



PRESIDENCY UNIVERSITY

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Approved by AICTE, New Delhi

CONSULTANCY POLICY

(This guideline is made in accordance with section 11.3 of the Regulation for the
Establishment and Operation of Research & Development)

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PRESIDENCY UNIVERSITY

CONSULTANCY POLICY

(Under Section 11.3 of the Presidency University Regulation for the Establishment and Operation of Research & Development)

1. PREAMBLE

The University is committed to supporting faculty in external engagements that facilitate knowledge and technology transfer contributing to economic and social impact. There could be several external engagements in multiple forms, but this policy defines which of them would be considered as “consulting” activity.

2. SHORT TITLE AND APPLICATION

2.1. This document shall be called the “Presidency University Consultancy Policy”.

2.2. This document shall come into effect from the date of approval by the Academic Council of Presidency University and ratified by appropriate higher bodies, if need be.

3. DEFINITION

Expert Professional Advice/Testing services offered by Individual Faculty/team of Faculty to the External Agencies viz. Government/Semi-Government/Private are defined as Consultancy Activity.

4. EXTENT AND APPLICABILITY

4.1. Consultancy Services may be offered to Industries, Service Sector, Govt. Departments and other National and International agencies in niche areas of expertise available with the Faculty of the University.

4.2. The service offered shall be along the lines of 'Professional Services' and will hence carry with them obligations and ethical requirements associated with such services as indicated in the standard terms and conditions (**Annexure 1**).

4.3. Consultancy services offered may cover a variety of activities such as Feasibility Studies; Technology Assessment; Assessment of Designs and / or Current Manufacturing Process; Material, Energy, Environmental and Manpower Audits; Product Design; Process Development, Software Development; General Trouble- shooting, Retrofitting Exercises, Intensive efforts for transfer of highly focused skills and expertise to select groups in specific organizations, vision and strategy statement, management advice, consultancy related to legal advice, and so on.

- 4.4. Testing and Evaluation services are to be normally offered in selected specialized areas. In order to meet the needs of certain Governmental and related agencies, and special clients (with long term association with the University) routine testing services may be offered, but within the available time and resources of the respective Laboratory.
- 4.5. Standardization and Calibration services may be offered in areas in which facilities are available or can be augmented through partner institution facilities on rental basis. Such services should normally be backed by periodic Calibration / Standardization of laboratory equipment used for such purposes.
- 4.6. Jobs which are too complex to handle, by virtue of certain constraints inherent in any academic and research environment - such as execution of certain types of works, should not normally be taken up irrespective of the availability of expertise and perceived needs of the clients.
- 4.7. All Consultancy and related Jobs need to be structured and executed in the spirit of promoting Presidency University-Industry Interactions, as a vehicle for augmenting levels of domain excellence in faculty and for augmenting placement opportunities of university graduates and in the process, generating funds.

5. NATURE OF CONSULTANCY ASSIGNMENTS

- 5.1. Project Category
- 5.2. Each project shall be undertaken either under
 - 5.2.1. Standard Terms and Conditions (**Annexure 1**)
 - 5.2.2. Standard Consulting Agreement or Memorandum of Understanding describing the details of contract.
 - 5.2.3. In the former case, the work is taken up in good faith between the consultant and the client, the obligations and responsibilities of both parties being limited by the standard terms and conditions.
 - 5.2.4. The latter case refers to projects that usually involve specific non-disclosure agreements, detailed negotiations of contract terms and signing of contracts in the form of agreement or MOU.
- 5.3. Consultancy and related services offered will be divided mainly into two categories:
 - 5.3.1. **Category 1** – Expert Advice and Development Projects:- This type of project will be Expertise intensive and based on the individual expertise of the Consultant.

5.3.2. **Category 2** – Testing Projects: This type of project will be Infrastructureintensive and will be based on extensive usage of the institute infrastructure or hired/rental infrastructure at an external institution.

6. ELIGIBILITY FOR UNDERTAKING CONSULTATION

Consultancy and related assignments can be taken up by full time faculty as full time Principal Consultant. However, the Principal Consultant can engage Adjunct Faculty, Research Scientists/Engineers, Students, and Technicians as members of consulting team.

