

**FOUNDATION FOR INNOVATION AND TECHNOLOGY TRANSFER
(FITT)**

**GUIDELINES FOR HANDLING TECHNOLOGY
DEVELOPMENT/INDUSTRIAL CONSULTANCY PROJECTS
(INCLUDING RETAINERSHIP) PROPOSALS**

I. GENERAL

1. Proposals received from Individual Faculty Members
The proposals will be prepared by the Individual/Faculty in the FITT Technology Development/Industrial Consultancy Project Proposal and Agreement from (both Part I and Part II) and sent to the Managing Director, FITT. Such proposals will be examined in FITT and amount to be quoted to the client may be worked out in consultation with the proposer. If necessary, further negotiation with the client may also be done. The concurrence of the concerned Head of Department will, however, be required before final acceptance.
2. Proposals received directly from Industry by FITT
Proposal received directly from the Industry by FITT will be examined by MD who will identify the faculty member/Department/Centre of IIT(D) competent to take up the assignment. In case of proposals involving more than one Department/Centre, a coordinating faculty member/Department/Centre will be identified. Thereafter the faculty member/Department/Centre will be requested to formulate the proposal as per the prescribed form and send to Managing Director, FITT for further processing, after obtaining concurrence of HOD/HOC.
3. Proposal costing more than Rupees 5 Lakhs will have to be approved by the Standing Committee. Proposals costing Rs. 5 Lakhs or less will be approved by the Managing Director and put up for information of the Standing Committee.
4. After the proposal is approved, the agreement may be signed by (i) the Investigator Incharge; (ii) Managing Director, FITT, or his representative with suitable modifications as mutually agreed to, in the Part I of the Project Proposal and Agreement form. If the Client insists, the agreement may be prepared on judicial stamp papers of appropriate value. Alternatively, the agreement may also be entered into by exchange of letters between FITT, concerned faculty/Principle Investigator and the Client.
5. MD (FITT) reserves the right to accept, modify or deviate from the prescribed norms of budget/operational aspects, taking consideration of the views of Consultant(s) client and specific needs of the assignment.

II. BUDGET

The Budget for all project proposals should be prepared very carefully so as to include all foreseeable items. Following are the items, which could be included in the Budget:

A. Expenses (limited to 65% of the total consultancy amount)

1. Remuneration

This will include the payments to be made to external experts / staff / investigators / labours etc. engaged for the project and honorarium / OTA paid to IIT (D) and FITT staff, if any. (For External Experts as individuals, remuneration will be limited to 20% of the total charges)

2. Equipment and Material

This would include the cost of equipment, spares, material required for the project. Computer charges are to be added separately. Cost of infrastructure added to the Consultant's office/lab may also be included under this head (limited to 20% the total consultancy charges).

3. Computer charges and charges for use of IIT(D) central facilities

These are to be calculated as per IIT(D) norms i.e. on time sharing basis.

4. Travel expenses

Normally the cost of any travel to be undertaken for the assignment is to be paid by the clients directly and these need not be included in the Budget. In other cases the T.A./D.A. may be calculated as per FITT Rules.

5. Sub-Contract Charges, if any

For large consultancy projects, it is permissible to get part of the work, experimental or otherwise, carried out by sub-contracting to a third party provided the client agrees. The extent of work and cost of sub-contract should be included in the proposal.

6. Contingencies and other expenses

This head will include expenses on telephones, stationery, entertainment and other miscellaneous expenses. The cost of secretarial services and preparation of reports may also be included under this head.

7. Fees for Scientific and Technical Advice

This will include the amount payable to Investigator(s).

Note : 1) The Investigator-in-charge can, if required, re-allocate the fund among different budget heads, in consultation with M.D. FITT. However, the Scientific & Technical Fees once fixed can not be reduced.

2) The budget allocation exercise is an internal matter between FITT and the Investigator(s), and need not be divulged to the client.

3) In general, all IRD norms regarding budgeting/allocation of consultancy expenses may also be followed for FITT projects.

B. STANDARD Charges @35% of total consultancy amount. This amount shall be apportioned as under.

i) Institute ILF and FITT Services Charges	70%
ii) Department/Central ILF	15%
iii) PDF of consultant(s)	10%
iv) Central Admn. Fund	5%

III. RESPONSIBILITY

The responsibility for execution and timely completion of the project will rest with the Investigator/Principle Investigator, who will keep to Managing Director FITT informed of the progress of the project by periodical reports. Copy of all reports sent to the client will also be sent to Managing Director FITT, for record. FITT will also monitor the progress and help in Project Management through periodic liaisoning with the client and consultants.

IV. DISTRIBUTION OF SCIENTIFIC & TECHNICAL FEES

1. The Consultancy fees will be released on completion of the project, or in instalments after completion of each pre-determined phase of work identified by milestones. This shall, however, not be applicable for retainer ships, where release of fees will be as per agreement with the client.
2. At the time of finalisation of accounts on the projects, any unspent balance from the budget head "Expenses" will be transferred to the FCF in the name of the Consultant(s) on the advice of the Chief Consultant. However, any excess under the head "Expenses" will be recovered from the Consultant's share of fees.

V. TOTAL CHARGES

It is recommended that total consultancy charges be negotiated with the client in consultation with FITT. The total charges can be more than the total estimated costs calculated as per the budget, because of prevailing higher market rates. It is suggested that the final quotation of total charges to the client be routed through FITT.

VI. INVOICING

FITT as a Scientific and Industrial Research Organisation is entitled to certain concessions and exemptions in respect of statutory levies like TDS etc. In order that necessary TDS exemption certificate can be obtained from concerned authorities in advance, it is advisable to procure from the prospective client a letter of award of the assignment, specifying the consultancy charges agreed, the payment schedule and total duration. On the basis of the above TDS exemption certificate, the client will be invoiced for release of payment without any TDS recovery.