

**No.6/1/2016-E&MDA
Government of India
Ministry of Commerce & Industry
Department of Commerce
E&MDA Section

Udyog Bhawan, New Delhi
Dated: the 19th August, 2016


OFFICE MEMORANDUM

Subject: MoU for the year 2016-17 in respect of ECGC Ltd.

The undersigned is directed to refer to Department of Public Enterprise's O.M. No. M-01/0070/2016(MoU) on the above mentioned subject and to forward a copy of the signed MoU for record and necessary action. Soft Copy of the same has also been sent on email : mou-dpe@nic.in.

2. This issues with the approval of Commerce Secretary

Encls: as above


**(Shri S. K. Ranjan)
Deputy Secretary
Tele: 23063624**

To,

Ms. Rashmi Tahiliani, Deputy Director (MoU)
Department of Public Enterprises.
Block No. 14, 3rd Floor, CGO Complex.
Lodhi Road, New Delhi.

387

M-01/0070/2016-DPE (MoU)
Ministry of Heavy Industries and Public Enterprises
Department of Public Enterprise
(MoU Division)

Block No. 14, 3rd Floor
CGO Complex, Lodi Road
New Delhi-110 003

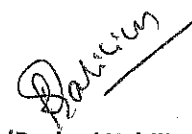
Dated: 05th August, 2016

OFFICE MEMORANDUM

Sub: Signing of MoU for the year 2016-17.

The undersigned is directed to refer **Ministry of Commerce & Industry** O.M. No. 6/1/2016 - E&MDA dated 05.08.2016 on the subject mentioned above and to forward herewith two copies of the authenticated MoU for the year 2016-17 in respect of **ECGC Limited**.

2. It is requested that the authenticated MoU may please be signed and a copy of the signed MoU along with the soft copy may please be sent to this Department for record.
3. The signed copy of the MoU for the year 2016-17 may please be laid in both the houses of Parliament by the Administrative Ministry/Department.
4. The Administrative Ministry and the CPSE may consider posting on their website the signed copy of the MoU 2016-17 after the same has been laid in the Parliament.



(Rashmi Tahiliani)
Deputy Director (MoU)
Tel: 011-24360318
e-mail: mou-dpe@nic.in

Encl: as above.

To,

Secretary,
Ministry of Commerce & Industry,
Department of Commerce,
Udyog Bhawan,
New Delhi-110 001

Copy to:

1. Chairman & Managing Director, ECGC Ltd.



You Focus on Exports. We cover the risks

Memorandum of Understanding 2016-17

ECGC Ltd.

(formerly Export Credit Guarantee Corporation of India Ltd.)

(A Government of India Enterprise)

Express Towers, 10th Floor, Nariman Point, Mumbai-21, India

**Tel: (022) 6659 0500-10. Fax: (022) 6659 0517. Toll Free: 1-800-
224500.**

Web: www.ecgc.in

Memorandum of Understanding
Between Ministry of Commerce,
Government of India
And
ECGC Limited
For the year 2016-17

290

MoU for the year 2016 - 17

Sl.No.	Evaluation Criteria	UNITS	WT.	Excel	V Good	Good	Fair	Poor
i	Capacity Utilization Actual Business Underwritten(Maximum Liability) / Maximum Underwriting Capacity as on 31.03.2016 ✓	% ✓	10 ✓	100 ✓	95 ✓	92 ✓	90 ✓	85 ✓
ii	Efficiency Parameters (Physical Operations):							
a	Operational efficiency: Reduction in Average time taken for settlement of claims - ST ECIB ✓	Working Days ✓	10 ✓	4 ✓	3 ✓	2 ✓	1 ✓	0 ✓
b	Technology up-gradation: Upgradation of operations software from old to latest version. ✓	Date ✓	5 ✓	31-Jan-17 ✓	28-Feb-17 ✓	15-Mar-17 ✓	22-Mar-17 ✓	31-Mar-17 ✓
iii	Leveraging Net Worth:							
a	Introduction of New Product ✓	Date ✓	5 ✓	31.10.2016 ✓	30.11.2016 ✓	31.12.2016 ✓	15.01.2017 ✓	31.01.2017 ✓
b	Numbers of Buyers Added ✓	Numbers ✓	10 ✓	18,500 ✓	18,000 ✓	17,500 ✓	17,000 ✓	16,500 ✓
iv	Monitoring Parameter Recovery to Average of five years Claims Paid Ratio ✓	% ✓	5 ✓	25 ✓	22 ✓	20 ✓	18 ✓	16 ✓
v	Turnover for Operations Net Premium Earned ✓	Rs. Crores ✓	5 ✓	930 ✓	880 ✓	830 ✓	780 ✓	730 ✓
vi	Operating Profit / Surplus Operating Profit (Profit before Tax excluding Other Income, Extraordinary and Exceptional items). ✓	Rs. Crores ✓	10 ✓	115 ✓	110 ✓	105 ✓	100 ✓	95 ✓
vii	Early Signs of Weakness Reduction in Claims against the Company not acknowledged as debt, over the previous year. Claims Raised by Others: ✓	% ✓	5 ✓	5.00 ✓	3.00 ✓	2.00 ✓	1.00 ✓	0.00 ✓
viii	Marketing Efficiency Ratios No. of Fresh Policies issued - Shipment Comprehensive Risks (SCR) Policy, Export Turnover Policy (ETP) and Multi Buyer Exposure Policy (MBEP) ✓	No. ✓	5 ✓	800 ✓	700 ✓	600 ✓	500 ✓	400 ✓
a	Total Claims Provision / Total Risk Value ✓	% ✓	5 ✓	1.35 ✓	1.50 ✓	1.70 ✓	1.90 ✓	2.00 ✓


