

**PUNE CITY CONNECT DEVELOPMENT FOUNDATION**

**DIRECTORS' REPORT**

## BOARD OF DIRECTORS

As on August 17, 2020

▪ 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	Director and Chief Executive Officer

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▪ CIN	U74999PN2011NPL139899
▪ REGISTERED OFFICE	The Light House Complex, Off Bremen Chowk, Spicer College Road, Aundh, Pune - 411007
▪ WEBSITE	<a href="http://www.punecityconnect.org">www.punecityconnect.org</a>

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

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### Annual General Meeting

Time: 4.45 PM

Date: August 17, 2020

Place of the Meeting: Video conferencing via Zoom link

<https://zoom.us/j/96190569176?pwd=ZmUrR2E1QUdtRUtUZExqU0kxRmlGZz09>

Meeting ID: 961 9056 9176

Passcode : 393618

## Directors' 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, 2020.

### FINANCIAL RESULTS

The financial highlights of the Company for the Financial Year ended March 31, 2020 is summarized below:

Particulars	For the year ended March 31, 2020 (In Rs.)	For the year ended March 31, 2019 (In Rs.)
Donations Income	5,97,76,708	4,41,10,446
Other income	10,91,943	7,89,407
<b>Total Income for FY 19-20</b>	<b>6,08,68,651</b>	<b>4,48,99,853</b>
<b>Total Expenditure for FY 19-20</b>	<b>5,87,33,959</b>	<b>4,21,11,631</b>

Particulars	For the year ended March 31, 2020 (In Rs.)	For the year ended March 31, 2019 (In Rs.)
<b>Opening Earmarked Funds</b>	<b>1,23,83,003</b>	<b>1,69,00,939</b>
Add: Donations Received during the year	7,49,71,137	4,03,35,011
Less: Current utilisation of funds	6,18,44,054	4,48,52,947
<b>Closing Earmarked Funds</b>	<b>2,55,10,086</b>	<b>1,23,83,003</b>

### 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. 21,34,693 to Reserves for the Financial Year ended March 31, 2020.

## MEETING OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met during the Financial Year 2019-2020 on the following dates:

DATE OF MEETING	DIRECTORS PRESENT
August 5th, 2019	Dr. Ganesh Natarajan Mr. Pradeep Bhargava Mr. Ashwini Malhotra Ms. Malini Thadani
September 10th, 2019	Dr. Ganesh Natarajan Ms. Rati Forbes Mr. Pradeep Bhargava Mr. Ashwini Malhotra Mr. Sudhir Mehta Mr. Rahul Kirloskar Mr. Rajesh Rameshchandra Sinha
November 4th, 2019	Dr. Ganesh Natarajan Ms. Rati Forbes Ms. Meher Pudumjee Ms. Malini Thadani (through call) Mr. Rajan Navani Ms. Ruchi Mathur
Feb 18 <sup>th</sup> , 2020	Dr. Ganesh Natarajan Ms. Meher Pudumjee Mr. Pradeep Bhargava Ms. Malini Thadani Mr. Ruchi Mathur 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.	Ms. Ruchi Mathur	Appointment	10 <sup>th</sup> September 2019

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

2019-2020 has been a milestone year for Pune City Connect (PCC) - a year of program expansion, operational streamlining and global recognition. Some of the most noteworthy progress is mentioned below.

