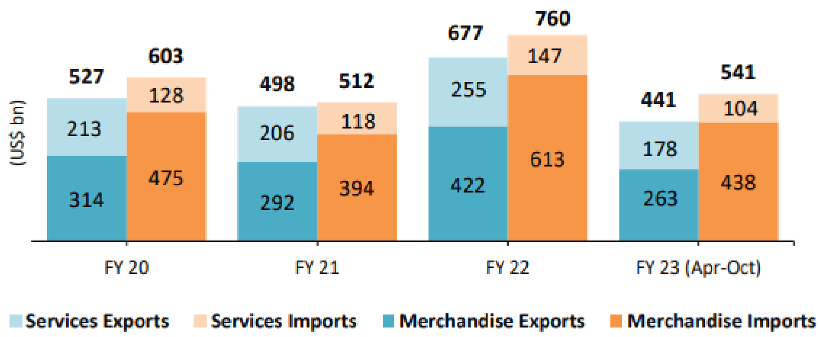


Figure 3 Trade Trends (Source; MOCI and Balance of Payments Statistics, RBI)

Merchandise Trade: In FY22, exports were U.S.$422 billion and imports value stood at U.S.$613 billion. As a result, trade deficit due to merchandise trade was U.S.$191 billion. In FY21, trade deficit due to merchandise trade was U.S.$102 billion. Petroleum crude and products was the largest item in India's import basket in FY22, with imports valued at U.S.$162 billion.

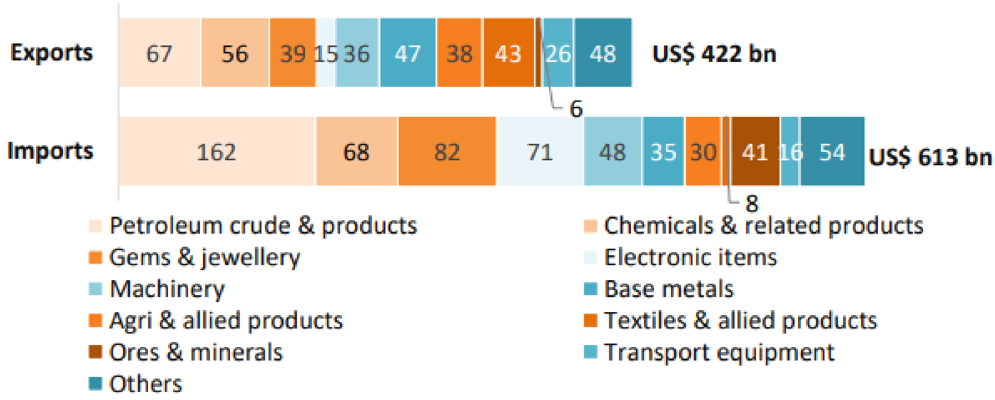


Figure 4 Merchandise Trade Pattern in FY22 (Source: MOCI)

External trade remains strong in FY22. USA and China have been the major trade partners in FY22 with a trade volume of U.S.$119 billion and U.S.$115 billion, respectively. (*Source: India Trade, Ministry of Commerce and Industry*)

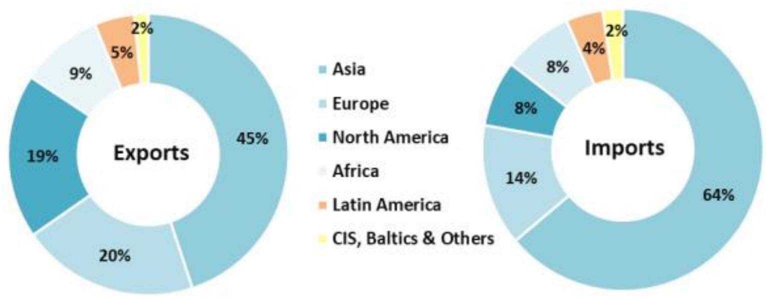


Figure 5 Regional Trade Direction (Source: MOCI)

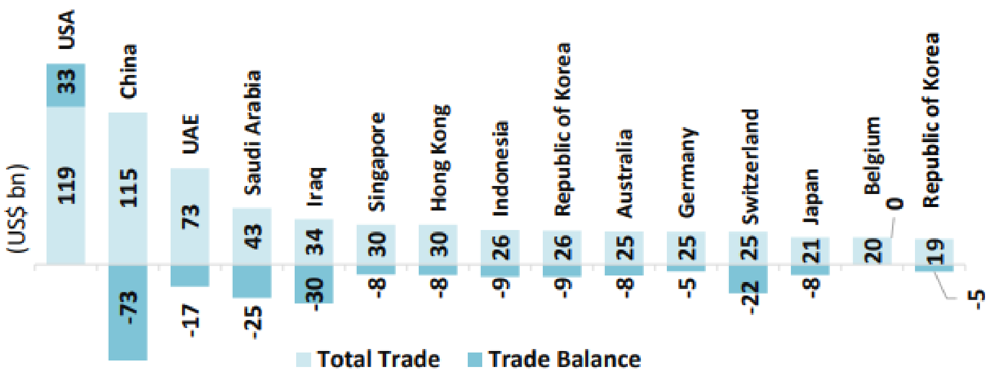


Figure 6 Major Trading Partners

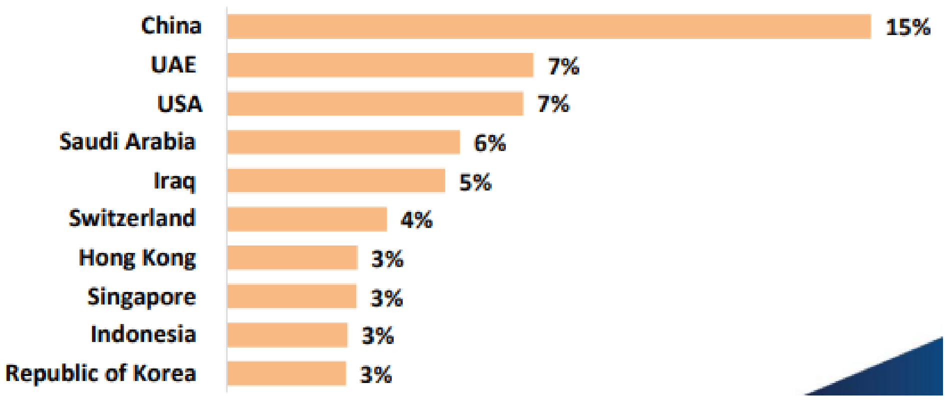


Figure 7 India's Export Markets (Source: MOCI)

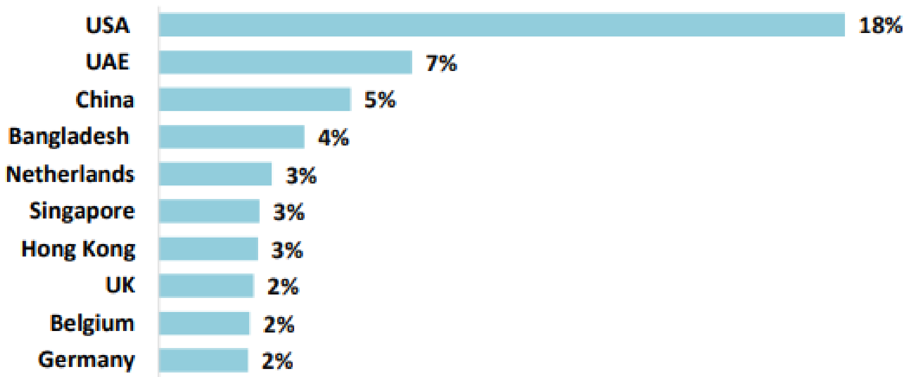


Figure 8 India's Import Sources

Services Trade: In FY22, exports are estimated to be U.S.$255 billion while imports are estimated to be U.S.$147 billion. Net of Services in FY22 is U.S.$108 billion. (*Source: Ministry of Commerce & Industry*)

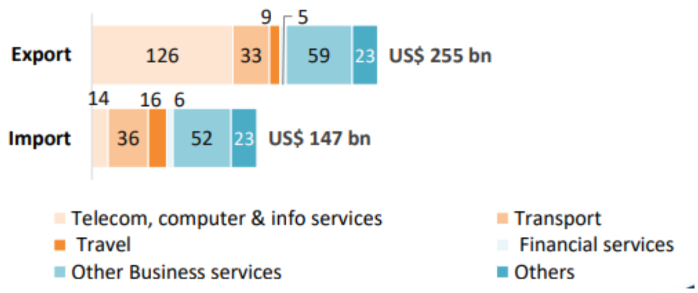


Figure 9 Services Trade Pattern in FY22

Balance of Payments during FY 2021-2022 and FY 2022-23 (April-September):

(*Source: RBI Data, Developments in India's Balance of Payments during the Second Quarter (July-September) of 2022-23*)

- India recorded a current account deficit of 3.3% of GDP in First Half of FY23 (April-September). In FY22, the current account deficit stood at 1.2% of GDP on the back of the trade deficit (Figure 10).

