



No.58-21/XXXV/2006-ICFRE
Indian Council of Forestry Research and Education
(An Autonomous Body of the Ministry of Environment & Forests, Govt. of India)
P.O. New Forest, Dehradun – 248 006

Dated, the 16th October 2006

To


All DDGs/Director (Research), ICFRE
All Directors of ICFRE Institutes
All Heads of Centres of ICFRE

**Sub: Guidelines for technology transfer and utilization of knowledgebase -
Consultancy Rules of ICFRE**

Sir,

I am directed to forward herewith guidelines for technology transfer and utilization of knowledge base (Consultancy Rules) of ICFRE duly approved by the Board of Governors in its XXXV Meeting held on 24.08.2006 for information and necessary action. These guidelines will be effective from the 24.08.2006

Yours faithfully


(S.P. Singh)
Secretary, ICFRE

*Scan & place on
res mtr*

B29/10

*sc-E
cc*

GUIDELINES FOR TECHNOLOGY TRANSFER
AND
UTILIZATION OF KNOWLEDGEBASE

(CONSULTANCY RULES)

INDIAN COUNCIL OF FORESTRY
RESEARCH AND EDUCATION
NEW FOREST, DEHRADUN

	Contents	Page No.
1.	Contract R&D	01
2.	Consultancy	09
3.	Intellectual Property	14
4.	Technical Services	21
5.	Utilization of Knowledge base by Foreign Clients	23
6.	Sharing of Monies realized with staff	26
7.	Procedure for sharing of monies with staff	28
Annexures		
I.	Proforma for approval of Contract R & D Project	33
II.	Proforma for approval for consultancy project	36
III.	Man Power Charges	40
IV.	Research Utilization Data	41
V.	Consultancy work by staff of Government Institutions	45
VI.	Proforma for seeking Security & Sensitivity Clearance for Projects involving Foreigners/Foreign Collaboration	47

1. Contract Research & Development (R & D)

1.1 Definitions and Scope

Contract research shall comprise all the R&D activities undertaken through specific contractual arrangements agreed upon for the purpose. The projects to be undertaken should fall within the purview of the approved research programmes of the council. Contract research shall cover:

Sponsored Projects: Projects wholly funded by the sponsorer having specified R & D objectives and well defined expected project outputs/results, generally culminating in generation of intellectual property. Exception to full funding by sponsorer can be made, with the approval of the Competent Authority, for specific nationally relevant projects related to Social Welfare and the like. Sponsored projects could be multi-client also, with two or more sponsors sharing the project funding and research outputs.

Collaborative Projects : Projects partially funded by the sponsor, and supplemented by provision of inputs such as expert manpower, infrastructural facilities or other inputs etc. Collaborative projects could be for upscaling, improving of institute level/ council know-how, technology development or generation of intellectual property etc. Like sponsored projects, the expected project outputs/results will be well defined.

Composite Projects: Some projects are composite in nature and envisage diverse inputs which may be termed contract R&D consultancy, technical services etc. Such type of projects could, for the purposes of ICFRE costing/accounting be split into appropriate contract research, consultancy and technical services components; and approval of Competent Authority be obtained for each component indicating the overall project profile. The contract to be entered into and the charges to be realized from the client may be for a single composite project.

1.2 Approvals

1.2.1 For Projects

Competent Authority	Projects
Director(of any of the Institutes under ICFRE)	Upto Rs. 10 Lakhs (Where Director or Director level scientist is involved, approval of DG, ICFRE would be necessary).
D.G., ICFRE	Beyond Rs.10 Lakh or involving : (a) Foreign sponsors (with the prior approval of the MoEF). (b) Multi institute inputs

(Note : Where DG, ICFRE is involved, approval of Chairman, BOG will be necessary).

The project proposals shall be placed before the Competent Authority for consideration and approval in the prescribed proforma (Annexure-I). The Competent Authority shall also have the powers to approve the terms and conditions of licensing the intellectual property resulting from contract research to the client/sponsors.

1.2.2 Contracts

Competent Authority

Contracts

Director (of any of the Institutes under ICFRE)

Drawn up substantially as per the model agreement

D.G., ICFRE :

- a) largely deviating from the model agreement
- b) with foreign clients or multi-agency projects

1.3 Authorized signatories to contracts

The authorized signatory in the institute for all contracts/agreements shall be the **Director or Group Coordinator** (Research) as authorized by the Director. For multi-agency projects, the signatories shall be the designated officers of the co-coordinating agencies and from the ICFRE, the authorized signatory will be the DG, ICFRE or Director (Research) or Deputy Director General (Research) as authorized by the DG. In case of the contracts approved by the DG, ICFRE, the authorized signatories will be DG, ICFRE or Director (Research) or DDG (Research) as authorized by the DG.

1.4 Financial Aspects

1.4.1 Costing of contract research project

The charges for contract research project shall comprise of two main component viz.:

1.4.1(i) Expenses

- a) Cost of man-days of staff deployed
- b) Cost of consumables /raw materials/components with 25% overheads
- c) Cost of physical inputs/services/utilities with 25% overheads
- d) Equipment usage cost/cost of equipment procured specifically for the project, if any
- e) External payment envisaged e.g. for hiring infrastructural facilities, experts, computer time, information etc.
- f) TA/DA

g) Contingencies

Total Expenses = Sum of i(a) to i(g).

1.4.1. (ii) Intellectual fee:

To be decided by the Competent Authority (Minimum of 33.3% of total expenses)

Project Charges = Total expenses + intellectual fee + all Taxes (including service tax) as levied by the government from time to time.

1. Note:

In case the contract research is to lead to generation of intellectual property, provision and charges for licensing the use of intellectual property to the client should be additionally (clearly) specified (see chapter 3).

Collaborative project is a joint endeavour. Thus costing of ICFRE's inputs for a collaborative project, the intellectual fee should be included in notional project charges. As the-client may bear only a part of the ICFRE's project expenses, the Council should endeavour to ensure that the balance of project charges are recovered by earnings from licensing the R&D results/intellectual property to the collaborator/ third parties.

1.4.2 Explanation

1.4.2(i) Expenses

- a) **Man-days costs:** are the charges for the time (in days) of Scientific and technical (S&T) staff deployed on the contract research as per prescribed man-day rates for different categories of staff (*Annexure III*).
- b) **Cost of consumables/raw materials/ components:** Comprise chemicals, glass-ware, stationery, raw materials, components and other store items required for the project and should be charged at 100% cost plus overheads @ 25% of the cost (towards expenses for purchase, storage, handling etc.).
- c) **Cost of physical inputs/utilities/services:** should be charged at 100% cost plus overheads @ 25% of the cost (towards installation, maintenance etc.).
- d) **Equipment Usage:**

Existing Equipment: Pro-rata charges for usage based on an annual usage charge @ 20% of cost of equipment and installation. In case of old equipment where its cost is not readily available, the costing of this component could be decided by the Competent Authority.

New Equipment: The new equipment shall either be provided by the client as his cost as per the specifications given by the Council or purchased by the Council and charged to the client with an additional procurement and handling charges of 5% of the cost of equipment. The ownership of the equipment after the completion of the project period would be governed by terms and conditions as may be specified.

- e) **External payments :** Comprise payments towards hiring by the Council, of outside infrastructural facilities, experts, computer time, information etc. to supplement its expertise/facilities.
- f) **TA/DA:** Comprises of expenses on travel and daily allowances of the Council staff visiting /traveling for the work related to the contract research project. In this regard the following guidelines would apply:
 - Allowances for travel on tour (*air journeys, hotel accommodations, per-diem, incidentals etc.*) should be governed on the basis of agreement made with the client.
 - Clients hospitality, wherever available, may be accepted by the employees at their discretion subject to the DA being limited to 25% in the event of both boarding and lodging being provided free, or 50% if only either boarding or lodging is provided free.
 - Air-travel may be allowed for non-entitled staff by the Council, as per applicable rules, on functional basis and if it is expedient to do so in the interest of the project.
- f) **Contingencies:** Provide for any unforeseen expenditure likely to be incurred on the project for which no provision has been made in the cost of project. The quantum of contingency charges would vary for each project as may be mutually agreed between the Council and the sponsor. However, estimated contingency charges of about 3 to 5 % of total project costs are normal.