7. UNIVERSITY CONSULTANCY NORMS

Consultancy work taken up by the Consultants are subject to the following guidelines:

- 7.1. The time spent on consultancy and related assignments shall be limited to the equivalent of 52 working days in a year, preferably at the rate of one working day per week. In addition, Consultants may be permitted to utilize, on an average one non- teaching day per week.
- 7.2. Consultancy assignments may be taken up and implemented, within the constraints indicated above, provided they do not have any adverse impact on the ongoing academic, research and other related activities of the particular faculty member.
- 7.3. The services of permanent employees of the University may be utilized for the execution of the consultancy projects provided it does not affect their primary functions and responsibilities to the University.
- 7.4. Students who are willing to work on consultancy projects may be permitted as per the University norms to do so provided it does not affect their academic commitments and performance. Such students may be compensated by suitable honoraria alreadyprovisioned in the consultancy budget.
- 7.5. Travel out of the campus on account of consultancy activities provided it is within consultancy budget should be undertaken with approval of the specific Dean of the School with intimation to Dean-R&I.

8. CONSULTANCY APPROVAL PROCESS

- 8.1. Consultancy projects may be initiated either by requests / enquiries from the industry to the University or by discussion between the industry and the Consultants.
- 8.2. When the enquiry is directly received by the University, the work will be assigned to specific consultants or groups of consultants depending on their expertise, and existing

commitments, by the Dean Research & Innovation (R&I).

- 8.3. In the event of a client preferring the services of a specific consultant, the assignment may normally be assigned to the identified person. All acceptance letters will be sent by the Dean-Research & Innovation (R&I). It is essential that Consultancy project proposals (prepared in response to a client's request) must be discussed with client a priori, vis-a-vis the scope, in order to obtain clarity before the consultant prepares the cost estimates. This proposal must be approved by the Dean (R&I) who may examine the scope of the work and cost estimates.
- 8.4. In exceptional urgent requirements, a consultant may take up an assignment with intimation to the Dean (R&I), and then seek formal approval, for tasks entailing total charges not more than Rs.50,000/- or two days of faculty time and payments are made within one month, well before submission of any formal report.
- 8.5. The charges, once finalized, will not be negotiable. However, if the scope is altered, a fresh cost estimate may be put forward for client consideration.
- 8.6. Consultant should be aware of the potential for the generation of Intellectual Property during the execution of projects. The Intellectual Property of the client may be critical to the client's business interests and so confidentiality and protection from leakage may be important. Policy of the client will govern all decision and actions concerning the generation, handling, protection and commercialization of the Intellectual Property. However, if Presidency University is committing investment in the project for joint development, joint ownership of the generated IP may be a possibility, and thus its protection and exploitation should be kept in mind by the consultant.

9. CONSULTANCY CHARGE NORMS

- 9.1. The services of external consultants may be utilized to a limited extent in order to provide comprehensive services to clients. The consultant fees payable to External Consultants may not, normally, exceed 40% of the project cost after deducting University share.
- 9.2. The charges for assignments are normally payable within one month from completion of a consultancy job. However, exceptions may be made in respect of assignments involving charges equal to or exceeding Rs.1,00,000/- (Rs. one lakh) where testing or prototyping may take time at the client side, and a payment schedule linked to milestones can be worked out

as per mutually agreed terms with the client.

9.3. Costing of Consultancy Projects

- 9.3.1. Consultant Fees (CF): This will include charges for the time of the University's Consultants and External Consultants (if any).
- 9.3.2. Charges for Personnel engaged in Technical Services (CPTS) are charges payable to the permanent employees of the University for their effort in the execution of the project.
- 9.3.3. Project Staff Salaries (PSS): This refers to the salaries payable to temporary staff employed specifically for the project.
- 9.3.4. Operational Expenses (OE): These include expenses incurred on consumables, contingencies, travel and daily allowance, honoraria for students and all other expenses related to the consultancy project.
- 9.3.5. Overheads (OH): Overheads will be charged at the rate of 20% of the consultancy fees received.
- 9.3.6. Capital Equipment (CE): This will include charges for the purchase of specific equipment for implementation of consultancy projects.
- 9.3.7. GST and other taxes as applicable shall be provided for in the project cost.
- 9.3.8. Examples of disbursement and proposed form templates are illustrated in **Annexure 2**.

10. DISBURSEMENT OF CONSULTANCY INCOME

- 10.1. In case of Category-1 projects (Faculty or Staff Expertise oriented projects), the disbursement of Consultancy fee (CF) and Charges for Personnel engaged in Technical Services (CPTS) will entail a deduction of 30% as the University share before final payments of Consultant's (or CPTS) earnings. This deduction will be on the actual amount disbursed to CF /CPTS after deductions of PSS, OE, OH and any CE expenses incurred for the execution of the project. Examples of disbursement and proposed form templates are illustrated in **Annexure 3**.
- 10.2. In case of Category-2 projects (Testing and Evaluation Projects), the disbursement of CF and CPTS will entail a deduction of 50% as the University share before final payments of Consultant's (or CPTS) earnings. This deduction will be on the actual amount disbursed to CF

/CPTS after deductions of PSS, OE, OH and any CE expenses incurred for the execution of the project.