MoU 2016-17
Approved by IMC
Signed *[Signature]*

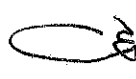
391

Sl.No.	Evaluation Criteria	UNITS	WT.	Excel	V Good	Good	Fair	Poor
ix	Return on Investment							
a	Dividend / PAT ✓	% ✓	5 ✓	25.00 ✓	22.50 ✓	20.00 ✓	17.50 ✓	15.00 ✓
b	PAT / Net Worth * ✓	% ✓	10 ✓	6.00 ✓	5.00 ✓	4.50 ✓	4.00 ✓	3.50 ✓
c	Dividend / Net Worth * ✓	% ✓	5 ✓	1.50 ✓	1.13 ✓	0.90 ✓	0.70 ✓	0.53 ✓
	* At the time of evaluation, if any additional equity is received after 31st Dec.'16, the targets would be proportionately adjusted. ✓							
x	Sector / CPSE Specific Targets							
	Share of National Exports supported (Total Risk Value) / India's Merchandise Exports ✓	% ✓	5 ✓	16.00 ✓	15.00 ✓	14.50 ✓	14.00 ✓	13.50 ✓
	Total		100					

Notes:


- The targets approved by IMC are based on Provisional/Estimated figures submitted by the CPSE for FY 2015-16. In case of better performance of the CPSE during the year 2015-16 as compared to Provisional figures, the difference between actual figures and provisional figures shall be added to the targets of 2016-17. ✓
- At the time of MoU Evaluation, wherever achievement is not verifiable from annual report of the CPSE, the same would be accepted on the basis of certification by way of resolution from Board of Directors. ✓
- The targets decided in MoU are unconditional (Except Parameter ix (b) and ix (c)) and no offset will be allowed in any condition. Further evaluation would be subject to compliance of additional eligibility criteria as contained in para 14.2 and 14.3 of MoU guidelines 2016-17. ✓


 Chairman-cum-Managing Director
 ECGC Limited
 Mumbai


 Secretary
 Government of India
 Department of Commerce
 New Delhi

सुनील कुमार / SUNIL KUMAR
 संयुक्त सचिव / Joint Secretary
 वाणिज्य विभाग / Deptt. of Commerce
 वाणिज्य एवं उद्योग विभाग
 Ministry of Commerce & Industry
 उद्योग भवन, नई दिल्ली-110107
 Udyog Bhawan, New Delhi-110107

Date: 16/8/2016
 Place: NEW DELHI

MoU 2016-17
Approved by IMC
Signed 

SELF DECLARATION/CERTIFICATION BY CPSE

It is hereby certified that the targets and actual achievements in respect of financial parameters have been worked out as per MoU guidelines by adopting the norms and definitions laid down in MoU guidelines for the year 2016-17. In case, any deviation is found at the time of appraisal of performance, DPE is free to evaluate as per audited accounts and as per MoU guidelines. CPSE has no right of claim in this regard.



Authorised Signatory

SELF DECLARATION FOR COMPLIANCE OF DIRECTIVES OF
GOVERNMENT & REGULATORS

It is hereby certified that the CPSE has complied all the directives of government and requirements of regulators. In case, any deviation is found at the time of appraisal of performance, DPE is free to evaluate as per Guidelines, directives issued by the government/regulators. CPSE has no right of claim in this regard.


Authorised Signatory