APPENDICES
QUESTIONNAIRE FOR EXPORT PROMOTION COUNCILS

All information will be treated as CONFIDENTIAL.

Q.1. Please state the formalities that the exporters are required to fulfil when applying for:
   (i) fixation of fresh export credit limits,
   (ii) enhancement of the existing export credit limits,
   (iii) renewal of the export credit limit.

   (b) Do you think that these formalities can be reduced/avoided. If so, please name the superfluous formalities.

Q.2(a) Please state if you are satisfied with the criteria adopted by the banks in fixing the period and the amount of export credit limits.

   (b) If dissatisfied, what streamlining of the criteria would you like to suggest.

Q.3(a) What is the average time taken by banks in providing
   (i) pre-shipment credits; (ii) Short-term post-shipment credit; and (iii) Deferred payment export credit?

   (b) Do you think the time taken can further be reduced? If yes, give your suggestions.

Q.4(a) Please indicate the documents/securities/guarantees that the exporters are required to give in respect of:
   (i) pre-shipment credit,
   (ii) Short-term post-shipment credit, and
   (iii) Deferred payment export credit.

   (b) What are the securities which you think should not be insisted upon by the lending institutions?

Q.5 Do the banks insist on the exporters to furnish collateral securities?

Q.6 Do you consider the present procedure of processing export credit proposals by the banks is complicated or alright?

Q.7 Is the Export financing procedure complicated because:
   (i) It involves too much of paper work;
   (ii) The credit proposal has to pass through many layers;
   (iii) The terms and conditions are stringent;
   (iv) Any other cause (please specify).

Please give reasons in support your opinion and give your suggestions to streamline these procedures.
Q. 8. Do you think that the cost of:

(i) Pre-shipment Credit;
(ii) Short-term Post-shipment Credit and
(iii) Deferred Payment Export Credit is reasonable in India.

Please give reasons for your opinion.

Q. 9. If you consider the prevalent rates of interest are high, what rate of interest you would recommend for:

(i) Pre-shipment Credit;
(ii) Short-term Post-shipment Credit; and
(iii) Deferred Payment Export Credit.

Q. 10. Do you consider the present period of credit in respect of:

(i) Pre-shipment Credit;
(ii) Short-term Post-shipment Credit is adequate?

Q. 11. If inadequate, please state what period of credit you would like to recommend for:

(i) Pre-shipment Credit;
(ii) Short-term Post-shipment Credit; in respect of the type of goods you are dealing in.

Q. 12. Would you like FEDEAI (Foreign Exchange Dealers' Association of India) to revise the 'Transit Period' in respect of:

(i) Sight Bills; and
(ii) Usance Bills.

If so, please indicate what 'Transit Period' would you like to recommend for 'Sight Bills' and 'Usance Bills' for the goods you are dealing in. Please give the reasons.

Q. 13. Do you agree that the banks show any reluctance in giving or participating in deferred payment export finance?

Q. 14. Do you consider that the present powers of commercial banks to grant deferred payment export finance - Where IDBI participation is not required - only to the extent of Rs. 1 crore is adequate?

If not, please indicate to what extent would you like to it to be raised. Please give reasons.
Q.15. Do you think that IDBI should provide export refinancing facilities in respect of banks' own share of post-shipment credit under the "Participation Export Finance Scheme"?

Q.16. Do you agree that IDBI always shows its readiness to participate in pre-shipment credit in respect of large value supply contracts or turn-key projects?

If not, please give reasons.

Q.17. How much time it takes the exporters to obtain:

(i) Pre-conditional commitment from IDBI for export finance/guarantees.
(ii) Sanction of export finance/guarantees when the contract is entered into and
(iii) Insurance policy from ECGC.

Q.18. Do you consider that the IDBI Working Groups have really helped the exporters in getting clearance from the various institutions expeditiously? Please give your suggestions to improve the deficiencies, if any, observed in the working of these groups?

Q.19 (a) Do you favour or disfavour the 'Centralized Processing' of applications for export finance at IDBI's Head Office in Bombay?

(b) If disfavour, would you like to recommend that:

(i) The Regional branches of IDBI at Delhi, Calcutta and Madras should be given necessary powers to this effect.
(ii) Working groups should be constituted at regional levels also.

Please give reasons.

Q.20. Would you like to recommend the establishment of a Data Bank for facilitating the exporters to obtain information on:

(i) the credit worthiness of overseas buyers, and
(ii) the economic and political conditions of buyer's country.

Q.21(a). Please indicate your views about ECGC's services in the following areas:

(i) Issuing of insurance policies;
(ii) Fixing of maximum liability; and
(iii) Fixing of credit limits on foreign buyers.
Appendix-I (Contd.)

(b) If you are dissatisfied, which of the following reasons would you attribute this to:-

(i) Delay in processing;
(ii) Insistence of whole-turnover cover;
(iii) Requirement of submitting a bank report;
(iv) Fixing of low credit limits on the foreign buyers;
(v) Extent of loss covered is less;
(vi) Any other cause (please specify).

Q.22. (a) Please indicate whether

(a) You consider the insurance facilities offered by ECGC under its insurance policies to be adequate?

(b) If not, please mention such inadequacies.

Q.23(a) How much time ECGC normally take in paying the claims?

(b) Do you consider the time taken is long? If yes, how would you like it to be reduced.

Q.24. Are you satisfied with the ECGC's procedure of settling the claims. If not, would you attribute this to:-

(i) Rigid interpretation of the terms;
(ii) Establishment of claim turning out to be difficult;
(iii) Insistence of ECGC on the exporters to take legal action against the defaulting foreign buyer;
(iv) Any other cause (please specify).

Q.25. (a) Please indicate the time taken by ECGC in issuing:-

(i) Standard Insurance Policy;
(ii) Specific Policy.

(b) What recommendations you would like to make to reduce this time?

Q.26. (a) How much time it normally takes ECGC to fix/enhance credit limits on foreign buyers?

(b) Please indicate how this time can be reduced?

Q.27. Are you satisfied with the present discretionary credit limits fixed by ECGC. If not, please indicate the reasons and give suggestions?
Appendix-I (Contd.)

Q.28. Do you consider the premium rates charged on:

(i) Standard Policies; and
(ii) Specific policies to be reasonable.

If not, please suggest the restructuring of premium rates.

Q.29. Please specify the new guarantees that you think ECGC should issue. Give reasons.

Q.30. Do you think that export credit provided by

(a) Commercial banks is adequate in relation to the exporters' demand for the same?

(b) To what extent, in your view the export finance requirements of exporters remain unfulfilled.

(c) In what respects do you consider it to be inadequate?

Please give reasons for your answer.

Q.31. How would you like to improve and strengthen the existing export credit and credit insurance system in India?

Q.32. Please give your views about the:

(i) Provision of factoring services in India.
(ii) Establishment of Export-Import Bank of India.