

The Financial Performance of EXIM Bank of India

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Abstract- *This study evaluates the financial performance of the Export-Import Bank of India (EXIM Bank) from 2013 to 2024. Using secondary data from annual reports, key financial indicators such as deposits, credits, total assets, shareholder equity, return on equity (ROE), return on deposit (ROD), return on assets (ROA), and earnings per share (EPS) were analyzed. The findings reveal fluctuations in the bank's performance, with significant growth in 2024. The study identifies strengths in EXIM Bank's international trade financing, while suggesting improvements in asset management and capital utilization. It highlights the bank's role in supporting India's foreign trade and recommends expanding branch networks and introducing customer-centric schemes for growth.*

Keywords- EXIM Bank of India, Financial Performance, Banking Sector, International Trade Finance, Camel model, Import and Export.

I. INTRODUCTION

Banks play a vital role in the economic development of a country; their performance undertakes or determines the pace of development of economy. Mostly they engage in the money transactions including accepting deposits from the customers and lending them to the needy ones in the form of loans. The last 2 decade witnessed many positive developments in the Indian banking sector, especially after arrivals of Private Banks. Some banks established an outstanding track record of innovation, growth and value creation. The financial performance of banking sector always puts an impact on the performance of the economy. The growth of banks mainly depends on its conventional business services like deposits and loans. The expenditure made by the banks either in borrowing funds or acquiring assets should be cautiously done. The variables like growth, profitability and non-performing assets are used to compare the performance of the banks. The recent global financial crisis has triggered fall of many economies, contributed by financial losses and large non performance assets in banking sector. Hence the stability of banking sector is pivotal for the growth of any economy.

The banking sector is considered to be an important source of financing for most businesses. The common

assumption, which underpins much of the financial performance research and discussion, is that increasing financial performance will lead to improved functions and activities of the organizations. The subject of financial performance and research into its measurement is well advanced within finance and management fields. It can be argued that there are three principal factors to improve financial performance for financial institutions; the institution size, its asset management, and the operational efficiency. To date, there have been little published studies to explore the impact of these factors on the financial performance, especially the commercial banks.

II. REVIEW OF LITERATURE

A. Abinaya and Dr. S. Selvakumar (2024), in their article titled “Asset Liability Management of Export-Import Bank of India Using Camel Model”. The study analyses asset liability management of EXIM Bank of India using CAMEL Model. Secondary data were collected from annual reports of the bank. The asset liability management of the bank is good in terms of capital adequacy, asset quality, management efficiency, earnings ability, liquidity, credit risk management and export financial performance. The study concluded that the capital adequacy, asset quality, management efficiency, earnings ability and liquidity of the bank are found good. It is also concluded that the bank’s lending performance such as export financing and import financing are also good.

Alokkumar (2023) in his Ph.D. thesis “Export financing in India with special reference to Export import bank of India”. Studied historical background of India., Government’s Effort to resolve the problems of foreign trade, EXIM policies of India, financial performance of EXIM bank an analytical study The researcher has collected from numerous sources such as annual reports of EXIM bank RBI bulletin ministry of commerce and Industry director general of foreign trade (DGFT) reports and annual reports of ECGC in addition to this different book have also been considered to collect related information. It was revealed from his study that there is no significant correlation between number of supply contracts and the value of supply contracts The major findings of information advisory services as a part of value added services which complements advisory and support services which

complements its financing programs and also he suggestions of that EXIM has only nine regional offices in India and seven overseas offices so, my suggestions is that at least one regional office needs to be located in each state of India.

Dinesh B. Dhaneshwar (2022) in his Ph.D. Thesis titled “The Role of EXIM Bank of India in the development of Foreign Trade” studied management of the EXIM bank, operations performance, problems faced by the Bank. The researcher has collected primary data and secondary data using RBI bulletin, Annual Reports, published reports of the government, books, Journals, periodicals, various government websites and other unpublished records. Collected data is presented, analysed and interpreted through various statistical tools and techniques such as simple curve, tables, charts, graphs and percentage etc., It was revealed from his study that contribution of EXIM bank in promotion of export by providing non-financial services is proved hence his hypothesis also proved.

Dipesh B Nathwani (2015) in their article titled “Financial Performance Appraisal of Indian Banking Sector – A Comparative Study of Public and Private Banks in Gujarat” studied three banks each from the general public sector and private sector. The general public sector banks were the depository financial institution of India, Bank of Baroda, and Punjab commercial bank. The private sector banks were HDFC Bank, Axis Bank and ICICI Bank. The data concerning these banks were collected for a period of ten Financial Years from 2005-06 to 2014-15 The CAMEL model was elaborated in terms of varied ratios with regard, to overall profitability. The results of the study indicated that the banks within the public sector were less profitable than the banks within the private sector.

