

CHAPTER 08
**EXPORT CREDIT INSURANCE FOR BANKS [WHOLE TURNOVER POST-
SHIPMENT [ECIB (WT-PS)]**

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{ECIB (WT-PS)}]****INDEX**

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08 INTRODUCTION

In order to provide insurance cover to exporters against risks involved in Export trade, the Govt. of India formed the Export Risk Insurance Corporation Ltd during the year 1957. Thereafter, in 1964, the name was changed to Export Credit and Guarantee Corporation Ltd expanding it's services by providing credit guarantee to banks against their export credit. It works under the administrative control of Ministry of Commerce and has its head office at Mumbai. It is now called as Export Credit Guarantee Corporation of India Ltd. ECGC provides insurance cover to both Banks and Exporters.

Monitoring by branches of the outstanding bills against each drawee-wise limit is again a difficult task to accomplish. Even if submission of monthly declaration and payment of premia by the exporter is regular, claims are often rejected on grounds such as failure of exporter to initiate legal action against buyer, quality related disputes, non-fulfilment of terms of export contract etc.

To mitigate the risks involved in Export Finance by Banks, ECGC has introduced the Guarantee Cover to all the Banks as mentioned below.

- (1) Pre Shipment Stage : Export Credit Insurance for Banks (ECIB - WTPC)**
- (2) Post Shipment Stage : Export Credit Insurance for Banks (ECIB - WTPS)**

The ECGC provides cover to the Bank for the post-shipment advances granted against export bills. Thus a non-payment of advances may arise on account of non-receipt of export proceeds from the buyers/importing countries. In order to safeguard the exporters as well as the Banks, ECGC provides credit insurance protection under Policy covers. Therefore, the Bank/Branch shall have to ensure that in respect of an exporter holding an appropriate policy cover, all the requirements of the Policy like obtention of appropriate credit limit (Drawee-wise Limit), premium payment, etc. have been complied with, so that the benefit of a higher coverage applicable for policyholders is available under the ECIB. In respect of non-policyholders, it is mandatory that the Bank/Branch take suitable safe guards like obtaining recent and satisfactory credit reports on the buyers from reputed credit information agencies and satisfy themselves that the payments will be received in the normal course based on its assessment of the buyers, prior to extending credit against bills drawn on overseas buyers.

The salient features of the ECIB (WT-PS) are as under

8.1. DISCRETIONARY LIMIT (DL) (Please refer Addendum 8.20. also)

The Discretionary Limit under ECIB (WT-PS) is Rs.100 lacs. Limits not exceeding Rs.100.00 lacs to any new exporter customer, sanctioned by the Bank will be eligible for cover under ECIB (WT-PS) without any specific application (except a notification of such limits in prescribed format as per Annexure 8(1) to be filed within 30 days of sanction) subject to the terms and conditions of the ECIB. For any limit beyond the discretionary limit sanctioned to new exporter customer, prior approval of ECGC is necessary. However, accounts of exporters classified as Standard Assets as per RBI norms do not require the prior approval of ECGC. These accounts shall be notified to ECGC's nearest office within 30 days from the date of sanction/enhancement of limit. Accounts classified as Sub-standard, Bad & Doubtful require prior approval of ECGC irrespective of limit.

8.2. MAXIMUM LIABILITY

The maximum liability under the ECIB (WT-PS), i.e. the maximum amount upto which claims will be paid by ECGC to the bank for the Post Shipment advances granted during one guarantee year is Rs.710.00 crores (Rupees Seven Hundred and ten crores only).

Accounts which are in default (NPA) and bills which are remaining overdue as on the date of commencement of the ECIB cover [(applicable for fresh ECIB (WT-PS)] will not be covered under ECIB (WT-PS) but will continue to be covered under ECIB (IN-PS), if Bank/Branch has obtained such ECIB. Once these accounts become regular and the advances against overdue bills are liquidated, they can be covered under ECIB (WT-PS). Please note that the accounts which are in the Specific Approval List (SAL) of the ECGC as on date of commencement of cover, or those that are placed in SAL during the cover period, will not be covered under ECIB (WT-PS), unless prior specific approval is obtained from ECGC.

8.3. RISKS COVERED UNDER ECIB (WT-PS)

ECIB (WT-PS) protects the Bank against losses that the bank may suffer while granting postshipment advance to its exporter clients. The risks covered under the Guarantee are:

- i. Insolvency of the exporter.
- ii. Protracted default by the exporter to pay post-shipment advance due to the Bank.

8.4. WHOLE-TURN-OVER CONCEPT

The ECIB is issued by ECGC on the clear understanding that the Bank/Branches shall offer for cover all the accounts that are required to be covered as indicated in the proposal. Therefore, it shall be the responsibility of the Branches that all such accounts are properly covered and due premium paid on the accounts. No account that ought to have been covered shall be excluded without prior approval of ECGC. Similarly, no account that belongs to the excluded category shall be covered under ECIB. The same shall be covered under the ECIB (IN PS) that may be obtained by the branches from the nearest office of the ECGC. It may be noted that failure to include and pay premium on any account of a branch that should have been included, may have an adverse impact on a claim submitted in respect of any other account with any branch of the Bank that would have been properly covered.

ECIB (WT-PS) covers the advance granted by the Bank to all its exporter clients, subject to certain exclusions which may be agreed upon. These exclusions can be in respect of the following categories only:

- i. PSUs including those wholly owned by the Govt. of India.
- ii. Small Scale Industrial Units.
- iii. Letter of Credit based post-shipment advances.

We have decided to exclude

- (a) advances granted in respect of exports on deferred payment terms, turnkey projects, civil construction works or services.
- (b) advances granted to wholly owned Govt. of India undertaking, where Government of India holding is not less than 5%.
- (c) advances granted against LC-backed bills.

In order to cover the same bank should apply for Individual Post-shipment Guarantees.

8.5. TYPES OF ADVANCES TO BE COVERED

All post-shipment advances granted by all the branches in India as per RBI guidelines, by way of purchase/discount/negotiation of export documents or advances granted against documents sent on collection basis are covered under ECIB (WT-PS).

8.5.1 Advances excluded

- a) advances granted against exports under Letters of Credits;
- b) advances granted for exports made on deferred terms of payment, turnkey projects, construction works and service contracts;
- c) advances granted to Government Companies (a Government company means any company in which not less than 51% of the paid up share capital is held by the Central or State Government or Governments or partly by the Central Government and partly by one or more State Governments and includes a company which is a subsidiary of a Government company) ;
- d) advances granted by OBU.
- e) Advances granted to exporters against their export entitlements like Cash Compensatory Support, Duty Draw Back etc. at post shipment stage.

It is, however, open for the Bank to obtain Export Credit Insurance for Bank (Individual Post Shipment) separately for each account falling under the above mentioned excluded category of advances. The extent of cover and premium rate for the ECIB issued to cover advances in category (b) above will be same as applicable to ECIB (WT-PS). For others except (c) will be as applicable to ECIB (IN-PS). In respect of (c), branches can opt for Export Credit Insurance for Banks (Export Finance) (ECIB-EF) for an exporter but the benefit of cover and premium rate as applicable to ECIB (WT-PS) will be available under the ECIB (EF).

8.6. PERCENTAGE OF COVER (Please refer Addendum 8.20. also)

The percentage of loss payable by ECGC for the Insurance cover period July 2013 to June 2014 will be as under:-

Percentage of cover applicable for all sectors including existing limits of GJD sector upto 30.06.2012			
Policy Holders		Non Policy Holders	
Associates *	Others	Associates *	Others
60%	90%	50%	60%
Fresh/incremental limits of **GJD sectors on OR after 01.07.2012			
50%			

*Associate means an overseas subsidiary or an associate of the exporter client of the insured in which the exporter client has financial interest and or operational/managerial control.

** Gems, Jewellery & Diamond Sector.

8.7. Compliance of ECIB (WT-PS) stipulations

8.7.1 Interest and Exchange Loss

Interest payable by the exporter on the post shipment advances and the exchange loss incurred by bank on bills returned unpaid will not be eligible for cover under **ECIB (WT-PS)**.

8.7.2 Payment of premium in advance

In compliance with the terms of Sec.64. VB of the Insurance Act 1938, hitherto, branches were sending advance premium to ECGC on notional basis based on the last month's outstanding products. It has therefore been decided by ECGC to accept a Corporate Guarantee from us in lieu of one month's advance premium that the branches are required to keep with ECGC. Accordingly, the guarantee bond has been executed. Henceforth, branches **NEED NOT REMIT ADVANCE PREMIUM TO ECGC.**

However, Premium is payable on a monthly basis at the rates mentioned below on average daily product. Premium shall be remitted by the branches to the nearest office of ECGC before 15th of the subsequent month along with the monthly declaration.

8.7.3. Treating the exporter customers as Policy holders

Exporter customers holding any of the following Credit Insurance Policies of ECGC shall be treated as Policy Holders (PH) and Bank shall be eligible for higher cover age as per details

in Para 8.6

- a) Shipment Comprehensive Policy (Standard Policy)
- b) Small Exporters' Policy
- c) Export Turnover Policy
- d) Multi Buyer Exposure Policy
- e) Multi Buyer (ITES) Policy.

For the purpose of treating an exporter customer as Policy Holder (PH) for being eligible for higher coverage, Credit Insurance Policy held by the exporter customer shall be kept in good order and the Branch shall obtain prior approval on case to case basis from ECGC in all cases where obtaining of such Credit Insurance Policy has not been specifically waived off by the Competent Authority.

Exporter customers holding **none** of the above Credit Insurance Policies of ECGC shall be treated as Non Policy Holders (NPH) and Bank shall be eligible for lower coverage as per details in Para 8.6

8.7.4. Premium (Please refer Addendum 8.20. also)

Premium is payable on monthly basis at the rate of 6.5 paise per Rs.100/- per month on the average daily product irrespective of the credit ratings of the accounts. Premium shall be remitted by the branches to the nearest office of ECGC before 15th of the subsequent month along with the monthly declaration.

8.7.5. Notification of Post-shipment credit limits under Whole-turnover Cover (Please refer Addendum 8.20. also)

One of the important obligations to be fulfilled under the export credit insurance covers obtained by the Bank under the Whole turnover covers is the Notification/Approval of Limits within the time limit prescribed. The laid down procedure is reiterated herein below for strict compliance by branches:-

- ❖ Accounts which are classified as Standard do not require prior approval of ECGC under ECIB (WT-PS) irrespective of the limit sanctioned. However, the branch

is required to notify the limit to ECGC in the prescribed format within 30 days from the date of sanction.

- ❖ Accounts which are classified as new and accounts taken over from other banks are covered to the extent of the Discretionary Limit fixed for the bank (Rs.100.00 lacs in case of our Bank). For any limit in excess of the Discretionary Limit, approval of ECGC is required.
- ❖ Accounts classified as Sub-Standard/Doubtful/Loss require ECGC's approval irrespective of the limit, even if the limit is within the Discretionary Limit fixed for the Bank.
- ❖ The Branch has to seek the approval of the ECGC when the account is downgraded from the standard status to sub-standard or other inferior status.

8.8 Advances in respect of exports to Restricted Cover Countries

The ECGC advises the banks from time to time the names of countries placed under Restricted Cover category. In respect of exports to such countries, the branches should ensure before granting pre/post shipment advances that the concerned exporter has obtained ECGC's specific approval under policy issued to the exporter. If the exporter is not a policy holder, the branch should obtain the prior approval before granting pre/post shipment advances for exports to such countries. If no approval is obtained, ECIB (WT-PS) will not provide cover for such post shipment advances. The detailed and UPDATED list (Annexure 8 (18) of 'Restricted Cover ' countries is being issued by ECGC time to time. (www.ecgc.in)

8.9. Important Procedural Steps

Some of the important procedural aspects under the Export Credit Insurance Cover are summarized below for information and compliance by all the branches.

8.9.1. Statement of Limits

In terms of the Guarantee, the Bank has to intimate to the Head Office of ECGC, particulars of all post shipment limits in force as on 31st March of every year as per the prescribed formats in Annexure 8(2) & 8(3). The branches should ensure that the above Annexures are forwarded to their respective Regional Offices on yearly basis within 30th April every year. Any changes (additions, deletions or changes) in the position given in the statement should be notified to ECGC case by case, within 30 days from the date of such

change. This notification should be sent as per Annexure 8(7) by the branches which maintain the account to the nearest Branch Office of ECGC. However, it may be noted that the notifications shall apply only to “new” accounts wherein sanctioned limit is within the discretionary limit and accounts classified as Standard assets.

8.9.2 Statement of Account in default

In addition to the statement of limit as indicated in para 8.9.1 above, the Bank Shall also submit a statement of accounts in default as on 31st March of every year under the Post Shipment Credit Scheme as per the format in Annexure 8(4)

8.9.3. Statement of accounts involving prudential write off and recovery

Apart from the statements of limits and defaults, the Bank shall also submit 2 statements as per format in Annexure 8(5) and Annexure 8(6) indicating the details of accounts prudentially written off and the other giving the latest position of recovery action in such accounts.

8.9.4. Application for approval of limits in excess of Discretionary Limits

In terms of the Export Credit Insurance Cover, branches are required to obtain the approval of ECGC for any limit granted to any new exporter and taken over accounts in excess of Rs.100.00 lacs (Rupees One Hundred Lacs only). Application for this purpose should be made on as per Annexure 8(8) - and should be sent by the branch maintaining the account to the nearest Branch Office of ECGC within 60 days from the date of sanction/enhancement of limit. The branch must also send all required annexures such as copies of audited Balance Sheet, Board Memorandum or other internal note sanctioning the limits, etc. After examining the application, ECGC will communicate its decision by way of separate letter. If any additional conditions are considered necessary by ECGC, these will be communicated to the branch. Losses in respect of advances granted to the exporter against limits exceeding DL shall not attract ECGC's liability unless the branch has obtained ECGC's approval for such limits. If branch desires to enhance the credit limits so sanctioned, it should obtain ECGC's approval in the same manner as explained above. Such approvals are also required for all accounts classified other than Standard.

