

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

LOK SABHA
UNSTARRED QUESTION NO. 1814
TO BE ANSWERED ON 21st SEPTEMBER, 2020

ECGC LIMITED

1814. SHRI VINOD KUMAR SONKAR:
SHRI BHOLA SINGH:
SHRIMATI SANGEETA KUMARI SINGH DEO:
DR. JAYANTA KUMAR ROY:
SHRI RAJA AMARESHWARA NAIK:
DR. SUKANTA MAJUMDAR:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether the Government has set up the Export Credit Guarantee Corporation of India (ECGC) Limited to provide export credit insurance services to exporters and banks to promote and support exports from India;
- (b) if so, the details thereof;
- (c) the details of products, services and funds spent/ provided by the ECGC;
- (d) the details of performance including premium and claims by the ECGC during the last 2 years;
- (e) whether the Government has reviewed the functioning of the ECGC and if so, the details thereof; and
- (f) the other steps being taken by the Government like capital infusion, reforms, etc. to improve the performance of the ECGC?

ANSWER

वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

- (a) Yes.
- (b) ECGC Limited was set up in 1957 in Mumbai under the Companies Act 1956 to provide export credit insurance services to exporters and banks to promote and support exports from India.
- (c) ECGC services/products include export credit insurance policies for exporters, export credit insurance for banks and medium & long term project exports, factoring scheme for MSMEs and Micro & Small Exporter Policies. Additionally, ECGC is the managing agency of the National Export Insurance Account (NEIA) Trust that enables Government of India to support Project

exports in the national interest. The capital infused by the Government of India in the company, against which shares are issued to the Government of India, is utilized to enhance the capital base of the company. The underwriting capacity is derived from the capital base, based on which ECGC generates income from business operations and pays dividend to the Government.

(d) The performance details of ECGC during the last two financial years are given below:

(Amount in ₹ Crore)		
Financial Year	2018-19	2019-20
Amount of claims paid	1,013.31	408.41 *
Premium received amount	1,247.54	1075.41

(* as the documentation for the year 2019-20 was not available by 31st March, 2020, claims paid are lower for the year 2019-20.)

(e) & (f) The performance of ECGC is monitored through the various indicators of Memorandum of Understanding (MoU), which is signed between ECGC and Department of Commerce. The Government of India has infused equity capital to the tune of ₹1,410 crore in ECGC over a period of three years from FY 2017-18 to FY 2019-20 to support a higher volume of export credit insurance, including for exports to emerging and challenging markets.