1. Growth in income has been a significant achievement for the year. Total donation raised (7.4 Cr) has almost doubled from last year.
2. Donor acquisition and retention have been very strong. Through the year 5 new donor partners were acquired and there were close to 20 active corporate partnerships.
3. Collectively through all the programs that is Sustainable Livelihood, Digital Empowerment and Quality Education, close to 60,000 beneficiaries have been directly impacted. Additionally, 2500 children from 15 PMC schools have been impacted through the Models of Excellence program.
4. The Models of Excellence program covering 10 Primary and 5 Secondary schools in 5 wards of the Pune Municipal Corporation was launched in August 2019. A very powerful intervention around "Social and Emotional Learning" for children was designed and piloted in primary schools.
5. PCC has been privileged to have been selected by the Aspen Institute and the global partners of the 'Global Opportunity Youth Network' (GOYN) consortium as an 'anchor partner' for taking forward their vision for sustainable livelihood at scale, in Pune. The GOYN partnership formally kicked off in August 2019 with a soft launch in November 2019. Representatives from four of the five global partners viz. Aspen Institute, GDI, Youth Build International and Accenture were present at the launch event, as well as several non-profits and corporate organizations of the city. Pathways for 'Opportunity Youth' in Pune were discussed and inputs obtained for taking forward this long-term agenda of transforming the livelihood landscape for low-income youth in Pune.
6. PCC was fortunate to have got further global recognition in the form of the 'Wellbeing Award' which was awarded to Pune Municipal Corporation. Pune is the only city in India to have won a Wellbeing Award by New Cities Foundation and was the global winner in the Economy and Opportunity category for the "Lighthouse Project" in June 2019.
7. PCC became a 'Policy Fellow' with AVPN (Asia Venture Philanthropy Network). The purpose of the AVPN Policy Leadership Lab is to cultivate the next generation of social economy policy leaders across Asia.
8. PCC received an FCRA approval certificate which enables the organisation to enter into mutually beneficial partnerships with international organizations.
9. The year 2019-20 saw PCC investing significant time and effort towards operational streamlining which includes improvement in financial policies and processes, compliance management and HR policies. This sets up the organization for further scale in the coming years.
10. An investment has been made in developing a technology platform 'WeConnect' that will support data management and also provide a student-interface, for the Digital and Lighthouse programs. This platform will go live in the first half of 2020-21.

A short write-up on the performance of each PCC program, is appended below.

### **GOYN, Pune**

The goal of GOYN Pune is to positively impact 10% of the 2.5 Lac 'Opportunity Youth' through a collective action approach.

The key activities in the year have been:

- i) A comprehensive ecosystem study of livelihood in Pune, conducted by Accenture. The study has led to determining the pathways to be implemented over the next 5 years.
- ii) Youth Advisory Group – Opportunity Youth (low-income youth who are neither employed nor in education) are an important contributor for the design of this intervention. A group of 10-15 youth have been selected as part of this group and been coming together for brainstorming since Nov 2019.
- iii) Formation of a Multi stakeholder Advisory group (MSAG) - A group of local experts, industry stalwarts and government personnel are part of this group with an objective to provide direction and overall governance.

The following 4 pathways of interventions have been envisioned to tackle the issue of youth unemployment in Pune:

PATHWAY 1: Enabling Youth to Aspire, Prepare & Achieve - Establishment of Career Counselling, Mentorship networks and on-ground community teams for good citizenship and appropriate skilling and educational choices, across the city

PATHWAY 2: Bridging Demand –Supply Gap - Reduction of Demand-Supply gap related to job-placement through active engagement between industry, skilling community and youth for skill-matching and retention in workforce

PATHWAY 3: Nurturing Entrepreneurship - Setting up of a supportive entrepreneurship ecosystem to catalyse mass entrepreneurship

PATHWAY 4: Connected ecosystem enabled by Youth & Citizen participation - Building relationships with and facilitating networking between city-wide OY, NGOs, government, and citizen volunteers to build youth capacity towards sustainable livelihood.

### **Education Track**

#### *Launch of 'Models of Excellence' school program*

The Models of Excellence (MoE) school program was launched in 2019-20. The project has a strong social-emotional learning focus. This is based on the understanding that children who come to PMC schools often live in poverty and conditions of adversity. Research shows a clear correlation between the social and emotional wellbeing of a child and learning outcomes. Therefore, the Models of Excellence project is structured around wellbeing, identity, self-image, sense of belonging and empowerment. The project is being implemented in 10 Primary Schools and 5 Secondary Schools in 5 administrative wards of the Pune Municipal Corporation, namely, Hadapsar, Dhole-Patil Road, Shivaji Nagar, Bibwewadi and Katraj.