STATEMENT OF THE PROBLEM

Bank is very old institution that is contributing toward the development of any economy and it's treated as an important service industry in modern world. Nowadays the function of bank is not limited to within the same geographical limit of any country. It is an important source of financing for most businesses. The common assumption, which under much of the financial performance research and discussions is that increasing financial performance, will lead to improved functions and activities of the organizations. The concept of financial performance and research into its measurement is well advanced within finance and management fields. The set of performance measures that give a comprehensive view of the banks based on the following rates. The performances of exim bank are analysis based on past 12 years data.

OBJECTIVES OF THE STUDY

- To assess the size and structure of total asset of the Exim bank of India.
- To know about the deposit performance and evaluate the lending performance of the Exim bank of India.

RESEARCH METHODOLOGY

Research design stands for advance planning of methods to be adopted for collecting the relevant data and techniques to be used in analysis, keeping in view the objective of the research. To achieve the above stated objectives and to calculate the value of various performance parameters, the secondary data was used.

DATA SOURCE

Secondary data were used for the present study. Data was collected from secondary means such like from the annual reports of the banks by analyzing the consolidated balance sheets and profit and loss accounts of the Exim bank for 12 years from 2013 to 2024. The secondary data are collected from <http://www.eximbankofindia.com> and also in the <http://www.rbi.in> for the study.

SAMPLE AND ITS SELECTION

The study is made for the purpose of a depth analysis of various financial performance of Exim bank of India. The data for the study is selected based on the availability. After verifying data availability the sample size is restricted with the 12 years data.

FRAMEWOEK OF ANALYSIS

- Through the percentage analysis the level of assets of exim bank is measured.
- The average calculation shows the average amount of exim banks assets and liabilities.
- The growth rate shows the improvement position of the various assets and liabilities of exim bank.
- The ratio analysis and its rank show the various financial performance of the exim bank.

ANALYSIS OF DESCRIPTIVE STATISTICS AND GROWTH RATE OF EXIM BANK

TABLE 1

Year	Deposit (Cr)	Growth Rate	Credits(Cr)	Growth Rate	Total Asset(Cr)	Growth Rate
2013	279.72	179.72	2025.47	1925.47	7398.11	7298.11
2014	341.6	241.6	1661.91	1561.91	8273.35	8173.35
2015	912.08	812.08	1646.69	1546.69	12318.9	12218.9
2016	2092.21	1992.21	2158.27	2058.27	15519.16	15419.2
2017	2202.31	2102.31	2106.36	2018.36	15694.16	15594.2
2018	45.4	-54.6	3290.87	3190.87	20174.68	20194.7
2019	70.25	-29.75	6168.41	6068.41	26281.1	26181.1
2020	283.9	183.9	11114.94	11014.9	37396.6	37296.6
2021	2819.09	2719.09	12804.57	12704.6	44341.48	44241.5
2022	2938.27	2838.27	13281.09	13181.1	49688.14	49588.1
2023	3241	3141	16746.76	16646.8	53891.87	53791.9
2024	3156.61	3056.61	18376.81	18276.8	63373.09	63273.1
Total	18382.4		91382.2		20851.5	
Average	1531.87		7615.18		29529.2	

TABLE 2

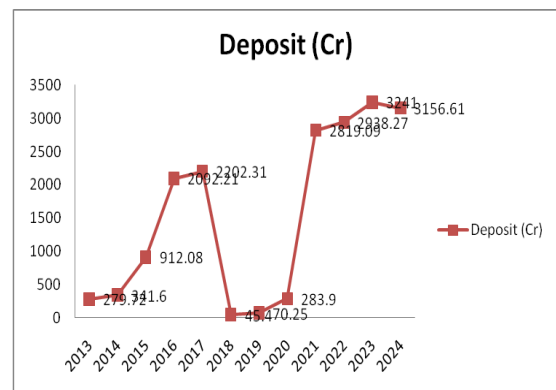
Year	Shareholder's Equity(Cr)	Growth Rate	Return Equity	On	Growth Rate	Return On Deposit	On	Growth Rate
2013	774.79	674.79	89.5	-10.5	0	0		
2014	991.98	891.98	68.92	-31.08	0	0		
2015	1641.08	1541.08	48.72	-51.28	0	0		
2016	1457.33	1357.33	66.71	-33.29	5.08	0		
2017	1356.49	1256.49	81.46	-18.54	5.75	-94.25		
2018	922.37	822.37	158.02	58.02	365.99	265.99		
2019	1289.61	1189.61	152.2	52.2	311.12	211.12		
2020	1858.6	1758.6	151.47	51.47	97.31	-2.69		
2021	2160.97	2060.97	159.62	59.62	11.9	-88.1		
2022	2361.02	2261.02	126.57	26.57	13.14	-86.86		
2023	2825.57	2725.57	120.82	20.82	13.82	-86.18		
2024	3211.72	3111.72	135.4	35.4	16.98	-83.02		
Total	35435.6		1359.39		841.1			
Average	1737.63		113.28		70.09			