However the reporting of limit should be done within 30 days.As regards new accounts with limit beyond DL application for approval to be submitted to ECGC within 60 days; and disbursement to be made only after receipt of approval from ECGC.

8.9.5. Monthly Declaration and Premium

In terms of the Export Credit Insurance Cover, branches are required to send monthly declaration of Post shipment Advances granted as per the prescribed format in Annexure 8(9)/8(10) to the nearest Branch of ECGC, along with the premium thereon. The declaration for any calendar month along with the premium due thereon shall be sent before 15th of the subsequent month.

The premium payable may be rounded off to the nearest rupee for each exporter and the minimum premium payable shall be Re.1/-. In case no premium is payable against a particular accounts, a 'Nil' statement may be furnished.

8.10. Premium under ECIB (WT-PC)

Premium is to be borne by the Bank to the debit of Expenditure account (881-6000) and not to be recovered from exporter clients.

There may be necessity for granting AFDBC against discrepant export documents drawn under LC. Such bills also come under the category of LC bills under ECIB (WT-PS). Therefore, AFDBC granted against bills drawn under LC and drawn under contracts, are to be controlled in different folios and premium for those AFDBC bills that are drawn under contracts.

Any delay in the submission of monthly declaration and payment of premium can absolve ECGC of its liability. Therefore, branches should adhere strictly to the time schedule for submission of monthly declaration.

8.11. EXTENSION OF DUE DATE

If the due date of a Post shipment advance has to be extended, Bank can do so at its own discretion so long as the total period of the advance **does not exceed 180 days** (360 days in the case of status holders) counted from the date of advance. If the extension is considered for a period beyond 180/360 days, as the case may be, Branches are required to obtain ECGC's prior approval.

The application duly completed (in duplicate) should be submitted, well before the due date, in Annexure 8(11) by the branch maintaining the account to the nearest Branch Office of ECGC. Such requests must be submitted before 180/360 days and branch should have extended due date periodically till such time. After verifying the particulars, ECGC will grant its approval in the duplicate copy of the application and return it to the Branch.

For this purpose written request letter furnishing cogent reasons for delay in realisation, date of expected realisation, together with documentary evidence in support thereof has to be obtained. Branch Manager/Chief Manager's decision to accord extension of time is to be recorded on the request letter. For any extension beyond 180 days, Bank has to obtain prior approval of ECGC, furnishing reasons in support of their recommendations to extend the due date. It is also necessary to ensure that the exporter has made necessary application to Competent authority (complying with ETX formalities) and a copy thereof has to be held on record by the Branch.

When such extension of overdue bills has been approved by ECGC, branch can grant further post-shipment advances. However, in respect of buyers who had defaulted to the exporter and relative bills had become overdue, the branch should not purchase/discount further bills without the prior approval of the ECGC. The branch can grant further advances on bills drawn on other buyers, provided the accounts are conducted satisfactorily and there is no reason to doubt the creditworthiness and honesty of the exporter.

As stated above, if bills drawn on a particular buyer remain unpaid beyond due date, further bills of the same buyer are not to be purchased without prior consent of ECGC. It is possible that a particular exporter may be enjoying export credit facilities with different branches and tendering export documents drawn on a single buyer at these branches. Financing branches should exchange information regarding unpaid overdue bills to ensure that further bills drawn on the default drawee are not purchased without prior consent of ECGC.

Different exporters banking with the same branch (not necessarily belonging to a group) may be exporting to a single buyer and if bills drawn by a particular exporter are overdue, bills drawn by other exporters on the same drawee are also not to be purchased, without prior approval of ECGC.

8.12. GEOGRAPHICAL LOCATION

Submission of monthly declarations, reporting of limits, seeking extension of time, lodgement of ROD/Claim etc., will be to the concerned branch/office of ECGC under whose jurisdiction the financing branch of our Bank falls.

8.13. REPORT OF DEFAULT (ROD)

In respect of post-shipment advances, non-liquidation of advances will be due to non-payment by overseas buyer or due to problems in the importing countries. However, the ROD has to be filed only if, in the opinion of the Bank, the post-shipment advances cannot be recovered from the exporter in normal course. In other words, non payment by overseas buyer or non realisation of export proceeds from the importing country need not by themselves lead to ROD under ECIB (WT-PS). Further, ROD has to be filed only for entire out standings under the post-shipment account and not for certain bills alone. In other words partial invocation is not permissible. ROD has to be filed in Annexure 8(12) within 4 months from due date or extended due date or one month from date of recall, whichever is earlier. Before filing of ROD, a reference has to be made to Regional Office; Delayed/Non-submission of ROD can lead to rejection of claim. A copy of ROD has to be furnished to IBD.

As far as remittance of premium is concerned, the bank will have to pay premium upto and inclusive of the month in which the Report of Default is submitted to the ECGC in accordance with the requirements stated above or in case of insolvency of the exporter (if it is earlier), up to and inclusive of the month in which the insolvency occurred.

8.13.1. Placing of Exporters and connected persons under SAL

The reports of default received from the branches under ECIB (WT-PS) are intended to be examined by ECGC with a view to understand the seriousness of problems in these accounts as evidenced in the reports. In cases where ECGC considers it desirable to monitor grant of further advances or cover for fresh limits that may be sanctioned to such accounts, they are included in a separate instruction circular to banks called the Specific Approval List (SAL). The same is available on ECGC's website at www.ecgc.in for which all our ROs have been provided with User ID and Password. All Exchange Dealing Branches to obtain login ID and password from the Corporation for visiting the site and obtaining the details, which will be provided free of cost on the basis of an application.

This serves as a caution to the banks while dealing with such clients or persons connected with such accounts. It may be noted that the advances granted to any of the exporters in the list or to exporting units in which any of the persons (Proprietor/Partner/Director/Guarantor) mentioned in the list are connected, will not be covered under the Insurance Cover unless prior approval of ECGC has been obtained. Branches are, therefore, required to verify with the latest SAL that none of the existing clients is included therein.

8.14. NURSING PROGRAMME

Branches desirous of nursing an account should submit nursing programme to ECGC for its prior approval. Such applications have to be made to the nearest office of the ECGC by the branch handling the accounts.

Once time limit of nursing programme approved by ECGC expires, fresh approval has to be obtained from competent authority and thereafter referred to ECGC for their prior approval. Further advances are not to be granted till receipt of written approval from ECGC for extension of time. To ensure smooth conduct of business of the exporter, it is necessary to approach ECGC in good time. Similarly, ECGC's prior approval is a MUST for modifications to any terms under the nursing programme.

8.14.1. Prior Approval from ECGC in case of nursing and accounts classified as sub-standard/bad & doubtful, BIFR/CDR package implementation

In the event of an exporter failing to discharge his liabilities to the Bank under export credit, and the Bank incurs a loss, ECGC would make good a major portion of the Bank's loss. Exporters, who have defaulted in adjusting export finance availed by them often approach the Bank for fresh credit facilities, with a view to revive the accounts and clear the earlier overdues from the profits therefrom and bring the account back to normalcy. Banks consider such requests on merits and decide on a suitable nursing program. The nursing programs may be in the form of a bank approved program or a consortium decision or a program finalized on the basis of BIFR/CDR decisions.

As regards revival/nursing of accounts already covered under the Whole-turnover/individual covers through ECGC's nursing programs, prior approval of ECGC is required

before implementation of such packages. BIFR/CDR packages and consortium decisions are also in the form of nursing and therefore require prior approval of ECGC before implementation.

In other words, any decision taken by the Bank on the basis of the BIFR findings or the CDR empowered group or Consortium decision is not binding on ECGC and the cover under the insurance schemes cannot be automatic. It is, therefore, re-emphasized that prior approval of ECGC for such packages is necessary before implementation of such packages. Failure on the part of the Branch to obtain ECGC's prior written approval would render claim, if any, arising in respect of the account inadmissible and ECGC will not be liable for the past as well as the future dues of the exporter concerned.

8.14.2. Claims in respect of accounts under BIFR/CDR and cover for fresh exposure

As regards BIFR cases, as per the current guidelines, ECGC can consider claims in respect of cases pending before BIFR, but if the BIFR package for revival is implemented by the Bank, the Bank shall forthwith refund the claim amount so that the cover for the fresh facility under revival package is considered and simultaneously protecting the past dues. In case the Bank does not take ECGC's approval or does not refund the claim amount, no fresh exposure will be insured by ECGC, but the bank will have to pass on to ECGC proportionate share of the amounts that will be recovered by them while implementing the package.

However, in respect of CDR package, the Bank has an option not to participate in the CDR. In such cases, the bank will have to defer its recovery for a certain specified period as per the procedure. In all such cases, as no fresh commitments are taken by the bank, claim can be considered and the bank shall share the recovery as and when the same is received. In respect of other banks, who have implemented the CDR package cover for fresh advances as well as past dues will be considered on a case to case basis on merits.

8.15. Time limit for filing of claims (Please refer Addendum 8.20. also)

The branch should file a claim in respect of an account within six months from the date of Report of Default as indicated in paragraph 8.13 above as per Annexure 8(13) unless, before the expiry of the said time limit, the time for filing of claim has been extended in

writing by the ECGC at its sole discretion on the basis of a written request made by the Branch.

Claims can be filed under Standard policy by the exporter on those overdue bills if the realization of the bills are concluded as definitely difficult/impossible. In such cases the claim settlement amount received under the policy can be credited to the post-shipment advance as direct payment made by the exporter from his personal source.

Claim will be settled to the extent of 90% of the loss admitted in respect of the claim made under the standard policy subject to the limit fixed under the said policy. Balance amount if any under post-shipment can be claimed under ECIB (WT-PS) after complying with the guarantee provisions like ROD, Recall of advances etc.

However, ECGC can at its discretion, accord permission for extension of time for filing of the claim depending upon the written request made by the bank. It is necessary to recall the advance before lodging the claim.

Following documents have to be submitted to ECGC alongwith the claim form

- i. Copies of process notes/appraisal notes with approvals from competent authority in respect of sanction/renewals.
- ii. Copy of letter sanctioning the limit comprising the terms and conditions
- iii. Copy of limit notification/application for approval of limit submitted to and acknowledged by ECGC.
- iv. Copy of Corporation's letters approving advances against shipments to restricted cover countries (if exporter has obtained such approval, a copy of the same will suffice)
- v. Copy of orders/letters of credit indicating amount advanced and date against which the advances have been granted for which the claim is lodged.
- vi. Copy of PC & operative Account ledger for period commencing six months prior to the date of granting the first advance in default, up to date.
- vii. Copy of PS liability ledger for the period commencing six months prior to the date of granting the first advance in default, up to date.
- viii. Copies of accepted/unpaid bills of exchange relating to the advances in default.

- ix. Copies of non-payment advice relating to the advances in default
- x. Copy of protest notes
- xi. Copies of RBI approval AP's approval, if any , for extension in realization of bills
- xii. Copy of letter recalling the advances
- xiii. Copies of correspondence exchanged with the exporter
- xiv. Copies of legal notice and plaint, if a suit has been filed
- xv. Exporter's reply to the suit filed
- xvi. Proof of insolvency of the exporter
- xvii. Copy of claim filed with the receiver /liquidator(in case of insolvency)
- xviii. Copy of a letter issued to bank by the Receiver/liquidator to the effect that the bank's claim has been admitted to rank against the insolvent's estate
- xix. Certificate from a Chartered Accountant as to the business and export turnover of the exporter in case of small scale exporter
- xx. Copies of Branch Inspection Reports/ Audit Reports containing comments on the defaulted account; along with reply of the branch thereto
- xxi. Copies of RBI Inspection Reports containing comments on the defaulted account along with reply of the branch thereto
- xxii. Staff Accountability Report in respect of the defaulted account, if staff accountability is established by the disciplinary Authority. .

Copy of the claim form together with copies of enclosures is to be furnished to IBD.

The waiting period for settlement of claim is:

- a. If loss is due to insolvency, immediately after expiry of four months from due date of payment or one month after loss which has been admitted to rank against insolvent's estate, whichever of the two dates is earlier.
- b. If the loss is due to protracted default, immediately after four months from due date of payment.

8.16. ACTION TO BE TAKEN AFTER CLAIM SETTLEMENT

If the claim is admitted, the claim amount will be paid by means of a cheque against stamped receipt from the Bank. The amount of claim received from ECGC is to be

controlled in Sundry Deposit a/c ECGC (XXXXXX2820001000) and not to be appropriated to post- shipment advances.

Settlement of claims does not in any way reduce to responsibility of the exporter to repay the advances to the Bank. Further, exporter is not absolved of his obligations to RBI under GR form to repatriate export proceeds. The Branch should maintain its recourse to the exporter and effective recovery action is to be initiated. Progress in recovery is to be informed to ECGC from time to time. Branch is expected to incur all expenses necessary for recovery. All such recovery expenses shall be a first charge on any amount recovered subsequently.

8.17. Introduction of New Initiatives in settlement of claim by ECGC under ECIB (WT-PS):

ECGC in order to hasten the claim settlement process has introduced new procedures termed as “New Initiatives” the details of which are as follows:.