1.4.2 (ii) Intellectual fee:

This reflects charges for ICFRE's investment, over a period of time, in building up and sustaining the extant level of expertise, knowledge base and facilities. Intellectual fee to be charged should, therefore, be commensurate with quantum and quality of ICFRE's resource inputs and also the likely benefits to be derived by the client on implementation of the project results. There are varieties of ways of estimating and linking the intellectual fees to project parameters, such as expenses on manpower, inputs etc. Whatever be the method of estimating the intellectual fees, these should in no case be less than 33.3% of the total expenses (see para 1.4.1 (ii) excluding the cost of equipment purchased at the cost to or provided by the client. The intellectual fee for grants-in-aid projects which do not lead to generation of commercial intellectual property could, however, be reduced/waived, at the discretion of the Competent Authority.

1.4.3 Terms of payment

The Council shall endeavour to obtain an advance on or before signing the agreement as negotiated with the sponsor. The balance amount of payment could be availed of in installments, to be negotiated with the client, having regard to the project schedule. The final installment shall be payable after the submission of the project report.

1.4.4 Use of ICFRE Facilities

In case the client's personnel are to make use of the library/computer/equipment of the Council, suitable charges and a suitable interest free security deposit, to be fixed by the ICFRE, should be collected from the client. On completion of the project, the security deposit may be refunded to the client after deducting the costs for any loss/damage. The decision of the DG, ICFRE on the deductions if any, shall be final and binding on the client.

1.5 Research Output

1.5.1 Publications

The client shall be consulted prior to publishing of any research results arising from the contract research work. The publications shall duly acknowledge the inputs of the client.

1.5.2 Intellectual Property (IP)

i. Sponsored Research

The ownership of the intellectual property generated shall generally belong to the ICFRE. However, such ownership shall be open to negotiations with the sponsor. In such cases, the ICFRE shall endeavour to keep major share of ownership with itself in the negotiations. Obtaining and maintaining the relevant intellectual property rights shall be the responsibility of and at the cost of the ICFRE Institutes. The decision on whether or not an intellectual property right is to be obtained, shall be that of the DG/Director of the Institute, which shall be final and binding on the sponsor.

ii. Collaborative Research

Intellectual property generated through projects with technical contribution from the collaborator, shall be jointly owned. The expenses for obtaining and maintaining the intellectual property rights shall be borne equally by the ICFRE Institutes and the collaborator. The decision whether or not intellectual property rights be secured, shall be taken jointly by the Council and the collaborator.

1.6 Licensing of Intellectual Property

1.6.1 Sponsored Research

- i. The rights of licensing intellectual property shall rest with the Council.

SP

- ii. The sponsor shall be given the first right for commercial exploitation of intellectual property. However, this right shall be exercised by a written communication to the Council within a pre-specified period of time commencing from the receipt of final report. In the event the sponsor fails to exercise his option within the specified period, or having done so, fails to commercially exploit the intellectual property within the stipulated time frame, the Council shall be free to license the intellectual property to others and the monies accruing there from shall be shared equally between the Council and sponsor with a ceiling on the sponsor's share equal to the amount the sponsor had paid to, the Council as sponsorship charges.
- iii. Wherever feasible, the sponsor shall be given a non-exclusive license failing which an exclusive license for a limited period of time, normally not exceeding five years, for commercial exploitation of the intellectual property.
- iv. For the license granted for commercial exploitation of the intellectual property to the sponsor, the Council shall charge an adequate amount as fee. This could be a lumpsum and/or recurring royalty.
- v. ICFRE shall have the right to license the intellectual property to any other party on the terms and conditions it may decide in the case where it has granted non-exclusive license or in case of exclusive license on the expiry of the exclusivity period. In such cases, if the licensee of intellectual property is only the Council without any further assistance of the sponsor, then the money realized shall be shared on a 50:50 basis with a ceiling on the total amount receivable by the sponsor to the amount the sponsor has paid to ICFRE as sponsorship charges. In case the council seeks assistance of the sponsor to license the intellectual property, the sharing of the monies shall be specifically negotiated depending upon the inputs to be provided by the sponsor.
- vi. Not with standing the exclusive license granted to the sponsor, the Council shall have the right to license the intellectual property during the period of validity of the license, if.
 - a) There is a proposal before the Government of India for import of the same/similar intellectual property as developed under the sponsored project.
 - b) the Government of India desires the Council to disclose the intellectual property for its own use.

In such cases the monies accruing there from shall be shared equally between the sponsor and the Council without any ceiling on the share of the amount receivable by the sponsor.

1.6.2 Collaborative Research

- i. The rights of licensing of intellectual property shall be jointly held by the ICFRE and the collaborator.

- ii. The collaborator shall have the first right for commercial exploitation of intellectual property. However, the right shall be exercised by the collaborator by a written communication to the ICFRE within a pre-specified period of time not generally exceeding six months commencing from the receipt of the final report. In such a case, the intellectual property shall be licensed to the collaborator for use, on terms to be mutually decided between the ICFRE and the collaborator.
- iii. In the event, the collaborator fails to exercise the option or fails to commercially utilize the intellectual property within the pre-specified period, the ICFRE shall have the right to license the intellectual property to others on terms to be mutually decided between collaborator & the ICFRE. In such a case, the money accruing shall be shared with the collaborator, commensurate to his inputs in the project and in transfer of technology.
- iv. Wherever feasible, the collaborator shall be given a non-exclusive license, failing which, an exclusive license for a limited period of time, normally not exceeding five years, for commercial exploitation of the intellectual property.
- v. The intellectual property can be licensed to others by the ICFRE on terms and conditions to be mutually agreed to between the ICFRE and the collaborator in case of non-exclusive license granted and for exclusive license on expiry of the exclusivity period.
- vi. Notwithstanding the exclusive license granted to the collaborator, the ICFRE shall have the right to license the intellectual property, during the period of exclusivity, if:
 - a) there is a proposal for import of same/similar intellectual property as developed under the collaborative project.
 - b) the Government of India desires the ICFRE to disclose the intellectual property for its own case.

The monies accruing shall be shared between the ICFRE and the collaborator commensurate with inputs provided by each party to the project and in technology transfer.

1.7 Indemnity/Liability

The liability, if any, for the ICFRE arising out of or in connection with contract research/IPR licensing shall be subject to a ceiling of the amount received by the ICFRE from the Client for the Contract Research/IPR licensing.

1.8 Ownership of Reports/Plans/Guides/Software, etc.

The above-mentioned outputs shall normally be the property of the sponsors. For collaborative and Grants-in-aid projects, the ownership shall be specifically agreed upon between the ICFRE and the collaborator/grantor and so included and specified in the agreement.

1.9 Feedback

The institute shall keep the DG; ICFRE informed of all the consultancy projects undertaken during the year.

SP

2. CONSULTANCY

2.1 Definition and scope

All consultancy services in the ICFRE shall be institutional. Consultancy shall be in an area of expertise of the Council, preferably its thrust areas. For purpose of definition, there shall be two categories of consultancies viz.

- (i) Advisory, and
- (ii) General

2.1.1 Advisory Consultancy

Advisory consultancy shall comprise scientific, technical, or other professional advice, provided to a client purely on the basis of available expert knowledge and experience of individual(s), rendered outside the ICFRE Institutes and not envisaging use of any facilities of the Council (including experimental, informational, computational etc.), and also not involving any kind of survey, detailed study or report preparation/submission.

2.1.2 General Consultancy

General consultancy shall comprise scientific, technical, engineering or other professional advice /assistance based on the available knowledge base /expertise of the Council, and envisaging only minimum use of the Council facilities for essential experimentation, computation and other facilities needed to meet the objectives of the consultancy assignment. General consultancy may inter-alia cover:

- Preparation of literature survey/feasibility studies, state-of-the-art technology sources, forecasting/evaluation reports/management plans etc;
- Interpretation and validation of test results and data, risk and hazard/environment impact assessment studies etc;
- Rendering of expert advice in all the fields related to forestry and environment management.

2.1.3 The Competent Authority for approving the consultancy shall have the power to decide on the category of a particular consultancy assignment. Any consultancy assignment which does not strictly fall under the category of Advisory Consultancy, shall be taken up as General Consultancy.

2.1.4 It should be ensured that financial benefits accruing to staff members from consultancy work may not affect the regular R&D activities of the Council. A proper balance of the manpower and other resources of the Council to be deployed between R&D activities, consultancy and technical services should be decided upon by the Research Advisory Group /Research Policy Committee.

2.2 Approvals

2.2.1 For Projects

Competent Authority	Project
Director of the Institute	: Up to Rs.20 lakhs and not involving the Director or Director level scientist as one of the consultants.
DG, ICFRE	: beyond the powers of the Director of Institute a) involving the Director or Director level Scientist as the sole consultant or member of team. b) for foreign sponsor (with the prior approval of the MoEF).