11. FINANCIAL ACCOUNTING

The Consultant is responsible for maintaining the financial records of the project/test services. He / She should submit a detailed expenditure statement to the Finance Officer forwarded through School Dean and Dean R&I on successful completion of the consulting work.

12. COMPLIANCE

The faculty engaged in the Consultancy activities should comply with the Consultancy regulations/policy guidelines of the University.

13. CODE OF CONDUCT

The faculty handling the Consultancy work should maintain the highest standards of ethics. He/She shall not involve in Plagiarism, unfair means of getting the Consultancy offers and breach of contract with the customers/consulting companies.

14. OTHER MATTERS

Earnings for Technology Transfer, Revenue Sharing and Royalty will be governed by the Intellectual Property conditions as specified by the funding client.

15. AMENDMENTS

This Policy will be reviewed periodically to rectify anomalies, (if any), and to incorporate feedback received from the stakeholders, impact analysis and deliberations of the focus group constituted by the Vice Chancellor.

16. ANNEXURES

ANNEXURE I
STANDARD TERMS AND CONDITIONS

1. **DECLARATION:** All work undertaken by Presidency University Bangalore as part of the project will be in good faith and based on material / data / other relevant information given by the Client requesting for the work.
2. **CONFIDENTIALITY:** Due care will be taken by Presidency University Bangalore to maintain confidentiality and discretion regarding confidential information received from the Client, including but not limited to preliminary study reports, technical/ financial/marketing data, drawings, process plans, results, and identity of the client.
3. **REPORTS:** Any test or other consultancy report given by Presidency University Bangalore will be based on work performed according to available standards and / or open domain literature. In any event, this report may not be construed as a legal document, certificate or endorsement and may not be used for marketing of the products or processes, without prior consent from Presidency University Bangalore. The University reserves the right to retain one copy of the report and use the results of the project for its internal teaching and research purposes.
4. **WORK PERFORMANCE:** Every effort will be made to complete the specified work according to the planned time schedule. However, Presidency University Bangalore will not be held responsible for delays caused beyond its reasonable control.
5. **CONFLICT OF INTEREST:** Presidency University may take up work for other clients also in the same area, provided, to the best of the Presidency's knowledge, there is no conflict of interest in undertaking such projects.
6. **PAYMENT:** The payments of consultation charges to Presidency University, Bangalore are to be made through a demand draft, drawn in favour of Presidency University Bangalore and sent to the Dean (R&I). The charges will also include any applicable tax as prescribed by the Government of India from time to time. In case of RTGS/NEFT remittances, the account in which payments may be remitted is as follows:

Name of Account holder: Presidency University Bank

Name: Federal Bank

Branch details: Gandhi Nagar, Bangalore, India

Bank A/C Number: To be set up by the University for Consultancy Projects

- 7. TERMINATION:** The project work may be terminated by either party by giving the other party a notice period of 30 days. However, both the parties will meet any residual obligations in connection with the project.
- 8. LIABILITY:** Presidency University Bangalore shall not be held liable for any loss, damage, delay or failure of performance, resulting directly or indirectly from any cause, which is beyond its reasonable control (Force Majeure). The liability of Presidency University Bangalore shall be limited to the funds received for the project.
- 9. INTELLECTUAL PROPERTY RIGHTS:** All rights pertaining to any intellectual property (IP) generated / created / invented in the due course of the project will be the property of the client in case of no specific joint investment commitment towards the development by Presidency University. More specifically, if a client is obligated to intellectual property assignment to their client or states as a condition of contract to the University that the intellectual property cannot be shared, the rights will continue to be vested with the client. In cases where a project may be taken up as Consultancy-cum-Joint Development where Presidency University may offer to invest in a R&D Project (for example, by not charging consultancy fee, investing in cash or kind), the resulting, if any, will be joint property of Presidency University Bangalore and the Client. Terms and conditions regarding transferring / assigning / selling these rights to the client or any third parties shall be governed by a separate written and agreed to document if required.
- 10. RESOLUTION OF DISPUTES:** Any disputes arising out of the project shall be amicably settled by both the organizations. Any unsettled disputes may be subject to resolution as per the Indian Arbitration and Conciliation Act 1996. The jurisdiction for any or all disputes will be an arbitrator or an arbitration firm who is mutually agreeable to both parties and is physically located at the Greater Bangalore area.