8.17.1. Initiative No 1:

Simplified procedure for settlement of claim under short term packing credit and post shipment guarantee covers for banks, for claims up to Rs. 25 lacs:

Under this system the banks would file claim with ECGC in the prescribed form with all the documents listed in the claim form under ECIB (WT-PS). ECGC after initial scrutiny of the claim and after satisfying that prima-facie there are no shortcomings / lapses, will advise the bank to submit a certificate in the format prescribed (Enclosed as **Annexure 8(14)**) regarding proper conduct of the account from the concerned controlling authorities/ Regional office of our bank. In respect of ELB’S , M.S.Marg branch etc. who report directly to ZO/FGMO the above referred certificate is to be issued by ZO/FGMO. On receipt of the certificate, the claim amount will be released within a period of seven days without any further queries. If ECGC observes serious lapses or irregularities or it is felt that clarifications are to be sought from the branch in respect of the claim submitted, the existing normal mode of settlement process will be adopted.

8.17.2. Initiative No 2:

On account payment for claim under short term-packing credit and post shipment guarantees, where the claim amount is in excess of Rs.25 lacs:

Introduced for those high-value claims under ECIB (WT-PS) as the processing of the claim involves time . As a relief measure, 50% of the claim amount found to be prima-facie admissible in the initial scrutiny of the claim can be obtained from ECGC. The maximum amount of such on account payment is restricted to Rs. 100 lacs for each claim.

The stipulations that are to be adhered in order to prefer the claim under New Initiatives No 2 are the same as listed out in chapter on WTPCG [Chapter No. 6] However they are reproduced again for ready reference.

- ❖ Claim form along with all the basic documents that are listed therein should be submitted
- ❖ Application-cum-undertaking in the prescribed format(Enclosed as **Annexure 8(15)**) should accompany the claim form. This application-cum-undertaking should be signed by the Manager who has signed the claim form .
- ❖ All stipulations laid down under ECIB (WT-PS) like notifying limit, Discretionary limit formalities, submission of monthly declaration and payment of premium, extension of due dates for shipment/realization beyond the stipulated time under the guarantee, reporting of default, prior approval for exporters on SAL etc. are to be adhered to.
- ❖ The claim should not suffer from serious lapses in respect of compliance with the sanction terms and conditions of the bank
- ❖ The claim should be admissible prima facie on the basis of information available from the records of ECGC, claim form submitted and the documents enclosed therewith. In other words, there should not be any serious inherent or subsequent lapses in the account making the claim inadmissible. Referring /reporting the account to CBI, Enforcement Directorate or any other agencies of Government of India for investigation etc makes the claim inadmissible.

- ❖ In case the claim is rejected subsequently or the claim admissible is less than the on account payment made, the whole or excess over the on account payment, amount as the case may be, has to be refunded to the Corporation, on demand by the Corporation along with interest at 2% over the bank's PLR, if the refund is delayed beyond 30 days from the receipt of the demand.
- ❖ The percentage of cover on the amount of loss will be first arrived at and on this amount 50% on account payment will be released. The amount of loss will be ascertained taking into consideration only that part of the insured debt which is prima facie admissible, excluding those parts of the insured debt, the admission of which is in doubt.

8.17.3 Initiative No 3:

Provisional payment under post shipment guarantees:

This is an additional facility provided under settlement of post-shipment claim.

As per the existing procedure the claim under ECIB (WT-PS)/IPSG is lodged with ECGC only after a loss situation has arisen to the bank. Such a situation arises only when FDBP/FUDBP/AFDBC advances in total turn irregular and inoperative.

If a single or a few export bills remain unpaid and if exporter cannot repay advances granted there against, bank cannot seek any relief under ECIB (WT-PS)/IPSG. Sudden recall of entire outstanding post shipment advance to be eligible to lodge a claim under ECIB (WT-PS)/IPSG, will render eventual recovery very difficult. Even under standard policy also, the settlement of claim takes a longer time in view of numerous formalities that needs to be complied by the exporter and claims under such policy will be made only for those single or few overdue bills.

To mitigate the above problems, Corporation has introduced the facility of “provisional payment.” As per this initiative, provisional payment is introduced as a **facility** under ECIB (WT-PS)/IPSG in respect of post shipment advances remaining unpaid and should comply the following:

- The exporter should also hold cover for the transaction under the Corporation's policy by subscribing to their standard policies viz. Shipment Comprehensive Risk policy (SCR) or Small Exporters Comprehensive policy(SEC) or Specific Shipment Policy (SSP). In other words it is essential that exports are covered both under ECIB (WT-PS) as well as under policies issued by ECGC to the exporters to be eligible for provisional payment. For transactions not covered under the guarantees and policies such provisional payment facility will not be available.
- The branches should intimate to the exporter about his overdue bill/s due to non realization and should call upon the exporter to repay the advance from his own sources. In case exporter fails to do so, bank can file application with ECGC for provisional payment. In other words "Notice of Recall" for the overdues from exporter is must. The copy of this recall letter is to be submitted along with the application for provisional payment . The format for claiming provisional payment is furnished as **Annexure 8(16)**.

Provisional payment will be made, only if the total amount applied for and the pending repayment to the Corporation in respect of earlier provisional payment received, for the same exporter, is not more than 20% of the post shipment limit sanctioned to the exporter.

This provisional payment received from the Corporation can be credited to post shipment account of the exporter, reserving recourse to the exporter for recovery at a later date, in case of demand by the Corporation for refund of the provisional payment. Hence branches are to take necessary authority/ undertaking from the exporter as per the format in **Annexure 8(17)** to this effect before crediting the provisional payment amount to the post shipment advance account. The said undertaking is to be duly stamped as per the Stamp Act applicable for respective States.

The branch should continue to pay the premium under the guarantee on the outstanding amount under the post shipment advance. The exporter can continue to operate the account since the exporter will not be placed under SAL at this stage and the bank will not be required to stop granting the credit facilities to the exporter.

The provisional payment is made to the bank on submitting an application along with an undertaking, that contains the following stipulations:-

1. If the Corporation advises the bank to refund the provisional payment made earlier for any reason whatsoever, the amount with interest from the date of making provisional payment to the date of remittance, would be refunded by the bank immediately. Unless otherwise agreed to in writing by the Corporation, such refund should be made in any case not later than 30 days from the date of demand of the Corporation.
2. The bank would repay the amount with interest at the rate of 2% above the PLR in case of delay beyond 30 days from the date on which the Corporation called back the amount paid under provisional payment.
3. The Corporation is authorised to adjust/set off the provisional payment amount due on a particular claim with that of any amount due to be paid to the bank under any guarantee cover.

Apart from the above said stipulations the following are also laid down by ECGC which are to be taken into consideration while claiming for provisional payment under Initiative No. 3

8.17.3.1 Time limit for claim:

4. Time limit for claiming provisional payment is 60 days from the due date or extended due date. However it should not be later than 180 days from the due date or extended due date of the relevant shipment .

8.17.3.2. Rate at which provisional payment will be settled:

5. The provisional payment is made to the bank at the same rate at which the cover is provided under ECIB (WT-PS) , which are as follows::

For Small Scale Exporter	-	95% of the loss
For Others with Policies	-	90% of the loss

However the amount payable as provisional payment shall be the amount payable as per Guarantee, limited to the amount for which the exporter would be eligible to claim under the policy.

8.17.3.3 Granting of further advance:

6. Further advance can be granted to the extent of credit afforded by the provisional payment.

8.17.3.4. Time-limit for filing claim under policy:

7. The exporter has to file his claim under the policy within 4 months of provisional payment. Provisional payment already made, will be adjusted by ECGC at the time of final settlement of claim made by exporter under standard policy. The excess amount of provisional payment, if any received over the claim settled amount is to be immediately refunded to ECGC.

8.17.3.5. Filing of claim under ECIB (WT-PS):

8. Option is available to branches to file claim under ECIB (WT-PS), after complying with ROD, and ECIB (WT-PS) claim formalities. Branch should furnish complete details of provisional payment received and request for retention of the same until final outcome of claim under ECIB (WT-PS) is known. In case claim under ECIB (WT-PS) also gets rejected, then the branch has to refund in full, the provisional payment so received debiting the post-shipment advance account of the exporter based on the undertaking already obtained from the exporter. The branch should thereafter pursue necessary recovery measures in consultation with their Regional office. In case of settlement of claim under ECIB (WT-PS), ECGC will adjust this provisional payment and will settle the balance amount or will claim back the excess payment made already.

8.17.3.6. ECGC'S right to Set-off

9. ECGC has the right to set off claim payment/provisional payment amount due to an exporter of the same branch or different branch of the bank, with the amount of provisional payment already made to a branch of the bank and found to be

ineligible at a later date and not yet refunded by branches despite demand from ECGC.

Hence branches should compulsorily report to IBD, complete details in respect of provisional payment such as:-

- i. Amount claimed and received ,
- ii. Amount adjusted by settlement of claim under policy
- iii. Amount adjusted by settlement of claim under ECIB (WT-PS).
- iv. Amount called back and not remitted back with reasons
- v. Amount for which notice of setoff with claim/provisional payment due on account of some other exporter of the branch/bank is received from ECGC.

This will enable IBD to keep complete track on provisional payments made and settled by ECGC and guide our branches in case notice is received from ECGC, for setting off the provisional payment amount with the claim payment or provisional payment due to some other exporter/branch .

Branches should further note that

1. All future claims should be made as per new initiative and procedure as laid down under Initiative 1,2 and 3 is to be followed
2. All claim payments received from ECGC under the new initiatives except provisional payment under ECIB (WT-PS) are to be held in Sundry Deposit Account- ECGC claims received.

8.18. SHARING OF RECOVERY (PI refer Addendum 8.20. also)

All amounts recovered after settlement of claim (net of recovery expenses) are to be shared between ECGC and the Bank in the same ratio in which the loss was admitted by ECGC. The ECGC's share has to be remitted immediately, failing which Bank shall be liable to pay interest to the ECGC amounts are not appropriated within 7 days from the date of recovery.

8.19. Prior Approval for Compromise / OTS /Write Off

As a result of recovery measures adopted by the Bank, several OTS settlements are referred for approval wherein it is observed that the Bank considered sacrifice of part of the principal amount but while sharing the recovery with ECGC, Bank has taken into account the interest that remained un-serviced by the exporter. It may be mentioned that any OTS or Compromise settlement, the principal dues are expected to be recovered in full. It is hereby clarified that any recovery made in the account where a claim is paid, whether in the nature of normal recovery or compromise/OTS, shall first be adjusted to the principal dues under various heads and share of ECGC will be determined on the basis of claim settlement ratio.

In case of normal recoveries out of exclusive securities charged to the facilities covered by ECGC, the recovery proceeds shall be applied to the principal outstanding in the said accounts. However, if the securities are common, proportionate adjustments can be made against the principal outstanding under the heads as on the date of classification of the account as NPA. In case a bank desires to settle for OTS prior approval of ECGC would be necessary. If no such approval is obtained, ECGC may repudiate the claim in respect of such cases.

If the Bank feels that a whole or part of the amount due from the exporter cannot be recovered, facts and circumstances of the case should be reported to ECGC. If ECGC agrees to Bank's proposal, it will convey its decision and the amount can be written off thereafter and not earlier.

In the case of claim amounts received no write off/prudential write off/ compromise to be done till such time ECGC confirms final settlement. However for the purpose of provisioning the amount held in sundry deposit account is to be taken into account.

8.19.1. Appropriation of settlement amounts in a claim paid account

Where the Bank has recovered its full dues and upto date interest, the entire claim paid amount will become refundable less recovery expenses, if any, along with proportionate interest on the claim paid amount for the period the claim amount was lying with the Bank.

Where the Bank has recovered full principal dues and interest is fully waived, the entire claim paid amount will become refundable. If however, the Bank had spent some amount towards recovery expenses, ECGC's claim paid amount will be refundable, after reducing the recovery expenses incurred.

If the Bank has recovered only a part of the principal dues and the balance principal and interest dues are written off, the entire OTS amount will be appropriated towards principal dues only.

Where no OTS has been approved by the Bank but recoveries are being effected in the normal course, the amounts so recovered less recovery expenses, shall first be applied to the principal dues under various credit facilities, if the recoveries are out of common securities. However, if the recoveries are out of exclusive securities earmarked for the facilities covered by ECGC, the amount recovered less recovery expenses shall be applied to the principal outstanding under the said facilities and the share of ECGC shall be determined accordingly.

8.19.2. SAL issues in respect of accounts settled through Compromise/OTS

ECGC maintains a Specific Approval List containing the names and addresses of exporters and the connected persons who had come to the adverse notice of ECGC through reports of defaults or claims under the Credit Insurance Covers to Banks. In respect of such exporters the Banks are expected to take the prior approval of ECGC for insuring any export credit.

ECGC may consider de-listing of the exporters from its SAL, if the exporter is not involved in a fraud, in the following situations, as per the present guidelines:

Where a report of default is filed and no claim has been preferred or a claim preferred has been rejected by ECGC (i) upon confirmation from the bank that it has recovered its dues fully (ii) If, under a compromise settlement Bank has recovered its principle dues fully. If Bank has made any sacrifice in the principle amount in terms of an OTS, de-listing can be done only after 5 years from date of settlement.

Where a claim is settled by ECGC to the Bank, de listing can be done immediately after the claim is fully recovered from Bank Where exporter has settled the dues under an OTS and Bank has obtained ECGC's approval for the OTS and ECGC has received its share of recovery, the de-listing can be done only after 5 years (from the date ECGC's share has been sent, provided ECGC has not incurred a loss of more than Rs.1 crore and there was no willful default or fraud and the non payment was due to circumstances beyond the control of the exporter. If the loss incurred by ECGC is more than Rs.1 crore, such accounts would

be moved to a new list called “Accounts Settled List” and ECGC cover would be restricted to 50% only for such accounts.

