



Revised Consultancy Guidelines

1. Principles and General Standards

The Institute has expertise in various research areas to provide knowledge and intellectual input that interests the industry and other organizations. The faculty members are allowed to consult for outside companies in a manner that is consistent with their BITS Pilani (Institute) obligations, including, for example, the Institute's requirements to comply with conflict of interest, intellectual property, and other relevant policies. Consultancy assignments may be taken up and implemented provided:

No consulting activity should:

- i. Detract Faculty's ability to fulfill BITS Pilani's obligations,
- ii. Restrict or limit Faculty's ability to pursue their academic and/or research activities at BITS Pilani because of confidentiality terms, limited access to intellectual property, or
- iii. Give away rights or assign intellectual property already owned by and assigned to BITS Pilani.

The faculty members should be mindful of any such provisions, such as confidentiality, IP, or non-competition, that might restrict their research or wish to do in their activities as an institute's faculty member, including existing and future research.

Consultancy Rules and General Guidelines (subject to change from time to time) in this respect are given below.

2. Consultancy Rules, Scope, and Norms:

- 2.1. This policy applies to all on-campus and off-campus faculties & Staff of the BITS Pilani.
- 2.2. Consultancy Services may be offered to Industries, Service Sector, Government Departments, and other National and International agencies in niche areas of expertise available in the Institute.
- 2.3. The services offered shall be along the lines of 'Professional Services' and will carry obligations and ethical requirements associated with such services, as indicated in the standard terms and conditions.
- 2.4. Testing projects: The word refers to testing a component or a product against a standard. Examples could be testing the strength of concrete in construction, compaction strength of soil, calibration of pressure gauges, chemical identification, drug identifications, estimation, and evaluation of unknown species. The Institute will undertake testing jobs provided facilities are available, and such testing does not interfere with any teaching or research work. The testing jobs can be initiated by faculty once the request for the testing job is received. The procedure for the overall operation of the project is like that of a consultancy project.
- 2.5. Consultancy services offered may cover a variety of activities such as Feasibility Studies, Technology Assessments Assessment of Design and/or Current



Manufacturing Processes Material, Energy, Environmental Product Design Process Development, Software Development, General Troubleshooting, Retrofitting Exercises, Intensive efforts for transfer of highly focused skills and expertise to select groups in specific organizations, vision, and strategy statement and so on.

- 2.6. Standardization, Calibration Testing, and Evaluation services may be offered in which facilities are available or can be augmented. Such services should normally be backed by periodic calibration/standardization of laboratory equipment used for such purposes.

3. Process flow for Consultancy Project:

- 3.1. The faculty desirous of accepting consultancy work from any external agency should put the Consultancy Proposal on a prescribed proforma, the Assignment Proposal, and details of the Agreement and Standard Terms and Conditions of the proposed Contract.
- 3.2. All such proposals shall have to be accompanied by a communication from the Client by e-mail and through a letter of Intent (LoI) indicating the title, scope, and duration of the proposed consultancy as well as the amount of project consultancy charges being offered with timelines and deliverables, and any other relevant information.
- 3.3. The estimated budget should be in a format processed and executed easily by the Institutes by Grants, Consultancy and Industrial Research (GCIR) Division.
- 3.4. Work on a consultancy project shall be undertaken only after the prior approval of the competent authority of the Institute.
- 3.5. The faculty must estimate the time and cost required to accomplish the task.
- 3.6. All consultancy proposals must be sent under the signature of the PI to the Associate Dean GCIR for endorsement and approval by the Campus Director / Registrar / Deputy Registrar.
- 3.7. The office will assign a unique internal number to the project proposal.
- 3.8. When the MoU/agreement is cleared from all angles and acceptable to both parties, it will be signed by the PI and Associate Dean (GCIR) and the industry/organization. A copy of the duly signed MoU/agreement will be sent to the other party, a copy will be retained in the office of the Associate Dean GCIR, and a copy will be given to the Finance office of the campus.

4. Responsibility of PI in Consultancy Project:

- 4.1. Consultancy projects are headed by a Principal Investigator (PI) and may have Co-Principal Investigators (co-PIs), and the deliverables are the responsibility of the PIs. The Institute provides the PIs necessary support.
- 4.2. PI shall be responsible for complying with all the project responsibilities, including any approvals, background IP use, other project requirements, and any statutory requirements.



- 4.3. If required, the competent designated authority will prepare a statement of expenditure and utilization certificate at the end of every financial year.
- 4.4. After completion of the project, the final report should be submitted to the funding agency with a copy to the office of GCIR.
- 4.5. The project file will be closed by submitting the final technical and financial project report and transferring the non-consumables and consumables to the Institute.
- 4.6. Confidentiality of the consultancy work: Each consultant may sign a Confidentiality Agreement (CDA) with a client and ensure due protection of all information relating to the consultancy. CDA shall be signed using a standard format provided by the Institute. Still, the binding will be between the consultant and the client only, and the Institute stands indemnified from any claims in case of breach of the CDA by the consultant.