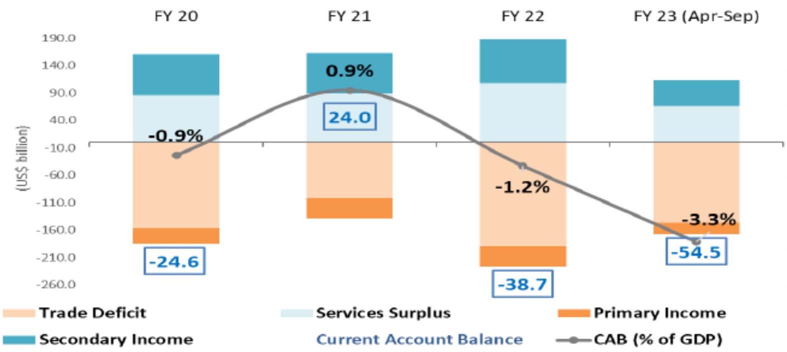


Figure 10 Composition of Current Account Deficit (Source: Balance of Payments, RBI)

Inflation and Interest Rates

- CPI inflation moderated to 5.9% (y-o-y) in November 2022 from 6.8% in October, mainly due to the easing of food price inflation, and favourable base effects. The Consumer Food Price Index (CFPI) eased month-on-month in November 2022 to 4.7%, from 7.0% in October 2022, Mainly due to the fall in prices of vegetables, oils and fats, and sugar and confectionery. CPI inflation for FY22 decreased to 5.5%, from 6.2% annual average CPI headline inflation in FY21. On a monthly basis, however, CPI inflation has been over the upper tolerance limit of 6% since January 2022.

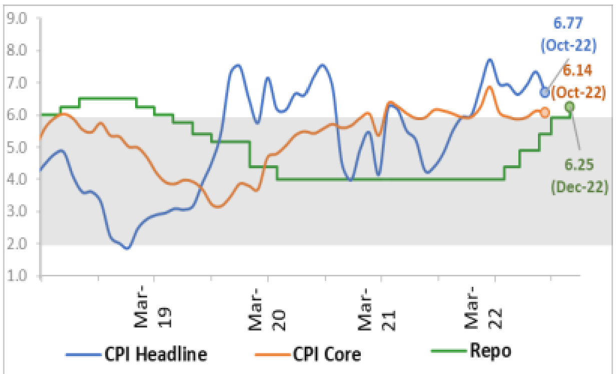


Figure 11 Inflation / Policy Rates (Source: RBI)

- The inflation trajectory going ahead would be shaped by both global and domestic factors. In case of food, while vegetable prices are likely to see seasonal winter correction, prices of cereals and spices may stay elevated in the near-term on supply concerns. High feed costs could also keep inflation elevated in respect of milk. Adverse climate events – both domestic and global – are increasingly becoming a significant source of upside risk to food prices. Global demand is weakening. Unabating geopolitical tensions continue to impart uncertainty to the food and energy prices outlook. The correction in industrial input prices and supply chain pressures, if sustained, could help ease pressures on output prices; but the pending pass-through of input costs could keep core inflation firm. Imported inflation risks from the US dollar movements need to be watched closely. Taking into account these factors and assuming an average crude oil price (Indian basket) of US$ 100 per barrel, inflation is projected at 6.7% in 2022-23, with Q3 at 6.6% and Q4 at 5.9%, and risks evenly balanced. CPI inflation for Q1:2023-24 is projected at 5.0% and for Q2 at 5.4%, on the assumption of a normal monsoon.

- Inflation has ruled at or above the upper tolerance band since January 2022 and core inflation has been around 6% Headline inflation is expected to remain above or close to the upper threshold in Q3 and Q4:2022-23. It is likely to moderate in H1:2023-24 but will still remain well above the target. Meanwhile, economic activity has held up well and is expected to be resilient, supported by domestic demand. Net exports would remain subdued due to the drag from evolving external demand conditions.

- RBI has increased its repo rate by 225 basis points since May 2022 taking the repo rate from 4% in April 2022 to 6.25% in December 2022. The Monetary Policy Committee also decided to remain focused on withdrawal of accommodation to ensure that inflation remains within the target going forward, while supporting growth.

  (Source: RBI Monetary Policy Statement, December 2022)

Key Macroeconomic Metrics

- General Government Debt: The Institute of International Finance database states that Government debt as a % of GDP is estimated to decrease to 70.5% in FY22 against 74.0% in FY21. The Central Government debt is estimated to decrease 190 basis points to 49.0% in FY22 (Figure 12).

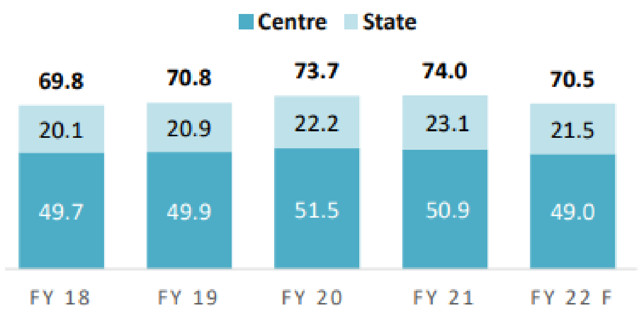


Figure 12 General Government Debt (% of GDP) (Source: Institute of International Finance)

- External Debt and External Reserves: As at September 30, 2022, India's external debt was placed at U.S.$610.5 billion, recording a decrease of U.S.$8.5 billion over its level at end-March 2022. On the other hand, external reserves declined to U.S.$532.7 billion in September 2022 from U.S.$607.3 billion in March 2022. (*Source: RBI / Ministry of Finance*).
- External Reserves to External Debt stands at 87.3% as of September 2022. (*Source: RBI*)

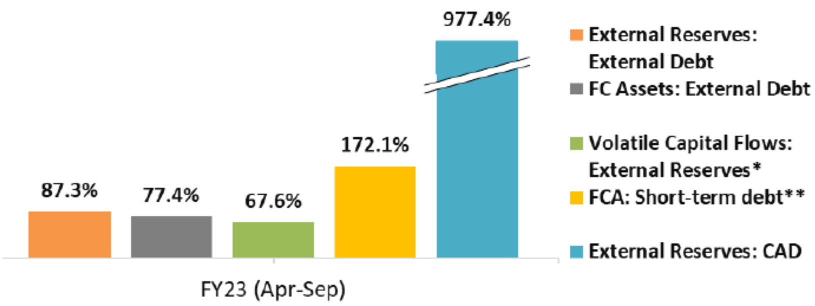
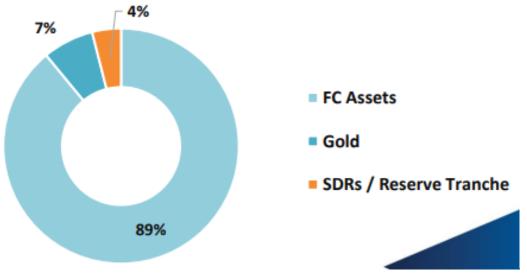


Figure 13 Analysis of External Debt vs External Reserves (Source: RBI / MOF)

(1) 'Volatile Capital Flows' is defined to include cumulative portfolio inflows and short-term debt (RBI);
(2) Volatile Capital Flows to Reserves ratio peaked at 97.4% in September 2013;
(3) Source: RBI/Ministry of Finance, Government of India;
** as on June 30, 2022;*
***Short-term debt with residual maturity*

As of September 30, 2022, 89% of the external reserves are in the form of Foreign Currency Assets, followed by 7% in the form of Gold. As of September 30, 2022 External Debt was mainly composed of Commercial Borrowings (36%), Non Resident (22%) and Short-term debt (21%). (*Source: RBI / Ministry of Finance*).



