

ख़्वाजा मुईनुद्दीन चिश्ती भाषा विश्वविद्यालय,
लखनऊ

**KHWAJA MOINUDDIN CHISHTI
LANGUAGE UNIVERSITY,
LUCKNOW**

U.P. STATE GOVERNMENT UNIVERSITY



Consultancy Policy

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1. Consultancy Management Committee

a. There shall be a Consultancy Management Committee (CMC) to manage and promote the Consultancy works.

b. A CMC consisting of the following members will decide about various issues as may be enunciated hereinafter which may arise in management and implementation of a Testing and Consulting project and utilization of the saving therefrom.

Vice-Chancellor	Chairman
Registrar	Member Secretary
Finance Officer	Member
Controller of Examination	Member
All Head of Departments	Member

The Committee may decide any other procedures / provisions / rules and rates of testing and consultancy etc. as may be required from time to time with the approval of Vice Chancellor.

2. Types of Consultancy Projects

A. Type-I Consultancy Projects

All Consultancy projects without use of University laboratory/workshop facilities will be classified as Type-I consultancy projects which are to be normally done after college hours.


B. Type-II Consultancy Projects

Consultancy Projects involving use of University laboratory facilities will be treated as Type-II Consultancy Projects. Such projects will cover field testing and field measurements, calibration of equipment/instruments and testing of material/equipment in laboratory/field, will be classified as Type-II consultancy projects which can be done within the college hours or beyond it.

Note: In case of multi-disciplinary /inter departmental projects, a single project can be divided into sub projects of the same type on mutually agreed terms, by the Consultancy Management Committee.

Any controversy arising out of the assignment of consultancy work or non-acceptance of any consultancy project is to be referred to the Consultancy Management Committee.


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The Consultancy Management Committee is also authorized to consider prestige of projects proposals received by the University and take appropriate decision to accept such projects to be carried out on a consultancy basis.

3. Charges for Consultancy Projects

A. The total agreed charges of a consultancy project will consist of the University share, actual expenses and the remuneration to be distributed to the associated faculty and staff.

B. The actual expenses should cover the following costs related to the project:

- Permanent equipment to be procured/fabrication of equipment or models.
- Consumable materials.
- Travel expenses in connection with the project work.
- Computational or other charges, the principle investigator may have to pay to or any other outside agency in the course of the execution of work.
- Contingency expenses to cover cost of supplies, preparation of report, typing, work processing, drawing, drafting, stationary, literature , postage, courier, FAX etc.
- Expenses for work to be carried out on payment basis e.g. remuneration to the students involved.

4. Consultancy Fee

There are no rigid norms for calculating the consultation fee. This depends upon several factors such as time spent, importance of advice and experience of the faculty member. While estimating the consultancy fee chargeable to the client, Principle Investigator should keep in mind that only part of the total fee is available for distribution amongst the faculty member, staff and students. The remuneration will be paid to the faculty member /staff as per norms approved by the University on the recommendation of the PI.


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5. Realization of Consultancy Fee

The entire fee in connection with consultancy/testing work is to be deposited by the client in full, before the work commences. In exceptional cases where the work is started with only partial cost deposited in advance, the arrangement of subsequent receipt of fund from the client has to be clearly spelled out in advance and approved by the Head of the University.

6. Types of Consultancy Funds

A. There will be a University Corpus Fund for the University share in each consultancy fee. Complete amount of consultancy (Both types) fee will be deposited by the client in the University account, while approved percentage of share of University will submit in the account of University Corpus Fund at the time of deposition of Consultancy/Testing fee, by the approval of Pl.

B. Total amount of fee collected from the different consultancy in the account University Corpus Fund will be used by the Head of the University in:

- a. Purchase of equipment and consumables for research and academic works.
- b. Travel for Pl/students/co-authors/collaborators (within the country and abroad) for attending conferences, for research and related discussion. It can also be used to cover expenditure for University approved journey, not reimbursed from other sources.
- c. Purchase of books, journals subscription, and professional membership.
- d. Purchase of teaching materials and teaching aids.
- e. Hosting of professional visitors.
- f. Any other expenditure as permitted by the University Corpus Fund.
- g. Payment for the project of students/faculties looking or filed for patent.

The Vice-chancellor of the University will reserve the right to use the fund of University Corpus Fund, as per the requirements and urgency in the University.


