**SERVICE AGREEMENT**

**This service agreement (“Agreement’’) is entered into on this day the \_\_\_\_\_\_\_\_\_ at Mumbai**

Between

**Client Name**, a company having its registered address at ………………………………………………………. ………………… , India, (hereinafter referred to as “**The Client**”) (which expression unless repugnant to the context shall mean and include its successors and assigns and or any person or entity claiming through or under the client) represented herein by NAME its DESIGNATION , who is duly authorized to enter into this agreement and to act for and behalf of the client

AND

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ a** company incorporated under the companies Act, 1956 and having its registered office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.(Hereinafter referred to as “**the Service Provider**”) (which expression unless repugnant to the context shall mean and include its successors and assigns/ or any person or entity claiming through or under the service provider) represented herein by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_who is duly authorized to enter into this agreement and to act for and behalf of the service provider .

**WHEREAS**:

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Herein after called as Client) is a\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. The Service Provider is engaged in the business of rendering specialized outsourcing services (hereinafter referred to as “the **said services**”) all over India and has its local offices in the cities wherein the Client has its presence.
3. The Client desires of engaging Service Provider for rendering the said services in various locations throughout India on non exclusive basis wherein the Client is having its offices and the service provider is having its resources to render such services.
4. Service Provider has approached the Client and represented that it has the due expertise and means to render the above said services to the Client in the said location.
5. Service Provider has agreed to render the said services as specified herein on the following terms and conditions:

**IT IS, THEREFORE, AGREED BY AND BETWEEN THE PARTIES AS UNDER:**

1. **Appointment, Duration & Termination :**
   1. Client hereby appoints the Service Provider on non exclusive basis and the Service Provider hereby agrees to act in that capacity, with limited authority as specified herein, for providing the said services of managing manpower throughout India in the said locations of the Client.
   2. The Client shall have sole discretion to render the said services itself or through any other service provider, during the term of this Agreement.
   3. This agreement is deemed to commence from 24th June 2020 and will continue for a period of three years thereafter. Nevertheless, the Agreement shall be liable to be terminated at the option of either party by giving to the other, a minimum of two (2) months notice, by Registered Post or by Hand Delivery in the above mentioned addresses of the parties. Any change in address to be notified to the other from time to time.
   4. However, if there are exceptional circumstances which lead to belief that any serious or untoward incident has taken place or in case of breach of any statutory requirement by the Service Provider, the Client shall have the option to terminate the Agreement within 24 hours of notice to that effect being issued by the Client. In such circumstances the Client will pay payment to the service provider for the services rendered till the date of termination as per last month’s billing.
   5. Wages shall be fixed as per State Govt.’s minimum wages notification and as and when there is increase in wages from the State Govt.’s new wages shall be effective from that date onwards, and same shall be effective in other state where ever employees are employed. Client to pay the increase in wages if the same is above 3%.

The Service provider shall ensure that specialized services and other allied services are provided in accordance with this Agreement without any interruption or break till the end of the said notice period, when Service Provider shall hand over their charge peacefully along with the equipment and articles, if any, belonging to the Client that would be in their possession. In case any of the material, equipment provided by the Client are found to be in damaged condition or lost or missing, the Client shall be entitled to recover costs and compensation for the same from the bills due and payable to Service Provider. In the event of the Client not being in a position to recover compensation, in full, against the pending bills of the Service Provider for damage/lost/missing equipments, the Client shall be at liberty to adopt such other lawful methods to recover the balance amount due and payable on that account.

1. **Scope of Services:-**

Service Provider shall render the services more specifically described in the Annexure- A of this agreement at client’s said locations as instructed by the Client from time to time.

1. **Quality of services:**-

The Service Provider shall ensure that the competent trained personals are rendering the said services to the Client in the said locations after proper reference checks.

1. **Operational approvals:-**

The Service Provider shall ensure that the operational procedures stipulated by the Representative of the Client and communicated from time to time, are adhered to.

