



ECGC declares dividend of Rs.72.50 Crores 15% of total merchandise exports in 2016-17 supported by ECGC

ECGC wins the best ECA Award by Trade and Forfaiting Review for 2017

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The 59th Annual General Meeting of ECGC, chaired by Ms. Rita Teatolia, Commerce Secretary was held in Udyog Bhawan on 10th August, 2017.

It was noted that despite ECGC reducing the premium rates (in order to bring down the transaction costs of the exporters) by an average 17% under policies, ECGC recorded only a marginal decline in premium of less than 4%.

ECGC has posted Profit Before Tax of Rs.407 Crores, an increase of 5% over previous year. It has also declared a dividend of Rs.72.5 Crores at the rate of Rs.5 per share.

ECGC's support of total exports at Rs.2,65,000 Crores was around 15% of total merchandise exports in 2016-17. A significant aspect of ECGC's performance was that 85% of its support was accounted for by MSME exporters.

It was mentioned that 12029 covers were in force as on 31st March, 2017 with a total maximum liability of Rs.86,215 Crores. With a view to increase Indian exports in new markets like Africa, covers provided by ECGC to exporters exporting to Africa recorded a growth of 15% over previous year. This was even when exports to Africa recorded a decline of 5% in 2016-17.

ECGC has over 4,00,000 Overseas Buyers on record of which more than 1,20,000 buyers are regular and active buyers for Indian exporters. The cumulative exposure on these active buyers made available by ECGC is more than Rs.1,25,000 Crores for Indian exporters. An active management of exposures on these buyers is supported by a strong data base, built over more than five decades.

ECGC also supports diversification of exports to Focus Markets identified by Department of Commerce by favourably rating such countries to enable coverage of exports at a very competitive rates.

ECGC has been a pioneer in providing ECIB covers to banks, which enables the exporters to get adequate and timely finance from Banks at pre and post-shipment stages. Recognising ECGC's significant contribution in helping Indian Exporters to get much needed working capital finance for the last 50 years, it was most fittingly accorded in its Diamond Jubilee Year the Best ECA Award by Trade and Forfaiting Review for 2017, an award that has been in vogue for last twenty years. ECGC's unique achievement is when pitched against stalwarts ECAs from Germany and UK, it won the award.

ECGC also manages the NEIA Trust of the Government of India that provides credit insurance covers to Medium and Long Term Exports, including Project Exports. The NEIA has supported 76 Contracts with a project value of around Rs.35,000 Crores, being executed by Indian Exporters in 29 countries.

During the Financial Year 2016-17, ECGC hosted the meeting of Heads of BRICS ECAs in New Delhi while India was the BRICS Chair. It has also organized 2 International Workshops for BRICS ECA participants. It also hosted Meeting of Heads of ECAs of G12 Countries consisting of 8 OECD and 4 BRIC Countries, in Chennai during the year.

MJPS

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