

**PUNE CITY CONNECT DEVELOPMENT
FOUNDATION**

DIRECTOR'S REPORT

BOARD OF DIRECTORS

As on September 10, 2019

▪ Dr. Ganesh Natarajan	Director and Chairman
▪ Mr. Ashwini Malhotra	Director
▪ Ms. Meher Pudumjee	Director
▪ Mr. Pradeep Bhargava	Director
▪ Mr. Rajan Navani	Director
▪ Ms. Rati Forbes	Director
▪ Mr. Rahul Kirloskar	Director
▪ Mr. Sudhir Mehta	Director
▪ Ms. Malini Thadani	Director
▪ Mr. Rajesh Sinha	Director
▪ Ms. Ruchi Mathur	Chief Executive Officer

▪ CIN	U74999PN2011NPL139899
▪ REGISTERED OFFICE	The Light House Complex, Off Bremen Chowk, Spicer College Road, Aundh, Pune - 411007
▪ WEBSITE	www.punecityconnect.org

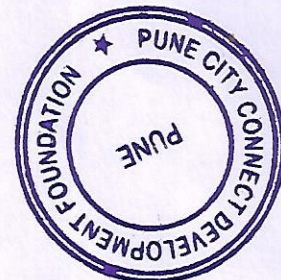
▪ AUDITORS	M/s Shah Khandelwal Jain and Associates
▪ FIRM REGISTRATION NUMBER	142740W
▪ ADDRESS	Level 3, Riverside Business Bay, Wellesley Road, Nr. RTO, Pune-411001

Annual General Meeting

Time: 5 PM

Date: September 10, 2019

Place of the Meeting: The Light House Complex, Off Bremen Chowk, Spicer College Road, Aundh 411007



Director's Report

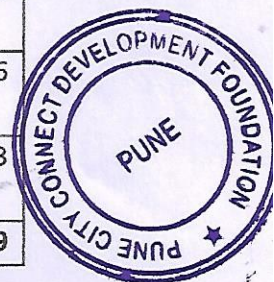
To the Members of Pune City Connect Development Foundation (the "Company")

The Directors take immense pleasure in presenting the Annual Report together with the Audited Accounts and Auditor's Report for the Financial Year ended on March 31, 2019.

FINANCIAL RESULTS

The financial highlights of the Company for the Financial Year ended March 31, 2019 are summarized below:

Particulars		For the year ended March 31, 2019 (In Rs.)	For the year ended March 31, 2018 (In Rs.)
Donations received		4,03,35,011	3,58,44,855
Other income		7,89,407	11,81,306
Total Income for FY 18-19		4,11,24,418	3,70,26,161
Expenditure for FY 18-19 out of donations received	A	2,73,49,048	2,01,88,542
Expenditure for FY 18-19 out of other income	B	7,533	2,72,053
Total expenditure in FY 18-19 from funds received in FY 18-19	C = A+B	2,73,56,581	2,04,60,595
Total expenditure in 2018-19 from funds received in FY 17-18	D	1,47,55,050	2,20,46,105
Total Expenditure	E = C+D	4,21,11,631	4,25,06,700
Earmarked Surplus from funds received in current year		1,02,37,114	1,57,07,696
Earmarked Surplus from funds received in earlier years		21,45,889	11,93,243
Total earmarked funds		1,23,83,003	1,69,00,939



DIVIDEND

This clause is not applicable to the Company, as it is incorporated under the provisions of Section 25 of the Companies Act, 1956 (now Section 8 of the Companies Act, 2013) and is prohibited from declaring dividend as per the provisions of Section 8(1) (c) of the Companies Act, 2013 (the "Act").

TRANSFER TO RESERVES

The Company has transferred Rs. 27,88,222 to Reserves for the Financial Year ended March 31, 2019.