TABLE 3

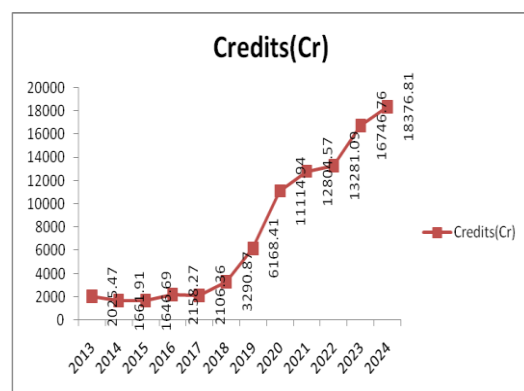
Year	Deposit (Cr)	Growth Rate	Credits(Cr)	Growth Rate	Total Asset(Cr)	Growth Rate
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2013	0.0937	-99.906	0.074	-99.926	2.42	-97.58	0.063	-99.937
2014	0.0826	-99.917	0.079	-99.921	2.63	-97.37	0.064	-99.936
2015	0.0649	-99.935	0.053	-99.947	2.31	-97.69	0.056	-99.944
2016	0.0626	-99.937	0.042	-99.958	2.05	-97.95	0.055	-99.945
2017	0.0704	-99.93	0.054	-99.946	1.01	-98.99	0.072	-99.928
2018	0.0722	-99.928	0.047	-99.953	1.17	-98.83	0.057	-99.943
2019	0.0747	-99.925	0.038	-99.962	2.04	-97.96	0.084	-99.916
2020	0.0753	-99.925	0.029	-99.971	2.89	-97.11	0.051	-99.949
2021	0.0778	-99.922	0.032	-99.968	2.04	-97.96	0.037	-99.963
2022	0.0601	-99.94	0.034	-99.966	1.31	-98.69	0.041	-99.959
2023	0.0633	-99.937	0.036	-99.964	1.22	-98.78	0.031	-99.969
2024	0.0686	-99.931	0.039	-99.961	0.91	-99.09	0.023	-99.977
Total	0.87		0.56		22.01		0.63	
Average	0.0722		0.05		1.83		0.05	