1. **Billing & Payment:-** 
   1. The Client shall, during the period of agreement pay to the Service Provider for the said services mutually agreed upon as specified in the Annexure B &C of this agreement. Taxes as applicable will be deducted from the said payments.
   2. Service Provider shall submit its bills in writing to the Client, giving details of services rendered at the respective locations. For each City, the soft copy ( Digital invoice ) of bill shall be raised and submitted to the City Office, locally for verification. After receipt of the bill, the same shall be verified by the authorized representative of the Client at each City and payment shall be made to the Service Provider within 2 - 3 days of receipt of the bill.
   3. Service Provider will be rendering the said services to the Client at pan India level.
2. **Relationship:-**

The relationship between the parties shall be that of “Principal to Principal”. There shall be no nexus of relationship between the Service Provider and the persons engaged by them for discharging its obligations under this agreement or otherwise. The personnel of the Service Provider or their business associates shall at no point of time be deemed to be employees of the Client.

1. **Indemnities & Warranties:-**

The Service Provider agrees to ensure that no staff, employed by them shall claim any employment rights with the Client. The Service Provider further agrees to indemnify the Client from all claims, whether personal commercial or statutory, in respect of the service provided to the client. Both the parties agree to indemnify each other while executing their obligations and duties in pursuance to this agreement. Service Provider also undertakes to comply with all statutory obligations in pursuance to this agreement.

1. **Force Majeure:-**

No party shall be liable for any failure or delay on its part in performing under this agreement if such failure or delay is due to “Force Majeure” conditions in whole or in part such as general or nationwide strikes or other labour problem/ troubles, regulations or restrictions imposed by government, wars, riots, floods, earthquakes and other acts of God, and any other causes beyond the control of such party.

1. **Settlement of dispute:-**

In the event of any dispute and or difference, parties shall endeavor to resolve the same within 7 days of such incident. In the event, no resolution is possible then either party shall be at liberty to avail the services of Bombay Chamber of Commerce for appointment of Sole Arbitrator in accordance with the provisions of Arbitration and Conciliation Act, 1996, as mutually agreed by the parties. Such Arbitration proceedings shall be held in English at Mumbai. Parties agree to abide by the decision of the Arbitrator as final and binding and shall be open to challenge as permissible under the law, in the Courts of Mumbai, only.

1. **No Competition and Self declaration**

The Service provider agrees not to approach the customer of the Client for which the service provider is working through the Client. Also, the Service Provider agrees not to communicate directly with customer of the Client.

1. **Miscellaneous**:-
   1. **Entire Agreement:** The terms of this Agreement constitute the entire agreement between the parties and supersede any previous agreement or understanding and may not be varied except in writing between the parties. All other terms, express or implied by statute or otherwise, are excluded to the fullest extent as permissible in Law.
   2. **Notice:** Any notice required or permitted to be given by either party to the other under this Agreement shall be in writing, addressed to the other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.
   3. **Waiver:** No failure or delay by either party in exercising any of its rights under this Agreement shall be deemed to be a waiver of that right, and no waiver by either party of any breach of this agreement by the other shall be considered as a waiver of any subsequent breach of the same as any other provision.
   4. **Severability:** If any provision of this Agreement is held by any court or other competent authority to be invalid or unenforceable in whole or in part, the validity of the other provisions of this agreement and the remainder of the provision in question shall not be affected.
   5. **Amendment:** This Agreement may not be amended or modified except by in writing and signed by both parties. In the event of any conflict or inconsistency between the terms of any Schedule/s attached hereto and those of this Agreement, the terms of the Schedule/s shall govern.
2. The relationship between the parties herein shall be on principal-to-principal basis and does not create in any manner whatsoever any relationship of master and servant between the Company and the Contractor and also the employees engaged by the Contractor or otherwise. It is expressly agreed and accepted by the parties that the employees of the Contractor shall be solely and purely, the employees of the Contractor and the Contractor shall be their employer for all legal and administrative purposes under its exclusive management and administration
3. As per the recent amended the **Apprentices Act**. Wherein, fresh employees can be hired as Apprentice in all the functions. The remuneration payable to them is called as Stipend and would be **exempted under ESI Act, EPF &( MP ) Act, Bonus Act & Gratuity Act**. With this scheme , all  entry level  can be hired as Apprentices. The NAPS benefit is for 1 year .