(Note: Wherever, the DG, ICFRE is involved, approval of Chairman, BOG will be necessary).

The project proposal will be placed before the Competent Authority, for consideration and approval in the prescribed Proforma (Annexure – II).

2.2.2 For Contracts

Competent Authority	Contracts
Director of the Institute	: drawn up substantially as per the model agreement
DG, ICFRE	: a) largely deviating from the model b) for foreign client or multi-agency projects. (subject to prior approval of MoEF).

2.3 Authorised signatories to contracts

The authorised signatory in the institute for all contracts/agreements shall be the Director or Group Coordinator (Research) as authorised by the Director. For multi-agency projects, the signatories shall be the designated officers of the co-ordinating agencies and from the ICFRE, the authorised signatory will be the DG or Director (Research) or Deputy Director General (Research) as authorised by the DG. In case of the contracts approved by the DG, ICFRE, the authorised signatories will be DG, ICFRE or Director (Research) or DDG (Research) as authorized by the DG.

2.4 Financial aspects

2.4.1 Costing of Consultancy Project

The charges for consultancy project shall comprise two main components viz:

2.4.1 (i) Expenses

- a) cost of man-days of staff deployed.
- b) Cost of physical inputs/services / utilities/ consumables/raw materials
- c) Components (if any) with 25% overheads.
- d) Equipment usage cost/cost of equipment procured specifically for the Project, if any.
- e) External payments envisaged e.g. to outside consultants, for obtaining data, hiring of infrastructural facilities, computer time, information etc.
- f) TA/DA
- g) Contingencies.
- h) Total expenses = sum of [i(a) to i(f)]

2.4.1.(ii) Intellectual fee

To be decided by the authority competent to approve the project [minimum equal to manpower charges i.e. I (a)].

Project Charges = Total expenses + intellectual fee + all taxes (including service tax) as levied by the government from time to time.

2.4.2 Explanation

2.4.2(i) Expenses

Costing of various elements/components contributing to the expenses of the consultancy project shall be similar to that of Contract Research (Reference Chapter 1, para 1.4.2)

2.4.2(ii) Intellectual fee

This reflects charges for the ICFRE's investment, over a period of time, in building up and sustaining the extent level of expertise, knowledge base and facilities. Intellectual fee to be charges should, therefore, be commensurate with quantum and quality of ICFRE's resource inputs and also the likely benefits to be derived by the client on implementation of the project results. There are a number of ways of estimating and linking the intellectual fees to project parameters, such as expenses on manpower inputs 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 manpower charged, except in cases of consultancy offered against open tenders, where the intellectual fee could be decided by the Competent Authority keeping in the view the potential competition.

2.4.3 (iii) Service Tax

The ICFRE would obtain registration for payment of service tax as per the rules in the force and the payment of service tax is to be debited to the project amount.

2.4.3 Terms of payment

The ICFRE / Institute shall endeavour to obtain maximum percentage of consultancy amount as advance in installments. The quantum of installments shall be fixed through negotiations with the sponsor before signing of agreement. However, in cases covered under clauses 2.6.3 and 2.6.4 and consultancy assignment offered against open tender, it may not be necessary to insist on bank guarantees or the terms of payment as above.

2.5 Indemnity / Liability

The liability, if any of the ICFRE arising out of or the connection with consultancy services shall be subject to a ceiling of the amount received by the ICFRE from the Party for the Consultancy.

2.6 General aspects

2.6.1 Contractual obligations of a consultancy project shall be that of the ICFRE. Agreements with clients, will thus be executed, on behalf of the ICFRE and not by an individual consultant or team of consultants. Every care should be taken to avoid any legal complications involving the ICFRE as a result of the consultancy service.

2.6.2 For consultancy services of a minor nature, agreement on a stamp paper may be dispensed with and the terms and conditions of consultancy settled through exchange of letters. In case, the Council feels that an agreement would be technically and legally useful, the party may be asked to enter into a legally enforceable agreement. The terms and conditions should include a disclaimer on responsibility of the ICFRE for the advice / recommendations given in the consultancy.

2.6.3 The ICFRE is often called upon to carry out investigational jobs by the government agencies, courts of law and statutory authorities etc. These jobs may need to be undertaken on an urgent basis and in such cases the Council shall not, subject to acceptance of payment and other terms by the client in writing, insist on advance payments.

2.6.4 The staff involvement for each consultancy project shall be approved by the Director of Institute / DG, ICFRE, as the case may be. While assigning the consultancy job to a staff member, cognizance shall be taken of his / her workload, qualifications and experience vis-à-vis the specific requirements of the consultancy job, annual honorarium likely to accrue to him/her from consultancy etc.

2.6.5 As far as possible, the 'team of consultants' selected for consultancy work should have the confidence of the sponsor. If the sponsor indicates preference for a particular person(s), the request shall be given due consideration.

2.6.6 The Council should, on the whole ensure a fair distribution of consultancy/work among the eligible council personnel at all levels and see that it is not confined to specific individuals/groups/levels of staff.

2.6.7 The acceptance of consultancy assignments costing less than Rs.20,000/- should not generally be encouraged. Exceptions, in deserving cases judged by the importance/necessity of assistance to client/service sought, may be made at the discretion of the Director of the institute/DG, ICFRE.

2.6.8. The total number of days devoted by an individual to consultancy work should not exceed 50 man days in a financial year.

2.6.9 A copy of the project report for all consultancy jobs undertaken shall be retained for record purposes, with the Council, except those which are purely advisory in nature and where no project report is required to be submitted to the client. In such cases, a brief note on the consultancy rendered should be submitted to the Council for record.

2.7 Feedback

Feedback, the institutes shall keep the DG, ICFRE informed of all the consultancy projects undertaken during the year. Feedback on all the consultancy projects shall be placed before the Governing Body. Information shall be furnished vide item IV of proforma of Annexure – IV.

SR

3. INTELLECTUAL PROPERTY

3.1 Definition

“Intellectual Property” shall include patent, copyright, registered design, trademark, know-how for a process / plan / design and computer software.

3.2 Types of Intellectual Property

“Intellectual Property” generated by the ICFRE shall be of two types:

3.2.1 Unencumbered

i Developed, through wholly in house R&D programmes / projects. In such cases, ownership of intellectual property shall solely be that of ICFRE, and consequently the licensing rights shall be that of the ICFRE alone.

ii Intellectual property developed through contract research and subsequently rendered unencumbered as per the contractual arrangements with the client. In such cases, licensing of intellectual property by the ICFRE would be in accordance with the terms & conditions agreed upon with respect to third party licensing with the client.

3.2.2 Encumbered

Developed through contract research i.e with total or partial financial support, and with / without technical inputs from users/ clients. In such cases ownership and licensing of intellectual property for commercial utilization shall be governed by ICFRE obligations to client in the matter. (Please see chapter 1, para 1.6)

3.3 Development of Intellectual Property – general aspects.

- i Development of intellectual property shall be taken up preferably in consultation with participation of the user right from initial stages, to ensure commercial viability / its successful utilization .
- ii wherever feasible and necessary , the development should be taken to the stage of proving commercial viability. However, as this would not be feasible for all Institute/ Council projects, research results of projects, which at a particular stage of consultancy work , may not find potential users , should be adequately protected and shelved till such time that a demand develops for them. However, in case there is a demand for these research results per se, they could be leased, on non –exclusive and ` as-is- where-is` basis, in a documented (report) form only, without any guarantees or other liabilities related to technology licensing.

- iii. The Institute/ Council may continue with further development of intellectual property already licensed. The method and terms and conditions of licensing of all such development work, shall be clearly specified in the license agreement. Any directly relatable developments with respect to the know-how already referred to the National Research & Development Corporation (NRDC) shall be referred/assigned to the NRDC as improvements/additions to the already assigned know-how.

3.4 Licensing of Intellectual Property

3.4.1 Definition

Licensing of intellectual property shall mean granting the licensee the right to utilise the intellectual property and to make, sell or use the resulting product(s) either for commercial /captive purpose or as otherwise agreed to.

3.4.2 Method of Licensing

Licensing of intellectual property involving transfer through format means shall be through specific contractual arrangements. For transfer of intellectual property through only one time demonstration or supply of only drawings, reports, plans, software etc. Licensing can be done through implied contractual agreement with no liabilities on the ICFRE.