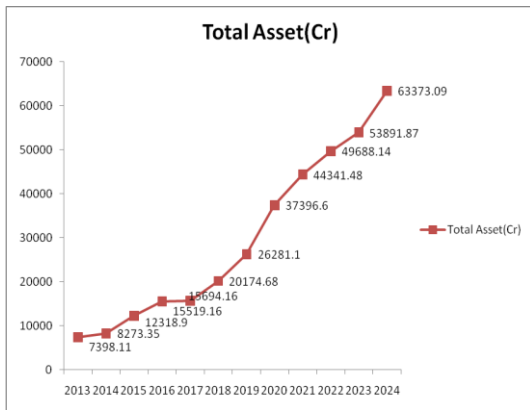
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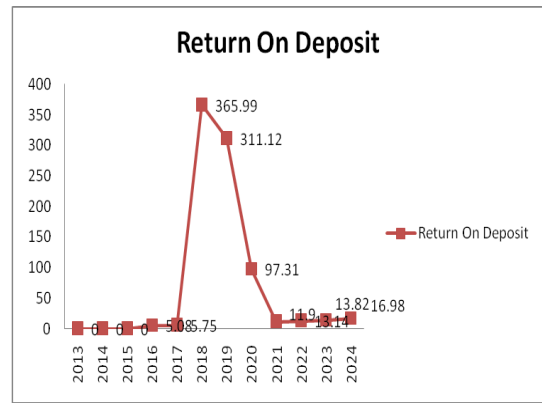
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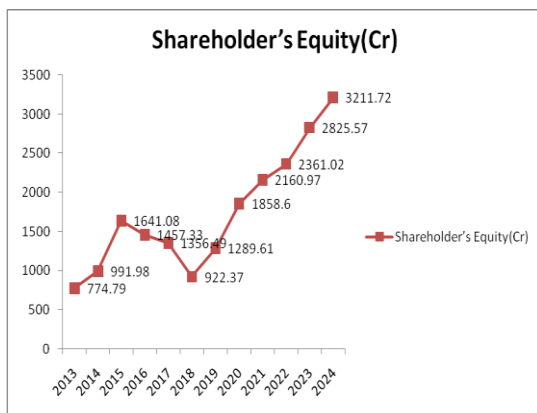
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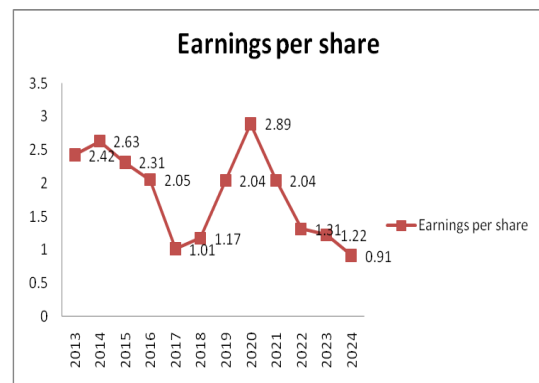
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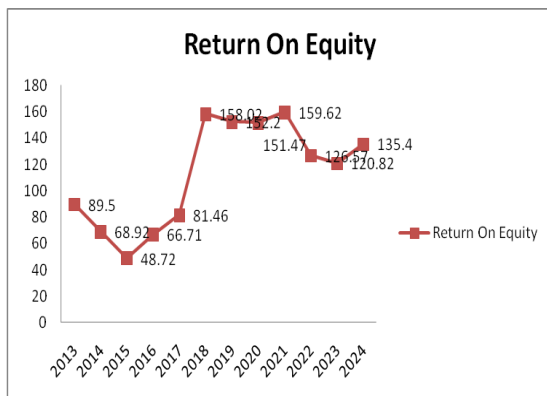
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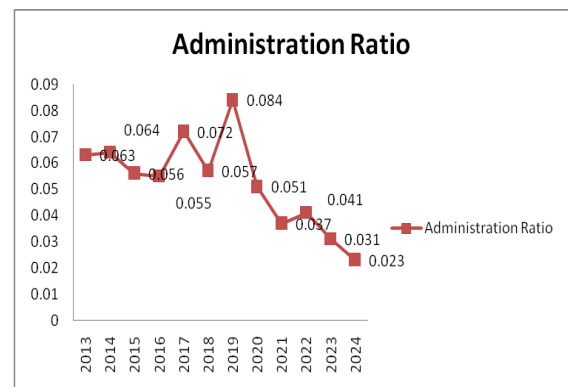
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Interpretation

The financial performance of Exim Bank (2013–2024) shows fluctuations across key indicators. Deposits ranged between ₹45.40 crore (2018) and ₹3,241 crore (2023), with an average of ₹1,531.87 crore. Credits peaked in 2024 at ₹18,276.8 crore, with an average of ₹1,737.63 crore, while the lowest credit growth occurred in 2015. Total assets were highest in 2024 (₹63,373.1 crore) and averaged ₹29,529.22 crore. Shareholder equity saw its highest growth in 2024 (₹3,111.72 crore), with an average of ₹1,737.63 crore. ROE

peaked at 59.62% in 2021, while ROD reached 365.99% in 2018. ROA averaged 0.072%, highest in 2013, while the capital ratio was highest in 2014 (0.079). EPS averaged 1.83, peaking at 2.89 in 2020. Administration expenses were lowest in 2024, reflecting cost control efforts. Overall, 2024 marked the strongest year in financial growth.

Table 4
Ranking of years based on financial performance

Title	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Deposits	10	8	7	6	5	12	11	9	4	3	1	2
Credits	10	11	12	8	9	7	6	5	4	3	2	1
Assets	12	11	10	9	8	7	6	5	4	3	2	1
Shareholder's Equity	12	10	6	7	8	11	9	5	4	3	2	1
ROE	8	10	12	11	9	2	3	4	1	6	7	5
ROD	0	0	0	9	8	1	2	3	7	6	5	4
ROA	1	2	9	11	7	6	5	4	3	12	10	8
Capital Ratio	2	1	4	6	3	5	8	12	11	10	9	7
EPS	3	2	4	5	11	10	7	1	6	8	9	12
Administration Ratio	4	3	6	7	2	5	1	8	10	9	11	12