8.20 Addendum

Please read the following para (8.1, 8.6, 8.7.4, 8.7.5, 8.15, 8.18 & 8.21) as per renewed ECIB -WTPS

- 8.1. Discretionary Limit**
- 8.6. Percentage of cover**
- 8.7.4. Premium**
- 8.7.5. Notification of Post-shipment limits under WT-PS**
- 8.15. Time limit for filing of claims**
- 8.18. Share of recovery**
- 8.21. Annexure 8(18)**

8.1. Discretionary Limit

Limits not exceeding Rs.100.00 lacs (Rs. one hundred lac) to any new exporter customer, sanctioned by the Bank at its own discretion, but in accordance with rules and procedures issued in this regard will be eligible for cover under ECIB (WT-PS) by ECGC without any specific application (except a notification of such limits in prescribed format to be filed within 30 days of sanction) subject to the terms and conditions of the Export Credit Insurance Cover. For any new limit above the discretionary limit, prior approval of ECGC is necessary. However accounts of exporters classified as Standard Assets as per RBI norms do not require the prior approval of ECGC, if the exposure against PC/PS sanctioned to the exporter and its group concerns is less than Rs.200 crores. These accounts shall be notified to ECGC's nearest office within 30 days from the date of sanction/enhancement of limit. Accounts classified as Standard Assets, where bank's exposure on the exporter or exporter's group is Rs.200 crores or more, and accounts classified as 'Sub-standard, Bad & Doubtful, require prior approval of ECGC irrespective of limit,

Accounts which are in default as on the date of commencement of the ECIB (applicable for fresh ECIB (WT-PS) will not be covered under the ECIB (WTPS) but will continue to be covered under ECIB (IN-PS), if the branch has

obtained such ECIB. Once these accounts become regular they can be covered under ECIB (WT-PS).

Accounts which are in the Specific Approval List (SAL) of the ECGC as on the date of commencement of ECIB or those are placed in SAL during the cover period, will not be covered under ECIB (WT-PS), unless prior specific approval is obtained from the ECGC.

8.6. PERCENTAGE OF COVER

The percentage of loss payable by ECGC for the Insurance cover period July 2014 to June 2015 will be as under:-

Percentage of cover applicable for all sectors including existing limits of GJD sector upto 30.06.2012				
Policy Holders		Non Policy Holders		
Associates *	Others	Associates *	Others	
60%	90%	50%	Up to Rs 1795.95 lacs 70%	Above Rs 1795.95 lacs 60%
Fresh/incremental limits of **GJD sectors on OR after 01.07.2012 to 28.02.2014 - 50 %				
Fresh/incremental limits of **GJD sectors after 01.03.2014- NIL				

*Associate means an overseas subsidiary or an associate of the exporter client of the insured in which the exporter client has financial interest and or operational/managerial control.

** Gems, Jewellery & Diamond Sector.

In respect of exporters dealing in the commodity Iron Ore

1. The percentage cover w.e.f. 01.04.2012 is 50% only.
2. Per Exporter exposure is restricted to Rs.100 crores.

8.7.4. Premium

Premium is payable on monthly basis at the rate of 6.0 paise per Rs.100/- per month (as against 6.5 paise per Rs.100/- per month for ECGC year 2013-2014) on the average daily product irrespective of the credit ratings of the accounts. Premium shall be remitted by the branches to the nearest office of ECGC before 15th of the subsequent month along with the monthly declaration.

For the fresh/enhanced limits on OR after 01.03.2014, ECGC's exposure for all sectors on a single exporter will be restricted to 30% of ECGC's net worth and exposure upto 40% of net worth can be considered with the

approval of ECGC's Board. Branches need to remit premium only on the limits approved by ECGC.

8.15. Time limit for filing of claims (IBD CIR 6578 dt 17.11.2014)

As per extant guidelines claims are to be filed with ECGC within six months from the date of default (ROD) for both ECIB (WT-PC) and ECIB (WT-PS). Now as per new guidelines of ECGC, branches may, if they so desire, seek additional time for filing the claim beyond six months, supported with valid reasons and quoting extenuating circumstances. Branches need not to pay any additional premium for the extended period.

8.18. Share of recovery in claim paid accounts

Any recovery into the claim settled account whether in the nature of normal recovery or compromise/OTS, shall first be adjusted towards principal dues under various heads and share of ECGC will determine on the basis of claim settlement ratio. Further, for the purpose of reckoning the principal outstanding, total fund based outstanding under various credit facilities as on date of NPA as reported to ECGC at the time of filing ROD will be considered.

We give the illustrations for refunding proportionate share of recovery to ECGC, under various circumstances, as under -

Scenario No.1

Where the Bank has recovered its full dues and up to date interest out of common securities, the entire claim paid amount will become refundable less recovery expenses, if any, along with proportionate interest on the claim paid amount for the period the claim amount was lying with the Bank.

Illustration :

Principal Outstanding under various credit facilities	100
PS principal	60
Claim received from ECGC	45
Total Amount recovered (Principal-100 + Interest-25)	125
Recovery Expenses	5

Proportionate share of ECGC will be :

Claim amt recd from ECGC X Total Recovery of principal
Principal Outstanding under various credit facilities

i.e.
$$\frac{45 \times 100}{100}$$

i.e. Entire claim paid amount of 45 is refundable. In addition, proportionate share of interest amount, net of recovery expenses (i.e. 25-5=20) is also refundable at the same proportion.

Scenario No.2

Where the Bank has recovered full principal dues and interest is fully waived, the entire claim paid amount will become refundable. If, however, the Bank had spent some amount towards recovery expenses, the refundable amount will be net of recovery expenses.

Illustration :

Principal Outstanding under various credit facilities	100
PS principal-	60
Claim received from ECGC	45
Total Amount recovered	100
Recovery Expenses	5
Net amount eligible for refund to ECGC (100-5)	95

Proportionate share of ECGC will be:

Claim amt recd from ECGC X Total Recovery (net of recovery expenses)
Principal Outstanding under various credit facilities

i.e.
$$\frac{45 \times 95}{100}$$

i.e. Proportionate refundable amount will be 42.75.

Scenario No.3

If the Bank has recovered only a part of the principal dues and the balance principal and interest dues are written off, the entire OTS amount will be appropriated towards principal dues only.

Illustration :

Principal Outstanding under various credit facilities	100
PS principal	60
Claim received from ECGC	45

Total Amount recovered	80
Recovery Expenses	5
Net amount eligible for refund to ECGC (100-5)	75

Proportionate share of ECGC will be :

Claim amt reed from ECGC X Total Recovery (net of recovery expenses)

Principal Outstanding under various credit facilities

i.e.
$$\frac{45 \times 75}{100}$$

i.e. Proportionate refundable amount will be 33.75.

Scenario No.4

Where no OTS has been approved by the Bank but recoveries are being effected in the normal course, the amounts so recovered less recovery expenses, -Shall first be applied to the principal dues under various credit facilities, if the recoveries are out of common securities. However, if the recoveries are out of exclusive securities ear marked for the facilities covered by ECGC, the amount recovered less recovery expenses shall be applied to the principal outstanding under the said facilities and the share of ECGC shall be determined accordingly.

Branches are advised to submit 'Recovery Sharing Format' as per Annexure-I, along with the refundable amount.

8.7.5. Notification of Post-shipment limits under whole-turnover cover

One of the important obligations to be fulfilled under the export credit insurance covers obtained by the Bank under the Whole turnover covers is the Notification/Approval of Limits within the time limit prescribed. The laid down procedure is reiterated herein below for strict compliance by branches:-

- ❖ Existing accounts which are classified as Standard do not require prior approval of the ECGC under ECIB (WT-PS) if the exposure of the bank to the exporter and its group concerns is less than Rs.200 crores. However, the branches are required to advise the limit to the ECGC in the prescribed format within 30 days from the date of sanction.
- ❖ Accounts which are classified as new and accounts taken over from other banks are covered to the extent of the Discretionary Limit

fixed for the Bank (Rs.100.00 lacs in case of our Bank) and advised in the cover document. For any limit in excess over the Discretionary Limit, approval of the ECGC is required.

- ❖ Accounts classified as Standard, where Bank's exposure on the exporter or exporter's group is Rs.200 crores or more, and assets classified as Sub-Standard / Doubtful / Loss require ECGC's prior approval irrespective of the limit.
- ❖ Branches to seek the approval of the ECGC when the account is downgraded from the standard status to sub-standard or other inferior status, for continuation of the coverage.
- ❖ Branches are advised to familiarize with the procedure with regard to coverage of accounts under the ECIB (WT-PS). It may be noted that any failure on the part of the branches to obtain ECGC's prior written approval, wherever necessary, would render claim, if any, arising on the account inadmissible.

8.21. ANNEXURES

ANNEXURE 8(1)

APPLICATION FOR APPROVAL OF LIMIT UNDER ECIB (WT-PS)

From :

To :

Export Credit Guarantee Corporation of India Ltd.

1. Particulars of the exporter

- (a) Name
- (b) Address
- (c) RBI Code No.
- (d) Health Code
- (e) If Health Code System is discontinued classification under Assets classification norms may be given in the column.
- (f) Commodity exported
- (g) Whether manufacturer or trader
- (h) The number of years for which the firm is under the present management

2. Particulars of SC Policy of

- ECGC, if any, obtained by exporter Policy
- No.
- Period
- Maximum Liability

3. Analysis of the exporter's Financial Statements

(Balance sheet and Profit & Loss Account for the last financial year to be attached)

Balance Sheet	As at	As at	As at
Capital			
Reserves & Surplus			
Medium & Long term liabilities			
Current liabilities & provisions			
Total	As at	As at	As at

Fixed Assets
Investments
Current Assets
Loans & Advances
Intangible assets such as Goodwill,
Accumulated Loss & Drawal of Partners
or Directors

Total

Profit & Loss Account	Year	Year	Year
----------------------------------	-------------	-------------	-------------

Total business turnover for the year
Export turnover
Profit before tax

Ratio

- (a) Net profit Ratio (Profit before tax x 100 divided by total sales)
- (b) Current ratio (current assets divided by current liabilities and provisions).
- (c) Debt-equity ratio (total debt divided by capital and reserves)

4. Particulars of owners of the firm/company

- (a) Name(s) and address(es) of proprietor, partners or directors.
- (b) Net worth of the proprietor/each of the partners or directors in case the company is a private limited company,

5. Particulars of export business

- (a) Export turnover for the last two years
- (b) Anticipated exports for the next twelve months
- (c) Details of orders

Year

Export turnover (Rs. in lakhs)

Country Buyer

Value of orders

Terms of Payment

- (i) Orders on hand
- (H) Value of orders under negotiation

6. Experience with the exporter

- (a) The year from which the exporter is our client
- (b) The branch in which the exporter's accounts are maintained

- (c) Particulars of all credit facilities sanctioned to the exporter

Type of facility

Limit sanctioned (in Rs. lakhs)

Whether account conducted satisfactorily

- (d) Turnover in packing credit/shipment account

For the current calendar year (Rs. in lakhs)

For the previous calendar year (Rs. in lakhs)

Total advances granted

Total repayments
Outstanding at end of period
Overdues, if any, as on date

7. Name(s) and address(es) of other bankers of the exporters

- 8. (a) Name(s) and address(es) of sister concerns of the exporter**
- (b) Names of proprietor/Partners/Directors**
- (c) Particulars of limit in favour of associates**
- (d) Experience with the Associates**

9. Particulars of the post-shipment limit for approval of which this application is made

- (a) Limit Rs.

- (b) Date of sanction
- (c) Security prescribed (primary & collateral)
- (d) Assessment regarding the conduct of the account so far

Signature :

Designation of Signatory Date :

ANNEXURE- 8(2)

**STATEMENT OF POST-SHIPMENT LIMIT SANCTIONED WITHIN THE
DISCRETIONARY LIMIT (DL) AND IN FORCE
AS ON 31st MARCH _____**

Name of Bank Branch :

Sr. No.	Name & address	Status of Exporter	RBI /IE CODE	Health Code-Asset Clsfn	Post-shipment Credit in force	Name(s) & address(es) of other bankers of the exporters	Sister Concerns		
							Name & Address	PC/PS LIMIT(Rs. in lakhs)	BANK

Total Number of Accounts _____

Total Number of Limits _____

SIGNATURE OF AUTHORISED SIGNATORY :

DATE :

" In the case of proposal for a fresh guarantee, the position should be shown as at the end of the month preceding the month in which the proposal is made. In the case of proposal for renewal, the position should be shown as on 31st March _____.

**STATEMENT OF POST-SHIPMENT CREDIT LIMIT SANCTIONED
IN EXCESS OF THE DISCRETIONARY LIMIT (DL) AND
IN FORCE AS ON 31st MARCH _____**

Name of Bank Branch _____

Sr. No.	Name & Address of exporter	Status of Exporter	IE Code No.	Health Code No. / Asset Classification	POST-SHIPMENT Credit limit in force (Rs.in lacs)	ECGC reference conveying approval for the limits	Name (s) address (es) of other bankers of exporter	Sister concerns Name & address	PC/P S limit (Rs. in lacs)	Banks
1	2	3	4	5	6	7	8	9	10	11

Total Number of Accounts _____

Total Number of Limits _____

SIGNATURE OF AUTHORISED SIGNATORY :

DATE :

** In the case of proposal for a fresh guarantee, the position should be shown as at the end of the month preceding the month in which the proposal is made, In the case of proposal for renewal, the position should be shown as on 31st March _____.