3.4.3 Channel of Licensing and Associated Ownership Rights

The ICFRE would be free to choose the channel of licensing/commercial utilisation of all unencumbered intellectual property generated, which could be either directly by the Council itself, through the NRDC or through any other Technology Transfer Agency (TTA) such as Consulting & Design Engineering Organisations etc. Requisite approvals as per guidelines would be necessary in each case of licensing of intellectual property.

3.4.3 (a) Direct licensing by the ICFRE

Intellectual property that can be licensed directly by the Council would comprise:

- i. Unencumbered intellectual property not referred to NRDC.
- ii. all encumbered intellectual property developed under contract research (ref. Chapter 1 para, 1.6).

The Council should clearly specify in the agreement their obligations and extant commitments to the licensee(s) in each case. Licensing of unencumbered intellectual property should be generally on non-exclusive basis. However, where despite publicity and conscious efforts for commercial utilization of such intellectual property , it has remained unlicensed for more than three years, it could thereafter, if deemed necessary, be offered on a limited exclusive basis' to make it more attractive to users/clients.

3.4.3(b) Licensing through the NRDC

Unencumbered intellectual property licensable on non-exclusive basis could at the discretion of the ICFRE be commercialised through the NRDC. All intellectual property proposed to be commercialised through the NRDC would need to be assigned to the NRDC. Ownership of the intellectual property so assigned would then rest with the NRDC.

- **Feedback to BOG, ICFRE**

Information as per prescribed NRDC proformae in triplicate, on all intellectual property licensed through the NRDC, should be placed before the BOG, ICFRE for licensing/commercialising the knowhow and terms thereof. The Council should while forwarding this information to the BOG clearly indicate:

- i. Level of development and transfer of know-how.
- ii. Status of knowhow with or without guarantee for technical or commercial viability.
- iii. Assistance and documentation to be given to the licensee.

Terms & Conditions of Licensing of Intellectual Property by NRDC

Terms & conditions of licensing recommended to the NRDC by the Council are indicative only. NRDC, in the interest of ensuring commercial utilization of the know-how, has the right to alter the terms.

3.4.3.(c) Licensing of Intellectual Property through other TTAs

Only unencumbered intellectual property not referred to the NRDC can be licensed to the TTAs. The ownership rights of all intellectual property to be licensed through TTAs shall vest with the Council, which the TTAs shall be assigned only the specific intellectual property. The liabilities of the ICFRE if any, due to licensing of intellectual property shall be subject to a ceiling of the amount it received for the same.

Licensing through TTA shall be through formal contractual agreement with the TTA clearly specifying the rights and obligations of the ICFRE and the TTA as also the terms & conditions governing the licensing of the intellectual property by the TTA. The terms offered to the TTAs shall not in any case be more favourable than those offered to the NRDC under the existing working arrangement with the latter.

3.5 Pre-Licensing aspects

3.5.1 Evaluation of Intellectual Property

A proper technical evaluation of any intellectual property sought to be licensed shall be undertaken, through a suitable mechanism to be decided by the Director of the

SR

institute/Council. The mechanism could be in-house to the institute concerned or external or a combination of both and could also differ from case to case. If the technical evaluation is satisfactory, a feasibility report for the utilization of the intellectual property should be prepared.

3.5.2 Legal protection

The Institute/Council may set up a suitable mechanism for examining the possibility of legally protecting the intellectual property generated. All protectable intellectual property shall be protected through appropriate legal instruments e.g. patent, copyright, registered design, trademark etc.

Industrial property sought to be patented shall be licensed preferably after filing of the complete specifications.

3.5.3 Documentation

In case, the whole intellectual property developed is sought to be licensed, either directly or otherwise, the detailed know-how document on the process, technique, design product, the method of its utilisation, quality control aspects, safety and pollution control regulation and other parameters associated with the implementation must be prepared. This document should be available with the Institute/Council. The services/assistance to be rendered by the Council to the licensee for the exploitation of the intellectual property should be clearly specified.

3.6 Post-licensing Aspects

3.6.1 Review of Intellectual Property Licensed

Annual review of intellectual property licensed including follow-up with the licensee, shall be conducted by the Institute/Council (in association with the NRDC or TTA as applicable) to assess its utilisation status. Any technological modification, /development necessitated and also change in terms/conditions of its licensing can then be considered.

3.6.2 Collection of monies

The Institute/Council would be responsible for prompt collection of monies accrued through licensing of intellectual property directly by it or through TTAs. It should thus evolve a proper mechanism for collecting and monitoring the accrual and realisation of such monies. The mechanism evolved should include annual review of outstanding dues from intellectual property licensing and their recovery from the licensee(s) along with interest on the delayed payments at the prevailing bank rates.

3.7 Indemnity/Liability

The liability, if any, of the Council arising out of or in connection with IPR licensing shall be subject to a ceiling of the amount received by the Council from the licensee for the IPR licensing.

3.8 Financial Aspects

3.8.1 Pricing

There is no rigid formula for determining the price of intellectual property and thus estimates would vary from case to case. The price of know how/intellectual property normally ranges between 2% to 10% of usage in next five years. However, the price would depend on the estimates of opportunity value and “ what the user can bear”. Besides, the realisation of price could be divided between lumpsum amount and recurring royalty payments. Although it would be in the interest of ICFRE to realise as much of price as possible through a lumpsum payment, the licensee’s interest would be to pay the price only through recurring royalty based on production. Thus a balance has to be struck between these two components.

The estimates of the following factors shall be placed for the consideration of the Competent Authority to arrive at the price of intellectual property:

- I Cost of development.
- II Estimate of net benefits to be derived by the licensee.
- III Size and number of potential licensees.
- IV Comparative cost of imported intellectual property, wherever applicable/available
- V. Possibility of intellectual property being pirated .
- VI. Opportunity value.

The price decided for a specific intellectual should be reviewed periodically, at least every three years for revision, if any required.

3.8.2 Explanation

- i. Cost of development

Includes estimated cost of:

Direct inputs

- a) S&T manpower deployed on the project (as per prescribed rates).
- b) Raw materials, consumable components etc. with 25% overheads.
- c) Physical inputs for the project with 25% overheads.

- d) Equipment usage.
- e) External payments, made if any.
- f) Securing of intellectual property rights.
- g) Cost of publicity.

Indirect inputs

- a) Notional amortisation of investment on the staff, equipment and facilities deployed for the project.
- b) Intellectual inputs.
- ii. Net benefit to be derived by the licensee

This can be calculated as the money to be saved by the licensee by productivity improvement such as saving in raw materials, energy, time, labour, capital etc. or additional profit to be realised due to better quality of product or reduction in caution etc. or the net profit from the exploitation of the intellectual property.

- iii. Size and number of potential clients

Some estimate may be made of the potential market for the IP namely product, process, technique, software etc. and the likely number of licensees for the intellectual property. Sometimes, there may be alternative competing sources for the intellectual property. This should be taken into consideration while determining the number of licensees for the Institute's/Council's intellectual property.

- iv. Cost of Imported intellectual Property

In some cases, the equivalent intellectual property may have been imported or proposed to be imported in the country. The price and level of such technology could be an indicator for fixing the price of intellectual property.

- v. Piracy of Intellectual Property

Some intellectual property is highly innovative but difficult to prevent from being pirated by others. The price would need to give due recognition to the intellectual property protection that can be accorded to the licensees.

- vi. Opportunity Value

Opportunity value in terms of money is the estimated amount that can be realized by cashing upon the circumstantial / contingent aspects prompting the utilization of the intellectual property by the licensee. For purpose of calculations, opportunity value could be

expressed either in absolute money value or as a percentage of profits anticipated or of value addition envisaged.

3.9 Approvals

3.9.1 For Licensing of Unencumbered Intellectual Property

Competent Authority	Projects
Director of Institute	where envisaged payments per licensee do not exceed Rs.20 lakhs over the period of licence
DG, ICFRE	where envisaged payments exceed Rs.20 lakhs per licensee (based on the recommendations of Director)

The following should be placed for consideration of the competent authority:

- a) estimates of factors considered for arriving at the price of intellectual property vide para 3.8.1.
- b) technical evaluation and feasibility report prepared vide para 3.5.1.

3.9.2 Licence Agreements

Competent Authority	Contracts
Director of Institute	: drawn up substantially as per the model agreement.
D.G., ICFRE	: a) largely deviating from the model agreement b) with foreign clients or multi-Institute project (subject to prior approvals of MoEF).

