



# **EASY CONSULTANCY POLICY**

**Version 1.0**

Approved vide agenda item 8.25 of Board of Management Meeting dated 22nd May, 2015 and agenda item 8.20 of Governing Body Meeting dated 23rd May, 2015.

## EASY CONSULTANCY POLICY

**Background:** Recognizing the immense contribution of 'intellect' in making industries/society globally competitive and also enabling applications of research in larger societal interest, Chitkara University, INDIA is desirous of promoting consultancy by its faculty members. The faculty members are being encouraged to share their intellect by advising industry/start-ups / MSMEs, conducting seminars, special courses, modules, faculty development workshops, expert on various Govt /Non-Govt panels. The policy aims at providing an easy platform for the industry / Community / Other Universities / Research labs / Other organizations to engage with academia in a 'hassle free' manner by addressing administrative, financial, intellectual property and legal issues as per the clauses below:

### Clause 1 Administrative Issues

#### a. *Definitions:*

- i. **Intellectual Consultancy:** Professional advice given by an expert who is a faculty of the University, within a particular field to a client. This includes conducting special courses / modules / FDPs etc outside University premises.
- ii. **Technical Consultancy:** Consultancy executed mainly through technical staff under guidance of University Faculty shall be deemed to be 'technical consultancy'. Refers to providing services of a technical nature to an SSI/MSME/Start-up/individual who may not have the necessary infrastructure/workshops/labs for quality testing, fabrication of prototypes, making test batches etc. They may require technical support only for short periods in which intellectual inputs from highly qualified faculty may not be needed and support/inputs from technical staff only may be required.
- iii. **Consultant:** refers to the faculty of the University who is giving professional advice to a client.
- iv. **Client:** refers to the person/organization seeking professional advice from the University Faculty. Hence, client may be an industry, individual or another University/organization.
- v. **Consultancy Fee:** refers to the fee paid by the client to the University for seeking consultancy from the University faculty.
- vi. **APW:** refers to 'agreement for performance of work (APW)' relating to consultancy, as signed between the University and the client.
- vii. **IUC:** refers to 'infrastructure use charges' which are assessed as per the list of charges fixed by University in case a client desires use of university infrastructure e.g. laboratories, workshops, tooling and machinery, instrumentation etc. as part of the consultancy project.
- viii. **OPLC:** Office of Patenting, Licensing and Consultancy which shall be a dedicated office created for the purposes as reflected in its name.
- ix. **Trade Secret:** Commercially valuable information generated during a consultancy project.
- x. **Know-how:** Any information and technique generated during the consultancy project which is likely to assist in the manufacture or processing of goods or materials.
- xi. **Consultancy leave:** Leave of absence from campus, taken by a faculty member during working hours of the University, in relation to a consultancy project duly approved by the University.
- xii. **Intellectual Property (IP):** Patents, Copyright, Designs, Know-how and Trade Secrets generated during the consultancy work.
- xiii. **Consultancy Imprest:** Cash imprest taken by the consultant from client, under intimation to the University, for purchase of consumables, miscellaneous expenses etc. for meeting objectives of the consultancy project. Same to be settled by the Consultant directly with client by submission of

bills to client against the consultancy imprest taken, with copy to University Office for information and record.

