**Agreement Between Contractor and Principal Employer format download. Work outsource Agreement.**

What is the format of Agreement between contractor and Principal employer? How to make agreement for work outsource? Sample agreement between contractor and principal employer is given below. Please make necessary modification according to the contract type. This is only a draft format.

**AGREEMENT BETWEEN CONTRACTOR AND PRINCIPAL EMPLOYER**

This Agreement is made on this day at \_\_\_\_\_\_\_\_\_\_\_\_\_

**BETWEEN**

Manager of (Name of the Company)

through its authorized signatory (hereinafter referred as party of first Part)

AND

M/s\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_through its proprietor Shri \_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter referred to as 'THE CONTRACTOR'), party of the Second Part.

WHEREAS the party on the first part requires the services of an expert contractor;

AND WHEREAS the party of the Second Part has approached the party of the First Part and offered its services for the purpose on the assurance that it possess the 'equipment' expertise, manpower skill and facilities to provide high quality services.

**NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:**

1. The first party by means of these presents allows the Contractor to perform and execute all services in respect of the areas specified in Annexure “A” to this Agreement. The specified area may be increased or decreased from time to time at the discretion of the party of the first part, whereupon, the Contractor shall proportionately increase or decrease, as the case may be, the work force and equipment employed on the basis of the present standard.

2. The Contractor by means of this Agreement agrees to execute, fulfill and discharge the obligations and perform the services, hereinafter provided in the manner hereinafter appearing. For the service rendered as per this Agreement the party of the first part shall pay to \the Contractor at the rates mutually agreed upon from time to time in writing. The total manpower at present for the performance of the described jobs to the Contractors. The payment agreed to be made for performance of the tasks assigned to the Contractor is Rs. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_per month. The amount includes all legal obligations besides services charges. The Contractor shall submit its bill in respect of house keeping services provided during a month immediately after the close of the month. After verification of the correctness of the bill, the party of the First Part will make payment to the Contractor by means of an Account Payee cheque after deducting income tax as provided for under the Income Tax Act 1961. The Management will decide the extra number of workers to be engaged for execution of work of any given point of time and for the same proportionate extra amount shall be paid to the contractor. The Management also reserves the right to reduce the number of persons at any given point of time by giving seven days clear notice and in that event, the contract amount shall be stand reduced proportionately.

3. The Contractor will furnish one month?s payment as Security in cash Rs.\_\_\_\_\_\_\_ or by Demand Draft for the amount agreed upon for due performance of this license. In the event of any breach, violation or contravention of any of the terms & conditions herein contained by the Licensee, the said security deposit shall be forfeited.

4. The Contractor undertakes at all time to deploy the requisite manpower and equipment necessary to provide efficient hygienic and quality, house keeping services. For this purpose, the Contractor shall use mechanical devices to the maximum extent possible.

5. The Contractor shall be responsible for the upkeep and safe custody of all the fittings and fixtures .The Contractor shall maintain proper records of such stores and shall be liable to make good may loss of the said stores or any loss on account of damage to the furniture or fixtures if it occurs through negligence on its part or its employees.

6. The Contractor shall be bound to perform the assigned jobs even though the same may not have specifically been included in the schedule of services. The charges, if any, for these extra services, shall be settled mutually.

7. The parties hereto shall determine by mutual agreement the number of persons to be engaged by the Contractor for effective discharge of its obligations under this Agreement.

8. The Contractor shall be solely responsible for the acts of omission and commission by the persons engaged by it in the discharge of its obligations under this Agreement. For this purpose the Contractor shall maintain proper records and accounts and submit all statutory return to the respective authorities in respect of the persons employed by it.

9. The Contractor shall be responsible for due compliance with all statutory provisions including those relating to Employees Provident Fund and miscellaneous Provision Act, 1952, Employees State Insurance Act, 1948, Minimum Wages Act, 1948, etc. and all other laws and rules applicable to it in respect of the persons engaged by it either independently or by reasons of their working in the premises of the specified area. The Contractor shall provide the code number of registration allotted to it by the Regional Provident Fund Commissioner and the Regional Director of Employees State Insurance for purposes of Provident Fund deductions and ESI benefits. Copies of such certificates and the names of employees engaged from time to time shall be furnished by the Contractor to the party of the first part promptly. Challans for payment of statutory dues under the various enactments other than income tax and sales tax shall be produced in original, within three days of payment for the perusal and satisfaction of the party of the first part together with a copy of the same for its record. No claim relating to any person (s) employed/engaged by the Contractor shall be entertained or lie against the first party. If there is any claim against the first party which it is bound to meet and discharge by reason of any statutory obligation or dictates of law due to the fact of the concerned employee (s) working in the premises of the first party, the Contractor shall be responsible to fully reimburse and compensate the party of the first part and on failure to do so be bound to face proceedings on that account.

