

## Guideline Notes for Consultancy Projects

- A consultancy project/task/work is one where faculty and research staff (Principal Investigator) provides knowledge and intellectual knowledge to industry (within India/outside India), primarily for their purposes.
- It is expected that a good portion of effort spent by the consulting faculty/staff will be in the sponsoring organization, though some part of the consultancy work may be done while being in the Institute. Earlier, there was a condition for consultancy earnings. Now, the limits are relaxed but the message here is that consultancy could very well interfere with research and teaching; but checks and balances are necessary.
- It is desirable that payments for consultancy be routed through the Institute. This means, that whenever payments are done, they should come in the name of the Institute, which will then do the needful for complying with statutory laws and then give the honorarium to the faculty/staff as the case may be.
- The requirement originates from the industry concerned. The faculty is expected to estimate the time and cost required to accomplish the task.
- Preparation and submission of the proposal: In case of a consultancy project, normally based on the requirement, proposal is prepared by the Principal Investigator. It should specifically mention breakage of funds, normally consultancy fee as the primary component. It may also have budget for supporting manpower, equipment, travel contingency and other such costs to execute the consultancy project.
- Overheads and service tax: Please refer Guideline XV Section B.

At the stage of proposal submission, the budget will reflect project costs (X), 25% overheads (0.25X) and service tax (10.3% of 1.25X).

Service tax is subject to periodic revision by the Government of India.

Service tax is not deducted on projects funded by agencies outside India and funds are received in foreign currency.

Service tax on equipment is not chargeable, in case equipment is to be returned to the funding agency/organization after completion of the project. This should be clearly spelt out in the MoU/proposal itself.

- In international project:
  - o Funds are received in foreign currency;
  - o Service tax is not applicable;
  - o The research collaboration of IITK with the other party/funding agency should be in conformity with the laws of both the Countries and/or International laws as the case may be.
- The proposal should be submitted to the Dean: Research & Development (after getting it forwarded by the HOD/Head of the Center) for signature. Forwarding is required to ensure that sufficient resources are available, and the project can be executed.
- Endorsement cum letter of forwarding for the project proposal is printed on the letter head and is signed by the Dean: Research & Development. Project proposal is attached as an annexure to the letter PDF.

- IPR issue: All IPR related issues are agreed between the Institute and the funding agency. Preferably, IPR will be jointly shared by IIT Kanpur and the funding agency. For Board approved IPR policy of the Institute, please refer Guideline.
- MoU/ agreement preparation: Institute has Board approved guidelines for drafting MoU/Agreement. Some template/model MoUs of different types are available at: MoUs.
- When MoU is clear from all angles and acceptable to both the parties, it is sent to the Director, IITK for approval along with the Note File (summary of MoU).
- After approval, PI/HOD/DORD/DD/Director as the case may be along with witness sign the MoU.
- Project responsibility: These projects are headed by a Principal Investigator (PI), and should have Co-Principal Investigators (co-PIs)/administrative PI (to operate the project, in case PI is out of station) and the deliverables are the responsibility of the PIs. The Institute provides the PIs necessary support.
- After completion of the project, final report should be submitted to the funding agency, a copy of which is given to the Dean's office for records.
- A completion certificate should be obtained from the funding agency for successful completion of the project based on which project account will be closed.
- The surplus amount in the project account may be transferred to R&D account/PDA/DPA as the case may be.