ANNEXURE 8(4)

GENERAL STATEMENT OF ACCOUNTS IN DEFAULT UNDER ECIB (WT-PS)

Instructions :

1. This statement should be submitted alongwith renewal proposal form for ECIB (WT-PS) by the Head Office of the Bank.
2. The statement should indicate all accounts for which the report of default has been submitted to the Corporation as on 31st March, _____.

Name of Bank /Branch: _____

Sr. No.	Name & Address of Exporter	IE Code No.	Health Code No. / Asset Classification	POST-SHIPMENT Credit limit in force (Rs. in lacs)	Amount O/s. (Rs. in lacs)	Whether default reported to ECGC ? If so banks reference Number & date & Office of ECGC to which submitted	Reason for default	Details of ECGC claims preferred paid, if any	Action taken / proposals for recovery
1	2	3	4	5	6	7	8	9	10

Total Number of Accounts _____

Total Number of Limits _____

SIGNATURE OF AUTHORISED SIGNATORY :

DATE :

**ANNUAL STATEMENT OF ACCOUNTS COVERED UNDER ECIB (WT-PS) / OTHER
GUARANTEES INDICATING LATEST POSITION OF LEGAL / RECOVERY ACTION AS
ON 31ST MARCH**

BANK : _____

Sr. No.	Name of Bank / Branch	Name of Exporter	Type of Guarantee	Details of Claim Received		Latest Position of Legal / Recovery Action	Remarks
				Date	Amount		

ANNEXURE 8(6)

ANNUAL STATEMENT OF ACCOUNTS COVERED UNDER ECIB (WT-PS) / OTHER
 GUARANTEES WHERE THE OUTSTANDINGS HAVE BEEN PRUDENTIALY WRITTEN
 OFF
 AS ON 31ST MARCH

BANK : _____

Sr. No.	Name of Bank / Branch	Name of Exporter	Type of Guarantee	Details of Claim Received		Recovery			Balance Due	Write off	
				Date	Amount	Date	Amt.	Amt. paid to ECGC		Date	Authority Approving w/off

Copy of approval note from competent authority in the Bank
 Justifying the write off for the account to be attached.

**NOTIFICATION OF POST-SHIPMENT CREDIT LIMIT
SANCTIONED / ENHANCED / REDUCED / CANCELLED
(To be sent in Duplicate)**

From

(Name / Address of Bank / Branch)

To

E.C.G.C. of India Limited

(Branch / Regional Office of ECGC)

In terms of Wholeturonover Packing Credit Guarantee No. _____ issued to us, we hereby notify as under :

1. Particulars of the exporter :
 - (i) Name & Address :
 - (ii) Status :
 - (iii) Names of Proprietor / Partners / Directors / Guarantors, in full
 - (iv) RBI Code No. / IE Code no.
 - (v) Health Code / Asset Classification
 - (vi) Commodity Exported
 - (vii) POST SHIPMENT Credit Limit
2. Sanctioned for first time : Rs. _____ on _____
(Date of Sanxction)
- Enhancement of limit from Rs. _____ to Rs. _____ on _____
(Date of Enhancement)
- Reduction in limit from Rs. _____ to Rs. _____ on _____
(Date of Reduction)
- Cancellation of limit of Rs. _____ on _____
(Date o cancellation)
- Reason for cancellation of limit
- PC/PS Limits granted in the past 3 years
3. Name(s) and address(es) of other bankers of exporter :
4. Is the exporter a SSE/SSI :
5. Details of shipments Policy held by exporter :
6. Name(s) & Address(es) or sister concerns and limits enjoyed by them :

“ We have verified and satisfied that the exporter or the proprietor/partner/guarantor/director (in case of a Pvt.Ltd. Ltd. Company) is not in the specific Approval list of the Corporation.”

Please note that this is only an acknowledgement. Signature :

Availability of our cover under WTPCG/ECIB (WT-PS) is subject to your ensuring that the party and their sister concerns and the names of proprietor/partners/directors/guarantors are not in

Name & Designation of Signatory:

our specific Approval list. It is also subject to other Date:
terms and conditions of ECIB (WT-PS)

For E.C.G.C. of India Ltd.

Regional Manager / Branch Manager

**APPLICATION FOR APPROVAL OF LIMIT UNDER
ECIB (WT-PS) (Above discretionary limit)**

From :

To :

Export Credit Guarantee Corporation of India Ltd.

1. Particulars of the exporter

- (a) Name
- (b) Address
- (c) RBI Code No.
- (d) Heaith Code
- (e) Commodity exported
- (f) Whether manufacturer or trader
- (g) The number of years for which
the firm is under the present
management

**2. Particulars of SC Policy of ECGC, if any,
obtained by exporter**

Policy No.

Period

Maximum Liability

3. Analysis of the exporter's Financial Statements
(Balance sheet and Profit & Loss Account for the
last financial year to be attached)

Balance Sheet

Capital As at As at As at

Reserves & Surplus

Medium & Long term liabilities

Current liabilities & provisions

Total

===== ===== =====

Fixed Assets

As at As at As at

Investments

Current Assets

Loans & Advances

Intangible assets such as Goodwill, Accumulated Loss & Drawal of partners or Directors

	Total	_____	_____	_____
		=====	=====	=====
Profit & Loss Account		Year	Year	Year

Total business turnover for the year

Export turnover

Profit before tax

Ratio

- (a) Net profit Ratio (Profit before tax X 100 divided by total sales)
- (b) Current ratio (current assets divided by current liabilities and provisions)
- (c) Debt-equity ratio (total debt divided by capital and reserves)

4. Particulars of owners of the firm/company

- (a) Name(s) and address(es) of proprietor, partners or directors.
- (b) Networth of the proprietor/each of the partner or director in case the company is a private limited company.

5. Particulars of export business

Year	Export turnover
------	-----------------

- (a) Export turnover for the last two years
 - (b) Anticipated exports for the next twelve months
 - (c) Details of orders
- | Country | Buyer | Value of ORDERS | Terms of (i) PAYMENT |
|---------|-------|-----------------|----------------------|
|---------|-------|-----------------|----------------------|
- (1) Orders on hand
 - (2) Value of orders under negotiation

6. Experience with the exporter

- (a) The year from which the exporter is our client
- (c) The branch in which the exporter's accounts are maintained
- (d) Particulars of all credit facilities sanctioned to the exporter

Type of facility	Limit sanctioned Rs. lakhs)	Whether account (in conducted satisfactorily
------------------	-----------------------------	--

(d) Turnover in packing credit account	For the current calendar year (Rs. in lakhs)	For the previous calendar year (Rs.in lakhs)
Total advances granted	_____	_____
Total repayments	_____	_____
Outstanding at end of period	_____	_____
Overdues, if any, as on date	_____	_____

7. Name(s) and address(es) of other bankers of the exporter

- 8. (a) Name(s) and address(es) of sister concerns of the exporter**
(b) Names of proprietor/Partners/Directors
(c) Particulars of limit in favour of associates
(d) Experience with the Associates

9. Particulars of the packing credit limit for approval of which this application is made

- (a) Limit Rs.
(b) Date of sanction
(c) Security prescribed (primary & collateral)
(d) Assessment regarding the conduct of the account so far

Signature :
Designation of the signatory
Date:

**FORMAT FOR FILING MONTHLY DECLARATION OF
POST-SHIPMENT ADVNCES UNDER ECIB (WT-PS)**
(To be sent to the nearest office of the Corporation on or before the
last working day of following month)

From : _____ To :
ECGC of India Ltd.

(Name & address of Bank
Branch) Dear Sir,

Sub: Declaration for the month of _____ 19.

Under the ECIB (WT-PS) No. _____ issued to us. we declare hereunder the
particulars of all
our Post Shipment accounts and the relative advances granted to them which are required to be
insured in terms of the Guarantee.

Sr. No.	Name of Exporter	RBI Code No.	PSLin force (Rs. in lakhs)	Total advances granted during the	Outstanding in the a/c on the last working day of the month (Rs)	Total daily products (Rs.)	Average daily products (Rs.)	Premiu m (Rs.)
		TOTAL						

Note

- (i) Premium is payable @ 6 ps percent per month for ECIB (WT-PS) with LC inclusion and @ 6 percent per month for WTP8G with LC exclusion.
- (ii) If no advances are granted and there is no incidence of premium, include the account and indicate nil in premium column.
- We certify that we have included all accounts that are required to be covered under the Guarantee. Our cheque/pay order towards the premium is enclosed.

Place :

Yours faithfully

Date :

(Authorized Signatory)

IN DUPLICATE

**FORMAT FOR FILING MONTHLY DECLARATION OF POST-SHIPMENT CREDIT IN
FOREIGN CURRENCY (PCFC) UNDER ECIB (WT-PS)**

(To be sent to the nearest office of the Corporation
on or before the last working day of following
month)

From : _____ To : _____
ECGC of India Ltd.

(Name & address of
Bank Branch) Dear Sir,

Sub: Declaration for the month of _____ 20

Under the ECIB (WT-PS) No. _____ issued to us, we declare hereunder the particulars of all our Post Shipment accounts and the relative PSCFC advances granted to them which are required to be insured in terms of the Guarantee.

Sr. No.	Name of Exporter	RBI Code No.	PSL in force (Rs. in lakhs)	Total advances granted during the month		Outstanding in the a/c on the last working day of the month		Total daily products	Average daily products	Premium
				FC	RS	FC	Rs			
		TOTAL								

Note

- (i) Premium is payable @ 6 ps per cent per month for ECIB (WT-PS) with LC inclusion and @ 6 ps per cent per month for ECIB (WT-PS) with LC exclusion.
- (ii) If no advances are granted and there is incidence of premium, include the account and indicate nil in premium column.

We certify that we have included all accounts that are required to be covered under the Guarantee. Our cheque/pay order towards the premium is enclosed.

Place : _____ Your faithfully,

Date : _____ (Authorized Signatory)

**APPLICATION FOR APPROVAL FOR EXTENSION IN DUE DATE OF ADVANCES
BEYOND 180 DAYS UNDER WHOLE-TURNOVER POST-SHIPMENT EXPORT
CREDIT GUARANTEE/INDIVIDUAL POST-SHIPMENT EXPORT CREDIT
GUARANTEE
INSTRUCTIONS**

1. This application has to be sent in duplicate to the nearest Branch office/Regional office of the Corporation.
2. The application has to be made if the bank wants to extend the due date beyond 180 days from the date of grant of the advance.

Dear Sirs,

in terms of the PSG/ECIB (WT-PS) issued to us we hereby request you to accord your approval for extension beyond 180 days in the due date in respect of the Post-shipment advances, the details of which are given below :

1. Name of the Bank and address (Branch) :
2. (i) Name and address of the exporter :
(ii) Health Code :
(iii) If Health Code System is discontinued classification :
under Assets Classification norms
may be given in the column
3. Post-shipment Limit in force :
4. Name(s) and Address(es) of the other bankers of the exporter :
5. Month/Year from which the Post-shipment facility has been extended to the exporter :
6. Total amount outstanding against the Post-shipment limit ;
as on date
7. (a) Total Post-shipment advances granted to the exporter in the preceding 12 months :
(b) Total repayments in such accounts during the preceding 12 months :
8. Advances for which due date has to be extended beyond 180 days. :

Sr. No.	Date of Advance	Amount of Advance	Amount Outstanding	Due date	Date upto which extension sought	Tenor of Bill	Name & Address of buyer	Commodity	
1.	2.	3.	4.	5.	6.	7.	8.	9.	

9. Reasons for non-payment (Please give bill-wise details if more than one bill is outstanding)
10. Whether the bank has taken up with the RBI for approval of extension for overdue bills? if so, give details of approval, bill-wise. :
11. Details of collateral securities : Type of Security Value
1.
2.
3.
12. Is PC account conducted satisfactorily? If not, give details of overdue PC and reasons therefore:

13. Bank's comments on the financial position of the exporter :
:

14. Whether the bank feels that the account is basically sound and it does not cause anxiety :

Signature :
Name & Designation :
of Signatory

Date FOR ECGC USE ONLY

We hereby approve the extension requested for by the bank in respect of advances indicated in the application form at Sr. No. 8 above.

It may be kindly noted that our approval is based on the particulars given by the bank as above and the Corporation in giving this approval has not verified whether as on date the bank has complied with all the terms and conditions stipulated in the Wholeturnover Post-shipment Export Credit Guarantee/Individual Post-shipment Export Credit Guarantee issued to the bank in respect of post-shipment advances given by the bank and accordingly the Corporation's liability for any claim in respect of the above advances for which extension is approved, shall be subject to the terms and conditions governing the Wholeturnover Post-shipment Export Credit Guarantee/Individual Post-shipment Export Credit Guarantee issued to the bank.

