

**Grant Agreement
Between
The Partnership for Transparency Fund
And
Paraspara Trust**

1. **Paraspara Trust**, hereafter called the Grant Applicant, has requested financial support of the Partnership for Transparency Fund (PTF) to implement a program for 'Addressing corruption in Public Distribution System (PDS) by Citizen Groups – a pilot project in Bangalore' hereafter called "the Project". The Project will commence on **1st July, 2009**. The project will be governed by this grant agreement including the attachments thereof.

2. Grant Applicant has submitted the attached Project Proposal dated **27th May, 2009** which includes background information on Paraspara Trust, objectives for the Project, proposed activities, deliverables, monitoring and evaluation arrangements, Project team details, time frame for implementation and a detailed breakdown of costs.

3. On the basis of this information, PTF has approved a grant of **Seventeen Thousand, Eight Hundred and Fifty US Dollars (\$17,850)** to be disbursed in three tranches each for the purposes spelled out in the attached documents. The tranches will be disbursed as follows:

- First tranche of **Five Thousand, Three Hundred and Fifty-Five US Dollars (US\$5,355)** to be disbursed on signature of this Grant Agreement.
- Second tranche of **Eight Thousand, Nine Hundred and Twenty-Five US Dollars (US\$8,925)** to be disbursed once the first tranche has been used and upon completion of the **baseline survey covering 100 PDS Outlets, formation of 10 PDS Monitoring Committees and accreditation by Credibility Alliance** by the grant applicant and PTF finds it satisfactory.
- Third tranche of **Three Thousand, Five Hundred and Seventy US Dollars (US\$3,570)** to be disbursed on receipt from Grant Applicant of a satisfactory Project completion report that describes and assesses the Project achievements including preliminary assessment of impact.

The uses of the PTF funds will be for the budget items listed in the attached Project Proposal.

4. The PTF Grant will be made available to **Paraspara Trust** 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 agreement of the PTF.
- (b) Any funds remaining at the end of the Project shall be returned by the Grant Applicant to the PTF.
- (c) The Grant Applicant 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, on completion of the Project, or no later than **30th June, 2010**. These expenditures will also be subject to the regular auditing requirements of the Grant Applicant and the Grant Applicant will furnish the PTF with a copy of the relevant audit if so requested.

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- (d) The Grant Applicant 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 full detailed final report summarising the implementation of the Project and its outcome and assessing the impact of the Project on increasing transparency and accountability in **Malleswaram Zone, Bangalore**, its likely sustainability and the lessons learned, together with a certified final itemised 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.
- (e) Following Project completion, the PTF may make its own independent ex post evaluation of the implementation, outcome and impact of the Project. The Grant Applicant will furnish the person appointed to undertake this task all possible assistance and access to all relevant documents.
- (f) The Grant Applicant will post this agreement, the Project Proposal, the final Project report, and the statement of expenditures on its website and/or the PTF Website.

5. The Grant Applicant will be responsible for securing all necessary government approvals of the grant, if any, and any necessary government filings. The Grant Applicant will be responsible for paying any tax liability arising from the grant.

7. The signed copy of this Grant Agreement and the request for the subsequent tranche releases may be faxed to the Secretary of the PTF at 1-202-522-2653. The original copy of the Grant Agreement should be mailed to Daniel Ritchie, Secretary, PTF, at Partnership for Transparency Fund, 1875 Connectivity Avenue, N.W.Suite 1210. Washington D.C. 20036, U.S.A.

Dated:

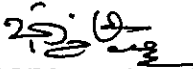
JUN 27, 2009

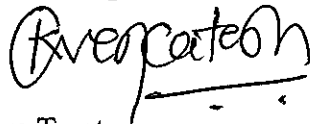
For
The Partnership for Transparency Fund

Daniel Ritchie
Secretary

Agreed




1. KN.Bhagyalaxmi
Executive Director, Paraspara Trust


2. KC.Venkatesh
Director, Paraspara Trust

Date: 25th June 2009

Attachment – Project Proposal, Budget, Project Planning Matrix and Logical Framework Analysis dated 27th May, 2009.