

Hire employees in India simply, compliantly, and hassle-free



Table of contents

- What you need to know for employing in India
- Benefits
- **Employment Contracts**
- S Onboarding
- **Leaves**
- Payroll & Tax
- Terminations
- Invoice Schedule



What you need to know for employing in India

Employ remote teams worldwide with Omnipresent's Employer of Record (EOR) service. We combine human expertise with automation to deliver your compliance, payroll, benefits, and HR support needs.

- Currency: Indian Rupee (₹, INR)
- Language(s): Hindi, Marathi, Telegu, Tamil, Bengali (22 National Languages)
- **Employer costs:** Average
- Termination: Hard
- Onboarding Timeline: ~13 calendar days
- Payroll Frequency: Monthly



Benefits ♥

What we offer	Mandatory	Supplementary
Healthcare		
Dental Insurance		
Vision Insurance		
Retirement & Pension	©	
Accident Insurance		
Life Insurance		
Wellbeing		

Health

India does not have a robust public healthcare system, therefore it is extremely common for employers to offer supplementary Health Insurance to their employees. This is usually 100% employer sponsored and offers cover for dependents including parents.

Our OmniEntity offers a supplementary Health Insurance package including Dental, Vision and cover for dependents.

Retirement

Retirement benefits in India are provided through the Employee's Provident Fund Scheme (EPF). It is a requirement for Employers and Employees to contribute which is processed through deductions via payroll. Employers are also required to provide termination indemnities when the employee leaves service due to retirement. It is not common for employers to provide supplementary retirement benefits to employees.

Other Benefits

Omnipresent offers an Accidental Death & Dismembership Insurance policy through our local partner.

Employment Contracts



We offer indefinite contracts in India, we do not offer Fixed Term Contracts.

Contract Requirements

While federal law does not mandate written employment contracts, some states require appointment letters or contracts to outline the terms and conditions of employment and provide clarity for both employers and employees. As a matter of policy and practice, Omnipresent ensures that all necessary key terms are included in the employment contracts we provide.

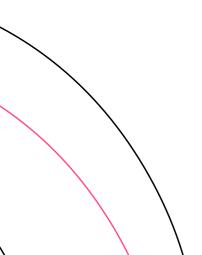
Contract language: Omnipresent's contracts are in English.

Signature requirement: India accepts digital signatures.

Backdating: Not possible as per Omnipresent's policy

Contract **Customisation**

We provide optional clauses for customisation when adding an employee to our platform. This allows you to tailor certain contract aspects, such as unlimited time off or extra-legal sick days. We do not allow for more customization than what our platform offers. However, certain contract elements cannot be customised due to compliance risks or Omnipresent's policy. Examples include overtime, restrictive covenants, and stylistic changes.



Probation

During the probation period, employers evaluate an employee's suitability for the role they have been hired for. It gives the employer an opportunity to assess their performance and determine if they are a good fit for the company. We believe that this process benefits both the employer and the employee. Here are some key points to know about probation periods in India:

- Probation periods are permitted by law.
- While there is no statutory limit on how long it can be, it cannot be unreasonably long. In most states, probation periods are typically between 3 and 6 months.

Please note, as a rule, we always include the probation period in our employment contracts, and that the only exception to our policy is in the case of a transfer of the employment relationship.



Onboarding 🖘

Timeline

Our normal onboarding timeline for India is ~ 13 calendar days. The onboarding steps involved are: Platform Setup, Right-to-Work Check, Employment Contract, Benefits and Payroll enrollment. This timeline does not include exceptions such as visas and medical & background checks.

Registration & Approvals

Requirements of registrations vary by province. Please reach out to Support (help@omnipresent.com) for more details.

Immigration & Visas

We can support work Visas in India through our partner's entity. Employment visas are generally granted only to highly skilled or qualified professionals and are not granted for jobs for which qualified Indians are ordinarily available.

Employment visas are usually granted for 1 year or for the length of the contract of employment and can be extended while in India.

Right-to-Work

Employers are only required to ensure that a foreign national has a requisite visa and authorisation to work in India. To do so, they have to review such employees' passports to ensure that they have obtained the relevant visa.