3.9.3 Authorized Signatories to Contracts

The authorized signatory in the institute for all contracts/agreements shall be the Director or Group Coordinator (Research) as authorized by the Director. For multi-agency projects, the signatories shall be the designated officers of the co-coordinating agencies and from the ICFRE, the authorized signatory will be the DG or Director (Research) or Deputy Director General (Research) as authorized by the DG. In case of the contracts approved by the DG, ICFRE, the authorized signatories will be DG, ICFRE Director (Research) or DDG (Research) as authorized.

3.10 Feedback

Information on intellectual property generated, licensed and utilised shall be provided to the BOG. Information shall be furnished vide items II(a), II(b), & II(c) of the proforma at Annexure - IV.

42

4. TECHNICAL SERVICES

4.1 Definition

Technical services meant to be rendered to the clients/customers include, assistance of a minor nature based on available knowledge, expertise, skills, infrastructure and facilities of the Council. Technical services shall comprise:

- Training
- Technical assistance of an advisory nature
- Supply of information / database / expertise

4.2 Training

The Council takes up training programmes either on its own or at the specific request of clients. Charges per participant for training programmes arranged by the Council on its own shall be such that at least all out of pocket expenditure is recovered. Normally, training programme could be a significant source of external cash flow, especially those arranged for international organisations/agencies, thus due consideration should be given to this factor in charging for training.

4.3 Technical Assistance

Technical assistance shall involve one time assistance mainly advisory in nature to help in trouble shooting, problem resolving, quality control etc.

No formal contractual arrangements are needed to be concluded with the client for technical assistance sought. However, the scope and objectives of the assistance requested by the customer should be clearly specified and Council's obligations in the service to be rendered clearly stated through proper/appropriate documentation (e.g. letters, joint declaration etc.).

4.4 Supply of Information / Databases

The ICFRE, over the years, has collected and compiled information and databases in specialised areas, which can be of significant value to clients. In the past this type of information has often been given free. However, most clients would be willing to pay a price for it. While no rigid guidelines can be laid on the price of supplying this information, the Institute/Council must ensure that the price charged takes into consideration the benefit to be derived by the client on acquisition of the information / database as also the nature of the client. While the Council may supply the information / database at a modest price to Universities and State Forest Departments/agencies; the charges for such information to commercial organisations and international / foreign agencies should be more on commercial basis.

4.5 Financial aspects

Charges for technical services (except for supply of information / databases) shall comprise:

4.5.1.(i) Expenses:

- a) Manpower (at prescribed rates)
- b) Physical inputs / services / utilities / etc. including overheads at 25 %
- c) Raw materials / consumables components with 25 % overheads
- d) Equipment usage, depreciation / replacement
- e) Any other out-of pocket expenditure.

4.5.2(ii) Intellectual Fee / Opportunity Cost

The quantum of intellectual fee or opportunity value shall be at the discretion of the Director of the Institute/Council, keeping in view the nature of client, the benefits accruing and his paying capacity.

Charges = Total expenses + intellectual fee + all taxes (including service tax) as levied by the government from time to time.

4.6 Indemnity / Liability

The liability, if any, of the ICFRE arising out of or in connection with technical services shall be subject to a ceiling of the amount received by the ICFRE / Institute from the client for the technical services.

4.7 Competent Authority for Approval

All jobs undertaken for technical services and charges thereto shall be approved by the Director / Council.

4.8 Feedback to BOG

Information on technical services undertaken by the Institute / Council shall be furnished to the BOG vide item V of proforma at Annexure – IV.

SP

5. UTILIZATION OF KNOWLEDGE BASE BY FOREIGN CLIENTS

Preamble

All projects involving foreigners/ foreign collaboration will need a first level scrutiny from sensitivity angle by the Ministry for clearance by the concerned /Ministries/Departments or a high level committee (HLC) of the Govt. of India / depending upon the nature of the project.

5.1 Definition

Foreign Client is deemed to be :

- i. A juridical entity registered/situated outside India;
- ii. All UN and World Organisations/ Bodies such as UNDP, UNIDO, UNESCO, WIPO, CSC etc.
- iii. NRI and Indian Client seeking to utilise / exploit the ICFRE knowledgebase abroad

5.2 Approvals

5.2.1 For Projects

The proposals for undertaking projects involving foreigners/foreign collaboration by the ICFRE Institutes and the laboratories after first level of scrutiny by the Director/Council shall be referred to the MoEF, New Delhi for obtaining clearance/approval of the Competent Authority as per the detailed procedure given in Annexure-VI.

5.2.2 Contracts

The Competent Authority for approval of contracts in all case will be MoEF, New Delhi.

5.3 Authorized Signatories to Contracts

The authorized signatory in the Institute for all contracts/agreements shall be the Director or Group Coordinator (Research) as authorized by the Director. For multi-agency projects, the signatories shall be the designated officers of the co-coordinating agencies and from ICFRE, the authorized signatory will be the DG or Director (Research) or Deputy Director General (Research) as authorized by the DG. In case of the contracts approved by the DG, ICFRE, the authorized signatories will be DG, ICFRE or Director (Research) or DDG (Research) as authorized.

5.4 Financial aspects

5.4.1 Charging for Projects

The estimates of costs to be taken into consideration for costing of a 'Project' with foreign client will be the same as for the Indian clients and an opportunity charge levied keeping in view the cost that the foreign client would incur internationally or in his country for a similar Project. The opportunity charges should normally not be less than two times the intellectual Fee that could be charged to an Indian client for a similar /same project.

5.4.2 Pricing

The pricing of intellectual property shall be done on the same conditions as for India. Hence, all the factors enumerated therein shall be taken into account while arriving at the price of the intellectual property, However, the opportunity value which would depend upon the specialized nature of inputs like raw materials, expertise, size of plant, competition from similar technology from other countries, state of art of technology etc. would play a greater role in determining the final price to be offered to the foreign client. Some of the countries may not have a well developed system for foreign currency remittances and as such royalty collection may be difficult. In such cases it may be advisable to transfer the technology preferably against lumpsum payments only while in other cases the charges could be split between lumpsum amount and recurring royalty payment.

5.4.3 Terms of Payment

The terms of payment by the foreign client could be negotiated and settled on mutually agreed conditions, to be approved by the council

5.5 Intellectual Property

5.5.1 Ownership

The intellectual property generated/ acquired from the project shall normally be jointly owned by the foreign client and the ICFRE. The ICFRE Institutes and the foreign client shall mutually decide on the territories for obtaining and maintaining the Intellectual Property Rights (IPR) and the sharing of expenses thereof. IPR for India shall however be filed & maintained by the Council.

5.5.2 Licensing

The ICFRE and the foreign client shall have exclusive rights for licensing/commercial exploitation of the intellectual property in their respective countries. For other countries, rights for commercial exploitation will be mutually decided between the Council and the

foreign client. The monies accruing from commercial exploitation shall be shared between the ICFRE and the foreign client on mutually agreed basis.

5.6 Indemnity/Liability

The liability, if any, for the ICFRE/Institute arising out of or in connection with the projects with foreign clients shall be subject to a ceiling of the amount received by the ICFRE/Institute from the client.

5.7 Feedback

The Council shall keep the MoEF, New Delhi informed of any 'Project' negotiated and contracts entered into with foreign client by submitting a quarterly statement of the detailed of such project including a copy of the contract agreement. P

6. SHARING OF MONIES REALISED WITH STAFF

Preamble

The consolidated guidelines for sharing of monies realised from licensing of intellectual property and intellectual fees from contract R&D and S&T Services and consultancy with the ICFRE staff are as under:

6.1 Intellectual Fee from Contract R&D

Intellectual fee realised from contract R&D contracted is to be shared as follows:

Share of	Fees from contract R&D
ICFRE	60%
Investigators	40%

6.2 Honorarium for Consultancy Services

The amount of honorarium distributable to staff shall be restricted to a maximum of two thirds of the fee portion or of the net surplus (remaining after accounting for all direct and indirect expenditure for the consultancy services) whichever is less.

6.3 Premia/Royalty received from Intellectual property Licensing

The monies /fees realised from licensing of intellectual property (a) referred to the NRDC and (b) directly by the lab is to be shared as follows:

Share of	Monies realized from licensing	
	Through NRDC	Direct by Institute

NRDC	30 %	-
ICFRE	30 %	60 %
Investigators	40 %	40 %

6.4 Intellectual Fees from S & T Services

The share distributable to staff is twenty percent of the intellectual fee or net surplus (remaining after accounting for all direct and indirect expenditure for the services) whichever is less, from the S&T Services.