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7. Norms for Expenditure

A. The Principle Investigator may engage University students as Students Assistants for consultancy work on payment of INR. 150/- per hour subject to a maximum of 50 hours per month.

B. Expenses incurred on reasonable hospitality not exceeding INR. 500/- per meal and INR. 150/- per head for snacks etc. in connection with the consultation work can be charged as expenses.

8. Distribution of Consultancy Fees in University Corpus Fund

S.N	Nature of the Project	Type of Consultancy	Total Project Cost (A)	U.C.F/Overhead (B)	Distribution/Honoraria (C)=(A- B)
1	Consultancy	Type-I	X	0.25X	0.75X
2	Consultancy	Type-II	X	0.50X	0.50X

Note- A) Type-I Consultancy includes Sponsored projects from any government (in case of government sponsored projects, University Fund will be waived off while private organizations or industry sponsored projects will be treated as Type-I consultancy), Inspections/Technical Evaluations/Visits, Individual consultancy based on expertization or project of any individual, Courses with industry (If the course will organize in University then 0.25X share will be transferred to Industry while 0.75X share will be transferred in University and if course will organize in Industry then 0.25X share will be transferred to University while 0.75X share will be transferred to Industry).

Note-B) Type-II Consultancy includes Testing of materials, Conferences/workshops, or any other consultancy involving University facilities.

Note-C) Category of any other work, which is not included in the above-mentioned, will be decided by Consultancy Management Committee.


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9. Distribution of Consultancy Fees in University Corpus Fund for Architecture and Planning Consultancy-

S.N	Nature of The Project	Type of Consultancy	Total Project Cost	U.C.F/ Overhead (B)	Distribution/ Honoraria (C)- (A-B)
1	Architecture Consultancy	Type-A	X	0.10 X	0.90 X
2	Planning Consultancy	Type-D	X	0.25X	0.75 X

10. Terminology

- Project cost refers to the expense incurred by the PI for the duration of the project. It includes equipment, salaries, travel, consumables, and contingency.
- Overheads refer to the payment due to the University from the grant approved by the funding agency/organization /industry.
- Sponsored project refers to one in which the PI carries out original research. Such projects generally do not have a provision for payment of honoraria.
- Consultancy project utilize prior skill and competence of the PI. They allow the PI to charge honoraria (including payments to the employees of the University).
- Testing refers to a very limited duration activity involving a calculation or a measurement.
- GST @18% is required to be paid for all consultancy projects.

11. Details for calculation of overheads


- Consultancy-At the stage of proposal submission, the budget will reflect Project Cost(X).
- Overheads at 25% ($x1=0.25X$) for Type-I consultancy.
- Overheads at 50% ($x1 =0.50X$) for Type-II consultancy.
- Overheads at 10% ($X1-0.10X$) for Type-A consultancy.


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- Overheads at 25% (X1-0.25 X) for Type-B consultancy.
- Service Tax (GST) @18% [X2 = 18 (X+X1)], which is subjected to periodic revision by the Government of India.
- When money is received from the funding agency the following procedure will be followed:
- At the first instance service tax is deducted (18% of X+X1+X2) (Subject to change by the (GoI at time to time) University overhead (as above for different types of consultancy) is transferred to University Corpus Fund. The balance fund will be distributed to associate as honoraria to PI and associated staff as per the approved rules.
- Courses and Conferences: For short term courses, conferences, workshops, and symposia 30% of the total receipts (Registration as well as grants) will be transferred to the University Corpus Fund, while 70% utilization in expenses related to the conduction of the course/workshop/ conference fund distribution in course.

12. Approval, Payment for Consultancy and Revenue Distribution

- Consultancy projects are normally initiated by request proposal /enquiries from the industry /outside agency directly to the University or by discussion between the industry and the consultant(s).
- All consultancy proposals have to be submitted to the Vice Chancellor with sanction order to seek approval, who has the right to make the decision to accept or decline the proposal.
- The Vice-Chancellor, Registrar, Finance officer and Controller of Examination may also undertake consultancy projects as per the consultancy policy of the University.
- The proposal should include details of (i) the organization or individual seeking the consultancy service (ii) the nature of consultancy work (iii) the university/institutional resources that would be utilized (if any) required for the consultancy service (iv) the quantum of work involved in man days (v) financial details etc.
- On acceptance of proposal, Acceptance Letter will be sent by the Consultancy Management Committee in consultation with 


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Chancellor to the Client and Consultant with a copy to all concerned (Internal Member of Consultancy Policy, Registrar, Finance Officer, Concerned Departments).

