

Domestic Credit Insurance Policy (DCIP)

Policy Booklet

Eligibility Criteria	<ul style="list-style-type: none"> • A business entity with export sales of minimum 25% of their total sales; and • Business entities which are offering the export sales for credit insurance along with their domestic sales; and • Customers who are meeting the eligibility criteria for customized covers of ECGC.
Suitability	<ul style="list-style-type: none"> • Exporters seeking to cover their export as well as domestic sales against the risk of non-payment by the buyer in India.
Type Of Policy	<ul style="list-style-type: none"> • Turnover based cover for all sales made on credit • Exposure based cover on a particular buyer or on all buyers • Cover for supplies made under consignment basis
Scope	<ul style="list-style-type: none"> • Buyers located in India but not being in Specific Approval List (SAL) or Buyer Specific Approval List (BSAL) of ECGC, are eligible for cover subject to terms and conditions of the Policy. <p>(Note- The SAL and the BSAL details can be accessed by the Policy Holders through login credentials)</p>
Period of Policy	<ul style="list-style-type: none"> • 12 months
Risks covered	<ul style="list-style-type: none"> • Commercial Risk / Buyer Risk
Percentage of Cover	<ul style="list-style-type: none"> • 90% under Turnover Policy • 80% under other policies
Important Obligations of the Exporter	<ul style="list-style-type: none"> • Processing fee of Rs 15,000/- (non-refundable) is payable under whole turnover policy. Any additional DCIP would attract separate processing fee. • Notifying / Declaration of bills that have remained unpaid beyond 30 days from their due date of payment, by 15th of the subsequent month. • Obtain prior approval for extending the credit period beyond 90 days • Filing of claim within 360 days from the due date of bill, or 540 days from the expiry date of Policy Cover, whichever is earlier. • Taking loss minimisation steps and recovery steps including legal action. • Sharing of recovery • In respect of turnover based cover and supplies on consignment basis: <ul style="list-style-type: none"> ◦ Obtaining valid credit limit on buyers from ECGC. ◦ Submission of monthly declaration of shipments by 15th of the subsequent month. ◦ Payment of premium in advance before commencement of risks and maintenance of sufficient premium deposit in advance based on turnover projection at all times during the policy. • In respect of multi buyer exposure cover: <ul style="list-style-type: none"> ◦ Submission of quarterly statement of shipments before end of the first month of subsequent quarter. ◦ Payment of premium on the Aggregate Loss Limit (ALL) of the Policy in advance, annually in full upfront or in quarterly instalments, as applicable. • In respect of single buyer exposure cover, annual advance upfront premium is payable on the loss limit approved.
Major Highlights of the Policy	<ul style="list-style-type: none"> • In respect of turnover based cover and supplies on consignment basis: <ul style="list-style-type: none"> ◦ Higher percentage of cover ◦ Competitive premium rate. ◦ Premium outgo is proportionate to actual turnover. • In respect of exposure-based cover: <ul style="list-style-type: none"> ◦ Aggregate Loss Limit (ALL) shall not be less than 10% of insurable export turnover under multi buyer exposure-based policies. Further, cover up to 10% of ALL shall be available on buyer, who is not in BSAL/SAL ◦ Premium is payable only on the ALL irrespective of number or value of shipments. ◦ Selective buyer is allowed to be covered under single buyer exposure cover. • No Claim Bonus (NCB) of 5% subject to no claim, up to a maximum of 50%.