6.5 Pattern of Distribution

6.5.1 Contract R&D, Intellectual Property and S&T Services

- i. The distribution pattern of investigators' share of monies realised from contract R&D and S&T services contracted and licensing of intellectual property developed and referred to NRDC or approved for direct licensing by the Council is as follows:

S. No.	Staff	Share
i.	Innovators & Principal Contributors	40 %
ii.	S&T and other staff who contribute direct inputs to the specific development/activity	35 %
iii.	Remaining staff of the Institute / Council	20 %
iv.	ICFRE Welfare Fund	05 %

The detailed procedure for distribution of monies realised is given in Chapter 7, para 7.1.

6.5.2 Consultancy Services

The pattern of distribution of the permissible honorarium from consultancy services will be as follows.

Advisory Consultancy

Team consultants	-	95 %
ICFRE	-	05 %

General Consultancy

The permissible amount of honorarium for distribution among the members of the team will be as follows:

Team of consultants	-	65 %
Other S&T Staff	-	15 %
Supporting Staff	-	15 %
ICFRE Welfare Fund	-	5 %

The detailed procedure for distribution of honorarium shall be as per Chapter 7, para 7.2.

7. PROCEDURE FOR SHARING OF MONIES WITH STAFF

7.1 Sharing of Monies realised from Licensing of Intellectual Property, Contract R & D and Technical Services

7.1.1 Conditions of Sharing of Monies

The sharing of portion of monies/fees as specified in chapter 6 is subject to the fulfillment and compliance of the following :

- a) A format of cost accounting has been put in place and notified by the Council;
- b) A legally valid agreement has been executed for intellectual property licensing /contract R&D;
- c) The technology, transfer/ project has been completed in accordance with the terms of agreement;
- d) All the monies/fees due have been received in full;
- e) The client has not contested ICFRE fulfillment of its obligations as defined in the contract /agreement;
- f) In the event of any legal action/dispute necessitating refund/payment of monies/fees by ICFRE to the client, the amount paid to the staff is recoverable;
- g) The maximum amount of money receivable by an employee from licensing of intellectual Property and intellectual fee from contract R&D and S&T Service will not exceed Rs. one Lakh per financial year or his/her salary for the particular financial year which ever is less;

7.1.2 Categorization of staff

- a) Innovators & principal contributors may comprise scientists and other S&T staff who have provided innovative, developmental, design engineering, experimental, data/information, testing/ analytical, repair/fabrication, training and business development / marketing inputs for the project/activity;
- b) S&T and other staff may comprise staff who have provided direct supporting inputs for the specific project/activity; and



- c) Remaining staff may comprise rest of the staff of the Council who have not been included in the category of staff at (a) and (b) above for the specific project/activity.

7.1.3 Maintenance of Project Records

The Director of the Institute/Council shall ensure that the following records are maintained and retained in the Institute/Council:

(i) By Project Leader

a) Project File

Document containing information on a systematic basis on initiation of the idea; date of starting of the project; list of innovators and principal contributors (as defined earlier); responsibilities assigned to the individuals and the extent of their participation (whether whole time or part time); significant contributions made by the individuals along with the supporting inputs/contributions of the S&T and other staff.

b) Completion Report

A document listing the outcome of the project/activity including the contributions made by each of the innovators & principal contributors, S&T and other staff. The final record shall be signed by each of the innovators & principal contributors and the project leader.

c) Project Cost

Certified expenditure for each project/activity.

(ii) By innovators & principal contributors and S&T and other Staff

(a) Record Book

A document maintained individually by the innovators & principal contributors, S&T and other staff listing date of his/her joining the project; extent of participation (whether whole time or part time); work allotted and / or undertaken from time to time; contributions or achievement made, verified and countersigned by the project leader / Director/ authorised signatory of the Council.

7.1.4 Distribution of Monies/Fees

- a) A standing committee shall be set up by the Director of Institute/Council to consider and decide on the share of the innovators & principal contributors, S&T and other staff from the monies realised from licensing of intellectual property, the intellectual fees of contract R&D projects and S&T services.

- b) The project leader shall recommend to the standing committee the share of the individual innovators, principal contributors and S&T and other staff for specific project/ activity commensurate with the individual's contributions to the project/activity as reflected in the project records.
- c) The standing committee shall decide the share of each individual [as at (ii) above] in the light of the recommendations of the project leader and taking into consideration the project records, wherever necessary.
- d) The recommendations of the standing committee shall be intimated to each of the innovators and principal contributors and S&T and other staff and also displayed on the Institute/Council and other appropriate notice boards. In case no objections/ representations are received within fifteen days of the date of notification, then the same can be submitted for consideration and approval by the Director / Council.
- e) Representations, if any, against the recommendations of the standing committee, within the stipulated time limit, shall be reconsidered by the standing committee. The fresh recommendations of the standing committee, along with the details of representations shall be put up to the Director/ council for consideration
- f) The decision of Director/Council shall be intimated to each of the innovators & principal contributors and S&T and other staff and displayed on appropriate notice boards. Distribution of the monies/fees will then be done if no representations are received against the decision of the Director/ Council within thirty days of the date of notification.
- g) Appeals against the decision of the Director can be made to DG, ICFRE through the Director of the Institute within thirty days of the date of notification. Decision of DG, ICFRE shall be final and binding on all concerned. In cases where the DG, ICFRE is part of any team, the decision will be taken by the chairman BOG.
- h) The portion of the monies/fees earmarked for the remaining staff of the Institute / Council is to be uniform for all the staff in the same scale of pay and is to be distributed once a year.
- i) A person is entitled for share from the monies /fees even in the event of his transfer /retirement / resignation from Council. In the event of death of a worker, his/her legal heir shall be entitled for his / her share on monies / fees.

7.2 Distribution of honorarium for Consultancy Services

- 7.2.1 Honorarium is payable only to the 'Team of Consultants' and 'Other S&T Staff providing inputs to the specific consultancy assignment, together hereinafter referred to as " Group of Staff and the 'Supporting Staff. In case there is no staff under 'Other S&T staff associated with a consultancy project, the share of honorarium earmarked for this "category shall then go to the Team of Consultants.
- 7.2.2 The 'Team of Consultants' shall comprise only such staff members who provide intellectual inputs to the specific consultancy work, while 'Other S&T Staff shall generally include Group III & IV staff, Research fellows/Associates who assist the team of consultants with S&T, information, computational, economic and marketing-inputs pertaining to the specific consultancy and the 'Supporting Staff, will comprise all staff in the Institute/Council from the technical groups I, II & III administration, finance, stores and purchase who have not been included in the other two categories of staff of any consultancy project for the year of distribution of honorarium. The Director/Council shall have the flexibility to, group the 'Supporting Staff as (a) those who contributed directly to the consultancy and (b) the remaining supporting staff. The Director/Council can also apportion between the two groups (a) and (b) above, the honorarium earmarked for the category of Supporting Staff. The distribution of honorarium to group (b) staff is to be uniform for all the staff in the same pay scale and is to be done once a year, however any supporting staff included in Group (a) of a consultancy shall be excluded from Group (b).
- 7.2.3 The names of the 'Group of Staff to be associated with the ' consultancy project' Indicated under each category, along with the proposed share (%) of honorarium of each individual member should be included in the project proposal put up to The competent Authority for seeking approval to the project.
- 7.2.4 Any change in the approved ' Group of Staff for the consultancy project can be made by the Director /Council with the revision being ratified by the D.G.ICFRE for projects within their competence for approval.
- 7.2.5 The consultancy will be deemed to have been completed only when the obligations envisaged in the assignment have been fulfilled and all the money due from the client has been received.
- 7.2.6 On the completion of the consultancy, the project coordinator shall in consultation with the team of consultants decide the share of honorarium to each member of the "Group of Staff, commensurate with the inputs of each individual member. The share of distribution agreed upon will be intimated to the concerned staff and also displayed on the notice board of the Institute/Council. In case on objection to /representations against the proposed distribution are received within fifteen days from the date of intimation/ notification, the recommended distribution be taken as final.