There is no legal requirement to carry out right-to-work checks prior to the start of employment for Indian citizens, except for employees in banking, financial services, etc.

When moving your employees from another EOR to Omnipresent

If the employee has previously worked for you, whether in another country or through another EOR provider, we can recognise their length of service. This recognition of seniority will need to be mentioned in the employment contract.



Leaves 🗈

Annual Leave Entitlement

Most states provide 15 to 20 days of annual leave each year, excluding public holidays that are also state/ province dependent. The relevant state here is where the employee resides. Annual leave can generally be accrued up to a set limit, this depends on the state.

Unlimited Paid Time Off

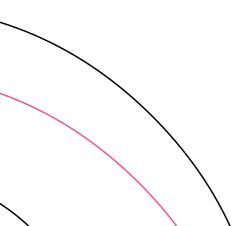
- Omnipresent can offer unlimited time off in India through our entity.
- Our employment contract has a designated clause if you, our Client, wish to include it.
- There is a minimum amount of annual leave (15 to 20 days, depending on the state) employees need to take each year so this should be included in the policy and employees should be encouraged to take this leave.

Maternity Leave

- Female employees who have worked 80 days continuously are eligible for paid maternity leave;
- Maternity leave lasts for 26 weeks for females with one to two children, and 12 weeks for those with two or more;
- Employer has to pay full salary during the entire duration of maternity leave;
- Additional paid leave, up to 6 weeks, would be given to females experiencing pregnancy-related illness, miscarriage or medical termination of pregnancy.

Paternity Leave

Indian law does not provide for paternity for male employees, however, it is customary for employers to provide 15 days of paternity leave.



Sick Leave

Most states provide employer-paid sick leave of around 10 to 15 days per year.

Special Leave

It is statutory in some states and customary in India to provide casual leave, which allows employees to take days off to attend to personal unforeseen circumstances, such as taking care of a sick family member.

Public Holidays

Each state has different public holidays. Please refer to $\underline{\text{this}}$ statespecific page for details.



Payroll & Tax

Payroll Cycle

The payroll cycle in India is monthly.

- Payroll runs from the 1st of the month to the end of the month.
- Payroll cut-off date is **6th of the month** (any changes to payroll or variables must be shared with Omnipresent by this date).
- Payment date is the last working day of the month (this is when employees will receive their salary payment).

Extra Payments (Bonus, Commission etc.)

Bonuses are required to be paid to employees earning less than INR 21,000 (approx US\$265) if the employer has at least 10 employees (or 20 employees in some states), and the employee has at least 30 days of service in the relevant accounting year. Bonuses in such cases vary from 8.33% - 20% of the employee's wages. It is generally customary in several industries to offer a bonus to all employees at a rate equivalent to one month's salary or wages. A part of the bonus may be offered during the Diwali festival (October/November) or on any other auspicious occasion. A large number of organisations also make discretionary bonus payments, which may be connected to the performance of an employee or the profits/revenue generated by the company. In such cases, it is recommended that employers clearly specify the nature of bonus payable to the employees and the conditions upon which such bonus amounts shall become payable.

Hourly Wage

Omnipresent is unable to accept employees on an hourly wage.

Minimum Wage

Minimum wages are decided by the state/ provincial governments, there's no minimum federal wage in force in India currently

Standard Work Schedule

The Standard work schedule in India consists of 8-9 hours per day and 40-45 hours per week up to a maximum of 48 hours per week, with the work week running from Monday to Friday. Flexible working hours are permissible.

Employer Costs

The employer costs depend on a variety of employee variables. A guiding number is **13%** of the employee salary. To get a more detailed estimate based on the employee salary use the <u>OmniCalculator</u>, or contact Support (<u>help@omnipresent.com</u>) for further information.

Terminations



Termination **Process**

Before proceeding with a termination (including verbal discussion with the employee about the risk of termination) you must first get in touch with Omnipresent. We will then provide guidance on next steps. You can read our <u>full guidance here</u>.

To initiate a termination, you need to submit a termination request through the OmniPlatform after which our relevant teams will assess the case and plan a compliant termination process.

Involuntary **Termination**

Employers can terminate without cause if an employee is not a "workman", or is under probation. Most states do not consider senior managers or people in administrative roles earning more than INR 10,000 per month (US\$121) to be a "workman".