The above terms and conditions will apply to all consultancy projects taken up by any faculty of Presidency University Bangalore and will form part of contract signed with the client organization, unless otherwise mutually agreed to in a separate document.

ANNEXURE- 1

Estimate for Category 1 (Expert Advice and Development Projects)

Sample Calculation:

Sl. No.	Head of expenditure	Amount (Rs)
1	Consultant fee (CF)	30,000
2	CPTS	5,000
3	Project staff salaries (PSS)	5,000
4	Operational Expenditure (materials, transport, stationary, misc. etc) (OE)	10,000
5	TOTAL COST	50,000
6	University Overheads (20% of 5)	10,000
7	Gross TOTAL	60,000
8	GST (as applicable, considered 18% as sample)	10,800
	Net Total	70,800

ANNEXURE-2

Estimate for Category-2 Job (Testing Projects)

Sample Calculation:

Sl. No.	Head of expenditure	Amount (Rs)
1	Material	500
2	Utilities	300
3	External Service	-
4	Machine/Equipment hours (used either internally or rented service utilized from third parties outside)	10000
5	Transport and Incidentals	2200
6	Charges for Personnel in Technical Services (CPTS)	15000
7	Consultancy Charges	20000
8	Miscellaneous (< 10% of 9)	2000
9	TOTAL Cost	50000
10	University Overheads (at 20% of 9)	10000
11	Gross TOTAL	60000
12	GST (as applicable, considered 18% as sample)	10800
Net Total		70800

Disbursal and Closure of the Project

Example:

If the project is complete and OE has not been fully utilized, then the unspent amount under OE (for example, in the calculation above, in a Category-1 project, suppose that only Rs.4000 was spent on OE and Rs.6000 is unspent balance can be clubbed into the Consultant Fee (CF) to make the total $\text{Rs.}30,000 + \text{Rs.}6,000 = \text{Rs.}36,000$ and disbursed as follows:

To be disbursed	Amount (Rs)	University share (30%)	Consultant Share (Taxable)
CF	$30,000 + 6,000 = 36,000$	10,800	25,200
CPTS	5,000	1,500	3,500

ANNEXURE-3

Consulting Assignment Format

Job No.

Date:

Sl. No	Category 1 Job: Expertise based consultancy
1	Name of Consultant:
2	Department/Centre/School:
3	Cost estimate:

S.No.	Head of expenditure	Amount (Rs)
i.a.	Consultant Fee (CF)	
i.b.	External Consultant (<40% of vi)	
ii	Charges for Personnel in Technical Services (CPTS)	
iii	Project Staff Salaries (PSS)	
iv	Operational Expenditure (OE)	
v	Overheads	
	(20% of i+ii+iii+iv)	
vi	Total	
vii	GST (as applicable)	
	@ 18% of vi as example	
viii	Grand Total (vi + vii)	

Note: GST will change as per nature of consultancy project and the rules and regulations of Government of India as may be amended and would be applicable from time to time.

Signature of the Consultant:

Signature of Dean R&I:

Date:

Copies to:

Concerned School Dean

Registrar,

Vice-Chancellor for Information

ANNEXURE-3

Testing And Evaluation Assignment Format

Job No. Category 2 Job: Testing jobs

Date:

1 Name of Consultant:

2 Department/Centre/School:

3 Cost estimate:

S.No.	Head of expenditure	Amount (Rs)
i	Consultant Fee (CF)	
ii	Charges for Personnel in Technical Services (CPTS)	
iii	Project Staff Salaries (PSS)	
iv	Operational Expenditure (OE): Material Utilities External Service Machine/Equipment hours (used either internally or rented service utilized from third parties outside)	
v	Transport and Incidentals Overheads (20% of i+ii+iii+iv)	
vi	Total	
vii	GST (as applicable) @ 18% of vi as example	
viii	Grand total (vi +vii)	

Note: GST will change as per nature of consultancy project and the rules and regulations of Government of India as may be amended and would be applicable from time to time.

Signature of the Consultant:

Signature of Dean R&I:

Date:

Copies to:

Concerned School Dean

Registrar,

Vice-Chancellor

CONSULTANCY DISBURSAL FORM

Job No.

Date:

1	Name of Consultant:
2	Department/Centre/School/ Salary code:
3	All outstanding Advances settled: Yes No
4	Total amount to be disbursed (Rs.):
4.1	Consultant Fee (CF) and CPTS: Choose relevant table

(Note: All undisbursed amounts will be transferred to the RDF)

Signature of the Consultant:

Signature of Dean R&I: Date:

Copies to:

Concerned School Dean
Registrar,
Vice-Chancellor
Pro-Chancellor