- 7.2.7 The Director/Council would be competent to approve the distribution of honorarium (vide procedure stipulated in para 6 above) in all cases where there is no deviation from the approvals obtained for the distributable amount of intellectual fee and or share of honorarium of individual member for a consultancy project.
- 7.2.8 In cases where there is a deviation in the approved share of honorarium of individual member and/or the amount of intellectual fee available for distribution, approval of Competent Authority to the revised proposal for grant of honorarium as envisaged by the changed conditions may be obtained prior to distribution of honorarium as per procedure prescribed in the para 6 above.
- 7.2.9 Any objections/representations (received within the stipulated period of time) to the distribution of honorarium proposed vide para 6, shall be discussed with the project coordinator by either the Director/Council or any committee setup for this purpose. The committee's recommendation would then be placed for consideration/decision of the Director/Council. The decision of the Director/Council shall be intimated to all the concerned staff and displayed on the notice board. In case there is no representation against the decision of the Director/ Council within 30 days of its display on the notice board, distribution of honorarium as per the decision shall be done.
- 7.2.10 Representations/objections against the decision of the Director/ DG, ICFRE can be made to DG, ICFRE /Chairman within 30 days of the date of its display on the notice board (a copy of all such representations should invariably be endorsed to the Director/Council). The decision of D.G., ICFRE /Chairman in the matter shall be final and binding on all concerned.
- 7.2.11 A member of the consultancy team shall have the option to forego his/her share of honorarium, which shall than lapse to the ICFRE Welfare Fund.
- 7.2.12 There is no ceiling on the maximum amount of honorarium receivable by an individual on consultancy provided that the man-days devoted by the individual on consultancy work in a financial year do not exceed 50 man-days (as stipulated in Chapter 2, para 2.6.9).
- 7.2.13 Distributions of monies made in disregard of the prescribed procedure and guidelines shall be deemed as unauthorized and liable to recovery with 18 % interest.

Fr

PROFORMA FOR APPROVAL OF CONTRACT R&D PROJECT

Project

- a) Title, and Code :
- b) Type (Sponsored/Collaborative / Composite) :
2. Client / Customer :
- a) Name and address :
- b) Category (Type & size)
(Govt. Deptt./ Agency/ Voluntary / Cooperative Agency, Research Organisation, Foreign Firm/Agency. Public/private Sector, Large /Medium/Small / Cottage Unit)
3. Objectives, scope and duration:
4. Present stage of knowledge :
5. Programme of work with phasing,
Milestones and S&T inputs of client
6. Project team (S&T Staff) :
7. a) Benefits to client on utilisation
of research results.
- b) Vesting of intellectual property
8. Financial aspects
- I Estimated expenses
- a) On mandays

Name & Designation	Man-days rates (Rs./days)	Amount (Rs.)
i.		
ii.		
iii.		
iv.		
v.		

- b) Consumables/raw materials/ component : Rs.
- c) Services/utilities : Rs.
- Overheads @ 25% of (b+c) : Rs.
- d) Equipment/computer usage : Rs.
(see para 1.4.1)
- e) External payments : Rs.
- f) TA/DA : Rs.
- g) Contingencies : Rs.

Total expenses
Sum of I(a) to I(g)

II. Intellectual fee- : Rs.
(@ ----- % of 'I' minimum 33.3 % of 'I')

III. Taxes

Total project charge (I+II+III)

IV. Payments to be received as follows
(indicate the number of installments, the amount,
mode, time and bank guarantees, if any)

9. Utilisation of intellectual :
property generated

Licensing :

a) Exclusive / non-exclusive

b) Period

7x

- c) Fee/charges
 - i. Lumpsum (installment, amount, time, mode, guarantees)
 - ii. Recurring royalty (period and basis)
- 10. Remarks

Project Leader
(Signature)

DECISION OF COMPETENT AUTHORITY

Director/DG, ICFRE

Signature

CC:

1. D.G., ICFRE
2. Deputy Director General (Admin.), Director (Research), Deputy Director General (Research), Deputy Director General (Extension).
3. Director of Institutes
4. Research Coordinator
5. Consultancy team members.

SR

PROFORMA FOR APPROVAL OF CONSULTANCY PROJECT

1. Project Title, Number & Code :
2. Client / Customer :
- a) Name and address :
- b) Category :

(Govt. Deptt./ Agency, Voluntary / Cooperative Agency, Research Org., Foreign firm / Agency, Public/Private Sector, Large/ Medium/ Small/ Cottage/ Tiny Units)

3. Nature* (*Advisory / General) :
(Justification for classification as Advisory)
4. Objective, scope and duration of the project :
5. Programme of work with phasing and milestones :
6. Benefits to client on utilisation of project output :
7. Financial aspects :
- I. Estimated expenses
- a) On mandays

Name & Designation	Manday rates (Rs./day)	Amount (Rs.)
i.		
ii.		
iii.		
iv.		
v.		

The scientists/staff included have not rendered consultancy exceeding 50 days in the financial year under consideration.

- b) Consumables/raw materials/ components. : Rs.

Ar

c)	Services/utilities	:	Rs.
	overheads @ 25 % of b+c	:	Rs.
d)	Equipment / computer usage (see para 1.4.1)	:	Rs.
e)	External payments	:	Rs.
f)	TA/DA	:	Rs.
g)	Contingencies	:	Rs.

Total expenses
[Sum of I(a) to I(g)]

II.	Intellectual Fees- (minimum = Manday charges i.e. Ia)	:	Rs.
-----	--	---	-----

III.	Taxes	:	Rs.
------	-------	---	-----

Total project charges (I+II+III)		:	Rs.
----------------------------------	--	---	-----

IV Payments to be received as follows :
(indicate the number of installments, the amount,
mode, time and bank guarantees, if any)

6. Honorarium payable

A. Advisory consultancy

Distributable amount up to a maximum
Of 2/3rd of intellectual fee as follows

Team of consultants	95%
Welfare fund	05%

B. General Consultancy

Distributable amount up to a maximum of 2/3rd
of intellectual fee or 300 % of the manpower
charges levied, whichever is less as follows:

SR

I. Group of staff of the consultancy project

a) Team of consultants (65%)

Name & Designation	% share
i.	
ii.	
iii.	
iv.	
v.	

b) Other S&T staff (15%)

Name & Designation	% share
i.	
ii.	
iii.	
iv.	
v.	

c) Supporting staff (15%)

Name & Designation	% share
i.	
ii.	
iii.	
iv.	
v.	

II ICFRE Welfare Fund-----05%

9. Remarks.

Project Leader
(Signature)

DECISION OF COMPETENT AUTHORITY

Director / DG, ICFRE

Signature

CC:

1. D.G., ICFRE

Handwritten mark

2. Deputy Director General (Admin.), Director (Research), Deputy Director General (Research), Deputy Director General (Extension).
3. Director of Institutes
4. Research Coordinator
5. Consultancy Team Members.

Sp

MAN POWER CHARGES

The minimum manpower charges for all external work shall be as follows:-

Category of Staff	Manpower rates (Rs.)	
	Per day	Per annum
a) Senior Scientist (Sc. E and above or equivalent)	5000	10 lakh
b) Scientist (Sc. B and up to Sc. D or equivalent)	3000	6 lakh
c) Assistant (Personnel below the level of Sc. B including, R.O. R.A.s & Research Fellows).	2000	4 lakh
d) Project Assistant (T A s & other staff including ministerial / administrative)	On actual basis	

- Note: 1: The charges shall be effective from the date of adoption of these rules
- Note: 2: These are minimum manpower charges , higher rates could be charged , wherever possible.
- Note: 3: While working out the manpower charges on basis of per annum rates for different categories of staff, the number of working days in a year shall be taken as 200.
- Note: 4: Per day charges will apply where total mandays for the project/assignment are less than sixty, otherwise pro-rata per annum manday charges shall apply.

Sp

II. Intellectual Property

IIa. Developed & Available for Utilisation

S. No	Title	Date of Development	At (Quantitative)	Through house/ Contract projects	In-	Licensing through & terms

- Date when made ready for licensing

** Channel of licensing i.e. ICFRE / NRDC / TT Agency / Other

IIb. Intellectual Property Licensed

S. No	Title	License e	Licensed through ICFRE/ NRDC/Others (Specify)	Terms of License	Effective date of license

* also indicate if first licensee

Fr

IIc. Intellectual Property Produced & Monies Accrued Thereof

S. No.	Title	Licensee	Licensed through ICFRE/NRDC /Others (Specify)	Effective date of license	Date of Commencement of Production	Plant capacity / Investment	Money Received Premium /Royalty

- also indicate if first licensee

III. Contract Research Projects

S. No.	Client Name Status	Name of Project (Type)	Value of Contract (Rs. Lakh)	Money Received during the Quarter (Rs. Lakh)	Date of duration of project	Status of project (New/Co nt./ Comp.)	Licensing of knowhow envisaged (Yes/No)

SP - Sponsored Project # GD - Govt. Deptt/Agency @ LAR - Large
 CP - Collaborative Project CV - Co-operative/ Voluntary Agency MED - Medium
 GA - Grant-in-aid Project PS - Public Sector SM - Small
 PVT - Private Sector @ COT - Cottage
 RO - Research Organisation
 FO - Foreign Agency / Organisation