- A Separate Account shall be opened as "Consultancy Management Account" in the Joint name of Finance Officer, Registrar and any faculty member approved by the Vice- Chancellor.
- All remunerations related to consultancy will be received in favour of the Finance Officer of the University in the "Consultancy Management Account". All financial transactions related to consultancy will be through bank transfer to/from appropriate University Account. If for some reason this does not become possible, the amount should be remitted to the University without delay, along with the copies of the cheques received from the client.
- The client would normally be required to pay 50% of the total cost in advance, along with the letter of acceptance of the terms and conditions detailed in the consultancy proposal document or MoU. Any direct recoverable expense which may get incurred at the request of the client, but not originally included, may be settled. However, an intimation of this is to be sent to the Vice-Chancellor with a copy to all concerned.
- The University will distribute the revenue to the consultancy provider (as per rules) processed through appropriate authorities i. Vice Chancellor and Finance Officer within a week time (as soon as fund is deposited in Consultancy Management Fund by the client) as a first installment and this process will continue with each installment of fund.
- A Consultant shall receive 75% of total consultancy fund and this will depend on the type of consultancy as Type-I/ Type-II, 15% of the amount shall be remitted to Consultancy Management Fund and 10% of the amount shall be remitted to the account of Consultancy Management Fund to bear the expenditure/purchase/work payments/ any other required head on need basis, incurred by the consultancy services.


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- The income earned by any individual from consultancy will be taxable as per Govt. of India rules.
- On successful completion of the Consultancy a "Formal Consultancy Report" shall be submitted by Consultant to Vice-Chancellor with a copy marked to Registrar, Finance Officer, Director, and Internal Consultancy Member as 'Classified Documents' for a period of typically five years, may be destroyed thereafter.
- In case a consultancy project needs to be terminated before its completion due to inadequate response from the client organization for a year or more (without the receipt of full consultancy fee), then the allocation of the received consultancy fee shall be done as follows:

First, the budgeted amount of expenditure will be reduced from the total amount received from the client. Next, the University overhead shall be reduced in the same proportion as the actual consultancy fee received. Next, the balance amount, which is the consultancy fee, shall be allocated in the ratio of 25:75 between the University and the Consultant.

13. Payment of honorarium for consultancy policy

A. For Type-I consultancy works, the norms for calculation of various percentages for distribution will be as follows:

1. Total fee received from the client=I
 - Amount paid to University Corpus Fund =0.25
 - Remaining amount (F)=0.751
 - Total expenditure on the project=E
 - Savings-S=F-E
 - Amount to be distributed amongst the investigators = S
 - Distribution of S
 - Amount to be distributed among investigator(s) =0.85 S.
 - Amount to be distributed for office support staff of all associated departments like accounts, establishment etc. =0.05 S.
 - Amount to be distributed in teaching supporting/laboratory staff = 0.10 S.

B. For Type-II consultancy works, the norms for calculation of various percentages for distribution will be as follows:


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1. Total fee received from the client =I
 - Amount paid to University Corpus Fund -0.50
 - Remaining amount (F) =0.50
 - Total expenditure on the project =E
 - Savings S=F-E
 - Amount to be distributed amongst the investigators=S
2. Distribution of S
 - Amount to be distributed among investigator(s) =0.75 S
 - Amount to be distributed for office support staff of all associated departments like accounts, establishment etc. =0.05 S
 - Amount to be distributed in teaching and supporting /laboratory staff =0.20 S

14. Payment of honorarium for Architecture and Planning Consultancy

For Type A (ARCHITECTURE) consultancy works, the norms for calculation of various percentages for distribution will be as follows:

1. Total fee received from the client =I
 - Amount paid to University Corpus Fund =0.10 I
 - Remaining amount (F) =0.90 I
 - Total expenditure on the project =E
 - Savings =S= F-E
 - Amount to be distributed amongst the investigators=S
2. Distribution of S
 - Amount to be distributed among investigator(s) = 0.95 S
 - Amount to be distributed for staff welfare =0.05 S