For Export Credit Guarantee Corporation of India Ltd.,

ANNEXURE 8(12)

EXPORT CREDIT GUARANTEE CORPORATION OF INDIA LIMITED REPORT OF DEFAULT UNDER ECIB (WT-PS)/POST SHIPMENT GUARANTEE

This report has to be sent to the nearest Branch office/Regional office of the Corporation in **duplicate**. This report has to be submitted to the Corporation **within one month** from the date of calling up of the defaulted advances or within **four months** from the due date or the extended due date as the case may be, whichever is earlier in point of time

Dear Sirs,

In terms of ECIB (WT-PS)/ individual Post Shipment Guarantee issued to us, we hereby submit the 'Report of Default', the details of which are given below :

1. Name of the Bank and address (Branch) :
2. Name address of the exporter and their RBI code No. :
3. Status of the exporter : Proprietorship/partnership/Pvt. Ltd. Co./Pub. Ltd.
Co. (Please tick the correct one)
4. Names of Proprietor/Partners/Directors/ Guarantors :
5. In case of Public Limited Company, confirm whether it is a closely held company or not :
6. Name and address of the associate firm(s) : 1.
2.
3.
7. Status of the associate firm(s)* : 1. Proprietorship/partnership/Pvt. Ltd. Co./Pub. Ltd. Co.
1. Proprietorship/partnership/Pvt. Ltd. Co./Pub. Ltd. Co.
2. Proprietorship/partnership/Pvt. Ltd. Co./Pub. Ltd. Co.
(Please tick the correct one)
8. Names of Proprietor/Partners/Directors/ (a) Guarantors of Associate firm(s) (Please use separate sheet if necessary) :
1.(a)
(b)
(c)
2.(a)
(b)
(c)
3.(a)
(b)
(c)
9. In case of Public Limited Company, confirm whether it is a closely held company or not
10. Basis for treating units at (6) as associate firm(s) :
11. Limit reported to the Corporation and the date :
11. (A) If a limit different from No. 11 has been sanctioned, details thereof (copy of the relative sanction letter(s) may also be attached) :
12. Name(s) and address(es) of other bankers alongwith limits, if any :

13. Total amount outstanding against the Post Shipment advance limit as on date : Rs.
 (a) Total Post Shipment advance granted to the exporter in the preceding 12 months. Rs.

(b) Total repayment in such accounts during the preceding 12 months Rs.

14. Particulars of advances in default

Sr. No,	Date of Advance	Amount Advanced	Tenor of Bill	Due Date	Name & Address of buyer	Commodity	Country

15. Details of Securities (Primary and collateral) covering the post shipment advances outstanding : Type of security Value in Rs.

16. Reasons for default if Default is on account of buyer's failure , have the bills been noted and protested for non-payment.

17. Details of all other liabilities

Nature of Facility	Limit Sanctioned	Security Stipulated*	Security available	Outstanding liability as on date	Whether facility is still made available to the exporter;	if yes, reasons thereof

If any security is not exclusively for one account, please explain..

- (A) Whether further advances have been stopped
 (B) if not stopped, state reasons therefore :
 (C) Are further advances proposed? :
 (If proposed please send a separate request to the Corporation for consideration)

19. Whether advances have been called up by the Bank, if so, the date, if not, reasons therefore :
 20. Steps taken for recovery of the dues and further steps proposed to be taken up by the Bank :
 21. Bank's comments on financial position of the exporter :
 22. Do you desire placing the exporter/Associate firms/guarantors on the Specific Approval List of our Corporation :
 23. Any other information :

24. We hereby confirm that
 (i) we have paid premium on the account from the beginning till
 (ii) we have not paid premium on the account. (In case of (ii) please

give reasons)

Signature :

Designation :

Date

POST SHIPMENT GUARANTEE CLAIM FORM

This form should be forwarded to the nearest office of ECGC INPSG/ ECIB (WT-PS).

No. _____ Maximum Liability ; _____
Name of the Bank _____

Address
Telephone No. : _____ Fax No. _____
Email : _____
Validity period of Guarantee : From _____ To _____
Part -I

A, We hereby declare that the undermentioned exporter is indebted to us to the extent of Rs. (Rupees _____)

B Reason for non-payment : Insolvency /Default of the Exporter
(Strike out whichever is not applicable]

Part- II

1. Name & Address of Exporter
2. Tel No. _____ Fax No, _____
3. IE Code / RBI Code No, : _____
4. Status _____ ; Proprietorship / Partnership / Pvt, Ltd. / Pub,Ltd. (Closely/Widely Held) son
5. Names of Proprietor/Partners? Directors/Guarantors
6. Details of Sister Concerns _____

Name & Address	Names of Proprietor. Partners / Directors/ Guarantors	Particulars of Facilities granted by us	Whether the Account is conducted Satisfactorily68__	Remarks
			-	

7. Commodity of Export _____ :
8. Whether manufacturer/ _____ ; Merchant exporter
9. Whether SSE/SSi _____ :
10. Details of ECGS policy held by the exporter if, any ;
 - a. Policy No, _____ :
 - b. Period _____ :
 - c, Maximum Liability _____ :
 - d. Whether exporter has reported : default/filed claim under policy ?
 - e. If so, details thereof may be given in Part VII (12)

Part - III

1. Details of Advances in Default

i) Total amount due from the exporter as on date of Report of default

ii) Amount recovered since then till preferring claim

iii) Balance amount due, as on date

Principal	Interest	Total

2. Particulars Of Advances (Principal) in Default

SL No.	Bank Ref, No.	Amount or Bill FC Rs	Date of advance	Amount Advanced	Name & Addressed of Buyer	Tenor of the Bill	Due Date	Amount Repaid	Amount Outstanding
1	2	3 4	5	6	7	8	9	10	11
Total									

(A separate sheet may please be attached, if necessary)

3. Reasons due to which payment has not been realized from the buyer ;

4. Whether all the above advances has been made during the currency of the guarantee (applicable in case of INPSG) ;

5.a Asset classification at the time of disbursal of advances in default :

b. Health Code / Credit Report Code allotted to the exporter at the time of disbursal of advances in default (Health Code (HO)/Credit Report (CR) allotted to the exporter apart from asset classification done by the bank

6.a Whether Corporation's approval obtained (in case the exporter / proprietor / partner / director, / guarantor / sister concern was already placed in SAL) at the time of disbursal of advances. :

6,b, if not, reason for the same

Part-IV

Other bankers

1 ,a. Whether the limit was sanctioned under consortium arrangement

b, If so, furnish the details as under:

2.a, Names of the consortium Banks with lead bank	Details of the limits pc Ps pc Ps	Present o/s pc Ps	Over dues
--	--------------------------------------	----------------------	-----------

b. If not, furnish details of other bankers, if any as under (In case of multiple banking arrangement or banks outside consortium)

Name &. Address	Type of facility	Outstanding	Overdue if any
-----------------	------------------	-------------	----------------

3. Whether No Dues Certificate / No Objection Certificate / Opinion Letter obtained from the Other bank before taking over the account Yes/No/ NA

If no, reasons

Part -V Sanction terms / Monitoring of the account

1. Whether advances were within the validity of the Sanctioned limit ? Yes/ No
2. Whether advances were against LC/order as per sanction stipulation Yes/No
3. Whether action has been initiated against the buyer as holder for value of the bills Yes/No
- b. If no, reasons for the same
4. if sanction is for advances against UC only
5. Whether advances were granted against order ? Yes/No
6. Details of Advances and Repayments in the Exporter's PC account (as per the format given below)

Period	Advances	Repayment
a) 6 months prior to first advance In default		
b) 12 months prior to first advance in default		

7. Date on which the account was classified as NPA :
- 8.a, whether advances were granted when earlier Advances were overdue Yes/No
- b, If Yes, reasons
9. a. Whether bills were purchased / negotiated / discounted on the same buyer when earlier bills on the same buyer were overdue / in default Yes/No
- b. If yes, reason for the same
10. a. Whether advances against bills sent on collection have gone to adjust PC outstanding ? Yes/No
- b. if not reasons for the same
11. a. Whether advance against bills purchased / discounted / negotiated have gone to adjust PC outstanding Yes/No
- b. If no, reasons for the same
12. a. Reasons for sending the bills on collection instead of purchasing / discounting / negotiating the same

13. a. Whether bills were dishonoured on account of discrepant documents under LC Yes/No
- b. if yes, details of such bill in the following format

Sl, No,	Bank Ref.	Date of Advance	Amount of Advance	Corresponding credit given	If no PC was given the reasons for granting
---------	-----------	-----------------	-------------------	----------------------------	---

					advance against discrepant documents
				PC at the time of negotiation	

14. a. Whether buyer wise limit was ensured as stipulated in the sanction ? Yes/No
b. If no, reasons for the some
15. a. Whether satisfactory status report on the Buyer was obtained as per sanction stipulation ? Yes/No
b. If no, reasons for the same
16. a In the absence of credit limit/ report on the buyer, Yes/No whether past experience on the buyer satisfactory ?
b If yes, details
17. Whether comments of branch inspection reports were clarified and compliance advised to the sanctioning authority Yes/No
- 18 .a. Whether action has been initiated by the exporter /bank on the foreign buyer including noting and protesting of the bill for non- payment Yes/No
c. If yes, present position c. If no, reason for the Same
- 19,a.Whether action initiated against the foreign bank Under Uniform Rules for Collection [URC 522] / UCPDC600 / Shipping company/ airlines as applicable Yes/No
b; If yes, present position
c. If no, reasons for the same
- 20 Present position of the goods
- 21 a. Whether personal guarantees have been invoked Yes / No / NA
b if not, reasons for the some
- 22 .a Whether the bank. has failed to obtain personal guarantees despite sanction stipulation Yes/No
b if so, reasons for the same
- 23.a Whether collaterals were Taken as per sanction ? Yes/No
d if not, reasons for the same
- 24..a. Whether proper charge has been created and registered With appropriate authority wherever necessary Yes/No
b, if not, reasons for the same

25. Details of all other liabilities (Both funded and non funded)

Part - VI]. Table Of Securities

Securities	Value as on date	Value realised out of sale	Amount Appropriated			Short appropriate if any (and reasons for the same)
			PC	PS	others	

COLLATERAL

- Margin Money
- Fixed deposit receipts
- Immovable properties
- Insurance policies
- Marketable Securities
- Others

Personal guarantees Of proprietor/Directors (Give Details indicating Network as on date)		

- 26.a Whether advance have been recalled Yes/No
 b, If not, reasons for the same
- 27.a Whether case referred to BIFR ? Yes/No
 b If so, present status of the same ___
- 28.a Whether legal notice have been issued ? Yes/No
 b !f not, reasons for the same
- 29.a Whether suit has been filed by the bank ? Yes/No
 (With Court/Debt Recovery Tribunal)
 b if not, reasons for the some
- 30,a Whether defendant's written statement has .
 been received ? Yes/ No
 b If so, please attach a copy of the same
- 31.a Whether suit has been decreed by the Court/ DRT Yes/No/M.A,
32. Whether the claim has been admitted to rank against Yes/No/NA
 If insolvent's Estate (in case of Exporter's Insolvency)

Part-VII

COMPLIANCE WITH ECGC COVER REQUIREMENTS

1. Limits sanctioned and reported

SL	Limit sanctioned	Asset Classification	Date Sanction	Date of reporting	Delay if any alongwith reasons
----	------------------	----------------------	---------------	-------------------	--------------------------------

- 2.a Whether limit is beyond Discretionary Limit Yes/No/ N.A [applicable in case of new accounts & accounts under Substandard Assets (HC 2) category]
 b, If yes, whether approval beyond DL obtained from ECGC? Yes/No/N.A. c. If Not, reasons for the same
- 3.a, Whether any rehabilitation / Nursing Programme was administered ?
 b. if yes, whether approval from ECGC was obtained ? Yes / No c, If No, Bank's

- comments in not obtaining our prior approval
4. Effect of the Nursing/rehabilitation programme
 5. Whether overdue has come down Yes / No
 - 6 a. In respect of shipments to restricted cover countries, whether specific approval was obtained by the bank or exporter Yes/No

7. Details of premium paid over the twelve months prior to the month of report of default

Month for which paid	Date of Payment	Limit reported	Average o/standing	Amount of premium	O/s at the end of the month

- 8.a, Whether premium on the account has been remitted from the beginning of the account ?

b. If not reasons for the same

9. Details of advances in default for which Due Dates Extended

Date of ADVANCE	Amount of Advance	Due date extended upto	ECGC approval for extension	Reasons for non obtention of extensions	Details of extension if any under policy

10. Reporting of default

Due date/Extended Due date	Date of calling back of advances	Date of report of default	Delay if any and reasons	Remarks

11. Preferring Of Claim

Date of Default	Date of claim	Date of fining claim extended upto

12. Details of claim under SC Policy:

Sl. No.	Name & Address of buyer	Value of shipments	Default reported on	Claim filed on	Present Status

Part - VII

DOCUMENTS TO BE SUBMITTED

(Please ensure all the documents submitted with claim forms are legible and complete in all respects)

1. Copies of process notes / appraisal notes with approvals from competent authority in respect of sanction/renewals)
2. Copy of letter sanctioning the limit together with the terms & conditions
3. Copy of limit notification/application for approval of limit submitted to and acknowledged by ECGC
4. Copy of the Corporations' letters approving advances against shipments to restricted cover countries (If the exporter has obtained such approval, a copy or the same will suffice)
5. Copy of PC & order/letters of credit indicating amount advanced & date against which the advances have been granted for which claim is lodged
6. Copy of PC & Operative Account Ledger for the period commencing six months prior to the

- date of granting the first advance in default, up to date
 Copy of PS liability ledger for the period commencing six months prior to the date of granting the first advance in default, up to date
8. Copies accepted / unpaid bills of exchange relating to the advances in default
 9. Copies of non-payment advice relating to the advances in default
 10. Copies of protest notes
 11. Copies of RBI approval, if any, for extension in realisation of bills
 12. Copy of letter recalling the advances
 13. Copies of further correspondence with the exporter
 14. Copies of legal notice & plaints, if a suit has been filed
 15. Exporter's reply to the suit filed
 16. Proof of insolvency of the exporter
 17. Copy of claim filed with the receiver/liquidator (In case of insolvency)
 18. Copy of a letter issued to bank by the Receivers/ liquidator to the effect that the bank's claim has been admitted to rank against the insolvent's estate
 19. Certificate from a Chartered Accounts as to the business & export turnover of the exporter in case of small exporter in case of small exporter
 20. Copies of Branch Inspection Reports / Audit .Reports containing comments on the defaulted accounts; alongwith reply of the branch there to_
 21. Copies of RBI Inspection Reports containing comments on the defaulted account alongwith reply of the branch thereto
 22. Staff Accountability Report in respect of the defaulted account.

