

## **8. Micro Exporter's Policy (MEP)**

<b>Eligibility Criteria</b>	<ul style="list-style-type: none"> <li>All exporters (manufacturing, service or traders) with anticipated export turnover for a period of one year is up to Rs. 1 crore.</li> </ul>
<b>Suitability</b>	<ul style="list-style-type: none"> <li>Small Exporters</li> </ul>
<b>Type Of Policy</b>	<ul style="list-style-type: none"> <li>This is an exposure-based policy.</li> </ul>
<b>Scope</b>	<ul style="list-style-type: none"> <li>All Buyers in Open Cover Country (OCC) subject to buyers not being in Buyer Specific Approval List (BSAL).</li> <li>All Bank in OCC with World Rank up to 25000 as per latest Banker's Almanac.</li> </ul> <p>(Note-The <a href="#">Country Classification List</a> is available on ECGC's public portal and the <a href="#">BSAL</a> details can be accessed by the Policy Holders through login credentials)</p>
<b>Period of Policy</b>	<ul style="list-style-type: none"> <li>12 Months</li> </ul>
<b>Risks covered</b>	<ul style="list-style-type: none"> <li>Commercial Risks / Buyer Risk</li> <li>Political Risks</li> <li>L/C Opening Bank Risk</li> </ul>
<b>Percentage of Cover</b>	<ul style="list-style-type: none"> <li>90%</li> </ul>
<b>Important Obligations of the Exporter</b>	<ul style="list-style-type: none"> <li>Processing fee of Rs 1,000/- (non-refundable) and one time premium of Rs. 25000/-</li> <li>Payment of full premium in advance.</li> <li>Obtaining prior approval for extending the due date of payment of the export bill where the total credit period of realization exceeds 180 days.</li> <li>Obtaining prior approval for resale/reshipment if the loss is more than 25% of the gross invoice value.</li> <li>Notifying/Declaration of payments for bills that have remained unpaid beyond 60 days from its due date of payment, by the 15th of the subsequent month.</li> <li>Filing of claim within 360 days from the due date of export bill or 540 days from expiry date of the Policy cover whichever is earlier.</li> <li>Taking loss minimisation steps and recovery steps including legal action.</li> <li>Sharing of recovery.</li> </ul>
<b>Major Highlights of the Policy</b>	<ul style="list-style-type: none"> <li>The Policy is easy to operate with low policy administration.</li> <li>Submission of statement of exports only on renewal.</li> <li>Cover is available on individual buyers referred to as Single Loss limit for Rs 5 Lakh and upto a Maximum Loss limit (MLL) under the policy for Rs 15 Lakh, on conditions.</li> <li>Discrepancy cover for L/C transactions subject to certain conditions.</li> <li>Extension in due date upto 180 days without prior approval of the Company.</li> <li>Conversion from D/P to D/A without prior approval of the Company.</li> <li>Automatic cover for resale/reshipment up to 25% of the Gross Invoice Value.</li> <li>The normal waiting period for settlement of claims is reduced to two months.</li> </ul>
<b>Cover Not Available for</b>	<ul style="list-style-type: none"> <li>Merchanting Trade.</li> <li>Shipments made by air or effected upon Open Delivery terms or.</li> <li>Buyers in Restricted Cover Category (RCC) country or buyers in BSAL.</li> </ul>