- b. **Execution and Enforcement of the Policy:** The implementation of this policy shall be carried out by the Office of Patenting, Licensing and Consultancy (OPFLC) of the University. All new entrants (students and staff) to be made aware of this policy, as part of their orientation program, at the beginning of new session.
- c. **Staffing and support for consultancy promotion:** To sensitize its faculty and staff and also guide the University in activating the consultancy program, the University shall duly employ dedicated resource person/s and staff and provide due financial support for the same.
- d. **Types of consultancy:** Under this policy, two types of consultancy are permitted viz. intellectual consultancy (for faculty) and technical consultancy (for technical staff). Accordingly, faculty and technical staff enjoy the freedom to share their expert knowledge with the client, as per mutually agreed upon fee, scope of work and payment milestones.
- e. **Leave for consultancy during working hours:** Faculty and Technical Staff is encouraged to carry out consultancy as an additional activity, without affecting ongoing teaching, research and administrative assignments. However, in case consultancy requirement for onsite visit of consultant arises and leave from campus is required during working hours of the University, same is duly permitted with prior permission of concerned Head of Department under intimation to OPFLC. 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 (once a week) or more than four times a month in continuation, to avoid dilution of teaching/research work.
- f. **Leave for consultancy during vacation, holidays and non-working hours:** No permission is required to carry out consultancy work during vacation, holidays or non-working hours. Accordingly, the same will not be counted towards 'Consultancy Leave'. Only absence during working hours will be included in 'Consultancy Leave'.
- g. **Confidentiality of the consultancy work:** Each consultant may sign a Confidentiality Agreement (CDA) with client and ensure due protection of all information relating to the consultancy. CDA shall be signed using a standard format provided by the University but the binding will be between consultant and the client only and university stands indemnified from any claims in case of breach of the CDA by the consultant.
- h. **Procedure to be followed in case of consultancy involving multiple consultants:** Team must sign an agreement duly indicating who will act as the consultancy project coordinator and the revenue share mutually agreed upon, of each member of the team. This agreement must be communicated to the OPLC along with the APW.
- i. **Records and documentation:** Original APW must be deposited with OPFLC and only self-certified photocopies retained by parties to the agreement.
- j. **Amendments and Changes to the policy:** To be made in writing and duly approved by Vice-Chancellor. Changes in revenue sharing, if any will be 'prospective' and not 'retrospective.'

## Clause 2

### Financial Issues

- a. **Costing of consultancy which is purely advisory and not involving use of University infrastructure or consumables:** Under this policy, full freedom is granted to the consultant/s and clients to decide consultancy fee mutually, without any interference from the University. University acknowledges that the ability to command a fee depends upon the intellectual capabilities of the faculty and the confidence

which he or she inspires in the client. Initially, when the capability of a person is not known, the client may not be willing to risk a high fee, whereas once trust and confidence is built, commanding high fee is not a problem. Hence, the University feels it appropriate to leave the decision relating to fee, to the concerned parties in larger interests of all concerned.

- b. Costing of consultancy involving use of University infrastructure:** Faculty are encouraged to share their knowledge with clients in larger societal interest and also to promote practical applications of research carried out within the University. However, at times, sharing of knowledge alone may not serve the purpose of the project and data generation may necessitate the use of University infrastructure and facilities. Same may be added to cost of the consultancy project, as per the charges list fixed for use of infrastructure and instrumentation and such 'cost' shall be termed as IUC or infrastructure use charges.
- c. Costing for consultancy involving use of consumables:** For consumables if any, required by the consultant to meet the demands of the project, consultants are advised to get the same sourced from client or purchase on behalf of client for which charges shall be borne by client. In event, some materials or consumables are available with the University, the consultant may get issued the same from stores along with costing and refund the same to University on 'actuals'.
- d. Payment of consultancy fee by Client to University:** All consultancy fee is payable to the University only and under no circumstances should the consultants take any fee in their personal name or in their own account. This will be viewed as a serious breach of trust, inviting strict disciplinary action.
- e. Consultancy revenue sharing:** Share of consultant/s shall be 90% of the consultancy fee and that of University shall be 10%. In case of multiple consultants, the 90% share will be distributed between the team as per the revenue sharing agreement mutually agreed upon by the team, before start of the project and communicated to the University. University share will be utilized for meeting administrative and consultancy promotion expenses. IUC (infrastructure usage charges) shall be fully retained by the University, the same having been fixed to facilitate intellectual consultancy and to enable the University to meet infrastructure/development expenses without external liabilities, in larger interests of faculty and clients.
- f. Remittance of consultancy fee by University to consultant:** The remittance of consultancy fee by University to the Consultant shall be carried out on completion of the consultancy, as laid down in the APW (agreement for performance of work) document and after signing of work completion certificate by the client. In event the consultancy is of retainer type wherein services of a University faculty are retained on long-term basis by a client and a monthly fee paid on regular basis, University on request of the concerned faculty, may process the remittance on regular basis also.
- g. Tax deduction at source/taxes payable etc.:** Any deductions on consultancy fee payable to consultant, towards tax etc. will be as per existing government rules. Consultant will be responsible for payment of tax on additional income from consultancy as per applicable taxation rules.