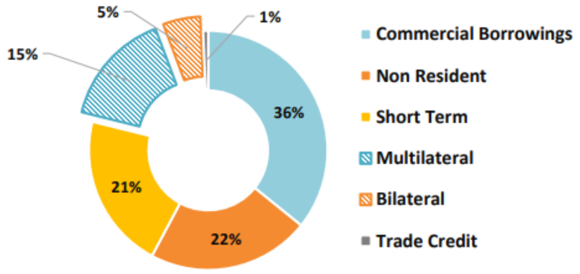


Figure 14 Composition of External Debt as of September-22 (Source: RBI/MOF)

Figure 15 Composition of External Reserves as of September-22 (Source: RBI/MOF)

Key Parameters	FY20	FY21	FY22	H1FY23	Change
Gross Domestic Saving (% of GDP)(1)	**29.9**	**28.2**	**-**	**-**	**-**
Gross Domestic Investment (% of GDP) (1)	**30.7**	**27.3**	**-**	**-**	**-**
Gross Fixed Capital Formation (% of GDP) (1)	**28.6**	**26.6**	**28.6**	**29.4**	**80 bps**
Fiscal Deficit (% of GDP) (1)	**4.6**	**9.2**	**6.7**	**6.4**(3)	**(30 bps)**
Revenue Deficit (% of GDP) (1)	**3.3**	**7.3**	**4.4**	**3.8**(3)	**(60 bps)**
FDI Inflows (US$ billion) (2)	**74.4**	**81.9**	**84.8**	**39.1**	**-**
Exchange Rate (INR/US$, average) (2)	**70.9**	**74.2**	**74.5**	**78.5**	**5.4%**

(*Source: (1) Central Statistics Office; (2) RBI Press Releases and Online Database; (3) Represents Full Year Figures*)

Goods and Services Tax

As of June 30, 2022, monthly Goods and Services Tax (GST) stood at ₹1.46 trillion in November 2022 which was up 10.6% y-o-y (as shown in Figure 16) and has been maintaining a strong momentum since April 2020.

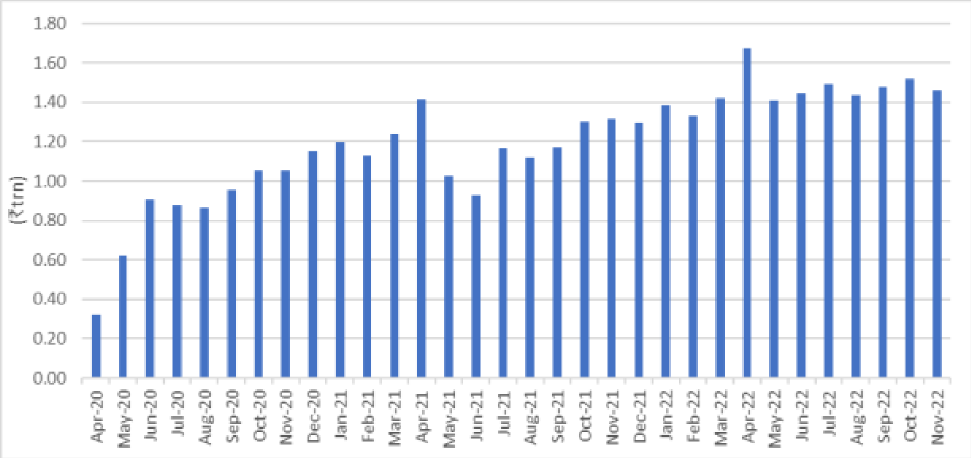


Figure 16 GST Collection (Source: MOF)

KEY DEVELOPMENTS IN THE INDIAN FINANCIAL SECTOR

- The global economy is facing formidable headwinds with recessionary risks looming large. The interplay of multiple shocks has resulted in tightened financial conditions and heightened volatility in financial markets.
- The Indian economy is confronting strong global headwinds. Yet, sound macroeconomic fundamentals and healthy financial and non-financial sector balance sheets are providing strength and resilience and engendering financial system stability.
- Buoyant demand for bank credit and early signs of a revival in investment cycle are benefiting from improved asset quality, return to profitability and strong capital and liquidity buffers of scheduled commercial banks (SCBs).
- The gross non-performing asset (GNPA) ratio of scheduled commercial banks (SCBs) fell to a seven-year low of 5.0% and net non-performing assets (NNPA) have dropped to ten-year low of 1.3% in September 2022. The quarterly slippage ratio, which had been rising since December 2021, cooled off during Q2 FY23, with considerable improvement recorded by Public Sector Banks. The provisioning coverage ratio (PCR) has been increasing steadily since March 2021, and reached 71.5% in September 2022. The PCRs of Private Banks and Foreign Banks exceeded 75%. Meanwhile, the write-offs to GNPA ratio increased during H1 FY23 on an annualised basis, after declining for two consecutive years.
- The capital to risk weighted assets ratio (CRAR) of SCBs declined by 77 bps from March 2022 level on account of increase in risk weighted assets (RWAs) as lending activity picked up during H1 FY23. The system level Tier I leverage ratio remained stable.
- At the system level, the net interest margin (NIM) witnessed an improvement of 20 bps between September 2021 and September 2022, reflecting a faster rate of increase in loan rates vis-à-vis deposit rates in a rising interest rate scenario as well as reduction in credit costs. Profit after tax (PAT) grew 40.7% in September 2022, led by strong growth in net interest income (NII) and significant lowering of provisions. For the quarter ended September 2022, the PAT of Private Banks grew by 60.7% (y-o-y) as NII registered double digit growth and provisions almost halved.
- Macro stress tests for credit risk reveal that SCBs would be able to comply with the minimum capital requirements even under severe stress scenarios. The system-level capital to risk weighted assets ratio

(CRAR) in September 2023, under baseline, medium and severe stress scenarios, is projected at 14.9%, 14.0% and 13.1%, respectively.

- Stress tests for open-ended debt mutual funds showed no breach in limits pertaining to interest rate, credit and liquidity risks. Consolidated solvency ratio of both life and non-life insurance companies also remained above the prescribed minimum level.

(*Source: Financial Stability Rate Report, RBI, December 2022*)

Key Banking Sector Parameters

Key Parameters (in %, unless stated otherwise)	FY20	FY21	FY22	H1FY23	Change
Credit Deposit Ratio	**73.7**	**69.4**	**72.2**	**74.3**	**210 bps**
Banking Sector CRAR	**14.8**	**16.3**	**16.8**	**16.0**	**(80 bps)**
Banking Sector Net NPAs	**2.8**	**2.4**	**1.7**	**1.3**	**(40 bps)**
Provisioning Coverage Ratio	**66.2**	**67.6**	**70.9**	**71.5**	**60 bps**
NBFC CRAR	**22.9**	**26.5**	**27.6**	**27.4**	**(20 bps)**
NBFC Net NPAs	**3.4**	**2.7**	**3.8**	**3.2**	**(60 bps)**

(*Source: RBI Financial Stability Report, and RBI Database on Indian Economy accessed on December 30, 2022*)

Commercial Banking Trends

Credit

The aggregate deposits have increased by 9.8% while loans and advances increased by 17.2% in the period of September 30, 2021 to September 30, 2022. As at September 30, 2022, public sector banks (including RRBs) accounted for the largest share of 62.81% of aggregate deposits and 57.46% in gross bank credit, followed by private sector banks with 31.38% aggregate deposits and 37.28% in gross bank credit. As at the end of September 2022, the credit-deposit ratio for scheduled commercial banks was 74.8%, compared to 70.0% in the previous year. (*Source: Reserve Bank of India – Quarterly Statistics on Deposits and Credit of Scheduled Commercial Banks and Weekly Statistical Supplement*)

From September 30, 2021 to September 30, 2022, private sector banks indicated a higher credit growth (20.9%) as compared to public sector banks (15.0%).

For November 2022, credit growth to agriculture and allied activities accelerated to 13.8% in November 2022 (10.9% a year ago). Credit growth to industry accelerated to 13.1% (3.4% a year ago) mainly due to credit to large industries, which increased by 10.5% in November 2022 (as compared with a contraction of 0.6% a year ago), while the silver lining has been provided by the robust performance of credit to medium industries which registered a growth of 29.7% in November 2022 (as compared to growth of 37.4% a year ago). Credit growth to micro and small industries has witnessed acceleration in the recent period. (*Source: RBI Sectoral Deployment of Bank Credit, November 2022*)

Monetary Policy Statement for FY22-23 (to date)

The primary objective of monetary policy is to maintain price stability while keeping in mind the objective of growth. Price stability is a necessary precondition to sustainable growth. In May 2016, the Reserve Bank of India (RBI) Act, 1934 was amended to provide a statutory basis for the implementation of the flexible inflation-targeting framework. Accordingly, the Central Government has notified in the Official Gazette 4% Consumer Price Index (CPI) inflation as the target for the period from August 5, 2016 to March 31, 2021 with the upper tolerance limit of 6% and the lower tolerance limit of 2%. On April 7, 2021, the Central Government extended the same to March 31, 2026.

