

CONSULTANCY RULES

CHAPTER-I

1. PREAMBLE:

1.1 The primary objects of undertaking consultancy work are to make available to industry technologies developed in the research laboratories and for promotion of the absorption of live problems of industry and business by the CSB research and technical staff.

1.2 At the Central Office a Cell called the Industrial Consultancy and Services Cell (ICSC) will be formed. The Cell will co-ordinate and monitor consultancy assigned to the various institutes of the Central Silk Board.

1.3 In all aspects of behavior and work, the CSB employee involved in consultancy work will conduct himself or herself in a manner befitting an employee of the CSB. The employee's primary obligation is to the CSB and the person will not, in any way, financially or otherwise, transgress the spirit of the understanding on which consultancy is offered by the CSB. No employee will solicit consultancy work.

1.4 In line with the requirements of Supplementary Rule of 12 of the Fundamental Rules of Govt. of India, private consultancy shall not be accepted by any employee of CSB. In the event of CSB accepting consultancy work from private parties and assigning the work to selected staff members, the fees received will be credited to the CSB and suitable honorarium sanctioned to the person or team of persons entrusted with the work. The honorarium paid to the members of the team taken together will not exceed two thirds of the fee received by the CSB from the client. The balance after distribution will be credited to i.e. part of the CSB General Fund towards CSB overheads and to a Separate Fund entitled the CSB R&D Fund, which may be used:

1. For payment of honoraria to visiting experts from industry.
2. To meet expenditure on CSB staff visits to Industries / Organizations.
3. For purposes approved by the General Body of the CSB from time to time.

1.4.1 Any proposal for consultancy will be approved only if its contribution to the CSB R&D Fund is at least Rs.500/-, where the contribution is less than Rs.500/- the consultancy work will be approved only in exceptional cases and the entire fees will be treated as revenue to the CSB.

1.4.2 In cases where the consultancy work results in a patent, the share of the profits accruing out of such inventions may be distributed among the staff members, the CSB and Client. The patent right will be retained by the Central Silk Board and the CSB shall reserve the right to share the same with other possible clients. The same will hold good for royalties received for designs developed at the Institutes of CSB except that in this case, the CSB itself will be considered as the client. The distribution of royalties profits from such patents and designs to the concerned staff of CSB shall be decided on a case to case basis by the Standing Committee of the Board.

1.5 These Rules deal only with the consultancy offered by the Central Silk Board and do not relate to the provisions relating to acceptance of other fees or foreign assignments of Indian experts which shall respectively be governed, mutatis mutandis by the Fundamental Rules and the consolidated circular of Govt. of India, Ministry of Personnel, Public Grievances and Pensions dated 20/06/1991 on Foreign Assignments and future amendments to the same. In the case of consultancies abroad, the approval of the Ministry would be necessary.

CHAPTER-II

2. DEFINITION AND SCOPE

2.1 Consultancy services shall comprise of scientific, technical, engineering or other professional advice / assistance including training based on available knowledge / expertise of the Board in the areas of mulberry cultivation, silkworm rearing, seed production, reeling, twisting, dyeing, printing, weaving, extension and production management.

2.2 Types of consultancy and Fees

There shall be three types of consultancy offered by CSB:

- (A) Retainer Consultancy
- (B) Institutional Consultancy and
- (C) Routine Consultancy

(A) RETAINER CONSULTANCY

2.2.1 That which does not involve the use of any Institutional facilities such as equipments, instruments, computers, etc. and is based purely on expert knowledge will come under this consultancy arrangement.

2.2.2 On receipt of the request, the Member Secretary in consultation with the concerned Director will allot the task to the Institute indicating the terms of the consultancy.

2.2.3 Each Retainer Consultancy will be accorded a consultancy number by the CSB. All documents concerning a particular assignment shall bear this identifying number. A Register shall be maintained in the Central Office as well as in the concerned Institute, furnishing the following details:

Consultancy Number
Nature of work
Organisation for whom work is undertaken
Period for which consultancy is approved and
Details of Payment.

2.2.4 The Fees received from the "Client" should be remitted to the CSB and the Member Secretary will arrange for payment to the staff member involved with the work, his share from the fees so received.

