



Dutch Good Growth Fund

Part of DGGF

Export credit insurance of an export transaction from a Dutch exporter.

Title

DGGF20160519 Electrical tools to India

Exporter

Ferm B.V., Zwolle

Country of investment

India

Sector

Electric tools

Contract amount

Maximum indemnification: EUR 555.671,-

Period

Manufacturing period: 11 months

Credit period: 18 months suppliers credit

Parties involved

Debtor: Patel Trading Corporation, Bangalore / India

Impact on development

Job creation

Distributors will be allowed to grow and hire more employees. It is expected that the transaction will create 17 FTE in direct employment at the buyer and final distributors in India. It will also create some indirect employment.

Increasing the strenght of production

Ferm provides exclusiveness in its service area. In contrast with bigger brands, Ferm grants a large amount of freedom to its distributors. The profit margin of the distributors for Ferm's products is larger than those of bigger brands.

Sharing of knowledge, skills and techniques

Ferm provides support via Internet and telephone but also locally concerning technical advice and training and also regarding marketing and digital information. These trainings are provided to the engineers and salesmen of Patel.

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Risk category

The transaction is qualified as a category E-project. The transaction is acceptable.

Description

The delivery of electric tools to (semi)professional usage to a distributor in India. Including the training of employees.