Severance Pay

"Gratuity" is payable to employees on termination only if they have 5 years of continued service to the employer. The only exception to that is if the termination takes place due to death or disablement of the employee.

Gratuity is a cost to the company, which means that it must not be deducted from any payment of the employee and it should be paid on top of the salary.

Other severance on involuntary termination: Companies must payout benefits such as accrued leave, gratuity if applicable (explained above), statutory bonus payments if applicable, payment in lieu of notice if applicable, and any amount due under the contractual terms. However, these are not payable in case of termination due to misconduct.

Notice Period

It is standard practice to provide 1 month notice, except when the employee is terminated for misconduct.

The required notice period depends on whether the employee is a "workman", their length of service and the state that they reside in.

No notice is required for employees under probation, if the probation period is less than 6 months.

Invoice Schedule 🔩

Setup Fees: Once Terms are signed, Omnipresent begins deploying

resources for the setup process.

Trigger [Employee Details Added]

Deposits: Payable when the local employment contract is ready for

signature. The deposit enables Omnipresent to move forward

securely to sign the local employment contract with the

employee.

Trigger [Employee Details Added]

Initial Salary

Prepayment:

The first month's estimated labour costs are invoiced on the first day

of employment.

Trigger [Employment Start Date]

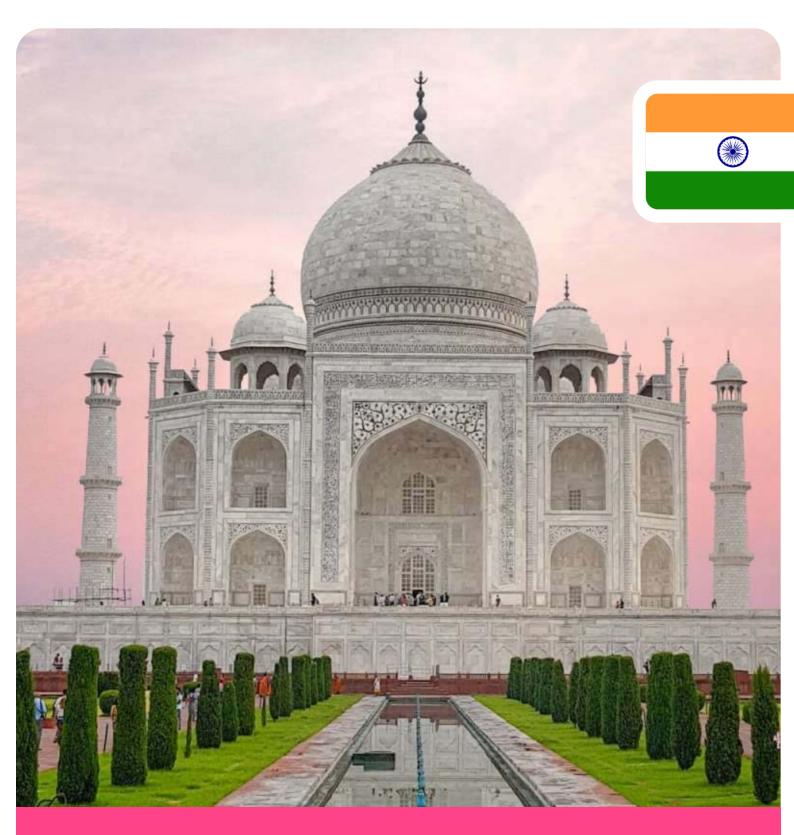
Ongoing monthly Employment Costs and Fees: Thereafter, we invoice monthly in arrears for labour costs - once the final payroll, taxes, insurance, social security contributions, expenses and deductions have been calculated. Each monthly invoice will include our monthly service fee, deposit insurance (if applicable),

and an FX fee (if applicable).

Trigger [Payroll Date] Typically the last working day of the month, but

varies by country.





Explore how Omnipresent simplifies global team growth.

Explore the effortless solution for your global hiring, payment, and management needs with Omnipresent. We simplify complex processes like onboarding, legal contract drafting, expense management, benefits allocation, and a whole lot more.

Start your journey towards compliant international business practices.

TALK WITH AN EXPERT