MEETING OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met during the Financial Year 2018-19 on the following dates:

DATE OF MEETING	DIRECTORS PRESENT
June 22, 2018	Dr. Ganesh Natarajan Ms. Rati Forbes Ms. Meher Pudumjee Mr. Pradeep Bhargava Mr. Ashwini Malhotra
September 17, 2018	Dr. Ganesh Natarajan Ms. Rati Forbes Ms. Meher Pudumjee Mr. Pradeep Bhargava Mr. Ashwini Malhotra Mr. Sudhir Mehta Ms. Malini Thadani Mr. Rajan Navani Mr. Rahul Kirloskar Mr. Rajeshchandra Rameshchandra Sinha
December 12, 2018	Dr. Ganesh Natarajan Ms. Rati Forbes Ms. Meher Pudumjee Mr. Pradeep Bhargava Mr. Sudhir Mehta Ms. Malini Thadani Mr. Rajeshchandra Rameshchandra Sinha
March 28, 2019	Dr. Ganesh Natarajan Ms. Rati Forbes Ms. Meher Pudumjee Mr. Pradeep Bhargava Ms. Malini Thadani Mr. Rajesh Sinha Mr. Ashwini Malhotra Mr. Rajan Navani

As per the above dates, the Board in total met 4 times during the Financial Year. The intervening gap between any two meetings was not more than 6 (six) months.

DIRECTORS

During the year under review, there have been changes in the composition of the Board of Directors of the Company, which are enumerated in the table below:



Sr. No.	Name of the Director	Nature of the change	Date of such change
1.	Mr. Anshoo Gaur	Resignation	June 22, 2018
2.	Mr. Rajesh Sinha	Appointment	June 22, 2018
3.	Ms. Malini Thadani	Appointment	June 22, 2018
4.	Mr. Sudhir Mehta	Appointment	June 22, 2018

As per Article 19 of the Articles of Association, all the Directors other than the First Directors of the Company are liable to retire by rotation at every Annual General Meeting.

STATE OF AFFAIRS AND THE FUTURE OUTLOOK

2018-19 has been a successful year; one in which all the three programs of Sustainable Livelihood (through the 'Lighthouse' project), Digital Empowerment and Quality of Education went from strength to strength. Close to 50000 individuals from low-income communities have been directly impacted through the Lighthouse and Digital Empowerment programs, and 40000 children have been indirectly impacted through the Education program.

The relationship with Pune Municipal Corporation was further strengthened and it is a pleasure to report that the programs continued growing with the strong support of the new Municipal Commissioner and his team, as well as the support of the Mayor and corporators of Pune.

Corporate partnerships were deepened and also broadened with the addition of 10 new donors. Overall, there were over 15 active donor partnerships in 2018-19. We remain grateful to all our donor as well as NGO partners for helping to enable this wonderful collaborative.

The year 2018-19 was also an year of restructuring and consolidation, keeping in mind the strong focus on program quality. The organization focused immense energy on relooking at program design, so as to do its very best to ensure not just scale but also depth of impact. Whilst the sustainable livelihood program saw the launch of a new, improved 'Foundation course', the Digital Empowerment track was completely reconfigured with a new and more extensive curriculum that is more effective in enabling practical application of internet-literacy. The 'Model School' program which is part of the Education track has been reborn in a new avatar called the 'Models of Excellence' school program. We are proud and happy to say that the organization's learnings through the Lighthouse program around facilitation of inner transformation in individuals (higher self-esteem, confidence, sense of possibility, resourcefulness), have now been embedded across the other two programs as well.

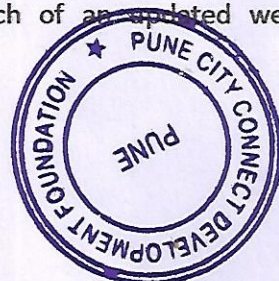
The organization invested time and energy in developing its own version of 'city transformation through google earth mapping' and this has helped immensely in conveying the strategy and achievements towards city transformation, through a visual means. The year also saw the launch of an updated website: www.punecityconnect.org

Further details pertaining to each track are as below.

Education Track:

The Academic Year 2018-19 saw significant progress in both, the **Sahyogi Dal** and **Model School** projects. Over the last 3 years, the Model School Project has been focused on providing on-ground support to all school staff especially in the areas of Balwadi interventions, Mathematics and Marathi; as well as creating structures and processes to ensure sustainability of best practices in schools.

Overall this year saw an increase in sustained engagement with PMC Administrative officers (Education Department) with 52 cluster review meetings organised by Sahyogis and Model schools in their clusters. 76.3% of teachers found the observation-debrief cycles by Sahyogis useful for their development. Workshops were



organized (Beginning of year, Mid-year, End of year conferences, get-together meetings) with Sahyogis and Head Masters from Model schools to build the culture of the team.