Part • IX

We declare that the information given is true and correct In every respect,
 We further declare that there has been no default or negligence on the part of the bank or any of its officers in conduction the account (If any fault or negligence has come to the notice of the management, or has been pointed out by auditors / inspection department, brief note on the subject may be attached)

We accordingly claim payment as follows:

1. Principal Amount in default: Rs.
 (Rupees _____)
2. Percentage of cover : Rs. (Rupees _____)

The cheque in settlement should be mode payable to _____

Part

-X

We hereby undertake:

To pursue all recovery steps including legal proceedings as directed by ECGC and to satisfy ECGC in this regard whenever called upon to do so by ECGC

- a. On payment of claims by ECGC to report to ECGC the position of out standing dues from the exporter on half year! -basis on 31 st march and 30th September of each year.
- b) On payment of claim by ECGC, to refund the claim paid amount alongwith interest there of at 5% over bank rote^{lf} i' the opinion of ECGC we hove failed or neglected to take any actions for recovery of the insured debt from the exporter or any other persons form whom the amount is to be recovered.
- c) On payment of claim by ECGC, to pay over to ECGC 50/60/75/90/95 % of all recoveries which we or our agent on our behalf may make from the person or persons responsible for the administration of debt or otherwise in respect of the debt due from him / them to us. We also agree to pay interest 2 % above bank's PLR if there is a delay of more than seven days In remitting ECGC's share of the recoveries

I Signature of the Authorised Signatory :

Name of Signatory :

Designation Insured bank's stamp / Seal

Place ;

Date:

ANNEXURE 8(14)

(This certificate shall be issued by the officer heading the controlling office under whose jurisdiction the branch which has filed the claim falls, in the letterhead of the controlling office.)

Name of the Controlling Office

Address

Re: Claim filed by our (Name of (he Branch)_____branch

Under (Name of the Guarantee)_____on account of

M/s _____

In respect of the above mentioned claim filed with ECGC, I hereby certify that no irregularity has been committed by the branch in complying with the sanction terms and in conducting the account and no adverse comment has been made by internal Inspectors and / or RBI Auditors:

Signature:

Name of the signatory ;

Designation:

Station:

Date:

(Undertaking on a non-judicial-stamp paper of appropriate value)
**Request for an on-account payment and unconditional undertaking to
 refund the amount on demand**

INSURED'S name and (branch) address : _____

Particulars of Claim; GUARANTEE NUMBER
 EXPORTER'S NAME
 AMOUNT OF LOSS

With reference to the captioned claim preferred by us under the above-said Guarantee Cover issued by you, on account of loss suffered by us owing to protracted default by/ insolvency of the exporter named above, we, the insured bank, request to you to release to us an on-account payment of an amount not exceeding the lesser of the following two amounts, viz., (i) an amount of Rs.3 crore OR (ii) an amount equivalent to 50 percent of the amount of claim that may ultimately be found payable by you to us, after due scrutiny and processing of the claim by you in respect of the loss suffered by us.

In consideration of your according to our above request, WE unequivocally AND UNCONDITIONALLY PROMISE AND UNDERTAKE as under:

- (1) THAT, your action in releasing any amount as an on-account payment to us as above shall not be construed as an acknowledgement of the admissibility or otherwise of the claim preferred by us or an admission of your liability to pay us any amount whatsoever;
- (2) THAT, in the event of the whole or any part of the above claim preferred by us is found inadmissible by you after due scrutiny and processing of the claim and verification of the relevant information and documents, the whole or such part of the amount of on-account payment as may be demanded by you, shall be refunded by us to you forthwith upon receipt of a demand in writing therefore from you and in any case within 30 days from the date of receipt of the demand from you;
- (3) THAT, in the event of any day beyond the said 30 days on our part in refunding to you the amount called back from us as above, we agree and acknowledge that we shall be liable to pay to you interest on the said amount for the period from the date of receipt of your demand for refund to the date of actual refund, at the rate of 2 per cent above our bank's PLR applicable as on the date of receipt of your demand;
- (4) AND THAT, you shall be at liberty to recover from us any such amount of on-account payment as we had delayed or neglected to refund to you after due receipt of your demand for refund together with interest as aforesaid thereon, by whatever means you may find suitable or appropriate, including by setting off against any amount that may be payable or may become payable from you to us under any other claim preferred by us on you.

Dated at _____ (Station) on _____ (date) _____ day of _____ (month and year) ..

signature of authorised signatory (with PoA No.) _____ .

Name of the signatory _____

Designation of the signatory _____

(Official rubber-stamp of the insured bank)

**Application for 'provisional payment'
Under post-shipment Guarantee Cover
Against overdue advances granted on export bills**

PART I

Details of ECGC Guarantee cover

1. Name of the insured bank and address of the branch submitting the application 2. ECIB (WT-PS) / INPSG number 3. Maximum Liability 4. Period of guarantee cover	1. A. From To
--	---

PART II

**Details of the drawer, drawee and other particulars of the export bill
And of the advances granted :**

1. Particulars of the drawer of the bill (the exporter) a. Name b. Address c. IE Code/RBI Code d. Legal Status / Constitution e. Name(s) of proprietor /partners / directors (please annex additional sheets, if necessary) f. Names of guarantors (please annex additional sheets if necessary) g. sanctioned limit for foreign bills (if transaction in on LC basis, sanctioned for packing credit) h. Total value of LC bills negotiated in the last one year, if any i. Commodities of export j. Whether the exporter is a SSI/SSE (*as defined by ECGC) k. Whether manufacturer/merchant exporter Whether exporter is a ECGC policyholder	a. b. c. d. e.1. 2. 3. 4. f. 1. 2. g. h. i. j. k. l. Yes / No
---	--

2. Particulars of the drawee of the bill (the Buyer)

a. Name	a.
---------	----

b. Address of the Buyer	b.
c. Reasons / cause for dishonour of the bill / overdue	c.

3.a. Details of the overdue and outstanding

Sr.	Bank Ref.No.	Amount of bill(s)	Tenor	Due Date of the bill

3.b. More details of the insured advance against export bill(s) overdue and outstanding

Sr.No.	Amount of the Bill	Amount Advanced	Amounts Realizes if any	Amount due and o/s	Remarks

3. Details of the amounts advanced by the Bank to (lie exporter during the past one year on bills drawn on the same buyer):

<p>a. Whether the exporter had been advised to adjust the overdue outstanding</p> <p>b. If *No, the reasons for not advising</p> <p>c. If * Yes, exporter's response to the advice</p> <p>d. Insured bank's comments on the exporter's response</p> <p>e. Time sought by the borrower for Adjustment of the overdue outstanding</p> <p>f. Due date for adjustment of the overdue advances in pursuance of (e) above</p> <p>g. Bank's views on the borrower's ability, intention etc. readjustment of the overdue as promised</p> <p>h. Interest normally payable by the exporter on the overdue outstanding</p>	<p>a. *Yes / *No</p> <p>b. _____</p> <p>c. _____</p> <p>d. _____</p> <p>e. _____ months/days</p> <p>f. __/__/____ (dd/mm/yy yy)</p> <p>g. _____</p> <p>h. _____% p.a.</p>
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PART 111

Details of associates and sister concerns of the exporter for and about compliance by the insured of the guarantee cover conditions

1.Details of associates and sister concerns of the exporter

Names and Addresses of associates and sister concerns	Names of proprietor / partners / directors / guarantors	Particulars of facilities granted by the insured	Comments on the conduct of the account	Other Remarks

2. Details of compliance with the guarantee cover conditions by the insured bank

<p>a. Asset classification / health code at the time of disbursement of advance</p> <p>b. Whether the exporter or any of its proprietor / partners / directors / guarantors were in SAL at that time.</p> <p>c. If yes, whether specific approval taken from ECGC or not for the advance</p> <p>d. Whether the limits sanctioned were duly reported to ECGC under the guarantee</p> <p>e. If not, the reasons for not reporting</p> <p>f. Whether the exporter had been advised to adjust the overdue outstanding _____</p>	<p>a. _____</p> <p>b. Yes / No.</p> <p>c. Not applicable / Yes / No</p> <p>d. Yes / No</p> <p>e. _____</p> <p>f. Yes / No</p>
---	---

Part IV

Details of credit insurance cover of the export bill by the exporter

<p>a. ECGC Policy number</p> <p>b. Policy Period</p> <p>c. Maximum Liability under the Policy</p> <p>d. Shipment declarations under the policy :</p> <p>- submitted upto the month of</p> <p>e. Amount of credit limit approved by ECGC on the buyer under the policy</p> <p>f. Whether a copy of CL approval is enclosed</p> <p>g. Whether the shipment relating to aforesaid overdue bills have been duly declared under the policy</p> <p>h. Whether the premium due on the said shipments have been duly paid in full under the Policy is enclosed</p>	<p>a. _____</p> <p>b. From</p> <p>c. Rs. _____</p> <p>d.</p> <p>e. Rs. _____ (I lease mention the terms of payment of the CI approved)</p> <p>f. Yes / No</p> <p>g. Yes / No (a copy of the relevant shipment declaration ay be on board)</p> <p>h. Yes / No</p>
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** Please attach a copy of the relevant CL approval to facilitate quick disposal of the application

Part V

Declaration and Undertaking by the insured bank

1. We hereby declare that aforesaid amount advanced to the exporter on their export bill(s) negotiated by us is overdue and remain(s) unpaid by the drawee (buyer)
2. We are not aware of any reason or cause that would justify non payment of the amount due to the exporter on the said bills by the buyer.
3. We had advised the exporter about the advance granted on the said export bill(s) having fall on overdue for adjustment owing to non-realization of the proceeds of the bills(s).
4. The exporter has sought time for repayment of the said advance overdue and outstanding owing to temporary cash flow problems (please refer to 4(a) in Para II above)
5. We as the bankers of the said exporter have considered the exporter is a request for time and we are of the opinion and we believe that the export will adjust the subject overdue in his account within the time as promised by them (Please prefer to 4(f) in PART II above)
6. We promise and undertake to clear the provisional payment made by ECGC in full without fail by the date furnished at 4(e) in PART II ("the said date")
7. We declare and assure that all the information furnished an representation made in this application is true and correct and that we have not suppressed any material information.
8. We further declare that to the best of our knowledge, there has not been any negligence or any act of omission or commission on the part of the bank and/or any of its officers in respect of or in relation to the subject advances.
9. We further declare and undertake that -
 - a. As soon as we realize any part of the said overdue advances, either from the overseas buyer as proceeds of the overdue bill(s) or from the exporter from his own other own oilier resources, including a claim payment by ECGC under its policies, we shall forthwith refund and repay to ECGC, the whole p[promptly and without any delay;
 - b. Whatever interest the bank realizes on the subject overdue advance shall be shared equitably and proportionately between the bank and ECGC;
 - c. The bank shall have no objection give due credit to the exporter's accounts for so much of the amount as may be advised by ECGC as the amount of claim admitted by ECGC for payment to the exporter under the Policy against the aforesaid defaulted export bill(s) and to adjust such amount against the provisional payment made by ECGC, in pursuance of this application;
 - d. In the event of failure of the bank to clear the amount of provisional payment made by ECGC together with any further amount that may be due to ECGC in relation thereto within 30 days after the said date referred to in 6 herein above, we shall be liable to pay to ECGC interest on the said amount(s) at the rate of 2% above our PLR for the time being applicable PROVIDED however that, no such clearances of the amount of outstanding provisional payment made will be due from us if by that date we had preferred a claim on ECGC under the guarantee cover in respect of our losses on post-shipment advances granted to the said exporter;

10. We understand and acknowledge that any amount of provisional payment made by ECGC to the bank under the post-shipment guarantee covers required to be subsequently adjusted and cleared either against normal claim payments or by refund/repayment of the outstanding amount AND THAT it is not necessary for ECGC to call upon the bank to amounts of provisional payments made by EXCGC to the bank;
11. We further agree and authorize ECGC to set off any such amount of provisional payment made by ECGC to the bank and outstanding for adjustment beyond the period agreed for its adjustment against any amount that may be due or may become due from ECGC to the bank as claim admitted on I

Part VI
Request for release of 'provisional payment'

WE hereby apply for availing the facility of 'provisional payment'; under your guarantee covers (ECIB (WT-PS)/PSG) against the overdue export bills(s) in respect of exports covered under your appropriate export credit insurance policies and the particulars of which are furnished in the Part I to Part V of this application AND request you to release to us, in consideration of the submissions and declarations made, undertakings given and information furnished in this application, an amount of Rs. _____ being 85% / 75%, of the equivalent value in Indian rupees of the amount that was due on the said overdue bill or such part thereof as may be admissible in terms of and subject to all your applicable and relevant rules governing the said provisional payment facility.

Signature of the Authorized signatory

Name of the signatory

Designation

Stamp/seal of the insured bank

UNION BANK OF INDIA

_____ Branch

Declaration / undertaking in respect of provisional payment received from ECGC

In consideration of UNION BANK OF INDIA _____ BRANCH crediting the 'provisional payment' amount of Rs. _____ (Rupees _____) (received from ECGC to our FDBP / FUDBP / AFDBC account with the Bank.