First Bi-monthly Monetary Policy Statement for Fiscal 2023 held on April 6-8, 2022

- The policy repo rate under the liquidity adjustment facility (LAF) was unchanged at 4.0%.
- Consequently, the marginal standing facility (MSF) rate and the Bank Rate were at 4.25%. The standing deposit facility (SDF) rate, which will now be the floor of the LAF corridor, was at 3.75%.
- The MPC also decided to remain accommodative while focusing on withdrawal of accommodation to ensure that inflation remains within the target going forward, while supporting growth.
- Headline CPI inflation edged up to 6.0% in January 2022 and 6.1% in February, breaching the upper tolerance threshold. Pick-up in food inflation contributed the most in headline inflation, with inflation of cereals, vegetables, spices and protein-based food items like eggs, meat and fish being the key drivers. Fuel inflation moderated on continuing deflation in electricity and steady LPG prices. Core inflation, i.e., CPI inflation excluding food and fuel remained elevated, though there was some moderation from 6.0% in January to 5.8% in February primarily due to the easing of inflation in transport and communication; pan, tobacco and intoxicants; recreation and amusement; and health.

Mid-term Monetary Policy Statement held on May 2-4, 2022

- Increase the policy repo rate under the liquidity adjustment facility (LAF) by 40 basis points to 4.40% with immediate effect.
- Consequently, the standing deposit facility (SDF) rate was adjusted to 4.15% and the marginal standing facility (MSF) rate and the Bank Rate to 4.65%.
- The MPC also decided to remain accommodative while focusing on withdrawal of accommodation to ensure that inflation remains within the target going forward, while supporting growth.
- In March 2022, headline CPI inflation surged to 7.0% from 6.1% in February, largely reflecting the impact of geopolitical spillovers. Food inflation increased by 154 basis points to 7.5% and core inflation rose by 54 bps to 6.4%. The rapid rise in inflation is occurring in an environment in which inflationary pressures are broadening across the world. The IMF projects inflation to increase by 2.6% to 5.77% in advanced economies in 2022 and by 2.8% to 8.7% in emerging market and developing economies.

Monetary Policy Statement for Fiscal 2023 held on June 6-8, 2022

- Increase the policy repo rate under the liquidity adjustment facility (LAF) by 50 basis points to 4.90% with immediate effect

- Consequently, the standing deposit facility (SDF) rate was adjusted to 4.65% and the marginal standing facility (MSF) rate and the Bank Rate to 5.15%.
- The MPC also decided to remain focused on withdrawal of accommodation to ensure that inflation remains within the target going forward, while supporting growth.

Bi-monthly Monetary Policy Statement for Fiscal 2023 held on August 3-5, 2022

- Increase the policy repo rate under the liquidity adjustment facility (LAF) by 50 basis points to 5.40% with immediate effect.
- Consequently, the standing deposit facility (SDF) rate stands adjusted to 5.15% and the marginal standing facility (MSF) rate and the Bank Rate to 5.65%.
- The MPC also decided to remain focused on withdrawal of accommodation to ensure that inflation remains within the target going forward, while supporting growth.
- CPI inflation eased to 7.0% (year-on-year, y-o-y) during May-June 2022 from 7.8% in April, although it persists above the upper tolerance band. Food inflation has registered some moderation, especially with the softening of edible oil prices, and deepening deflation in pulses and eggs. Fuel inflation moved back to double digits in June primarily due to the rise in LPG and kerosene prices. While core inflation (i.e., CPI excluding food and fuel) moderated in May-June due to the full direct impact of the cut in excise duties on petrol and diesel pump prices, effected on May 22, 2022, it remains at elevated levels.

Bi-monthly Monetary Policy Statement for Fiscal 2023 held on September 28-30, 2022

- Increase the policy repo rate under the liquidity adjustment facility (LAF) by 50 basis points to 5.90% with immediate effect.
- Consequently, the standing deposit facility (SDF) rate stands adjusted to 5.65% and the marginal standing facility (MSF) rate and the Bank Rate to 6.15%.
- The MPC also decided to remain focused on withdrawal of accommodation to ensure that inflation remains within the target going forward, while supporting growth.
- CPI inflation rose to 7.0% (y-o-y) in August 2022 from 6.7% in July as food inflation moved higher, driven by prices of cereals, vegetables, pulses, spices and milk. Fuel inflation moderated with reduction in kerosene (PDS) prices, though it remained in double digits. Core CPI (i.e., CPI excluding food and fuel) inflation remained sticky at heightened levels, with upside pressures across various constituent goods and services.

Bi-monthly Monetary Policy Statement for Fiscal 2023 held on December 5-7, 2022

- Increase the policy repo rate under the liquidity adjustment facility (LAF) by 35 basis points to 6.25% with immediate effect.
- Consequently, the standing deposit facility (SDF) rate stands adjusted to 6.0% and the marginal standing facility (MSF) rate and the Bank Rate to 6.50%.
- The MPC also decided to remain focused on withdrawal of accommodation to ensure that inflation remains within the target going forward, while supporting growth.
- CPI inflation moderated to 6.8% (y-o-y) in October 2022 from 7.4% in September, with favourable base effects mitigating the impact of pick-up in price momentum in October. Food inflation softened, aided by easing inflation in vegetables and edible oils, despite sustained pressures from prices of cereals, milk and

spices. Fuel inflation registered some easing in October, driven by softening of price inflation in LPG, kerosene (PDS) and firewood and chips. Core CPI (i.e., CPI excluding food and fuel) inflation persisted at elevated levels at 6%, with price pressures across most of its constituent sub-groups.

Developments in the Banking Sector

Liberalisation of Forex Flows

The Reserve Bank has been continuously monitoring liquidity conditions in the forex market to ensure orderly market functioning. The following measures were announced to enhance forex inflows and to diversify the sources of forex funding, mitigate volatility and dampen global spill overs: (a) CRR and SLR exemption on incremental foreign currency non-resident (banks) accounts (FCNR(B)) and non-resident (external) account (NRE) term deposits; (b) temporary relaxation in the restrictions with respect to interest rates on FCNR(B) and NRE deposits; (c) regulatory changes to encourage FPI in debt instruments; (d) permitting authorised dealer (AD) banks' lending for a wider set of end-use purposes to facilitate foreign currency borrowing by a larger set of borrowers; and (e) doubling of limit under the automatic route of ECB and increase in the all-in cost ceiling for investment grade rating borrowers. These measures lapsed on October 31, 2022, except for the measure on ECB, which would be available till December 31, 2022. (*Source: RBI Financial Stability Report, December 2022*)

International Trade Settlement in Indian Rupees

In order to promote trade with emphasis on exports from India and to support the increasing interest of the global trading community in INR, an additional arrangement has been put in place for invoicing, payment and settlement of exports / imports in INR.

Under the Foreign Exchange Management Act, (FEMA), 1999, the broad framework for cross border trade transactions in INR is:

(a) all exports and imports under this arrangement may be denominated and invoiced in INR;

(b) the exchange rate between the currencies of two trading partner countries may be market determined; and

(c) settlement of trade transactions under this arrangement shall take place in INR.

Accordingly, subject to prior approval from the Reserve Bank, Authorised Dealer (AD) banks in India are permitted to open Special Rupee Vostro Accounts of correspondent bank(s) of the partner trading country for settlement of trade transactions, and Indian exporters may receive advance payment in INR against exports from overseas importers through this channel. (*Source: RBI Financial Stability Report, December 2022*)

Indian exporters, undertaking exports of goods and services through this mechanism, shall be paid the export proceeds in INR from the balances in the designated Special Vostro account of the correspondent bank of the partner country.

Advance against exports: Indian exporters may receive advance payment against exports from overseas importers in Indian rupees through the above Rupee Payment Mechanism. Before allowing any such receipt of advance payment against exports, Indian Banks shall ensure that available funds in these accounts are first used towards payment obligations arising out of already executed export orders / export payments in the pipeline.