2.2.5 The amount received from the Client will be distributed as follows:

Total charges (including intellectual fee) to be collected from the organization / client	-	T
CSB Overheads	-	15% of T
Contribution to CSB R&D Fund	-	35% of T subject to a minimum of Rs.500/-
Honorarium to staff engaged in the work	-	50% of T

2.2.6 In the execution of all approved Retainer Consultancy assignments, CSB staff members may ordinarily be permitted by the Director upto four (4) working days in a month to be away on the assignment.

2.2.7 A copy of all reports submitted to the "Client" should be filed in the Institute concerned. One copy should be sent to the ICSC. In case, the information in the report is considered classified by the staff members / client, a note to this effect should be filed with the Institute as well as the ICSC at the Central Office. The report should be made available as soon as it is declassified.

2.2.8 The consultancy work under the category "Retainer or individual consultancy" will be limited to such an extent that the total annual fee received by any staff member from consultancies in the country shall not exceed his gross annual salary.

(B) INSTITUTIONAL CONSULTANCY

2.3 Under this consultancy arrangement, outside parties would request the CSB to undertake a specified project or contract research wherein CSB facilities including man power would be utilized. When the client approaches the CSB, Member Secretary, CSB will identify the Institute that shall do the work depending upon the competence and facilities available for undertaking such work. The job will then be assigned after obtaining suitable undertaking to individuals / groups of individuals that are competent to undertake the work according to a system which the Member Secretary may evolve the consultation with the Directors of CSB Institutes.

2.3.1 Each consultancy assignment will be accorded a consultancy number by the CSB ICSC. All documents concerning a particular assignment shall bear this identifying number. A Register shall be maintained in the ICSC and the Institute containing the following details:

- Consultancy approval number with date
- Organisation for whom work is undertaken
- Nature of work
- Details of payment and
- Date of commencement and completion of the work.

2.3.2 A record of expenditure incurred on the project by way of materials and components, TA and DA, Computer charges, Payments to external personnel exclusively employed for the project, charges for using external facilities, expenses for fabrication outside the Institution, etc. is to be maintained. After deducting the total expenditure from the total charges collected from the Client, the distribution of the resultant amount will be as follows:

Total charges (including intellectual fee) proposed to be collected from the client / organisation - Rs. (T)

Estimated expenditure:

- (i) Manpower charges - Rs.
- (ii) Value of stores consumed from department - Rs.
- (iii) Cost of stores bought from outside - Rs.
- (iv) Equipment utilization cost - Rs.
- (v) Charges for using external facilities - Rs.
- (vi) Charges for using central facilities - Rs.
- (vii) Remuneration to external staff engaged for the work - Rs.
- (viii) **Other expenses (Particulars to be specified) - Rs.

Total Expenditure - Rs. (E)

** Expenditure on items like travel (if not settled separately by the client), honorarium to external consultants, charges for printing and binding etc.

Distribution

- CSB overhead (to General A/c) - 15% of (T-E)
- CSB R&D Fund - 20% of (T-E)
- Honorarium to staff engaged on the work - 65% of (T-E)

2.3.3 The CSB Consultancy Cell after discussions with the "Client" should arrive at the terms and conditions for undertaking the project.

2.3.4 In the execution of all such approved consultancy assignments, an Institute staff member may ordinarily be permitted upto 60 days in a calendar

year to be away on the assignment. This can be extended by a further period of 30 days in special cases with the approval of a Committee comprising of Chairman, Member Secretary and Director (Tech), Central Silk Board.

2.3.5 A copy of all reports submitted to "Client" should be filed in the Institute. Also one copy should be sent to the CSB ICSC. In case the information in the report is considered classified by the staff member / client firm, a brief note to this effect may be filed with the Institute and the CSB ICSC. The report should be made available as soon as the information contained in it is "declassified".

2.3.6 The earnings under the category of "Institutional Consultancy" shall be limited to such an extent that the total annual / yearly fee received by any staff member from consultancies in the country shall not exceed his gross annual salary.