The vision of the MoE project is: Children equipped with an excellent education and the ability to make informed life-choices. Such children will have subject knowledge, self-learning skills, creativity and 'agency'; an ability to engage with the world as children today and for their livelihood tomorrow.

Apart from Social-Emotional learning, the Models of Excellence project has identified two other pathways towards achieving this vision. Below is a brief description and update for the three focus areas:

**Jeevan Shikshan:** This social-emotional learning program has been implemented in 10 Primary schools in 2019-20 reaching out to over 2500 children. The teachers attended monthly learning sessions facilitated by the PCC team. The PMC Education Department allocated 3 periods every week for the Jeevan Shikshan session which was conducted by the teachers in their classrooms. Both children and teachers responded positively to the program and shared feedback that they felt calm, secure and were able to focus better.

1. **Activity based learning:** A robotics program was implemented for Grade 7 of the Primary Schools which covered 285 children. The children loved the robotics class, so much so that attendance on the 'Robotics days', was higher than on the other days. By the end of the year, the children were able to design and make their own robots with the kit that was provided to them. Some of the designs included a crane, a grass cutting robot and a tree cutting robot.
2. **Physical Learning Spaces:** The Pune Municipal Corporation is renovating the selected schools to transform them into child friendly learning spaces. The Bhavans department has evaluated each school and the renovation work is nearing completion. In the first year, the focus is on basic renovation - painting, flooring, toilets, water provision and other facilities.

In the year 2020-2021, the focus is to implement these focus areas across the 15 selected schools.

### *Sahyogi Dal program*

The PMC Sahyogi Dal, now in its fifth year of operation, has reached the stage where PMC is taking over the management of the program. This academic year saw several instances of pro-active ownership and initiative on part of the Sahyogis. Need-based skills and knowledge building monthly workshops were conducted for the Sahyogis. The topics included stages of assessment, monitoring and evaluation and leadership. The Sahyogis designed and implemented a training program for teachers from Grades 1 and 2. They have also taken a leadership role in developing content for both teacher training and student learning.

### **Digital Empowerment Track**

For the Digital Empowerment program, the year has been of one of expansion and quality enhancement. As of March 2020, there are 18 operational centres including 5 operational buses. There is an enhanced focus on alumni connect and impact assessment. This input has been tremendously helpful in increasing the effectiveness of the program.

We are delighted to report that as of date there are over **48,000** beneficiaries of this program. Next year, the focus is to continue expansion of the program across all wards of Pune.

## **Sustainable Livelihood**

Two new Lighthouses got launched in the year 2019-2020. Bibwewadi Lighthouse started operations in June 2019 and Tingrenagar Lighthouse had a soft launch in the last week of March. With this, the total number of Lighthouses in Pune is seven.

As of March 2020, 9000 low income youth have enrolled in the program and 3500 youth are working/self-employed. The program has penetrated in 350 communities out of 500 slum communities in Pune. More than 50% enrolments are women and 80% of the youth that are placed, have never worked before.

This year, a dedicated skilling team has been put in place to ensure that youth have a high-quality skilling experience. Additionally, each of the Lighthouses now have youth alumni as team members. They have been placed as full-time staff and been actively contributing to skilling and placement related activities at the centre.

The Lighthouse ecosystem is strong and truly demonstrates the collective action approach. Overall, 55+ skilling courses are being offered by 20+ Skilling partners. There are 800+ placement partners including Tier 1 companies and local SMEs. Additionally, there is ongoing Corporate and PMC support for operational and capital expenditure.

In the coming year, expansion will continue towards the mandate of 15 Lighthouses that is, one in each ward. Also, there will be enhanced focus on placement and self-employment opportunities for youth.

## **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, 2020, 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 2019-2020.

## **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 :**  
**Place : Pune**