

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

LOK SABHA
UNSTARRED QUESTION NO. 17
TO BE ANSWERED ON 04th FEBRUARY, 2019

CAPITAL INFUSION IN ECGC

17. DR. K. GOPAL:

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

- whether the Government has approved a capital infusion of Rs. 2,000 crore into the Export Credit Guarantee Corporation (ECGC) to be infused over the three financial years 2017-20 and if so, the details thereof;
- whether the infusion would enhance insurance coverage to MSME exports and strengthen India's exports to emerging and challenging markets like Africa, CIS and Latin American countries;
- if so, the details thereof; and
- whether the increased capital infusion would also help ECGC to diversify its product portfolio and provide cost effective credit insurance to exporters and if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a) Yes. Government of India has approved capital infusion of Rs. 2,000 Crore to be released during FY 2017-18 to FY2019-20. The details are as under:

FY 2017-18	Rs. 50 Crores; Released.
FY 2018-19	Rs. 500 Crores; Released.
FY 2019-20	The proposal to release the rest amount of Rs. 1450 Crores has been submitted and same shall be decided by the Ministry of Finance as per the availability of the fund.

(b) Yes. The capital infusion is necessary to strengthen ECGC underwriting capabilities to support MSME exports and exports to challenging & emerging markets like Africa, CIS and Latin American countries.

(c) During FY 2017-18, ECGC supported exports & export loans of Rs. 6.41 lakh crore. Around 20,000 distinct exporters are benefitted out of ECGC covers. Out of this, MSME share was more than 85%.

(d) Yes. The enhanced capital will enable ECGC to diversify its portfolio like factoring facilities to MSME exporters and a more liberal underwriting approach to challenging & emerging markets like Africa, CIS and Latin American countries. Enhanced capital will also enable continuation of cost effective credit insurance to exporters.