IV. Consultancy Projects

S. No.	Client Status	Name of Project	Value of Contract (Rs. Lakh)	Money Received during the Quarter (Rs. Lakh)	Date of project	Status of project (New/Cont./ Comp.)	Licensing of knowhow envisaged (Yes/No)

GD – Govt. Deptt/Agency
 CV - Co-operative/ Voluntary Agency
 PS – Public Sector
 PVT – Private Sector
 RO – Research Organisation
 FO – Foreign Agency / Organisation

@ LAR – Large
 MED – Medium
 SM – Small
 COT – Cottage

V. Technical Services

V.a. Training

S. No.	Title of Training Programme	Duration	Number of Trainees	Money Received for the Training

V.b. Other Technical Services

	Number of Clients	Total Money Received (Rupees)
i. Testing /Analysis work		
ii. Training		
iii. Job Work		
iv. Supply of Information/Data bases		
v. Any Other Service Rendered (Please specify)		

Pr

CONSULTANCY WORK BY STAFF OF GOVERNMENT INSTITUTIONS

Copy of Office Memorandum No. F-11(@)-II(B)/63 dated the 6th May, 1963 from the Govt. of India, Ministry of Finance (Department of Expenditure), New Delhi addressed to all Ministries etc. Departments.

Subject: Private Consultancy Work by the Staff of Government Institutions.

1. At present, some categories of staff of some Government Institutions (particularly the teaching staff of technological institutions like the Indian Institutes of Technology, Bombay, Madras, Kanpur & Kharagpur, the Delhi Polytechnic, etc.) are permitted to undertake private consultancy work and to receive fee from private parties in respect thereof, subject to certain conditions.

2. The position in this regard has been reviewed and it has been decided that, with immediate effect, private practice (whether it be in the nature of consultancy work or of some other type of work) should not, except in the types of cases, referred to in paragraph 4 below, be permitted to any member of the staff in any Government institution.

3. The purpose of permitting private practice to officials, viz. to enable them to keep pace with the scientific / technological advances that are taking place in their respective fields and to improve their professional competence, can be served by the institution concerned itself taking up the consultancy work. The following procedures may be adopted in such cases of institutional consultancy:

- i. the institutions taking up the consultancy work will entrust the work to selected staff members;
- ii. as far as possible, the staff members selected for the work should have the confidence of the client;
- iii. the fees received for rendering the consultancy work will be credited to the funds of the institution;
- iv. the institution may sanction suitable honorarium to the member of the staff who actually execute the work. The honorarium should be fixed having regard to the nature of the work, the amount of the time spent on it and the extent of facilities provided by the institution for the work. But the total amount of honorarium paid to the members of the staff should not exceed 2/3 of the total fees received for the work by the institution.

4. In the case of an officer appointed on contract, who under the terms of contract, is entitled to have private consultancy practice, these orders will be applied to him from the date following the date of expiry of the present contract but, if the present contract of such

Sp

an officer is for an indefinite period, these orders will be applied in his case after the expiry of two years from the date of issue/of these orders.

5. The Ministry of Scientific Research & Cultural Affairs, etc. is requested to bring these orders to the notice of the institutions etc. under their administrative control.



PROFORMA FOR SEEKING SECURITY & SENSITIVITY CLEARNACE FOR PROJECTS INVOLVING FOREIGNERS/FOREIGN COLLABORATION

1. The proposals for undertaking any and all projects involving foreigners/foreign collaboration by the ICFRE after due diligence of scrutiny be referred to MoEF, New Delhi for obtaining security and sensitivity Clearance.

- i. Title and short description of the project;
- ii. Name, address, nature of organization and the activities of foreign collaborator/sponsor and more especially of the direct collaborator;
- iii. Details of past collaborations, if any, by the collaborator/sponsor with the ICFRE/other Indian institution(s);
- iv. Details if any, available on R&D projects of sensitive and national security, taken up and / or funded by the sponsor/collaborator in the past in its own country or any other country;
- v. Genesis to the origin of the project;
- vi. Total cost (in rupees and foreign exchange) and duration of project;
- vii. Foreign support/collaboration (details):
 - a. Financial support (in rupees and foreign exchange)
 - b. Equipment support
 - c. Technical support
 - d. Manpower training/exchange (Indian/foreign)
 - e. Data/informational support
 - f. Miscellaneous/others (use of facilities, ship, computers etc.)
- viii. Justification/need for foreign sponsorship/collaboration and likely benefits (scientific, economic, societal, strategic etc.) for the ICFRE / and India;
- ix. The Project involved (give details):
 - a. Referring to or sourcing of strategic/sensitive material/information;
 - b. Transfer of biological material(s) to the collaborator/sponsor;



- c. Use of genetically modified organisms;
 - d. Use of environmentally or otherwise hazardous material(s);
 - e. Use of radioactive materials;
 - f. Field surveys/trials/proving/collection/testing (give locations);
 - g. Intellectual Property Rights (IPR) generation/exploitation/use;
 - h. Visits if any, by the personnel of foreign collaborator/sponsor to India; if so, the places/institutions to be visited and likely duration.
 - i. Ethical issues in undertaking of the project;
 - j. If answer to any of the points in (ix) is 'yes', the investigator/proposer to give undertaking to abide by relevant and extant ICFRE /national regulations and guidelines on the subject.
- x. Any conditionals on use of project results for strategic and /or national security uses;
 - xi. Any other relevant information not covered above; and
 - xii. Endorsement and specific recommendations of Director of the Institute/DG that:
 - The project does not involve any national security and /or sensitivity angles either proximately or remotely now or in the foreseeable future.

OR

- The project involves issues of national security and /or sensitivity (specify) and due diligence has been exercised in the laboratory and measures (specify) put in place to adequately safeguard the security and sensitivity issues.

2. Scrutiny of Proposals at the Institute/Council

Prior to submission of the proposal for clearance as above, the proposal shall be scrutinized at the Institute level by the Director with respect to the following guidelines namely that:

- i. the project is related to national/ICFRE research priorities and interests;
- ii. there is need for foreign collaboration in the specific field/subject;



- iii. the foreign collaboration is expected to add value or bring benefits to the ICFRE and the nation;
- iv. the field/subject of the project does not have a bearing on sensitive matters – political, regional, religious, communal, social, tribal and/or on security, including industrial and technological and on the country's commercial interests, either proximately or remotely.
- v. the project would not allow access by foreigners to sensitive information or data or material;
- vi. the end-use of the results of the study do not impinge on areas of national security, or on the areas which are 'sensitive', particularly through custody and control over data and its dissemination/ publication to the detriment of national security or in the foreseeable future;
- vii. appropriate measures to ensure necessary security have been / will be put in place in case of visits by foreigners to sensitive areas or institutions;
- viii. for projects involving cruise of foreign vessels in Indian EEZ and /or flight-of foreign aircraft over Indian territory clearance of appropriate inter-ministerial group(s) / Ministries / Departments has been obtained and specifically mentioned thereto.

3. Scrutiny of Proposals at the Headquarters

The project proposal in the prescribed format along with the information on scrutiny at Institute level be referred to MoEF, for seeking clearance from security & sensitivity angles. The proposal shall be examined and processed at MoEF as follows:

- i. Those not involving any security and sensitivity issues will be put up to MoEF and for his approval on behalf of High Level Committee(HLC) of the Government and the ICFRE informed accordingly within two weeks of receipt of full details;
- ii. Those involving security and / or sensitivity aspects will be submitted by correspondence for approval to other relevant Ministries/Departments /State governments and processed as follows;
 - a) In case the proposal is cleared by all relevant agencies;

Or

 - b) In case no response is obtained from referred agencies within 6 weeks.

The proposal will be put up to MoEF for approval/ clearance on behalf of the HLC and ICFRE informed accordingly within eight weeks of receipt of full details.

SP

- c) In case any agency, prior to the expiry of six weeks seeks more time for examination then the proposal would be kept pending for that time and thereafter processed appropriately. The ICFRE will be kept informed of the position within 8 weeks of the receipt of full details;
- d) In case the proposal is not cleared by any of the concerned agencies, it will be submitted to MoEF for permission to forward it along with completed prescribed government checklist and MoEF's recommendations to the Competent Authority for the consideration and decision of the HLC. The laboratory will be informed of non-clearance of the proposal by any agency within eight weeks of receipt of the full information.

SP

— X —