Setting-off of export receivables: 'Set-off' of export receivables against import payables in respect of the same overseas buyer and supplier with facility to make/receive payment of the balance of export receivables/import payables, if any, through the Rupee Payment Mechanism may be allowed

Bank Guarantee: Issue of Bank Guarantee for trade transactions, undertaken through this arrangement, is permitted

Use of Surplus Balance: The Rupee surplus balance held may be used for permissible capital and current account transactions in accordance with mutual agreement. The balance in Special Vostro Accounts can be used for:

- Payments for projects and investments.
- Export/Import advance flow management.
- Investment in Government Treasury Bills, Government securities, etc. in terms of extant guidelines and prescribed limits, subject to FEMA and similar statutory provision.

(Source: RBI Circular on International Trade Settlement in India Rupees, 11 July 2022)

Digitalisation of Rural Finance

Considering the challenges associated with rural credit in India, digitalisation of its various aspects has emerged as an important objective for the Reserve Bank. To start with, a pilot project for end-to-end digitalisation of Kisan Credit Card (KCC) lending, has been developed by the Reserve Bank Innovation Hub (RBIH) under the Reserve Bank's guidance. The Digital KCC pilot aims to significantly reduce the turn-around time (TAT) of KCC applications by automating and enabling end-to-end digitisation of key processes such as automation of a bank's loan origination system (LOS) and its integration with the state government's land record database through application programme interfaces (APIs) to enable the real-time verification of land record data.

The pilot is being carried out in select districts of two states, viz., Madhya Pradesh and Tamil Nadu. Work to further scale up the pilot in other districts of these two states as also across more states in partnership with other banks is underway.

This pilot project on digitalisation of KCC lending is expected to play a pivotal role in facilitating credit flow to the unserved and underserved rural population by making the credit process faster and more efficient. When fully implemented, this is expected to transform the rural credit delivery system of the country. (*Source: RBI Financial Stability Report, December 2022*)

Central Bank Digital Currency (CBDC)

Accelerated digitalisation, supported by technological innovation, and spread of private sector digital ventures, have led to the proliferation of initiatives to launch central bank digital currencies (CBDCs). The experiments from frontrunners to subsequent movers are offering valuable lessons about challenges to the introduction of CBDC.

CBDCs have financial stability and monetary policy implications. There is still animated debate around potential impact of a CBDC on banking (dis) intermediation. Four key factors are important. First, depending upon market power of banks in deposit markets, the entry of a CBDC that directly competes with bank deposits may result in higher deposit rates. Second, the effect of CBDC on bank disintermediation will depend on the interest rate offered on CBDCs, which, if high enough, can cause bank disintermediation. The market power of banks will determine the direction of intermediation when rates are in an intermediate range. Third, a CBDC would have negligible effect on intermediation if banks can replace any lost retail deposits with wholesale funding, which is especially important for larger banks. Finally, the degree of bank disintermediation may be limited by restrictions placed on the amount of CBDC that users may hold, transact, or earn interest on.

There are a few lessons emerging from CBDC experiments so far. First, in introducing a CBDC, it is necessary to balance trade-offs between several objectives while choosing the appropriate technology. These trade-offs consist of design choices including centralised versus decentralised ledger systems; choice between privacy and compliance; and stability and innovation. Second, developing a successful CBDC is more challenging than initially thought of, as two opposing forces are at play: being “too successful” and driving away private payment options or “being not successful enough” and failing to generate enough demand. Finally, private-public collaborations for CBDCs may be essential as it will help in putting in place appropriate governance for the division of labour, costs, and authority.

More international cooperation and experience sharing is necessary to ensure interoperability of CBDCs, establish global standards, enhance cross border usage and better understand consequent macro financial implications.

Digital Rupee (e₹), the CBDC in India, is similar to the physical currency in terms of being a legal tender, accepted as a medium of payment and a safe store of value. The e₹ will provide an additional form of money to be used by the public.

A pilot for e₹ in the wholesale segment (e₹-W) for settlement of secondary market transactions in government securities, was launched on November 1, 2022 with the participation of nine banks. It is expected to make the inter-bank market more efficient and reduce transaction costs by pre-empting the need for settlement guarantee infrastructure or for collateral to mitigate settlement risk. Based on the learnings from this pilot, other wholesale transactions and cross-border payments will be the focus of future pilots.

The first pilot e₹ in the retail segment (e₹-R) was launched on December 1, 2022 in select locations in a closed user group comprising customers and merchants across the country. The first phase has begun with four banks, and more banks will join this pilot subsequently. The e₹-R pilot will provide the public with a risk-free medium of exchange as it represents a direct liability of the central bank, with features of physical cash like trust, safety and immediate settlement finality in digital transactions. During this pilot, use cases of person-to-person (P2P) and person-to-merchant (P2M) transactions in a closed user group are being tested. It will also test the robustness of the entire process of digital rupee creation, distribution and retail usage in real time. Based on the learnings from the current pilot, other features and applications of e₹ token and architecture may be tested in future pilots. (*Source: RBI Financial Stability Report, December 2022*)

Future Outlook and Key Trends

Risks are tilted to the downside for the global economy, with financial stability implications. Emerging Market Economies face even greater risks as they confront rising borrowing costs, debt distress, elevated levels of inflation, volatile commodity prices, currency depreciation and capital outflows. Preserving macroeconomic stability in this challenging environment will require safeguarding the domestic economy and the financial system through actions that mitigate build-up of vulnerabilities and help smooth financial market adjustments.

Despite this challenging global environment and ensuing headwinds, the Indian economy and the domestic financial system remain resilient. The resilience of the domestic financial system is being reflected in healthy balance sheet of banks, stronger capital levels of non-bank financial companies (NBFCs) and robust growth in assets under management (AUM) of domestic mutual funds. Despite significant global spillovers, asset quality, profitability, capital and liquidity buffers in the Indian banking system provide comfort. Gross non-performing assets (GNPA) of banks have maintained a declining trend. The state of the banking system is reflected in the banking stability indicator (BSI). During H1:2022-23, an increase in profitability driven by rising net interest margin and an upgrade in asset quality and efficiency ratios contributed to improvement in the BSI. Although there was some weakening in soundness as measured by capital ratios and liquidity risk in terms of the liquidity coverage ratio (LCR), the banking system has sufficient capital and liquidity buffers relative to the regulatory minimum. Prudential regulations and improving domestic economic prospects have shored up the financials of the non-banking sector. Domestic financial markets remain choppy due to heightened uncertainty and volatility in global markets. Preserving macroeconomic and financial stability in the current environment assumes importance to support the recovery, ensure financial stability and bolster India's long-term potential. (*Source: RBI Financial Stability Report, December 2022*)

As regards asset quality, banks need to not only utilise effectively the various measures put in place by the RBI and the Government for the resolution and recovery of bad loans, but also further strengthen their due diligence, credit appraisal and post-sanction loan monitoring systems.

As per the RBI, Macro-stress tests to assess the resilience of SCBs' balance sheets, reveal that SCBs are well capitalised and capable of absorbing macroeconomic shocks even in the absence of any further capital infusion by stakeholders. Under the baseline scenario, the aggregate CRAR of 46 major banks is projected to slip from 15.8% in September 2022 to 14.9% by September 2023. It may go down to 14.0% in the medium stress scenario and to 13.1% under the severe stress scenario by September 2023, but it stays well above the minimum capital requirement, including capital conservation buffer (CCB) requirements (11.5%). The CET1 capital ratio of the select 46 SCBs may decline from 12.8% in September 2022 to 12.1% by September 2023 under the baseline scenario. Even in a severely stressed macroeconomic environment, the aggregate CET1 capital ratio would deplete only by 210 basis points, which would not breach the minimum regulatory norms. The decrease in slippage, increase in write-offs and the continuous improvement in loan growth brought the GNPA ratio further down to 5.0% in September 2022. Under the assumption of no further regulatory reliefs as well as without taking the potential impact of stressed asset purchases by National Asset Reconstruction Company Limited (NARCL) into account, stress tests indicate that the GNPA ratio of all SCBs may improve from 5.0% in September 2022 to 4.9% by September 2023, under the baseline scenario. If the macroeconomic environment worsens to a medium or severe stress scenario, the ratio may rise to 5.8% and 7.8%, respectively.

RECENT INDIAN REGULATORY DEVELOPMENTS

RBI Notification dated July 28, 2022 - Foreign Exchange Management (Borrowing and Lending) (Third Amendment) Regulations, 2022

On July 28, 2022, the RBI introduced the Foreign Exchange Management (Borrowing and Lending) (Third Amendment) Regulations, 2022 which amended the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018 in relation to individual limits of borrowing. Through this amendment, the prescribed limit of U.S.$750 million or its equivalent per financial year for raising ECBs by eligible Indian borrowers was temporarily increased to U.S.$1,500 million or its equivalent until December 31, 2022. Since then, there has been no extension of the dispensation by the RBI.

