

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

LOK SABHA
UNSTARRED QUESTION NO. 477
TO BE ANSWERED ON 16th SEPTEMBER, 2020

ECGC LIMITED

477. SHRI BIDYUT BARAN MAHATO:
SHRI SUDHEER GUPTA:
SHRI SANJAY SADASHIVRAO MANDLIK:
SHRI SHRIRANG APPA BARNE:

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) Ltd.;
- (b) if so, the details thereof along with the aims and objectives thereto;
- (c) the details of performance including premium, claims by the ECGC during each of the last three years and the current year;
- (d) the details of products, services and funds spent as provided by the ECGC Ltd.;
- (e) the details of Memorandums of Undertaking (MoUs) signed by the ECGC Ltd. with various institutions and resultant benefits; and
- (f) the steps taken/being taken by the Government including capital infusion, reforms to improve the performance of the ECGC Ltd.?

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) : The performance details of ECGC for the last three financial years and current year are given below:

(Amount in ₹ Crore)

Financial Year	2017-18	2018-19	2019-20	April-June 2020
Amount of claims paid	1,283.17	1,013.31	408.41 *	202.41
Premium received amount	1,240.42	1,247.54	1075.41	170.39

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

- (d) : 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.

- (e) : ECGC has signed 48 MoUs with similar overseas institutions, aimed at regular exchange of information and best practices, deliberations/exchange of ideas on export credit insurance issues and identification of areas and projects of mutual interest. Recently, as part of its commitment under an MOU signed with Credit Oman, ECGC has provided consultancy services to the latter for improvement of their systems and products and earned USD 75,000 as consultancy fee.
- (f) : 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. The performance of ECGC is monitored through the various indicators of MoU, which is signed between ECGC and Department of Commerce.