B-For Type B (PLANNING) Consultancy works, the norms for calculation of various percentages for distribution will be as follows:

1. Total fee received from the client=I
 - Amount paid to University Corpus Fund =0.251
 - Remaining amount (F)=0.751
 - Total expenditure on the project E
 - Savings S= F-E
 - Amount to be distributed amongst the investigator(s) : S


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2. Distribution of S

- Amount to be distributed among investigator(s) = 0.95 S
- Amount to be distributed for staff welfare = 0.05 S

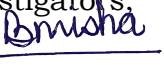
15. Total Amount of Remuneration from Consultancy

The total remuneration to be received by a staff from Consultancy/Testing work will not exceed 75% of his gross salary received during the financial year. In such cases where the PI is supposed to involve in any consultancy due to his expertise in any field and his total income from all consultancy work exceeds the limit of 75% gross salary, then prior approval of University (Vice-Chancellor) will be required. If the total remuneration payable to a staff member exceeds the prescribed limit, without approval from University (Vice-Chancellor) the excess amount will be deposited in the University Corpus Fund.

16. General Conditions

- Any guidelines further needed for operating consultancy projects or any dispute arising in the University will be framed/ resolved by Consultancy Management Committee.
- Individuals or departments may take up consultancy work only after taking approval of the Head of the Department. The report of the departmental consultancy projects will be signed by the investigators and countersigned by the Head of the department and the report of the individual consultancy project will be signed by the Principle Investigator.
- For projects involving only site visits for consultation work and/or personal discussion, fees may be charged on per day basis at mutually acceptable rate subject to a minimum of INR 3000/- per man day, excluding the day spent on travel.
- For technical and other staff, making only site visits outside the scope of ongoing consultancy project, fees may be charged on per day basis at minimum of INR 500/- per man day.
- The PI may, with the prior permission of the Vice-Chancellor avail the services of persons not in the University service as Investigators.


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provided that HOD certifies that the services are of a nature for which the expertise is not available in department/University.

- No consultancy project from any agency can be taken up for an amount less than INR. 10,000/. This limit may be reviewed from time to time by Consultancy Management Committee.
- Duty Leave will be admissible for consultancy work for 15 working days in a session within the overall limits of the Duty Leave. For absence beyond 15 days for consultancy work, leave as due will be taken by the staff member. Any absence from the headquarters in connection with the consultancy approved by Consultancy Management Committee will be with prior approval of HOD.
- When a staff member is approached for the consultancy work, he will be the Principle Investigator. If he does not wish to be the Principle Investigator, the Head of the Department/ Head of the University will identify a suitable person as the PI.
- The P.I whose retirement is due to retire from the University service will identify a new PI for the consultancy project at least three months before his/her retirement.
- A copy of all reports submitted to the client firm will be filed in the department.
- The most expeditious and convenient mode of travel should be used for the consultancy work, to minimize period of absence from the University.
- All legal action will be subject to the jurisdiction of Civil Court at location of the University /High Court at Lucknow.
- In case any legal dispute arises between the Investigator(s) and the clients such that the Investigator(s) are in any way, held responsible to make good the losses occurred by the client, such liability will be restricted to a maximum limit which will be calculated as follows:

Maximum Liability= the total amount charged for the project

Total expenditure on the project

Annexure-1: Testing Rates for Civil Engineering Department


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17. Conflict of Interest

- a. Engagement in consultancies must not create any perceived or actual conflict of interest.
- b. Conflict of interest, if any, must be immediately reported to the Vice-Chancellor.
- c. A conflict of interest shall be considered as a case where an employee engages in consultancy at the expense of the interests of University as defined by the Vice-Chancellor.
- d. All cases of lack of clarity on any issue, or any ambiguity, or subjectivity in interpretation, must be reported to the Vice Chancellor, whose decision will be final and binding. The Vice- Chancellor may, at any point of time, call for amendment or revision of this policy document as deemed appropriate. Any violation of the above policy shall be dealt with as per University rules.
- e. The clause regarding dispute resolution should be in built in Memorandum of Understanding /Memorandum of Association to be entered with the party while undertaking consultancy project. In case of any dispute remaining unresolved, it shall be dealt with by the Court of law located within the jurisdiction of the University.



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