5. Allocation of time on Consultancy Projects:

- 5.1. The time spent on consultancy and related assignments shall be limited to 52 working days a year, preferably one working day per week. In addition, Consultants may be permitted to utilize, on average, one non-working day per week.
- 5.2. Leave for consultancy during working hours: In case consultancy required for the onsite visit, the consultant arises, and leave from campus is required during working hours of the Institute, the same is duly permitted with the prior permission of the concerned Head of Department under intimation to AD, GCIR. Such Absence from campus for consultancy during working hours will be treated as 'Consultancy Leave.' Under no circumstances should the total consultancy leaves exceed fifty-two in a year (average once a week) or more than four times a month in continuation to avoid dilution of teaching/research work.

6. Engagement of the Institute's staff & students in consultancy projects

- 6.1. The services of employees of the Institute may be utilized for the execution of the consultancy projects provided it does not affect their primary functions and responsibilities to the Institute. Suitable honoraria may compensate such work by employees and must be a part of the consultancy budget.
- 6.2. Students willing to work on consultancy projects may be permitted as per Institute norms, provided it does not affect their academic commitments and performance. Suitable honoraria may compensate for such work by students and must be a part of the consultancy budget.
- 6.3. External Consultants in Consultancy Projects: The services of external consultants may be utilized to a limited extent to provide comprehensive services to clients. Such external candidates will be entitled to a lump sum honorarium/fee. The honoraria payable to external consultants may be at most 30% of the consultancy fee specified in the Consultancy Projects Proposal.

7. Modes of Engagement & Financial Aspect of Consultancy Project:

Break-ups of various budget heads will be as per the table mentioned in Annexure A.



- 7.1. *Advisory Consultancy on retainership: Consultancy which is purely advisory and without any use of the Institute's infrastructure or consumables:*
- i. Consultancy Projects which are purely advisory and just require PI to contribute their intellectual inputs without any actual experimentation and work without the involvement of any of the Client's and Institute's infrastructure or consumables or, in such cases, the Faculty and the company may decide the consultancy fees and duration of the project.
 - ii. The PI must declare the scope of such advisory-based consultancy to GCIR for verification.
 - iii. In such cases, ratio between Faculty and Institutes' ratio in the consultancy fees will be in the ratio of 70:30.
- 7.2. *Consultancy involving the use of Institute infrastructure, resources, & Manpower:*
- i. Sometimes, sharing knowledge alone may not serve the project's purpose, and data generation may necessitate using the Institute infrastructure and facilities. The same may be added to the cost of the consultancy project, as per the charges list fixed for the use of infrastructure and instrumentation, and such 'cost' shall be termed as infrastructure use charges.
 - ii. For consumables, if any, required by the consultant to meet the project's demands, consultants are advised to get the same sourced from the client or purchase on behalf of the client, for which the client shall bear charges.
 - iii. The consultancy proposal should be submitted in the format provided by GCIR.
- 7.3. *Equity-Based Consultancy*
- i. Any company that offers an equity-based consultancy option to the Institute's faculty directly related to the faculty's research activities in the Institute will be treated as a retainership model but with a different financial benefit sharing with the Institute.
 - ii. The individual projects undertaken during the period will be put on record as the Consultancy guidelines.
 - iii. In all such cases, the final proceeds on the liquidation of the stocks/equity will be divided between the faculty (Consultant) and Institute at a ratio of 70:30.
 - iv. The faculty will sign an agreement with the Institute in this regard.

8. Payment of consultancy fee by Client to Institute:

All consultancy fees are payable to the BITS only, and under no circumstances should the consultants take any fee in their personal name or their account.

- 8.1. Payment is to be made to BITS as per agreed-upon milestones. If the project is in one phase, 100% advance payment should be made. If a project is broken into phases, then 100% advance payment should be made before the beginning of each phase. The expenditures and disbursements will be made through normal



institute procedures. PI will maintain the project expenditure for equipment and consumables in a separate stock register.

- 8.2. The remittance of the consultancy fee by the Institute to the Consultant shall be carried out at the start of the consultancy. In the event the consultancy is of retainership type wherein services of the Institute faculty are retained on a long-term basis by a client and a monthly fee paid regularly, the Institute, on request of the concerned faculty, may process the remittance regularly also. However, the consultant faculty has to declare the total project cost and monthly retainer ship fees for clarity.

9. Tax deduction at source/taxes payable etc.:

- 9.1. Any deductions on consultancy fees payable to consultants, towards tax, etc. will be as per existing government rules. The consultant will be responsible for payment of tax on additional income from the consultancy as per applicable taxation rules.
- 9.2. In international consultancy projects:
 - Funds are received in foreign currency.
 - service tax is not applicable.
- 9.3. The consultancy assignment with the other party/funding agency of foreign origin should be in conformity with the laws of all the Countries involved and/or international laws.
- 9.4. Involving Foreign Collaborators: The proposals involving foreign collaborators must have funding support given to each partner in accordance with the National Laws, Rules, Regulations, and procedures in effect.

