

Grant Agreement  
Between  
**The Partnership for Transparency Fund, Inc.**  
And  
**Youth For Social Development**

1. **Youth For Social Development** has requested financial support of The Partnership for Transparency Fund, Inc. (PTF) to implement a program for "**Community Engagement in Fight Against Corruption and Improve Service Delivery in Brahmapur city of Orissa, India**". The program will be called "**Community Engagement in Fight Against Corruption and Improve Service Delivery in Brahmapur city of Orissa, India**" and will commence from **August 01, 2011** and is expected to be completed by **January 31, 2013**. The Grant is being made under the Citizens Against Corruption (CAC) program in South Asia, funded by a grant from the UK Department of International Development and which is being implemented by PTF and its partner Public Affairs Centre (hereafter called PAC), Bangalore, India in South Asia.

2. **Youth For Social Development** has submitted the attached Project Proposal dated July 26, 2011, which includes background information on **Youth For Social Development**, an operational plan for the project, and a detailed breakdown of costs.

3. On the basis of this information, PTF has approved a grant of **US \$35,000 (US Dollars Thirty Five Thousand only)** to be disbursed in three tranches, each for the purposes spelled out in the attached document. The tranches will be disbursed as follows:

- a) First tranche of **US \$ 14,000 (US Dollars Fourteen Thousand only)** to be disbursed on signature of this Grant Agreement.
- b) Second tranche of **US \$ 17,500 (US Dollars Seventeen Thousand and Five Hundred only)** to be disbursed six months after the start of the project, and upon receipt by PTF of a certified statement of expenditure showing the itemized use made of the first tranche funds and satisfactorily progress in

**PDS**

- A list of eligible excluded families for the PDS has been prepared (Objective 1.1.1).
- 10 percent of the excluded families have applied for a ration card (Objective 1.1.2).
- First report of the citizens group on the functioning of the PDS has been completed and submitted. (Objective 3.2.1).

**ICDS**

- First batch of ICDS workers has been trained. (Objective 5.2.1)

**Drinking Water**

- First report of the assessment of the water needs of the community has been completed and submitted. (objective 6.1.1)

**Overall**

- A progress report on the first six months of implementation has been submitted and progress is considered satisfactory by PAC and PTF.

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- Financial reporting is up-to-date and satisfactory, as deemed to be satisfactory by PAC and PTF. If there is a need for reallocation of the budget, this must be reported, and mutual agreement on the proposed changes obtained from PAC and PTF for this.
- c) Third tranche of **US \$ 3,500 (US Dollars Three Thousand and Five Hundred only)** to be disbursed on receipt from **Youth For Social Development** of a satisfactory, as deemed by PTF and PAC, project completion report that describes and assesses the project achievements, including an assessment of the project's impact and a final certified statement of project expenditures.
4. **Youth For Social Development** on its part commits to provide counterpart support equivalent to **US \$ 568 (US Dollars Five Hundred and Sixty Eight only)** to make up the balance of the **US \$ 35,568 (US Dollars Thirty Five Thousand Five Hundred and Sixty Eight only)** estimated total cost of the project, and any additional balances needed to complete the project.
5. The PTF grant will be made available to **Youth For Social Development** on the following conditions:
- a) The grant will be used only for the purposes described in the attached Project Proposal. Any material changes in the use of project funds or project design shall be made only with the prior agreement of the PTF.
  - b) If PTF finds that the its grant was not used/is not being used for the purposes or in the manner described in the Project Proposal or the conditions have changed such that the project is not likely to achieve its objectives, PTF has the right to cancel the remaining tranches of its grant. In case PTF finds that its grant funds were willfully misused by **Youth For Social Development**, PTF reserves the right to require the full refund of its grant.
  - c) Any funds disbursed by PTF remaining unutilized at the end of the project shall be returned by **Youth For Social Development** to the PTF.
  - d) **Youth For Social Development** shall keep a record of all expenditures incurred under the project and will provide PTF a full certified accounting of these expenditures, with relevant documentation, [1] following expenditure of the first tranche funds, [2] following expenditure of the second tranche funds and [3] on completion of the project.
  - e) **Youth For Social Development** shall provide PTF a copy of its audited financial statements for each year during the term of the grant hereunder, within 180 days of the end of each of its fiscal years. Such financial statements shall be accompanied by the auditor's certification, which shall be in form and substance reasonably satisfactory to PTF. Such audited accounts shall include in its notes or schedules a statement disclosing the PTF grant and the expenditures made thereunder during

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the relevant period.<sup>1</sup>

