

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE
LOK SABHA
UNSTARRED QUESTION NO. 564
ANSWERED ON 03/02/2026

EXPORT CREDIT GUARANTEE CORPORATION OF INDIA

564. SHRI BALASHOWRY VALLABHANENI:

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

- (a) the manner in which Export Credit Guarantee Corporation of India helping and stimulating export credit among MSME exporters;
- (b) whether it is true that under the above scheme MSMEs will get collateral-free cover for export credit;
- (c) if so, the details thereof;
- (d) the number of collateral-free export credit facilitated under this scheme so far; and
- (e) whether any modifications sought by exporters from MSME sector and if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री जितिन प्रसाद)
THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI JITIN PRASADA)

(a) In order to extend cost-effective insurance, particularly to Micro, Small and Medium Enterprise (MSME) exporters, and to stimulate export credit, the Export Credit Guarantee Corporation of India Ltd. (ECGC) has undertaken several initiatives in the recent past. The details are as follows:

- i. ECGC has enhanced the insurance cover for banks under the Short Term Whole Turnover Export Credit Insurance for Banks (WT-ECIB) scheme up to 90% from the earlier average cover of 70% for small exporter accounts with aggregate export credit working capital limits up to ₹20 crore, ₹50 crore and ₹80 crore. This enables banks to extend export credit at lower interest rates applicable to highly rated accounts, thereby facilitating availability of adequate and cost-effective export credit to MSMEs.
- ii. Further, the enhanced cover of 90% has been extended for export credit loans up to ₹50 crore under WT-ECIB without any additional premium, as against the earlier ceiling of ₹20 crore, reducing the insurance cost for MSME exporters.
- iii. ECGC has also provided 90% insurance cover under WT-ECIB for collateral-free working capital export credit limits up to ₹10 crore for Micro and Small Enterprise (MSE) exporters who are unable to offer collateral security or third-party guarantees. This facility is available across all sectors and commodities

without any additional premium and enables banks to extend liberal export credit to MSEs.

- iv. To improve ease of doing business, ECGC has simplified the procedure for settlement of claims under ST-ECIB involving net principal outstanding up to ₹10 crore, with reduced documentation requirements and faster turnaround time.
- v. In addition, ECGC has enhanced insurance cover up to 100% for exporters who obtain policies directly from the Corporation. Such policies also serve as collateral for banks while extending export credit, particularly benefiting MSME exporters who generally avail policies directly from ECGC, thereby reducing collateral requirements for export credit.

(b) & (c) ECGC provides 90% insurance cover under WT-ECIB for collateral-free working capital export credit limits up to ₹10 crore for Micro and Small Enterprise (MSE) exporters who are unable to offer collateral security or third-party guarantees. This facility is available across all sectors and commodities without any additional premium and enables banks to extend liberal export credit to MSEs.

(d) A total number of 4987 export-accounts with limits up to ₹10 crore have been facilitated under the scheme till 22.01.2026.

(e) ECGC has intimated that no such request has been received by them from the MSME sector so far.