### **Clause 3**

#### **Intellectual Property Issues**

- a. Patents:** Any patents arising out of consultancy work shall belong to the client, who will bear all expenses for the patenting. In recognition of the contribution of the University faculty, names of the faculty may be included in the patents, as inventors.
- b. Copyright:** Any copyright arising out of consultancy work shall belong to the client, who will bear all expenses for the same.
- c. Trademarks:** Use of university logo, brands and names on products which are based on consultancy provided under this policy, is not permitted. In case any client wishes to use the university logo and

brands on products arising from consultancy provided by University faculty, he must seek permission for the same from OPLC and same shall be governed by University Trademark Policy.

- d. **Industrial designs/design patents:** Any design patents arising out of consultancy work shall belong to the client, who will bear all expenses for the same. In recognition of the contribution of the University faculty, names of the faculty may be included in the patents, as inventors.
- e. **Know-how and trade secrets:** Any know-how and commercially valuable information generated during the consultancy shall belong to the client and the consultant under no circumstances shall share the same with any other client, to prevent conflict of interest or harming of business interests of the client.
- f. **Research Projects based on inputs provided by Clients:** At times an industry or an individual may provide a lead or idea relating to an industry problem but may not be willing to fund the same as a consultancy project. Faculty are encouraged to take up such projects as 'thesis' of students, in larger societal interest and to address industry problems, after obtaining a consent/no-objection certificate from the concerned industry, to avoid any conflicts of interest. However, in such cases, the intellectual property rights relating to the work (patents, designs, know-how and copyright) shall belong to the University and all expenses for protection of the same will be borne by the University. Depending upon the outcome and extent of its suitability for industry, the industry which gave the idea may in-license the technology, as per the IP Licensing policy of the University. The industry which gave the idea will enjoy the first-right-of-refusal and in case of refusal the outcome of research shall be thrown open to other industries/interested parties.
- g. **Publications:** Consultant/s must seek consent of the client in writing before publishing any work related to consultancy. This is to prevent any disclosure which can harm the commercial interests of the client. Publications must acknowledge contributions of client. University and Client may mutually go for joint publications, as authors, for which "**Authorship name sequence agreement for Publications**" must be signed in advance between client and university, to avoid any conflicts etc. relating to name sequence.

#### Clause 4

##### Legal Issues

- a) **Employer-employee relationship:** Execution of consultancy under this policy shall not create any employer/employee relationship between the consultant and the client. Consultant shall be solely responsible for the manner in which the work is carried out. None of the contracting partners shall be responsible for any loss, accident, damages or injury suffered by any person whatsoever arising in or out of the execution of this work, including travel.
- b) **Indemnification of the University:** University stands indemnified from any claims resulting from the consultancy work done and shall carry no liability for any claims, either from contracting party or third party.
- c) **Delay in completion of work:** In case of delay due to force majeure (circumstances beyond control), agreement may be mutually extended by signing on the original form, by both parties. Client can seek intervention of University, for remedial measures, if not satisfied with project progress.
- d) **Transferability:** This agreement is non-transferrable and cannot be transferred to third party.
- e) **Dispute Resolution:** By arbitration under the 'Arbitration & Conciliation Act, 1996'. Venue -University Campus, Punjab (INDIA). Language- English. Each party to nominate its own representative, who will then will elect an umpire. Decision of umpire will be final and binding upon both parties. Proceedings to be completed within 30 days and cost to be shared equally between the parties.