(C) ROUTINE CONSULTANCY

2.4 Routine consultancy jobs are taken such as: testing, calibration, fabrication, measurements, analysis, etc. wherein no interpretation of the results is called for, nor any technical advice is to be rendered nor the test results are processed further.

2.4.1 The Heads of the Institute will draw up standard rates for each such work and obtain approval of these rates from the Member Secretary. Subsequent approval for carrying out a particular job of this type (whose rates have been approved) will be given by the Directors of the Institutes, who will deal directly with the clients in all matters concerning routine work.

2.4.2 Each such routine work will be accorded a number by the Institute. All documents concerning a particular assignment shall bear this identifying number. A Register shall be maintained in each Institute containing the following details:

- Consultancy Number
- Organisation for whom work is undertaken
- Nature of work
- Details of payment and
- Date of commencement and completion of the work.

2.4.3 A similar Register should also be maintained for each Institute by the CSB ICSC.

2.4.4 A copy of the report submitted to the client should be filed in the Institute and Central Office.

2.4.5 Quarterly statements of such consultancies must be submitted by the Institute for record and information of the Member Secretary. In this type of consultancy, the Institute staff shall not be paid any honorarium. The total amount received from the client shall be credited to the CSB General A/c.

2.5 APPROVALS

Member Secretary, Central Silk Board shall be the Competent Authority to approve the projects. The project proposal, will be placed before the Competent Authority, for consideration and approval in the prescribed proforma (Appendix I) by the Director of the Institute. Member Secretary with the help of a small committee constituted by him shall examine the project proposal.

2.6 AUTHORISED SIGNATORY TO CONTRACTS

Authorized signatory to all contracts of the CSB shall be Member Secretary, CSB, except in the case of routine consultancy where it shall be the Director.

2.7 FINANCIAL ASPECTS

Costing of Consultancy Project.

2.7.1 The total charges for any consultancy project shall include all the relevant items indicated against institutional consultancy listed above plus an intellectual fee. In the determination of man power charges and intellectual fee, the following principles / rates shall be observed:-

(i) Man power charges

Man power charges shall be at least.

<u>Category</u>	<u>Per day rates</u>
1. Officers of the level of Director / Joint Director	Rs.1,500.00
2. Officers of the level of Deputy Director	Rs.1,200.00
3. Officers of the level of Assistant Director / Senior Research / Senior Technical Assistant	Rs.1,000.00

Man power charges in the case of consultancies abroad will be on par with the normal international rates for such assignments.

2.7.2 In addition to the above, they would be entitled to TA and DA at rates to be negotiated between the CSB and the Client based on rates offered for such consultancies elsewhere and not linked to what the status of the employee entitles him in the CSB. The client would be required to pay the same to the staff deployed directly and this would not enter the total charges computation.

ii) **Intellectual fee**

2.7.3 This should be commensurate with the quality of inputs provided and the likely benefits to accrue to the client as a result of the consultancy. There are a variety of ways of estimating the intellectual fee in terms of project parameters e.g. as a percentage of project expenses, manpower costs etc. While there is no ceiling on the upper limit of the intellectual fee to be charges, it should in no case be less than the estimated man power charges, except in cases of consultancy offered against open tenders, where the intellectual fee could be decided by the Competent Authority keeping in view the potential competition.

2.7.4 Voluntary / co-operative agencies and cottage / village scale units, in deserving cases, could be considered for concessions in intellectual fee. The projects envisaging the said concession should be calculated normally and the extent of concession in the intellectual fee may be decided by the authority, competent to approve the project. However, reasons justifying the concession should be specifically indicated in the project proposal, put up for approval.

2.7.5 In all cases, distribution of the portion earmarked for the staff involved in the consultancy will be

Team of consultants	-	65%
Other supporting staff	-	35%

2.7.6 The "Team of Consultants" shall comprise only such staff members who provide intellectual inputs to the specific consultancy work, while "other supporting staff" shall be those who assist the Team of Consultants with information, computational, economic and marketing inputs pertaining to the specific consultancy. The apportionment shall be equal among all individuals in the Team of Consultants and the Supporting Staff within their respective assigned shares.

