



Jamshed J Irani
Director

April 24, 2008

Dear Prof. Mehta,

I am pleased to inform you that 26 companies of the Tata Group (list attached) have agreed to support the creation of 100 scholarships administered by the Foundation for Academic Excellence and Access for students from Scheduled Castes and Scheduled Tribes in national institutes of excellence. Aggregated together, for the academic year 2008-09 the grant from the Tata Group companies will amount to Rs 70 lakh.

This grant is being made in response to the Tata Group's Affirmative Action agenda for the Scheduled Castes and Schedule Tribes communities. This grant includes scholarships for students and the administrative cost of FAEA, which would be incurred by the Foundation for its work in this area, for any necessary promotional work, including taking out advertisements in order to facilitate the process of identifying suitable students, and for purposes of facilitating the work of a selection panel to select the students. While the program costs would be budgeted at Rs 60,000 per student per year on an average, the FAEA's administrative costs and the costs of advertisements and selection committee expenditure (in short, overhead costs) will be on actuals subject to a limit of Rs 10,000 per student per year (subject to a variance noted later in this note).

The terms noted below apply to your organisation's use of the Tata Group's grant:

Grant funds will be available for a four-year period beginning May 15, 2008, with an extension up to five years for any scholarships for courses of a longer term.

Payment of grant funds will be made in periodic installments after receipt of the enclosed countersigned copy of this letter. Please be advised that the instalments requested need not be equal in



amount but should reflect your budgeted requirements under the grant. It is to be noted that since the actual incidence of tuition fee differs in different national institutes of excellence, with some of them even granting a total waiver, any amount of the program and overhead costs left unused could be used to extend support to more than 100 students.

The grant is made only for the purposes stated in this letter and it is understood that these grant funds will be used for such purposes substantially in accordance with the above-mentioned norms. It is also understood that no substantial variances will be made from the norms without the prior approval in writing from the Tata Group, which, for the purpose of this arrangement, will mean my office. Any grant funds not expended or committed for the purposes of the grant within the period stated above will be returned to the Tata Group companies through my office.

A written report signed by an appropriate officer of your organisation is to be furnished to my office at the close of each of your fiscal years in which you receive or expend any portion of the grant funds. According to our records, your fiscal year ends March 31. In addition, upon completion of the use of the grant funds, a final report is to be furnished to my office with respect to all expenditures under the grant. If required reports are not submitted, further payments, if any, under this grant to your organisation may be withheld.

Each report should contain a financial statement, suitably certified to conform to accounting norms, and a narrative account of what was accomplished by the expenditure of funds (including a description of progress made toward achieving the goals of the grant and an assurance that the activities under the grant have been conducted in conformity with the terms of the grant). The financial statement should reflect expenditures according to the above-mentioned norms, as of the end of your fiscal year. The narrative account should include 26 copies of any publication, audio or video program, film or other media product produced by your organisation under this grant for archival and/or research purposes. Tata Group companies shall have the right to make additional copies of any grant product.



No amount out of the grant shall be used for procurement of any capital equipment.

Although the grant funds need not be physically segregated, the receipt and expenditure of such funds should be shown separately in your accounting records and such accounting records, as well as copies of the reports submitted to my office, should be kept by your organisation for at least four years after completion of the use of the grant funds and made available to my office for examination upon request.

Under this grant, your organisation may make grants to individuals, provided that such grants are scholarships or fellowships for study at an education institution which normally maintains a regular faculty and curriculum and normally has a regularly organised body of students in attendance at the place where its educational activities are carried on and for any workshops for these students to improve their academic or non-academic standards. Such grants must be made according to procedures, which assure:

1. That the individual grantees are chosen on an objective and non-discriminatory basis according to criteria related to the purposes of the grant, and that persons who select such individual grantees are not in a position to derive pecuniary benefit, directly or indirectly, if certain potential grantees are selected over others;
2. That each individual grantee will submit an annual report to your organisation describing accomplishments under the grant and accounting for expenditure of grant funds.
3. That if your organisation has information indicating that an individual grantee may be using grant funds for purposes other than those for which the grant was made, your organisation will suspend further payments (if any), investigate the situation, take appropriate steps to restore funds diverted from grant purposes, and resume payment only when your organisation is assured that the individual grantee will use grant funds for the purposes for which the grant was made.



Tata Group companies may monitor and conduct a review of operations under this grant, which may include a visit from Tata Group companies' personnel to observe your programme, discuss the programme and finances with your personnel and review financial and other records and materials connected with the activities financed by the grant.

If this letter and the attached budget correctly set forth your understanding of the terms of this grant, please indicate your organisation's agreement to such terms by having the enclosed copy of this letter countersigned by an appropriate officer of your organisation and returned to my office.

It is understood that by countersigning this letter your organisation confirms that there have been no material changes in such statement or documentation and that you will inform my office of any material changes in such statement or documentation in the future.

Communication regarding administrative arrangements for this grant should be directed to Mr. Ajay Kumar, Vice-President (Communications), Tata Industries, or via e-mail at akumar@tata.com

On behalf of the Tata Group, may I extend every good wish for the success of this endeavour.

Yours sincerely,

Jamshed J. Irani

(Jamshed J Irani)

Prof. V. R. Mehta
Member-Secretary
Foundation for Academic Excellence & Access
B-41, Qutab Institutional Area
New Delhi 110 016