RBI Press Release dated November 29, 2022 on the Operationalisation of Central Bank Digital Currency – Retail (e₹-R) Pilot

In a press release dated November 29, 2022, the RBI announced the launch of the first pilot for the retail digital Rupee ("**e₹-R**") on December 1, 2022. The pilot would cover select locations in closed user group comprising participating customers and merchants. The e₹-R would be in the form of a digital token that represents legal tender. It would be issued in the same denominations that paper currency and coins are currently issued and would be distributed through intermediaries such as banks. Users will be able to transact with e₹-R through a digital wallet offered by the participating banks and stored on mobile phones and devices. Transactions can be both Person-to-Person (P2P) or Person-to-Merchant (P2M). The e₹-R offers features of physical cash like trust, safety and settlement finality. As with cash, the e₹-R will not earn any interest and can be converted to other forms of money such as deposits with banks.

RBI Notification dated December 1, 2022 on operations of subsidiaries and branches of Indian banks and All India Financial Institutions (AIFIs) in foreign jurisdictions and in International Financial Services Centre (IFSCs) – Compliance with statutory/regulatory norms

The RBI had, though its earlier circulars, previously issued instructions to Indian banks and AIFIs on the issue of dealing in financial products by their branches/subsidiaries operating outside India. Upon review, it was felt that a framework was needed to allow Indian banks and AIFIs to undertake activities which are not specifically permitted in the Indian domestic market and also to specify the applicability of these instructions to IFSCs in India including Gujarat International Finance Tec-City (GIFT City). Under the directions set out in the above RBI notification, foreign branches/foreign subsidiaries of Indian banks/AIFIs (including those operating out of GIFT City) can deal in financial products, including structured financial products, which are not available or are not permitted by the RBI in the domestic market without prior approval from the RBI upon compliance with certain conditions. Financial products dealt with by foreign branches and subsidiaries as well as IFSCs will attract prudential norms such as capital adequacy, exposure norms (including the 'Large Exposure Framework' prescribed by the RBI), periodical valuation, and all other applicable norms.

SUBSCRIPTION AND SALE

Important Notice to CMIs (including private banks)

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for the relevant CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the Dealers accordingly.

CMIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for the relevant CMI Offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this Supplemental Offering Circular and/or the applicable Pricing Supplement.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the relevant Notes (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the relevant Notes.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Dealers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the relevant Notes, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a "principal" basis may require the relevant affiliated Dealer(s) (if any) to categorise it as a proprietary order and apply the "proprietary orders" requirements of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any "Associations" (as used in the SFC Code);
- Whether any underlying investor order is a "Proprietary Order" (as used in the SFC Code);
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to the Dealers named in the relevant Pricing Supplement.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The Dealers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Dealer with such evidence within the timeline requested.

INDEX TO FINANCIAL STATEMENTS OF EXPORT-IMPORT BANK OF INDIA

General Fund

Reviewed financial statements of the Bank as of and for the six months ended September 30, 2022

Export Development Fund

Reviewed financial statements of the Bank as of and for the six months ended September 30, 2022

GMJ & Co
Chartered Accountants
3rd & 4th Floor, Vaastu Darshan,
'B'wing, Above Central Bank of India,
Azad Road, Andheri (East),
Mumbai - 400 069.
Tel. : 022- 6191 9293 / 222 /200
Fax : 022- 2684 2221 / 6191 9256
E-mail : admin@gmj.co.in
info@gmj.co.in

To
The Board of Directors,
Export – Import Bank of India (EXIM Bank),
Center One Building, WTC,
Cuffe Parade,
Mumbai – 400 005.

We have reviewed the accompanying unaudited Balance Sheet of the **General Fund** of EXIM Bank as at 30th September 2022 and the related statements of Profit and Loss for the half year ended on 30th September 2022 and the schedules to the Balance Sheet. The Management is responsible for the preparation and fair presentation of this interim financial information in accordance with the RBI Guidelines, other accounting principles generally accepted in India, in so far as they apply to EXIM Bank under the Export – Import Bank of India Act, 1981 ("the Act") and the Regulations framed thereunder. Our responsibility is to express a conclusion on this interim financial information based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do no express an audit opinion.

Based on our review as stated in paragraph above, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects, the statue of affairs of the General Fund of EXIM Bank as at 30th September 2022 and its results of operations for the half year ended 30th September 2022 in accordance with RBI Guidelines, other accounting principles generally accepted in India, in so far as they apply to EXIM Bank under the Act and the Regulations framed thereunder.

Other Matters

We have reviewed the Risk Based Internal Audit Report up to the quarter ended 30th June 2022 and Concurrent audits up to the month ended 30th September 2022. We understand that the completion of the Risk Based Internal Audit for the quarter ended 30th September 2022 is still under process and thus the same are not made available to us for our review.

We have not reviewed the Interim Financial Results for the half year ended 30th September 2021. The Interim Financial Results of the Bank for the said Quarters have been reviewed by the earlier Independent Statutory Auditor of the Bank. We have relied upon the Review Report of the earlier Independent Statutory Auditor.

Our opinion is not modified in respect of these matters.

For GMJ & Co
Chartered Accountants
FRN No. 103429W

ATUL JAIN

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6b1c13c034ed16490c8050df38, postalCode=400056,
street=301 JOY SOLITAIRE NS ROAD NOS JVPD
SCHEME VILE PARLE
WEST,MUMBAI,Maharashtra-400056,
pseudonym=811803ac6c92420edc541337168faa47,
serialNumber=40394f2197590b27213238358355236
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Date: 2022.11.11 12:49:42 +05'30'

CA Atul Jain
Partner
M No.: 037097
UDIN: 22037097BCUGRZ3155
Place: Mumbai
Date: 11th November 2022

EXPORT-IMPORT BANK OF INDIA

BALANCE SHEET AS AT 30TH SEPTEMBER, 2022

GENERAL FUND Previous year (As at 30.09.2021) ₹	LIABILITIES	SCHEDULES	GENERAL FUND This year (As at 30.09.2022) ₹
159,093,663,881	1.Capital	I	159,093,663,881
26,543,243,670	2.Reserves	II	33,182,168,229
3,010,022,456	3.Profit & Loss Account	III	8,555,266,794
915,131,947,400	4.Notes, Bonds and Debentures		897,715,503,000
-	5.Bills Payable		-
1,968,054,580	6.Deposits	IV	1,621,854,068
151,650,258,151	7.Borrowings	V	278,821,937,755
46,641,734,935	8.Current Liabilities and Provisions for contingencies		57,494,285,500
42,905,497,695	9.Other Liabilities		73,158,052,970
1,346,944,422,768	**Total**		**1,509,642,732,197**
	ASSETS		
81,845,452,946	1. Cash & Bank Balances	VI	41,724,384,263
100,050,319,973	2. Investments	VII	142,792,254,147
1,048,385,884,408	3. Loans and Advances	VIII	1,235,759,838,071
49,970,000,000	4. Bills of Exchange and Promissory Notes Discounted/Rediscounted	IX	21,016,700,000
3,811,704,196	5. Fixed Assets	X	3,550,200,840
62,881,061,245	6. Other Assets	XI	64,799,354,876
1,346,944,422,768	**Total**		**1,509,642,732,197**

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भारतीय निर्यात आयात बैंक मुंबई EXPORT-IMPORT BANK OF INDIA MUMBAI

GMJ & CO. MUMBAI FRN. NO. 103429W CHARTERED ACCOUNTANTS

GENERAL FUND Previous year (As at 30.09.2021) ₹	CONTINGENT LIABILITIES	GENERAL FUND This Year (As at 30.09.2022) ₹
142,625,452,883	(i) Acceptances,Guarantees, endorsements and other obligations	139,116,453,213
1,204,053,760	(ii) On outstanding forward exchange contracts	44,095,167
-	(iii) On underwriting commitments	-
177,962,130	(iv) Uncalled Liability on partly paid investments	179,016,320
4,926,200,000	(v) Claims on the Bank not acknowledged as debts	5,078,800,000
-	(vi) Bills for collection	-
-	(vii) On participation certificates	-
-	(viii) Bills Discounted/Rediscounted	-
7,900,190,318	(ix) Other monies for which the Bank is contingently liable	24,485,372,352
156,833,859,091		**168,903,737,052**

Note :-

1. As Exim Bank is acting only in the capacity of an agency to facilitate certain transactions in Iraq relating to Indian contractors, foreign currency receivables advised to the Bank equivalent to ₹55.91 bn (previous year ₹51.02 bn) held on agency account including a sum of ₹50.52 bn (previous year ₹46.10 bn) assigned to GOI are not included in the above Balance Sheet.