Terms of payment:

2.7.7 The Board shall endeavor to obtain as advance on or before signing the agreement a maximum percentage of project charges, which in no case should be less than 25% of the total project. The balance amount of payment could be in installments to be negotiated with the client, having regard to the project schedule. The final installment shall be payable before the submission of the project report. All installments of deferred payment shall be backed by suitable bank guarantees. However, in cases covered under clauses 3.1.3 and the consultancy assignment is offered against open tender, it may not be necessary to insist on bank guarantees.

CHAPTER-III

3.1 GENERAL ASPECTS

3.1.1 Contractual obligations of a consultancy projects shall be that of CSB. Agreements with clients will thus be executed, on behalf of CSB by the Institute and not by an individual consultant or team of consultants.

3.1.2 Every care should be taken to avoid any legal complications involving the Institute / Board as a result of the consultancy service.

3.1.3 In the case of consultancy service rendered to Government Departments / Agencies, Public Sector Undertakings, the terms and conditions may be settled through exchange of letters. In such cases, formal agreement on non-judicial paper may not be necessary.

3.1.4 The staff involvement for each consultancy project shall be approved by the Member Secretary. While assigning the consultancy job to a staff member, cognizance shall be taken of his / her work load, qualifications and experience vis-à-vis the specific requirements of the consultancy job, annual honorarium likely to accrue to him / her from consultancy etc. The Member Secretary should, on the whole, ensure a fair distribution of consultancy work among the eligible staff at all levels and see that it is not confined to specific individuals / groups / levels of staff. Under no circumstances shall the consultant carry or send to the Client any germplasm.

3.1.5 As far as possible, the "Team of Consultants" selected for consultancy work should have the confidence of the client. In case the client indicates preference for a particular person(s), the request shall be given due consideration.

3.1.6 The Central Silk Board (CSB) will not make any commitments, financial or otherwise towards liabilities, losses or compensation, which the client might incur during the process of exploitation of information supplies under the "Consultation Practice". Refunds, if any, due to the client will not attract any interest and specific provisions towards this will be incorporated in the contract agreement by the CSB.

3.1.7 The proforma for approval of the consultancy project shall be as in Appendix-I.

PROFORMA FOR APPROVAL OF CONSULTANCY PROJECT

Type of Consultancy: Retainer / Institutional / Routine

1. Project title & number :
2. Client / Customer
 - a) Name and address :
 - b) Category * :
(Govt. Deptt., Voluntary /
Co-operative Agency Public /
Private Sector)
3. Objective, scope and duration of the project :
4. Programme of work with phasing and milestone :
5. Benefits to client on utilization of project output. :
6. Financial aspects :
- I. Estimated expenses
 - (i) Manpower charges : Rs.
 - (ii) Cost of stores bought from outside : Rs.
 - (iii) Value of stores consumed from Department. : Rs.
 - (iv) Equipment utilisation cost : Rs.
 - (v) Charges for using center facilities : Rs.
 - (vi) Charges for using outside facilities : Rs.

(vii) Expenditure on salaries / wages for : Rs.
Employing / engaging of external
staff for the work.
(Details of staff to be specified)

(viii) Expenditure on subcontracting if any : Rs.
is involved.

(ix) Other expenses (Particulars to be : Rs.
Specified).

Total : Rs.

II. Intellectual Fee : Rs.

Total charges (T) = (I + II) : Rs.

III. Payment to be received as follows :
(indicate for the installments the
amount, mode, time and bank
guarantees).

7. Honorarium payable

I. "Group of staff" for the consultancy :
project

i) Team of consultants

Name & Designation

Share

i)

ii)

iii)

iv)

v)

ii) Other supporting staff

Name & Designation

Share

i)

ii)

iii)

8. Remarks

Director of the Institute

DECISION OF COMPETENT AUTHORITY

MEMBER SECRETARY
CENTRAL SILK BOARD
(Signature)

- C.C.
1. Project Leader
 2. Team of consultants / S&T staff / Supporting staff.
 3. Director (Hq.)
 4. Establishment - I
 5. Establishment - II
 6. Deputy Secretary (Finance)
 7. Stores Section
 8. Technical Section.