10. Intellectual Property:

- 10.1. All IPR-related issues are agreed upon between the PI and the funding agency and should be cleared by the Technology Transfer Office (TTO) before signing the MoU/agreement.
- 10.2. Preferably, IPR will be jointly shared by BITS Pilani and the industry/ organization unless specified in the agreement.
- 10.3. The Institute reserves the right to use such results in connection with activities outside the project's scope and retain a copy of the results generated.
- 10.4. The Parties agree that all Intellectual Property, owned or possessed by either Party before the Effective Date of this Agreement or developed independently of this Agreement by the Parties (Background IP) shall remain the property of the respective party.
- 10.5. Suppose any proprietary know-how or background IP of BITS is required in the performance of the consultancy project. In that case, the same must be put on record before signing the agreement and will take prior approval for its usage before executing the agreement with the client.



- 10.6. A consulting agreement cannot assign, license, or promise intellectual property that belongs to the Institute under relevant policies, i.e., generally anything arising from research done at the Institute.
- 10.7. Use of the Institute logo, brands, and names on products based on consultancy provided under this policy for business interest through press advertisement/publicity material or in any manner is not permitted. In case any client wishes to use the Institute logo and brands on products arising from consultancy provided by Institute faculty, he must seek permission from the Institute, and Institute IP and Brand Policy shall govern same.
- 10.8. Publications: Before publishing any work related to consultancy, the Consultant/s must seek the client's consent in writing. This is to prevent any disclosure and safeguard the client's commercial interests. Publications must acknowledge the contributions of the client. Institute and Client may mutually go for joint publications, as agreed by the Parties.

11. Legal aspects to be observed in Consultancy Project:

- 11.1. Employer-employee relationship: Execution of consultancy under this policy shall not create any employer/employee relationship between the consultant and the client, even if the Consultancy projects are on retainership and equity-based consultancy. The consultant shall be solely responsible because the work is carried out. None of the contracting partners shall be responsible for any loss, accident, damages, or injury suffered by any person arising in or out of the execution of this work, including travel.
- 11.2. Indemnification of the Institute: The Institute stands indemnified from any claims resulting from the consultancy work done and shall bear no liability for any claims from a contracting party or third party.
- 11.3. Delay in completion of work: In case of delay due to force majeure (circumstances beyond control), the agreement may be mutually extended by both parties signing on the original form. The client can seek the intervention of the Institute for remedial measures if they are satisfied with the project's progress.
- 11.4. Transferability: This agreement is non-transferrable and cannot be transferred to a third party.
- 11.5. Dispute Resolution: Any dispute resolution between the parties will be as per the Laws of India or as agreed between the parties.

12. Conflict of Interest:

- 12.1. Consultants shall disclose to the Dean (R&I) in writing the existence of (i) any relationship between him/her and the client funding the consultancy project or any vendor to whom payments are made from the project funds in the form of involvement of any immediate relatives or (ii) any scope for potential disproportionate self-gain. Dean (R&I) will review such cases and decide appropriately, with the advice of a committee, to ensure that no actual conflict of interest exists and that such involvement by the consultant does not adversely



affect the consultant's objectivity, integrity, or commitment to the Institute and the profession.

- 12.2. Consultants may not use the Institute name or the fact that they are affiliated with the Institute in a manner that (i) suggests that the Institute approves or disapproves of a product or service provided by a profit, non-profit or governmental entity or (ii) suggests that the Institute has performed research or issued research findings when it has not done so, or misleadingly states the results of Institute research or (iii) may be interpreted to communicate the official position of the Institute on any issue of public interest.

13. Exceptions:

Items like Book royalty and honorarium for Expert Committee meetings, invited lectures, Ph.D. viva/evaluation, invited training programs, organization of conferences/workshops are not covered under consultancy.

Annexure A: Break-ups of various budget heads for a consultancy project

	Head with Description	Charges	Amount (Rupees)
A	Expenses – Recurring	Manpower	
		Consumables	
		Honorarium	
		External consultants	
		Travel	
		Contingency	
		<i>Sub-Total (Recurring Expenses)</i>	A
B	Expenses – Non-Recurring	Equipment	B
C	Consultancy Fee (for consultant faculty members)	Scientific and Technical Advice	C
D	Direct Charges	Expenses and Consultancy Fee $D = A+B+C$	$D = A+B+C$
E	Institute Charges (Campus Development Fund)	30% of Direct Charges (A+B+C)	30% of D
F	Total Charges	$F = A+B+C+E$	$A+B+C+E$
G	GST (18% of F)	18% of F	18% of F
H	Gross Charges (F+G)	F+G	F+G

**Grants, Consultancy, and Industrial Research (GCIR) Team
Research and Innovation Division**