This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, the parties hereto have set their hands and seal herein below.

SIGNED for and on behalf of: In the presence of **Witness:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**NAME :**   **Name :**

( Designation ) Designation :

SIGNED for and on behalf of: In the presence of **Witness:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**ANNEXURE - A**

**Scope of Work**

* Service provider shall comply with all the statutory requirements as may be required for rendering the Services (including, without limitation, all requirements under any laws, rules and regulations as may be applicable in respect of hiring/employing the Staff and matters related thereto). Without prejudice to the generality of the aforesaid, the **Staffing Company Name** shall comply with all requirements, including maintaining registers and records prescribed under various labour laws, including, without limitations the following:
  + - Employee’s State Insurance Act (ESI)
    - Provident Fund Act (PF)
    - Minimum Wages Act
    - Shops & Commercial Establishments Act.
    - Payment of Wages Act
    - Maternity Benefit Act
    - Contract Labour (Regulation and Abolition) Act
    - Workmen Compensation Act
    - Payment of Bonus Act
    - Payment of Gratuity Act

Any other labour or industrial laws, as may be applicable from time to time, during the currency of this Agreement.

* The salary slips of all the employees would be provided by email to the Client by the service provider every month.
  + Removal of employee after 2 weeks of performance shall be done only after discussion with **Staffing Company Name** team. Abrupt removal shall be avoided.

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**ANNEXURE – B**

**Professional Fees**

* **Recruitment  Fee** will be  charged as follows :

|  |  |
| --- | --- |
| PROFILE | RECRUITMENT FEE / per candidate |
|  |  |
|  |  |
|  |  |
|  |  |

* **Free Replacement** shall be provided on employee leaving the company within 30 days of joining, if recruitment done by **Staffing Company Name**.
* **Management fees (service fees) will be @ ………….** on the monthly CTC per employee/per month.
* **Reimbursement Fee:** will be charged @ -\_\_\_\_ of the total value of the invoice (payout besides salary such as incentives, travel allowances, bonus, etc.)
* **Mobile Attendance: -** Rs.\_\_\_\_\_- per associate shall be charged for first six months. Later on the fee shall be dropped to Rs.\_\_\_\_/ per associate.
* **Insurance Coverage** - Staff excluded under ESI Act shall be covered under Private insurance Policy. The monthly Premium would be around Rs.\_\_\_\_\_ /- per employee (renewable every year).  The coverage of Rs.1,00,000 on Group Hospitalization & Rs.3,00,000/- for Group Personal Accident shall be extended.
* **Absorption Fee** @ \_\_% on Annual CTC.

* **Laminated ID Cards** will be provided to the employees by the Client. .

* The Contract shall be **Collect First & Pay later** model.

* **Payment should** be done within 2 - 3 working days from the day Digital Invoice is raised.

* **RTGS Mode** of payment.
* **GST s**hall be applicable on the total amount as prescribed by government from time to time.

* **Contract shall be of Manpower**:- Hence **ONLY** Section 194C shall be applicable.
* **Tenure of Contract** shall be 3 years.
* **Revision of service fees** after 1 years of contract
* **Termination Period** – 2 months notice on both sides.

**ANNEXURE –C**

**Attendance & Billing Cycle**

* Attendance Cycle:   1st  – 30th / 31st of Every Month.
* Attendance to **Staffing Company Name** : 1st of every month
* Invoice Date: 3rd of every month .

* Collection of Payment: Within 2 working days of digital invoice shared.
* Salaries to Employees:   7th of Every Month
* Payment Mode : RTGS (Details are as follows)

**RTGS Details:**

**Account Name :**

**Bank name         :**

**A/c No.                 :**

**Branch                  :**

**IFSC Code            :**

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