- f) PTF shall have the right, upon reasonable notice, to inspect (or to have its designated representatives inspect) the books and records of **Youth For Social Development** relating to the project and to the grant.
  - g) **Youth For Social Development** will make brief quarterly reports on the implementation of the project accompanied by a statement of expenditure showing the use of PTF funds and, on project completion, a detailed final report summarizing the implementation of the project and its outcome and assessing the impact of the project on reducing corruption, its likely sustainability and the lessons learned, together with a certified final itemized statement of expenditure. The latter report will be sent within two months of the completion of the project, together with a copy of any other reports prepared under the project.
  - h) Following project completion, the PTF and PAC may make their own independent ex post evaluation of the implementation, outcome and impact of the project. **Youth For Social Development** will furnish the person appointed to undertake this task all possible assistance and access to all relevant documents and personnel.
  - i) **Youth For Social Development** will post this Grant Agreement, the Project Proposal, the final project report, and the statement of expenditures on **Youth For Social Development's** website, and PTF and PAC shall have the right to post on its website such documents and any other reports received from **Youth For Social Development** or from its independent evaluation of the project.
6. Public Affairs Centre (PAC), Bangalore are authorized to administer this project, track the implementation of the use of the grant by the Grant Applicant and to initiate necessary action with regard to the project. The Grant Applicant will respond to enquiries and directions on all matters pertaining to this project from PAC, and from PTF, during the course of the project. The Grant Applicant is also expected to contribute to common learning events and activities designed and conducted by PAC and PTF in furtherance of the objectives of the Citizens Against Corruption program from time to time.
7. **Youth For Social Development** will be responsible for securing all necessary government approvals of the grant, if any, and any necessary government filings and will be responsible for paying any tax liability arising from the grant. **Youth For Social Development** shall compensate PTF in the event that PTF suffers any liability or expense as a result of **Youth For Social Development's** failure to obtain any such required approvals or to pay any such tax liability

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<sup>1</sup> In the case of grants of \$100,000 or more, these provisions are to be rewritten to require audited project accounts.



8. This Grant Agreement will become legally binding and effective when signed on behalf of **Youth For Social Development** and a copy of the signed Agreement is received as a .pdf email attachment addressed to Roger Sullivan, Secretary, PTF at [rsullivan@ptfund.org](mailto:rsullivan@ptfund.org). For all purposes, the Grant Agreement shall be evidenced by .pdf copies of counterparts signed by PTF and, separately **Youth For Social Development** and such counterparts shall be deemed to constitute one and the same instrument. Requests for subsequent tranche releases may be sent by email to the PTF Secretary at [rsullivan@ptfund.org](mailto:rsullivan@ptfund.org).
  
9. The responsible PAC Manager is **Mr. Harish Poovaiah** and his email id is [rsuresh.pac@gmail.com](mailto:rsuresh.pac@gmail.com) and PTF Project Advisor in respect of this project is **Mr. Sudhir chitale** and his email id is [schitale@gmail.com](mailto:schitale@gmail.com) and **Vinay Bhargava**, [vbhargava@PTFund.org](mailto:vbhargava@PTFund.org) or such other staff/Adviser as PAC and PTF may subsequently notify to **Youth For Social Development**. Such PAC Staff and Project Advisors and shall be **Youth For Social Development's** principal point of contact in respect of the project in PTF.
  
10. The responsible **Youth For Social Development** project director in respect of this project is **Mr. Bibhu Prasad Sahu** and his email id is [bibhuysd@gmail.com](mailto:bibhuysd@gmail.com) or such other project director as **Youth For Social Development** may subsequently notify to PTF. Such project director shall be PTF's principal point of contact in respect of the project.
  
11. Each of PTF and **Youth For Social Development** represents and warrants, for the benefit of the other party, that:
  - a. it is a legal entity recognized under the laws of the jurisdiction of its formation or in which its principal activities are conducted; and
  
  - b. this Grant Agreement constitutes its legal, valid and binding obligation, enforceable in accordance with its terms.

In addition, **Youth For Social Development** represents and warrants, for the benefit of PTF and PAC that [1] the information set forth in the Project Proposal does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, and [2] the making of the grant by PTF shall not subject PTF to any tax or require any governmental approval in the jurisdiction in which **Youth For Social Development** is organized and operates.



12. This Grant Agreement shall be governed by the laws of the District of Columbia in the United States of America, the jurisdiction in which PTF's principal executive offices are located. In the event of any dispute between the parties in respect of the Grant Agreement, the parties shall act in good faith to resolve such dispute through discussions and negotiation, and they may seek the assistance of a third party mediator to assist them in the resolution of such dispute. In the absence of a mutually acceptable resolution, such dispute shall be resolved by arbitration in accordance with the UNCITRAL Arbitration Rules in effect on the date of this Agreement. Any such arbitration shall be conducted in the English language before an impartial single arbitrator sitting in Washington, D.C., appointed by the American Arbitration Association as appointing authority.

Dated:


29 July 2011

For  
The Partnership for Transparency Fund, Inc.

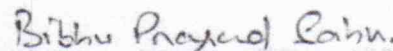
Roger Sullivan  
Secretary



For Youth For Social Development

  
[Name and designation of first officer signing the agreement] **President**

YOUTH FOR SOCIAL DEVELOPMENT  
Berhampur-10,Gm.,Orissa,India

  
[Name and designation of second officer signing the agreement] **Secretary**

YOUTH FOR SOCIAL DEVELOPMENT  
Berhampur-10,Gm.,Orissa,India

Dated:[insert date]

27 JULY, 2011

Address for Notices:

[CSO NAME,office and mailing address Phone numbers and and email contact address]

YOUTH FOR SOCIAL DEVELOPMENT  
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Ganjam, Orissa, INDIA  
Phone: +91-680-3205464/6450804  
E-mail: ysdbam@gmail.com. Web: www.ysdindia.org

Attachment: Project Proposal dated July 26, 2011

CC: PAC staff as designated in Section 8.