Model School Project handover to PMC, and rebirth in a new avatar of 'Models of Excellence' schools:

The PMC Model school project evolved from the Maharashtra Government resolution on 'Schools under innovation'. It started in 2016-17 and was designed as a three year project with the goal of 'demonstrating a replicable and sustainable model of schools with better teaching-learning practices, higher student learning outcomes and increased student engagement by driving system capacity building and collective action'. The aim was also to gradually release the responsibilities of the project over to PMC. This was achieved in this academic year with the handing over of the project to PMC, at the end of the academic year. During these three years, the y-o-y enrollment in the Model schools saw a growth of 23% which was a major achievement of the project. By the end of the period, 40% of the grade 3 students had achieved grade appropriate student learning outcomes, another major accomplishment of the project. Other achievements: PMC has adopted the concept of 'level-based learning' that started as a pilot in Model Schools, across all its Marathi medium schools. In addition, the Balwadi intervention resulted in significantly higher ownership of the Balwadi grades by the system, which was demonstrated through a marked increase in Balwadi interventions across other PMC schools. Thus the Model School project achieved much in its 3-year timeframe and it will now be taken forward by the system, which is yet another indicator of 'system change'.

Models of Excellence schools program: PMC and PCC jointly decided in February 2019 to relaunch the Model schools program in a new avatar, viz. Models of Excellence schools. Under this program, a holistic development approach impacting culture, teacher capacity building, student-centricity and learning outcomes will be implemented in 5 Marathi medium school complexes (spanning Balwadi to 10th grade) in the new academic year starting June 2019.

Digital Empowerment Track

In the year 2018-19, there was a significant shift in the approach, that is, from Digital Literacy to Digital Empowerment. The Digital Empowerment curriculum was re-developed for beneficiaries to become 'Digital learners', 'Digital customers' and 'Digital citizens'.

The year also witnessed stable enrolment rates as all the operational digital centres i.e. 15 Digital centres and 1 Digital Empowerment Bus achieved the target of training 600 learners, per centre, per year. As of March 2019, 36600 learners have been digitally empowered.

Key focus areas for next year would be to procure corporate partnerships in order to increase the number of operational centres and buses while retaining the focus on quality.

Sustainable Livelihood Track

Two new Lighthouses were started in the year 2018-19 ie at Warje (end March 2018) and Chavani Peth (October 2018). The objective is to open a total of 15 Lighthouses in 15 administrative wards of Pune. As of March 2018, 6000 youth had been enrolled in the Foundation course, 2200 completed skilling and 1739 were placed/self-employed. Many of the 6000 youth are still in their skilling journeys at the Lighthouse. Each Lighthouse enrolls over 650 youth per year, and places minimum 40% of these youth, in jobs/entrepreneurship.

80% of the youth who have been placed, have never earned before and 57% of the enrollments into the Lighthouse are women. There were several strategic shifts made to improve the outcomes of the Lighthouse program such relaunch of the Foundation course with easy-to-follow daily lesson plans, and setting up of a centralized team for skilling and placement services for the youth. With these shifts, the Lighthouse is well



placed to be able to continue scaling with standardized delivery of the Foundation course, and effective management of skilling and placement partnerships.

Pune City Connect was recognised in many forums in 2018-19, amongst which the most noteworthy have been mentioned below:

Smart City Conclave: The Lighthouse project was the national joint winner of the Award under 'Social Aspects' category of the Smart City Mission. The conclave was organised in Lucknow in July 2018 and attended by Hon. Prime minister and senior officials from the Ministry of Housing and Urban Affairs.

SKOCH Award: PMC received SKOCH ORDER OF MERIT towards the Digital Literacy, Sustainable Livelihood and Quality Education Programs on June 22nd 2018 in New Delhi.

Yet another recognition was by Global Opportunity Youth Initiative (GOYI). GOYI, hosted by Aspen Institute and other partners, will be working with Pune City Connect to facilitate and support the implementation of a livelihood plan for all low-income youth in the city. Pune City Connect is one of the 3 entities globally, to be selected as an anchor partner for this endeavour.