I/We hereby irrevocably authorize Bank to debit the said account and remit to ECGC the provisional payment so received with interest from the date of crediting the provisional; payment to the date of debit, within 30 days of the demand by ECGC, in the event of

1. Whole or any part of the claim preferred by us is found inadmissible by ECGC after their due scrutiny and processing and demand is made for refund of the same.
2. Not preferring claim, under ECGC Policy No. _____ dated _____ issued to cover shipment to M/s. _____ for Rs. _____ within _____ months from the date of receipt of such provisional payment.
3. Doing contrary to what is prescribed or not doing such act/s as prescribed by ECGC, so as to make the claim inadmissible subsequent to the receipt of provisional payment and needs refund of the provisional payment to ECGC.
4. Recall of provisional payment by ECGC due to rejection / short settlement of claim filed by the bank under their guarantee, or for any other reasons of whatsoever nature.
5. Any other eventuality by which the right over the provisional payment is forfeited and return of the provisional payment received to ECGC is compulsory.

We further agree and acknowledge that -

- a. In case of delayed payment beyond 30 days from the date of demand by ECGC , interest at 2% above PLR be imposed.
- b. The ECGC shall be authorized to adjust / set off the provisional payment amount due on a particular claim with that of any amount due to be paid to the bank under any guarantee cover.

I/We hereby further undertake that immediately on being informed about the debit, if the funds available in the credit of the account are not sufficient to meet such debit partly or fully, I/We will provide the funds in the account sufficient to meet the debit. Any delay in this regard will attract our liability for payment of interest 2% over PLR. The guarantees provided in the account shall not be reduced in value to the extent o the provisional claim credited in the account and the letters of guarantee shall continue for the full amount guaranteed till full and final adjustment of Bank dues.

Signature of the Exporter

Signature of the guarantor (s) to the account

Annexure 8(18)**Export Credit Guarantee Corporation of India Limited
Country Risk Classification List as on September 30, 2014****Countries in Open Cover**

Note : The country mentioned in the bracket represents the parent country

Sr. No.	Country	Rating as on 30.06.2014	Rating 2s on 30.09.2014
1	Albania	B2	B2
2	Algeria	B2	B2
3	American Samoa	Not Rated	Not Rated
4	Angola	B1	B1
5	Anguilla (UK)	Not Rated	Not Rated
6	Antigua and Barbuda	B1	B1
7	Argentina	B1	C1
8	Armenia	B2	B2
9	Aruba (Netherlands)	A1	A1
10	Australia	A1	A1
11	Austria	A2	A2
12	Azerbaijan	62	82
13	Bahamas	A2	A2
14	Bahrain	A2	A2
15	Bangladesh	A2	A2
16	Barbados	B1	131
17	Belarus	B2	B7
18	Belgium	A2	A2
19	Belize	B2	B2
20	Benin	B2	B2
21	Bermuda (UK)	A1	A1
22	Bhutan	B1	B1
23	Bolivia	B1	B1
24	Bosnia and Herzegovina	B2	B2
25	Botswana	82	A2
26	Brazil	A2	A2
27	British Pacific (Pitcairn ⁹ Islands)	A1	A1
28	British NTIrgan Islands	A1	A1

Export Credit Guarantee Corporation of India Limited
Country Risk Classification List as on September 30, 2014

Countries in Open Cover

Note : The country mentioned in the bracket represents the parent country

Sr. No.	Country	-	Rating as on 30.06.2014	Rating as on 30.09.2014
29	Brunei		B2	B2
30	Bulgaria		A2	A2
31	Burkina Faso		B1	B1
32	Burundi		B2	B2
33	Cambodia		B2	B2
34	Cameroon		B2	B2
35	Canada		A1	A1
36	Canary Islands (86aiii)		A1	A
37	Cape Verde		B2	B2
38	Cayman Islands (UK)		A1	A1
39	Chad		C1	C1
40	Channel isles (UK)		A1	A1
41	Chile		A1	A1
42	China		A2	A2
43	Christmas Island (Australia)		A1	A1
44	Cocos/Keeling Island (Australia)		A1	A1
45	Colombia		A2	A2
46	Comoros		B2	B2
47	Congo Republic		C1	C1
48	Cook Islands (New Zealand)		Not Rated	Not Rated
49	CoStb Ric»		A1	
50	Croatia	-	A2	A2
51	Cuba		B1	B1
52	Cyprus		B2	B2
53	Czech Republic		A2	A2
54	Denmark		A2	A2
55	Djibouti		B2	B2
56	Dominica	•	B1	B1

Export Credit Guarantee Corporation of India Limited
Country Risk Classification List as on September 30, 2014

Countries in Open Cover

Note : The country mentioned In the bracket represents the parent country

Sr. No.	Country	Rating as on 30.06.2014	Rating as on 30.09.2014
57	Dominican Republic	A2	A2
58	Ecuador	B1	B1
59	Egypt	B2	B2
60	El Salvador	B1	81
61	Equatorial Guinea	82	B2
62	Estonia	81	B1
63	Ethiopia	B2	B2
64	Falkland Islands (UK)	A1	A1
65	Faroe Islands (Denmark)	Not Rated	Not Rated
66	Fiji	B1	B1
67	Finland	A2	A2
68	France	A1	A1
69	French Guiana (France)	Not Rated	Not Rated
70	French Polynesia (France)	A1	A1
7.1	French South Atlantic Territories (France)	Not Rated	Not Rated
72	Gabon	B1	B1
73	Gambia	B1	B1
74	Georgia	B2	C1 A1
75	Germany	A1	B2
76	Ghana	B2	A1
77	Gibraltar (UK)	A1	B2
78	Greece	B2	Not Rated
79	Greenland (Denmark)	Not Rated	C1
80	Grenada	C1	A1.
81	Guadeloupe (France)	A1	A1
82	Guam (US)	A1	B1
83	Guatemala	B1	C1
84	Guinea	C1	

Export Credit Guarantee Corporation of India Limited

Country Risk Classification List as on September 30, 2014

Countries in Open Cover

Note : The country mentioned in the bracket represents the parent country

Sr. No.	Country	Rating as on 30.06.2014	Rating as on 30.09.2014
85	Guinea Bissau	C1	C1
86	Guyana	B2	B2
87	Haiti	B2	B2
88	Heard Island and McDonald island (Australia)	Not Rated	Not Rated
89	Honduras	B2	B2
90	Hong Kong (Sp. Ad. Region of China)	A1	A1
91	Hungary	A2	A2
92	Iceland	B1	B1
93	India	A1	A1
94	indonesia	A2	A2
95	Ireland	A2	A2
96	Israel	A2	A2
97	Italy	A2	A2
98	Jamaica	B1	B1
99	Japan	A1	A1
100	Jordan	B1	B1
101	Kazakhstan	B2	B2
102	Kenya	B1	B1
103	Kiribati	Not Rated	Not Rated
104	Kuwait	A2	A2
105	Kyrgyzsta	B2	C1
106	Laos	B1	B1
107	Latvia	B1	B1
108	Lesotho	B2	B2
109	Liechtenstein	A1	A1
110	Lithuania	B1	B1
111	Luxembourg	A1	A1
112	Macao (China)	A2	A2.

Export Credit Guarantee Corporation of India Limited
Country Risk Classification List as on September 30, 2014

Countries in Open Cover

Note : The country mentioned in the bracket represents the parent country

Sr. No.	Country	Rating as on 30.06.2014	Rating as on 30.09.2014
113	Macedonia	B2	82
114	Madagascar	82	B2
115	Malawi	C1	C1
116	Malaysia	A2	A2
117	Maldives	B1	81
118	Mali	B2.	B2
119	Malta	B2	B2
120	Martinique (France)	A1	A1
121	Mauritania	B2	B2
122.	Mauritius	A2	A2
123	Mayotte (France)	A1	A1
124	Mexico	A2	A2
125	Micronesia	C1	C1
126	Moldova	C1	C1
127	Monaco	B2	B2
128	Mongolia	E2	B2
129	Montserrat (UK)	Not Rated	Not Rated
130	Morocco	A2	A2
131	Mozambique	B1	B1
132	Myanmar	B1	B1
133	Namibia	l3l	B1
134	Nauru	C1	C1
135	Nepal	B'1	l3l
136	Netherland Antilles (Netherlands)	A1	A1
137	Netherlands	A1	A1
138	New Caledonia (France)	Not Rated	Not Rated
139	New Zealand	A1	A1
140	Nicaragua.	B1	B2

Export Credit Guarantee Corporation of India Limited

Country Risk Classification List as on September 30, 2014

Countries in Open Cover

Note : The country mentioned in the bracket represents the parent country

Sr. Na.	Country	Rating as on 30.06.2014	Rating as on 30.09.2014
141	Niger	B2	B2
142	Nigeria	B1	B1
143	Niue Island	Not Rated	Not Rated
144	Norfolk Island (Australia)	A1	A1
145	Northern Mariana Islands (US)	Not Rated	Not Rated
146	Norway	A1	A1
147	Oman	A2	A2
148	Pakistan	B1	B1
149	Palau	Not Rated	Not Rated
150	Panama	A2	A2
151	Papua New Guinea	B1	B1
152	Paraguay	B2 A2	B2
153	Peru	A2	A2
154	Philippines	A2	A2
155	Poland	B1	A2
156	Portugal	A1	B1
157	Puerto Rico (USA)	A2	A1
158	Qatar	B2	A2
159	Reunion Islands	E11	B2
160	Romania	B1	B1
161	Russia	B1	B1
162	Rwanda	B1	B1
163	Samoa	A2	B1
164	San Marino (Italy)	B2	A2
165	Sao Tome & Principle	A2	32
166	Saudi Arabia	81	A2
167	Senegal	C1	E11
168	Serbia		C1

Export Credit Guarantee Corporation of India Limited
Country Risk Classification List as on September 30. 2014

Countries in Open Cover

Note : The country mentioned in the bracket represents the parent country

Sr. No.	Country	Rating as on 30.06.2014	Rating as on 30.09.2014
169	Seychelles	B2	B2
170	Sierra Leone	B2	B2
171	Singapore	A1	A1
172	Slovakia	A2	A2
173	Slovenia	B1	B1
174	Solomon Islands	B1	B1
175	South Africa	A2	A2
176	South Korea	A1	A1
177	Spain	A2	A2
178	Sri Lanka	A2	A2
179	St. Christopher and Nevis	C1	C1
180	St. Helena and Ascension (UK)	Not Rated	Not Rated
181	St. Lucia	C1	C1
182	St. Pierre and Miquelon (France)	Not Rated	Not Rated
183	St. Vincent and the Grenadines	B2	B2
184	Suriname	B2	B2
185	Swaziland	B1	B1
186	Sweden	A1	A1
187	Switzerland	A1	A1
188	Taiwan	A2	A2
189	Tajikistan	B1	B2
190	Tanzania	B2	B2
191	Thailand	B1	B1
192	Togo	B2	B2
193	Tokelau (New Zealand)	Not Rated	Not Rated
194	Tonga	A2	A2
195	Trinidad and Tobago	A2	A2
196	Tunisia	B1	B1

Export Credit Guarantee Corporation of India Limited
Country Risk Classification List as on September 30, 2014

Countries in Open Cover

Note : The country mentioned in the bracket represents the parent country

Sr. No.	Country	Rating as on 30.06.2014	Rating as on 30.09.2014
197	Turkey	B1	B1
198	Turks and Caicos (UK)	Not Rated	Not Rated
199	Tuvalu	Not Rated	Not Rated
200	UAE	A2	A2
201	Uganda	B2	B2
202	United Kingdom	A1	A1
203	United States of America	A1	A1
204	Uruguay	A2	A2
205	US Pacific Islands (US)	A1	A1
206	US Virgin Islands	A1	A1
207	Uzbekistan	B2	B2
208	Vanuatu	B1	B1
209	Vatican City	A1	A1
210	Venezuela	C1	C1
211	Vietnam	A2	A2
212	Wallis and Futuna (France)	Not Rated	Not Rated
213	Western Sahara	Not Rated	Not Rated
214	Yemen	C1	C1
215	Zambia	B1	B1
216	Zimbabwe	C1	C1

Export Credit Guarantee Corporation of India Limited
Country Risk Classification List as on September 30, 2014

Countries in 'Restricted Cover - Group I' for which revolving limits are approved
normally valid for a year

Sr. No.	Country	Rating as on 30.06.2014	Rating as on 30.09.2014
1	Afghanistan	C2	C2
2	Andorra	C2	C2
3	Central African Republic	C2	C2
4	Cote de Noire	C1	C1
5	Democratic Republic of Congo	C1	C1
6	Eritrea	C2	C2
7	Iran	B1	B1
8	Iraq	B2	B2
9	Lebanon	B2	B2
10	Liberia	B2	B2
11	Libya	C1	C1
12	Marshall Islands	C2	C2
13	Montenegro	C2	C2
14	Somalia	C2	C2
15	Sudan	C2	C2
16	Timor Ls ste	C2	C2
17	Turkmenistan	C2	C2
18	Ukraine	C2	C2

Export Credit Guarantee Corporation of India Limited
Country Risk Classification List as on September 30, 2014

Countries in `Restricted Cover — Group II where Specific Approval will be given on a
case-to-case basis on merits

Sr. No.	Country	Rating as on 30.06.14	Rating as on 30.09.14
1	North Korea	D	D
2	Palestine	D	D
3	Syria	D	D

ECGC Classification	Risk Category
A1	Insignificant
A2	Low Risk
B1	Moderately Low Risk
32	Moderate Risk
C1	Moderately High Risk
C2	High Risk
D	Very High Risk