



The Asia Foundation

LETTER OF GRANT

July 23, 2012

Project No:

Mr. George Cheriyan
Director
Consumer Unity and Trust Society (CUTS)
D-217, Bhaskar Marg, Bani Park
Jaipur - 302016

Dear Mr. Cheriyan:

The Asia Foundation (the Foundation) is pleased to provide a grant of up to Indian Rupees 1,355,000 to the Consumer Unity and Trust Society (CUTS) (the Grantee) for a project entitled "Improving Service Delivery by Urban Local Government in the City of Jaipur through Enhanced Civic Engagement."

The period of this grant is from August 1, 2012 to July 31, 2013.

Program Description

The Foundation understands that the Grantee will undertake the activities described in the attached Program Description. Any change in program activities requires prior discussion with the Foundation and its written approval.

Financial Terms & Budget

The Foundation's financial support will be in accordance with the budget attached to this agreement, which represents the maximum amount of the Foundation's financial commitment unless amended in writing. The Grantee is expected to administer the funds responsibly, using procedures that will provide for: a) effective control over all funds, property, and other assets received or purchased in connection with this grant; and b) maintenance of accurate, current, and complete accounting records properly supported by source documents.

The cost breakdowns in the attached budget are considered to be estimates only. Funds provided under this grant are to be utilized on an actual expense basis and funds not used for approved expenditures made during the grant period must be returned. In order to provide flexibility in the implementation of this grant, funds may be transferred between summary budget line items in an amount not to exceed a ten percent (10%) increase or decrease in any one budget line item, without prior written approval from the Foundation. All other changes require the Foundation's written approval.

This grant is made subject to the availability of funds, meaning that if funds from the Foundation's funder are not available to the Foundation, this grant may be amended or canceled. Upon written notice from the Foundation, the Grantee will immediately cease all activities under the grant and will return all unspent funds received to the Foundation, unless the Foundation agrees in writing to an alternative arrangement.

Reporting & Audit Requirements

The Grantee will submit narrative and financial reports to the Foundation as follows:

<u>Reporting Period</u>	<u>Due Date</u>
First Report, August 1 – December 31, 2012	January 15, 2013
Final Report, January 1 – July 31, 2013	August 31, 2013

Narrative Reports. The narrative reports should be frank, descriptive, and presented in a manner that will be useful to the Foundation's current program evaluation and future program planning. They should include a candid assessment of the nature and quality of the activities funded under this grant, address any problems or constraints that affected the development or conduct of the program, and, if appropriate, provide recommendations for future actions.

Financial Reports. These reports should be prepared on the Foundation's TAF-209 form. Any additional supporting documents required, as noted on the TAF-209, must be provided.

Audits. All expenditures are subject to audit by the Foundation and its funder, and the Grantee agrees to make prompt repayment of any amount which was not spent according to the terms and conditions of this agreement as determined by the Foundation or its funder, or their auditors. Financial records must be maintained until the audit period end date, which for this agreement is August 31, 2016.

Payment

The first installment in the amount of Indian Rupees 813,000 representing the period from August 1 through December 31, 2012 will be paid upon the receipt of this signed letter.

Subject to receipt and review of the first financial and narrative reports, the second installment in the amount of Indian Rupees 406,500 representing the period from January 1 through July 31, 2013 will be provided on or about January 15, 2013.

After completion of all program activities and receipt and approval of the final financial and narrative reports, the final installment in the amount of Indian Rupees 135,500 will be paid.

Grant Documents

The following documents constitute the complete understanding between the Grantee and the Foundation for this grant, and take precedence in the following order:

- A. This letter
- B. General Terms & Conditions, Attachment I
- C. Program Description, Attachment II



D. Budget, Attachment III

If additional information or clarification is required regarding this Letter of Grant or its attachments, please contact Ms. Mandakini Devasher Surie at 011-473-63108.

It is customary for the Foundation to set down the terms of its assistance in a Letter of Grant. If this letter meets with your understanding and approval, please sign and date the enclosed two copies of this letter. Return one copy to us and keep the other for your own files.

On behalf of The Asia Foundation, I would like to extend our best wishes to CUTS for the successful implementation of this project. We look forward to working with you.

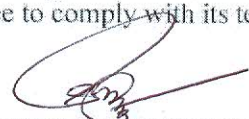
Sincerely,



Nick Langton
Country Representative

Certification & Agreement: I certify that I am a legally-authorized representative of CUTS with authority to sign on its behalf. I have read and understand the contents of this Letter of Grant and agree to comply with its terms.

Agreed: _____



Mr. George Cheriyan
Director

Date: _____

24/07/2012