We remain immensely thankful to all partners for being part of this pioneering effort to solve social and economic problems at the scale of an entire city, in a spirit of collaboration and trust.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred during the Financial Year under concern and the date of this Report.

LOANS, GUARANTEE AND INVESTMENTS

The Company has not given any loans, guarantee or provided any security in connection with the loans to any person or other body corporate under Section 186 of the Act.

EXTRACT OF ANNUAL RETURN

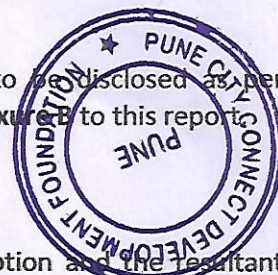
The extract of the Annual return viz., Form MGT 9 as required under Section 92 of the Act for the Financial Year ended March 31, 2019, is annexed hereto as **Annexure A** and it forms part of this Report.

RELATED PARTY TRANSACTION

All the Related Party Transactions entered by the Company which are required to be disclosed as per Company's Act, 2013 have been made in form AOC-2 which has been attached as **Annexure B** to this report.

CONSERVATION OF ENERGY

The Company has taken various sustained efforts to reduce the electricity consumption and the resultant carbon footprint. Since the Company is not involved in any manufacturing activities, the cost of Energy in its operation is very low. The Company continues to put emphasis on energy conservation.



TECHNOLOGY ABSORPTION

The Company has been active in harnessing and tapping the latest technology in the industry.

DEPOSITS

The Company has not accepted any fixed deposits from its Members under Section 2 (31), 73, 74 of the Act during the Financial Year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGOINGS

Total foreign exchange earnings and outgo for the Financial Year under review was Nil.

RISK MANAGEMENT

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinators efforts to minimize, monitor and mitigate/control the probability and or/impact of unfortunate events or to maximize the realization of opportunities. The Company has laid down a Risk Minimization procedure to ensure that the executive management controls risks through a defined framework.

INTERNAL CONTROL SYSTEMS

The Company has in place adequate internal controls systems with reference to Financial Statements. During the year under review, no Reportable material weakness in the design or operation was observed.

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

The Company has no Subsidiary, Joint venture or Associate Companies.

PARTICULARS OF EMPLOYEES

During the year under review, there were no employees drawing remuneration of Rs. 1,02,00,000 or more, or employed for part of the year and in receipt of Rs. 8,50,000 or more per month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which require disclosure under Section 134 of the Companies Act, 2013. Hence, there is no disclosure to be made under this head.

PREVENTION OF SEXUAL HARASSMENT

The Company has constituted an Internal Complaints Committee (ICC) required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There have been no cases reported to the Committee, in the FY 2018-19.

AUDITORS

The Statutory Auditors of the Company M/s Shah Khandelwal Jain and Associates (Firm Registration Number: 142740W), are appointed for a term of 5 years to hold office till the Annual General Meeting to be held for the Financial Year ending March 31, 2021.

Pursuant to the notification issued by the Ministry of Corporate Affairs on 7 May, 2018, amending Section 139 of the Companies Act, 2013, the mandatory requirement for ratification of Auditors by the Members at every AGM has been omitted and hence your Company has not proposed ratification of appointment of M/s. Shah Khandelwal Jain and Associates, at the forthcoming AGM.

COST RECORDS



The Company is not required to maintain Cost Records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134(3)(C) OF THE COMPANIES ACT, 2013

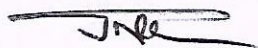
Pursuant to Section 134(3)(c) of the Act, the Directors confirm that:

- a) In the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) The Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis; and
- e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

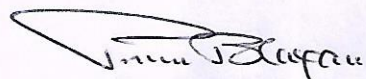
ACKNOWLEDGEMENT

The Directors wish to convey their appreciation to all Company's employees, retainers and consultants for their enormous personal efforts as well as their collective contribution to the Company's performance. The Directors would also like to thank the Shareholders, Customers, Bankers, Government, Corporate partners, Program partners and all other business associates for the continuous support given by them to the Company and their confidence in its management.

For and on behalf of the Board of Directors of
Pune City Connect Development Foundation



GANESH NATARAJAN
DIRECTOR
DIN: 00176393



PRADEEP BHARGAVA
DIRECTOR
DIN: 00525234

Date : September 10, 2019
Place : Pune