Interpretation

In order to summarize the classification of the years from 2013-2024 of exim bank based on rank of their activities and profitability ratios, table (4.2.11) contains ranks of the positions for various periods. The total deposit holds first rank on the year 2023 and last rank at the year 2018. The total credits holds first rank on the year 2024 and last rank at the year 2015. The total asset holds first rank on the year 2024 and last rank at the year 2013. The total shareholder's equity holds first rank on the year 2024 and last rank at the year 2013. The total return on equity holds first rank on the year 2021 and last rank at the year 2015. The total return on deposit holds first rank on the year 2018 and last rank at the year 2016. The total return on assets holds first rank on the year 2013 and last rank at the year 2022. The capital ratio holds first rank on the year 2014 and last rank at the year 2020. The earning per share holds first rank on the year 2020 and last rank at the year 2024. The administration ratio holds first rank on the year 2019 and last rank at the year 2024.

III. FINDINGS

- Total Deposits:** The table (4.2.1) represents the total deposits of Exim Bank ranging from ₹3,241 crore to ₹45.40 crore during 2013-2024. The highest growth rate was in 2023, while the lowest was in 2018, which was negative. The average total deposit was ₹1,531.87 crore.
- Credit Performance:** The table (4.2.1) shows that total credits ranged from ₹18,276.8 crore to ₹1,646.69 crore during 2013-2024. The highest credit value was in

2024, while the lowest was in 2015. The average credit was ₹7,615.18 crore.

- Total Assets Growth:** The table (4.2.1) highlights that total assets fluctuated between ₹63,373.09 crore and ₹7,398.11 crore during 2013-2024. The highest asset value was in 2024, while the lowest was in 2013. The average total assets were ₹29,529.2 crore.
- Shareholder's Equity:** The table (4.2.2) indicates that shareholder equity ranged between ₹3,111.72 crore and ₹774.79 crore during 2013-2024. The highest equity value was in 2024, while the lowest was in 2013. The average shareholder equity was ₹1,737.63 crore.
- Return on Equity (ROE):** The table (4.2.2) shows that ROE varied between 159.62% and 48.72% during 2013-2024. The highest ROE was in 2021, while the lowest was in 2015. The average ROE was 113.28%.
- Return on Deposit (ROD):** The table (4.2.2) states that ROD fluctuated between 365.99% and 0% during 2013-2024. The highest ROD was in 2018, while the lowest was in 2013-2015 when it remained at 0%. The average ROD was 70.09%.
- Return on Asset (ROA):** The table (4.2.3) represents that ROA ranged between 0.0937 and 0.0601 during 2013-2024. The highest ROA was in 2013, while the lowest was in 2022. The average ROA was 0.0722.
- Capital Ratio:** The table (4.2.3) reveals that the capital ratio varied between 0.079 and 0.029 during 2013-2024. The highest capital ratio was in 2014, while the lowest was in 2020. The average capital ratio was 0.05.
- Earnings Per Share (EPS):** The table (4.2.3) highlights that EPS ranged between 2.89 and 0.91 during 2013-2024. The highest EPS was in 2020, while the lowest was in 2024. The average EPS was 1.83.
- Operational Efficiency:** The table (4.2.3) indicates that the administration ratio fluctuated between 0.063 and 0.023 during 2013-2024. The lowest administration ratio was in 2024, indicating improved cost efficiency, while the highest was in 2013.

IV. SUGGESTIONS

- The bank should plan for expansion of branches.
- The bank wants to create awareness about the banking aspects to the public.
- The bank should plan to introduce new schemes for attracting new customers and satisfying the present ones.
- The exim bank wants to improve the return on asset and capital aspects.
- The fixed assets of exim bank want to increase.
- The bank wants to give more concentration on Small and Medium Enterprises.

V. CONCLUSION

Banks have taken up major responsibility for developing trading diversifying the Indian economy. The bank has introduces for various schemes and policies to boost up the international trade which helps to earn more foreign exchange. Banks are an important category of institutions operating in the international financial markets. They play a vital role in the financing of foreign trade. Banks also provide foreign market intelligence, credit information service and a host of other services. The exim bank operates a wide range of financing and promotional programmes.

The exim bank's financial performance is the concluding results of various financial activities likes total deposits, total credits, administration expenses return on assets, etc. Banks are the main participants of any financial system, because they play a vital role in an inclusive growth of economy. So the exim bank plays major role in the international trade in India.

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