

# Nirvik (Niryat Rin Vikas Yojana)

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**Source:** *PIB, Union Budget 2020-21 & The Hindu*

## Key features

- The Union Budget 2020-21 mentions that new scheme NIRVIK will be launched to achieve higher export credit disbursement, which provides for:
  1. Higher insurance coverage
  2. Reduction in premium for small exporters
  3. Simplified procedure for claim settlements.
- Nirvik (Niryat Rin Vikas Yojana) scheme will provide enhanced insurance cover and reduce the premium for small exporters.
- The scheme is being prepared by the Commerce Ministry.
- Under the scheme, also called the Export Credit Insurance Scheme (ECIS), the insurance guaranteed could cover up to 90 percent of the principal and interest.
- The Ministry has also proposed to subsidize the premium under the scheme that has to be paid by exporters of certain key sectors.
- The Export Credit Guarantee Corporation currently provides credit guarantee of up to 60 percent loss.



## Significance

The scheme is expected to enhance accessibility and affordability of credit to exporters and reduce liquidity requirement