



**INTERNATIONAL MANAGEMENT INSTITUTE  
NEW DELHI**

**CONSULTANCY GUIDELINES**

## 1. Proposals for Consulting Assignments

1.1 All consultancy assignments shall be undertaken only in the name of the IMI.

1.2 Consultancy agreement with the client should be specific on the scope of work, timeframe, fee payable and modalities of payment.

1.3 For consulting assignments, the consultancy approval form (Form A) along with all relevant correspondence with the client and budget shall be filled in and submitted to the Dean (IR&C) for approval.

1.4 For conducting 1–2 days training programmes, taking lectures/ sessions in select institutes/ Professional bodies and for participating in board meetings and selection committee meetings, appropriate form (B) shall be filled and sent to Dean (IR&C) for approval.

1.5 All outside consulting assignments and assignments treated as consulting (see 1.4) accepted by faculty/ faculty team must be approved by the Dean(IR&C).

1.6 For engaging any external person(s)/party(ies) for performing data collection, analysis & secretarial work for which budgeted provisions had been made in the consultancy assignments, following procedure shall be followed:

- a. A Committee comprising of the leader of the consulting team, Dean (IR & C) (or his/her representative) and one member of the faculty with expertise in

the area (consultancy area) not related to the consultancy assignment shall be formed to approve such arrangements.

- b. A note containing the recommendations of the Committee and the name(s), terms of payment, duration of engagement of the person(s) shall be made available to the Registrar/Accounts in writing so that payment of salary shall be arranged.

1.7 In case any consultant/expert team is hired for the expert opinion to be part of the consulting team, following details must be provided along with the copy of proposal:

- a. Detailed bio-data highlighting consulting experience of the external consultant(s)
- b. Terms of Reference including consulting fee to be paid per day, scope of work and number of days of service required

1.8 Consultancy work done on any holidays or in vacation shall also count for calculation of number of days of consultancy work.

1.9 Before the commencement of the project, the Institute must receive advance payment.

It is recommended that the advance payment be 50% of the total consultancy amount.

1.10 Maximum number of consulting days per faculty in a financial year is 52.

## 2. Professional Fee

2.1 In-company programmes that are training in nature, up to 2 days, negotiated by members of faculty with client organizations and to be conducted at client premise is treated as consulting assignment.

- a. Approval for such programmes shall be taken from the Dean (IR&C) in advance.
- b. It is recommended that minimum fee for such programmes up to 2 day duration shall be quoted at Rs. 50,000/- per day.
- c. All expenditure in connection with such in-company programmes including travel, stay, preparation of background material, photocopy, and transport, is to be borne by the client or is to be deducted from the consultancy fee and no expenditure shall be attributed to IMI.
- d. The fee shall be shared in the ratio of 2/3: 1/3 between faculty and IMI.
- e. For faculty development purposes, the fee can be brought down to Rs. 20,000 per day per faculty.
- f. However, in such cases, Rs. 10,000 per day shall be retained by IMI for sharing purposes.
- g. In general, Institutional support will not be provided for such programmes.

- h. In the organisation(s) where IMI is already running similar in-company programmes, the faculty members shall not undertake programmes in their personal capacity, as it will result in clash of interest.
  - i. Teaching in reputed business schools/ universities in India/ abroad are considered under consulting and remuneration is to be proportionally shared.
- 2.2 In-company programmes that are training in nature, up to 2 days, negotiated by the client with IMI and not with any specific faculty member, are treated as a training programme and will be handled by the office of Dean (MDP).
- 2.3 For consulting assignments that are not training in nature a minimum of Rs. 20,000 per day shall be charged from the corporate sector. The professional fee shall be shared between the faculty and IMI on 2/3 and 1/3 basis, provided the faculty meets the basic work unit norms earned through various institutional activities like teaching, training research and institution building.
- 2.4 Minimum fee of Rs. 15,000 per day shall be charged for consulting assignments for social, education and other 'not for profit' organisations.
- 2.5 When a faculty member's contribution to the Institute's educational training, research and academic is consistently below norms, the Director shall have the discretion, on a case to case basis, to reduce the faculty share.
- 2.6 Payment to the external consultants hired for the consulting assignments shall be made subject to the following:

- a. Work of the external consultants is certified as complete by the faculty investigator(s)
- b. Receipt of corresponding payment from the client

2.7 Final disbursement of faculty share of fee shall be made on receipt of a formal report by consulting faculty to Dean (IR&C) that the consultancy work has been completed to the satisfaction of the client and the entire fee has been received from the client.

2.8 Conveyance charges/TA/boarding and lodging charges/DA which are included in the budget by the principal investigator shall be disbursed as per existing IMI rules. TA/DA amount not allocated in the budget shall not be paid.

### **3. Consulting Budget**

3.1 The amount charged to the client should cover the following elements:

- a. Professional fee calculated as faculty time in number of days multiplied by the appropriate rate to be charged per day. Professional fees should also include fee for external consultant(s) hired for the assignment.
- b. Remuneration for external consultants hired for a particular consulting assignment
- c. Salary of support staff to be engaged specifically for the project on ad-hoc basis.
- d. Travel charges and other conveyance charges as the case may be.

- e. Boarding and lodging charges for out of campus assignments as applicable.
- f. Cost for data collection activities such as conducting survey, design of questionnaire.
- g. Charges for photocopying, printing, binding and secretarial services, charges for stationery, telephones/ fax charges.
- h. Charges for the use of computer and other facilities
- i. Charges for hiring research associate(s) for the assignment.
- j. No payment shall be made to FPM students for engaging them in consulting assignments.
- k. Payment to be made for hiring external consultants, supporting staff such as research assistant/ research officer/research associate for any particular consulting assignment shall be booked under the expenditure head.

#### **4 Service Tax**

4.1 As per Government of India notification, Service Tax is to be levied on the Management Consultancy Projects (at present it is 12.36%). Accordingly, IMI has to charge and pay the Service Tax on the Consultancy Projects undertaken by the Institute.

4.2 Service Tax is also applicable to fees received for one-day/two-day training programmes and other assignments where payment is received in the name of IMI.

4.3 If the Service Tax is not claimed from the client by the concerned faculty member, the same (full ST) shall be deducted from the share of the concerned faculty member.

4.4 If there is any change in the Service Tax, it shall be the responsibility of the Accounts Department to inform all the faculty members from time to time.

## **5. Monitoring of consulting assignments**

5.1 Accounts Department shall inform the faculty members as well as Dean (IR&C)'s Office about the expenditure of the consultancy assignments from time to time.

5.2 Faculty concerned shall be responsible for expediting the acceptance of the report and the final settlement of dues, if any, from the client.

5.3 Accounts Department is advised to keep a separate account for each consulting assignment under consultancy head.