EXPORT-IMPORT BANK OF INDIA ★ भारतीय निर्यात आयात बैंक ★ मुंबई MUMBAI

GMJ & CO. ★ CHARTERED ACCOUNTANTS ★ MUMBAI FRN NO. 103429W

EXPORT-IMPORT BANK OF INDIA

PROFIT & LOSS ACCOUNT FOR THE HALF-YEAR ENDED 30TH SEPTEMBER, 2022

GENERAL FUND Previous year ₹	EXPENDITURE	SCHEDULES	GENERAL FUND This Year ₹
24,786,846,015	1. Interest		29,842,522,040
391,544,934	2. Credit Insurance, fees and charges		389,112,728
400,451,942	3. Staff Salaries, Allowances etc. and Terminal Benefits		464,646,963
-	4. Directors' and Committee Members' Fees and Expenses		261,600
599,050	5. Audit Fees		599,050
132,928,325	6. Rent, Taxes, Electricity and Insurance Premia		148,596,917
20,513,753	7. Communication expenses		20,024,719
18,088,804	8. Legal Expenses		18,256,439
500,078,100	9. Other Expenses	XII	703,406,687
185,266,957	10. Depreciation		185,574,947
9,479,805,890	11. Provision for loan losses/contingencies depreciation on investments		4,293,400,249
4,670,644,948	12. Profit/(Loss) carried down		11,627,388,378
40,586,768,718	**Total**		**47,693,790,717**
1,660,622,492	Provision for Income Tax (Net of deferred tax) [including Deferred tax of ₹ 80,34,78,437 (previous year - ₹ 156,13,31,409)]		3,072,121,584
3,010,022,456	Balance of profit/(Loss) transferred to Balance Sheet		8,555,266,794
4,670,644,948			**11,627,388,378**
	INCOME		
38,952,868,220	1. Interest and Discount	XIII	45,278,042,261
1,389,204,728	2. Exchange, Commission, Brokerage and Fees		2,014,052,570
244,695,770	3. Other Income	XIV	401,695,886
40,586,768,718	**Total**		**47,693,790,717**
4,670,644,948	Profit/(Loss) brought down		11,627,388,378
-	Excess Income/Interest tax provision of earlier years written back		-
4,670,644,948			**11,627,388,378**

EXPORT-IMPORT BANK OF INDIA
SCHEDULES TO THE BALANCE SHEET

GENERAL FUND Previous year (As at 30.09.2021) ₹		GENERAL FUND This Year (As at 30.09.2022) ₹
Schedule I :	**Capital:**	
200,000,000,000	1. Authorised	200,000,000,000
159,093,663,881	2. Issued and Paid-up : (Wholly subscribed by the Central Government)	159,093,663,881
Schedule II :		
	Reserves:	
9,008,628,206	1. Reserve Fund	15,647,552,765
-	2. General Reserve	-
	3. Other Reserves :	
1,939,296,400	Investment Fluctuation Reserve	1,939,296,400
1,955,319,064	Sinking Fund (Lines of Credit)	1,955,319,064
13,640,000,000	4. Special Reserve u/s 36(1)(viii) of the Income Tax Act,1961	13,640,000,000
26,543,243,670		**33,182,168,229**
Schedule III :		
	Profit & Loss Account:	
3,010,022,456	1. Balance as per annexed accounts	8,555,266,794
	2. Less: Appropriations:	
-	- Transferred to Reserve Fund	-
-	- Transferred to Investment Fluctuation Reserve	-
-	- Transferred to Sinking Fund	-
-	- Transferred to Special Reserve u/s 36(1)(viii) of the Income Tax Act,1961	-
3,010,022,456	3. Balance of the net profits (Transferable to the Central Government in terms of Section 23(2) of the EXIM Bank Act,1981)	**8,555,266,794**
Schedule IV :		
	Deposits:	
1,968,054,580	(a) In India	1,621,854,068
-	(b) Outside India	-
1,968,054,580		**1,621,854,068**

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EXPORT-IMPORT BANK OF INDIA MUMBAI

GMJ & CO. MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

Previous year (As at 30.09.2021) ₹		This Year (As at 30.09.2022) ₹
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	-
-	2. From Government of India	-
	3. From Other Sources :	
17,698,411,759	(a) In India	51,974,071,772
133,951,846,392	(b) Outside India	226,847,865,983
151,650,258,151		**278,821,937,755**
Schedule VI:	**Cash & Bank Balances:**	
446,996	1. Cash in Hand	720,220
235,216,170	2. Balance with Reserve Bank of India	77,824,073
	3. Balances with other Banks:	
	(a) In India	
2,750,180,822	i) in current accounts	2,745,705,178
40,000,000,000	ii) in other deposit accounts	6,500,000,000
38,859,608,958	(b) Outside India	32,400,134,792
-	4. Money at call and short notice / Lending under CBLO	-
81,845,452,946		**41,724,384,263**

भारतीय निर्यात आयात बैंक मुंबई MUMBAI ★ EXPORT-IMPORT BANK OF INDIA ★

GMJ & CO. ★ MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

Schedule VII:	**Investments:** ***(net of diminution in value, if any)***	
93,709,315,000	1. Securities of Central and State Governments	112,486,710,000
1,679,489,561	2. Equity Shares & Stocks	1,906,718,052
-	3. Preference Shares and Stocks	292,170,284
4,661,515,412	4. Notes,Debentures and Bonds	2,748,370,264
-	5. Others	25,358,285,547
100,050,319,973		**142,792,254,147**
Schedule VIII :	**Loans & Advances:**	
490,495,852,131	1. Foreign Governments	628,493,538,081
	2. Banks:	
117,361,400,000	(a) In India	86,269,000,000
3,185,446,840	(b) Outside India	2,440,350,000
	3. Financial Institutions:	
-	(a) In India	-
74,092,488,467	(b) Outside India	103,693,599,415
363,250,696,970	4. Others	414,863,350,575
1,048,385,884,408		**1,235,759,838,071**
Schedule IX :	**Bills of Exchange and Promissory Notes Discounted/Rediscounted:**	
49,970,000,000	(a) In India	21,016,700,000
-	(b) Outside India	-
49,970,000,000		**21,016,700,000**

Previous year	Schedule	Current year
Schedule X :	**Fixed Assets:** *(At cost less depreciation)*	
	1. Premises	
5,120,083,818	Gross Block b/f	5,135,413,642
10,786,342	Additions during the year	2,841,476
-	Disposals during the year	-
5,130,870,160	Gross Block as at the end of the year	5,138,255,118
1,589,744,172	Accumulated Depreciation	1,814,628,301
3,541,125,988	Net Block	3,323,626,817
	2. Others	
1,432,461,033	Gross Block b/f	1,491,944,300
34,096,410	Additions during the year	41,520,348
28,424,005	Disposals during the year	51,188,321
1,438,133,438	Gross Block as at the end of the year	1,482,276,327
1,167,555,230	Accumulated Depreciation	1,255,702,304
270,578,208	Net Block	226,574,023
3,811,704,196		**3,550,200,840**
Schedule XI :	**Other Assets:**	
	1. Accrued interest on	
12,412,243,530	a) investments / bank balances	12,828,225,045
9,857,133,132	b) loans and advances	17,725,521,904
58,391,243	2. Deposits with sundry parties	56,370,510
3,340,424,228	3. Advance Income Tax paid (Net)	5,958,091,385
37,212,869,112	4. Others [including Net Deferred tax asset of ₹ 17,446,448,004 (previous year ₹ 28,996,668,437)]	28,231,146,032
62,881,061,245		**64,799,354,876**
Schedule XII :	**Other Expenses:**	
2,624,531	1. Export Promotion Expenses	8,472,996
658,193	2. Expenses on and related to Data Processing	445,340
161,337,300	3. Repairs and Maintenance	230,923,537
4,983,951	4. Printing and Stationery	6,401,142
330,474,125	5. Others	457,163,672
500,078,100		**703,406,687**

Schedule XIII :	**Interest and Discount:**	
20,479,854,423	1.Interest and Discount on loans and advances/bills discounted/rediscounted	28,188,048,184
18,473,013,797	2.Income on Investments/bank balances	17,089,994,077
38,952,868,220		**45,278,042,261**
Schedule XIV :	**Other Income:**	
(65,805,746)	1. Net Profit on sale/ revaluation of investments	163,331,825
(8,943)	2. Net Profit on sale of land, buildings and other assets	(108,947)
310,510,459	3. Others	238,473,008
244,695,770		**401,695,886**

Note : Deposits under 'Liabilities' [ref. Schedule IV (a)] include `on shore' foreign currency deposits aggregating USD 9.42 mn. (Previous year USD 15.75 mn.) kept by counter party banks / institutions with Exim Bank against reciprocal rupee deposits / bonds.