10. The Contractor shall pay its employees /persons engaged by it the wages which shall not be less the minimum wages fixed by the Government and as revised from time to time by the Govt. It shall also give such persons all benefits provided for under any law for the time being in force. The party of the first part shall be at liberty to satisfy them regarding compliance of the statutory requirements by the Contractor. In case the Contractor does not pay the minimum wages to any person (s) employed/engaged by it or violates any labour, industrial or other laws applicable to it, alone shall be responsible for the consequences including for prosecutions if nay, and the party of the first part shall have nothing to do with it.

11. Within fifteen days of the commencement of this Agreement the Contractor shall provide on its own uniforms, name plates, shoes, socks etc. to its employees/persons engaged by it for performing maintenance and housekeeping jobs in the establishment of the First party. It shall be the responsibility of the Contractor to ensure that while on duty such persons are always smartly attired in their uniforms.

12. The persons engaged by the Contractor for fulfilment of its obligations under this Agreement shall in no case be entitled to any benefit, monetary or otherwise which may permissible to the employees of the First party nor would they be entitled to raise any dispute, demand or claim in this regard or otherwise against the party of the first part.

13. The Contractor shall employ/engage supervisor (s) to coordinate, check and effectively monitor and control the quantum and quality of work performed by persons employed/engaged by it. Such supervisor / agent /officer of the Contractor shall be available at all reasonable times for ensuring that any defects pointed out by or on behalf of the party of the first part are rectified immediately. The Contractor shall send a daily report to the designate officer of the party of the first part and shall note the comments and remarks of the designated officer for immediate action and compliance.

14. To ensure effective control and supervision, the Contractor shall assign each person employed/engaged by it to a particular floor and have the floor number indicated on a badge displayed on the person’s uniform.

15. The Contractor shall be responsible for all injury and accident to persons employed by it and for damage to the fittings, fixtures and equipment etc. of the First party arising due to negligence on the part of the Contractor or its employees.

16. The Contractor shall display a duty roster of its employees deployed at various locations on the Notice Board of the concerned Department of the and any employee on leave and the substitute provided may be shown in the duty roster also. Such duty roster shall be subject to random checks by the designated officers of the First party.

17. The Contractor shall issue photo identity card to all its employees bearing their individual photograph within one month from the date of signing of this Agreement, failing which the party of the First Part issue the identity card to the employee concerned of the Contractor and the party of the First Party shall have the right to deduct an amount equivalent to the cost of identity card from the monthly bill of the Contractor. Any new deployment will also be issued a new identity card within 25 days of deployment.

18. The Contractor shall maintain discipline amongst its employees and shall be responsible for the conduct and behavior of its employee.

19. The Contractor shall not appoint any sub-contractor to carry out any obligations under the contract.

20. The Contractor, shall be at its own cost, take necessary insurance cover in respect of its employees employed / to employed or engaged in connection with rendering of the aforesaid services to the party of the First Part.

21. The Contractor must obtain a valid license issued by the competent designated statutory authority, under the Contract Labour (R&A) Act and the Rules framed there under.

22. The Contractor would also be required to fulfill the terms and conditions of Agreement that may be entered into by it with the authorized representatives of its workers.

23. That this Agreement along with its Schedule is the final document and it supersedes all earlier papers letters, correspondence, it nay etc.

24. The Contractor shall be liable for any violation of the appropriate provisions as applicable and will pay the penalty and the management will not be liable. The contractor shall indemnify the first party against all the claims raised against the first party with regard to the services being rendered by the contractor.

25. The employee as engaged by the Contractor will be solely responsible for meticulous compliance of terms and conditions of the agreement and will be working under the control and supervision of the Contractor. Be it made clear that by this agreement, no relationship will come into existence between the employee engaged through the Contractor and the management.

26. The contents of the Agreement have been read to the party of the First Part and Second Part and they have fully understood the same.

27. This agreement shall take effect on the \_\_\_\_\_?and shall be in force for a period of One year in the first instance. It may be renewed by mutual consent of the parties hereto for such period as may be determined. The Agreement can be terminated by either party on giving one month?s notice in writing to the other. However, in case of any breach of the Agreement by the Contractor, the first shall have the right to terminate it forthwith without any notice.

28. In case of any dispute relating to the interpretation or observance of this Agreement, the same shall be referred to an arbitrator to be appointed by the parties mutually. The decision of such an arbitrator in the matter shall be final and binding upon both the parties. The proceedings will be governed by the Indian Arbitration Act, 1940 and the Rules made there under.

IN WITNESS WHEREOF the parties hereto have set their hands to this Agreement in the presence of witnesses:

**PARTY OF THE FIRST PART**(Company)

**PARTY OF THE SECOND PART**(Contractor)

WITNESSES:

1.

2.