

IT-Enabled Services Policy- Multi Customer (MITES)

IT-enabled Services (Multi Customer) Policy would be given in respect of contracts for rendering service during a defined period with billing on the basis of service rendered during a period say, a week, a month or a quarter. This policy is to cover all buyers in open cover country and buyers that are not in Buyers Specific Approval List (BSAL) maintained by the Company and available on its website www.ecgc.in. This is a Standard Wholturnover Policy.

Period of Policy: 12 months

Risks Covered:

- Commercial Risk / Buyer Risk
- Political Risk
- L/C Opening Bank Risk

Percentage of Cover: 80%

Distinct Characteristics of MITES Contracts:

- Contract is for providing certain service during a defined period.
- Billing for the service rendered at a predetermined interval.
- Where there is a non-payment problem, there can be certain services invoiced and accepted, certain services invoiced but not accepted and certain services rendered but yet to be invoiced.
- No requirement of physical documentation as the process is carried out through electronic media.
- Provision for correction in case of errors and omissions.
- The policy will be offered for contracts, which contain standard terms and conditions as per the norms and practices of the IT-enabled Services export industry.
- Right to verify documents by the Company or by an authorized agency.

Important Obligations of the Exporter:

- Processing fee of Rs.10,000/- (non-refundable) is payable.
- Premium will be payable in four equal quarterly installments in advance on or before its respective due date on the Aggregate Loss Limit (ALL).
- Monthly declaration indicating the services rendered, invoices raised and invoices paid to be submitted by the exporter by 15th of the subsequent month.
- No separate overdue report.
- Filing of claim within 360 days from the due date of the export bill or 540 days from expiry date of the Policy Cover, whichever is earlier.
- Initiating recovery steps including legal action.
- Sharing of recovery.

Highlights:

- Option to pay the annual premium in advance is available in which case a 5% upfront discount in the standard premium rate is offered.
- All buyers in open cover countries are covered subject to certain conditions.
- Protection is available up to Aggregate Loss Limit (ALL) under the Policy and up to 10% of ALL on individual buyers referred to as Single Loss Limit (SLL), on conditions.
- No Claim Bonus (NCB) of 5% subject to no claim, up to a maximum of 50%.
- Premium is payable only on the ALL irrespective of the shipments effected under the policy.