Investments under `Assets' [ref. Schedule VII 4.] include bonds aggregating Rs. 0.44 bn (Previous year Rs. 0.72 bn) on account of swaps.

EXPORT-IMPORT BANK OF INDIA MUMBAI

GMJ & CO. MUMBAI FRN. NO. 103429W CHARTERED ACCOUNTANTS

GMJ & Co
Chartered Accountants
3rd & 4th Floor, Vaastu Darshan,
'B'wing, Above Central Bank of India,
Azad Road, Andheri (East),
Mumbai - 400 069.
Tel. : 022- 6191 9293 / 222 /200
Fax : 022- 2684 2221 / 6191 9256
E-mail : admin@gmj.co.in
info@gmj.co.in

To,
The Board of Directors,
Export – Import Bank of India (EXIM Bank),
Center One Building, WTC,
Cuffe Parade,
Mumbai – 400 005.

We have reviewed the accompanying unaudited Balance Sheet of the **Export Development Fund** of EXIM Bank as at 30th September, 2022 and the related statements of Profit and Loss for the half year ended on 30th September, 2022 and the schedules to the Balance Sheet. The Management is responsible for the preparation and fair presentation of this interim financial information in accordance with the RBI Guidelines, other accounting principles generally accepted in India, in so far as they apply to EXIM Bank under the Export – Import Bank of India Act, 1981 ("the Act") and the Regulations framed thereunder. Our responsibility is to express a conclusion on this interim financial information based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do no express an audit opinion.

Based on our review as stated in paragraph above, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects, the statue of affairs of the Export Development Fund of EXIM Bank as at 30th September, 2022 and its results of operations for the half year ended 30th September, 2022 in accordance with RBI Guidelines, other accounting principles generally accepted in India, in so far as they apply to EXIM Bank under the Act and the Regulations framed thereunder.

Other Matters

We have reviewed the Risk Based Internal Audit Report up to the quarter ended 30th June 2022 and Concurrent audits up to the month ended 30th September 2022. We understand that the completion of the Risk Based Internal Audit for the quarter ended 30th September 2022 is still under process and thus the same are not made available to us for our review.

We have not reviewed the Interim Financial Results for the half year ended 30th September 2021. The Interim Financial Results of the Bank for the said Quarters have been reviewed by the earlier Independent Statutory Auditor of the Bank. We have relied upon the Review Report of the earlier Independent Statutory Auditor.

Our opinion is not modified in respect of these matters.

For GMJ & Co
Chartered Accountants
FRN No. 103429W

ATUL JAIN

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Date: 2022.11.11 12:49:19 +05'30'

CA Atul Jain
Partner
M No.: 037097
UDIN: 2203797BCUHOY7345
Place: Mumbai
Date: 11th November, 2022

EXPORT-IMPORT BANK OF INDIA

BALANCE SHEET AS AT 30TH SEPTEMBER, 2022

EXPORT DEVELOPMENT FUND

Previous year (As at 30.09.2021) ₹		This Year (As at 30.09.2022) ₹
	LIABILITIES	
	1. Loans:	
-	(a) From Government	-
4,819,960,835	(b) From Other Sources	2,907,866,928
	2. Grants:	
128,307,787	(a) From Government	128,307,787
-	(b) From Other Sources	-
	3. Gifts, Donations, Benefactions :	
-	(a) From Government	-
-	(b) From Other Sources	-
632,697,367	4. Other Liabilities	382,650,995
856,664,594	5. Profit and Loss Account	416,551,235
6,437,630,583	**Total**	**3,835,376,945**
	ASSETS	
	1. Bank Balances	
1,500,000	a) in current accounts	1,500,000
-	b) in other deposit accounts	-
-	2. Investments	-
	3. Loans & Advances:	
-	(a) In India	-
5,731,575,847	(b) Outside India	3,411,626,326
	4.Bills of Exchange and Promissory Notes Discounted, Rediscounted :	
-	(a) In India	-
-	(b) Outside India	-
	5. Other Assets	
	(a) Accrued interest on	
-	i) Loans and Advances	-
-	ii) Investments/bank balances	-
704,554,736	(b) Advance Income Tax paid	255,615,703
-	(c) Others	166,634,916
6,437,630,583	**Total**	**3,835,376,945**

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भारतीय निर्यात आयात बैंक ★ EXPORT-IMPORT BANK OF INDIA ★ MUMBAI

GMJ & CO. ★ MUMBAI FRN NO. 103429W CHARTERED ACCOUNTANTS

EXPORT DEVELOPMENT FUND

Previous year (As at 30.09.2021) ₹	CONTINGENT LIABILITIES	This Year (As at 30.09.2022) ₹
-	(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	-

Note 1 : The Bank has established Export Development Fund in terms of Section 15 of Export-Import Bank of India Act, 1981 (the Act). In terms of Section 17 of the Act, before granting any loan or advance or entering into any such arrangement, Exim Bank has to obtain the prior approval of the Central Government.

EXPORT-IMPORT BANK OF INDIA

PROFIT & LOSS ACCOUNT FOR THE HALF-YEAR ENDED 30TH SEPTEMBER, 2022

EXPORT DEVELOPMENT FUND

Previous year ₹		This Year ₹
	EXPENDITURE	
214,743,472	1. Interest	136,495,576
-	2. Other Expenses	-
	3. Provision or Loan Losses / Contingencies	600,550,766
60,967,046	4. Profit Carried Down	(662,090,419)
275,710,518	**Total**	**74,955,923**
-	Provision for Income Tax	(159,488,044)
60,967,046	Balance of profit/(Loss) transferred to Balance Sheet	(502,602,375)
60,967,046		**(662,090,419)**
	INCOME	
	1. Interest and Discount	
275,710,518	(a) loans and advances	74,955,923
-	(b) investments / bank balances	-
	2. Exchange, Commission,	
-	Brokerage and Fees	-
-	3. Other Income	-
	4. Loss carried to	
-	Balance Sheet	-
275,710,518	**Total**	**74,955,923**
60,967,046	Profit / (Loss) brought down	(502,602,375)
-	Excess Income/Interest tax provision of earlier years written back	-
60,967,046		**(502,602,375)**

THE ISSUER

Export-Import Bank of India
Head Office/Registered Office
Centre One Building, Floor 21
World Trade Centre Complex Cuffe Parade
Mumbai 400 005
Republic of India

Export-Import Bank of India
London Branch
5th Floor, 35 King Street
London EC2V 8BB
United Kingdom

ARRANGERS AND DEALERS

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom

Citigroup Global Markets Limited
Citigroup Centre
Canada Square Canary Wharf
London E14 5LB
United Kingdom

LEGAL ADVISERS

To the Issuer as to English and United States law

Linklaters Singapore Pte. Ltd.
One George Street #17-01
Singapore 049145

To the Issuer as to Indian law

J. Sagar Associates
Vakils House 18 Sprott Road
Ballard Estate
Mumbai 400 001
Republic of India

INDIA INX LISTING AGENT

J. Sagar Associates
Vakils House, 18 Sprott Road,
Ballard Estate,
Mumbai – 400001
Republic of India

To the Dealers as to English and United States law

Clifford Chance Pte Ltd
Marina Bay Financial Centre
25th Floor, Tower 3
12 Marina Boulevard
Singapore 018982

To the Dealers as to Indian law

Cyril Amarchand Mangaldas
V Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013
India

TRUSTEE

Citicorp Trustee Company Limited
Citigroup Centre
Canada Square Canary Wharf
London E14 5LB
United Kingdom

REGISTRAR

Citigroup Global Markets Europe AG
Reuterweg 16
60323 Frankfurt
Germany

PRINCIPAL PAYING AGENT, EXCHANGE AGENT AND TRANSFER AGENT

Citibank, N.A., London Branch
North Wall Quay
Dublin 1
Ireland

AUDITOR

GMJ & Co.
3rd & 4th Floor
Vaastu Darshan, Azad Road, Andheri (East)
Mumbai 400 057
India