

NOTICE OF EXTRA-ORDINARY GENERAL MEETING

NOTICE is hereby given that the Extra-ordinary General Meeting of the Shareholders of Urban Mass Transit Company Limited will be held on Friday, November 29, 2019 at 4:00 pm in the Conference Room No. 123-C, 1st Floor, Ministry of Housing & Urban Affairs, Nirman Bhawan, New Delhi-110 011 to transact the following business :

SPECIAL BUSINESS:

- (1) To revise remuneration of Mr. Ajai Mathur, Managing Director & CEO of the Company with retrospective effect from July 23, 2019

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution as per the Companies Act, 2013:

“**RESOLVED THAT** the consent of the shareholders of the Company be and is hereby accorded as per the applicable provisions of Companies Act, 2013 and Rules and Regulations thereunder to revise remuneration of Mr. Ajai Mathur, Managing Director & CEO of the Company with retrospective effect from July 23, 2019 as per the recommendations of the Board provided in the explanatory statement forming part of the Meeting Notice.”

By Order of the Board of Directors
For Urban Mass Transit Company Limited



Date : September 6, 2019
Place : New Delhi

Dhiraj Gera
Company Secretary

NOTES:

- (A) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and a proxy need not be a member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the Meeting.
- (B) The relative Explanatory Statement, in respect of item no. 1 is annexed hereto and forms a part of this notice.
- (C) The equity shares of the Company are admitted with Central Depository Services (India) Ltd (CDSL) and the activated ISIN in CDSL is INE600N01012. Details of Share Transfer Department and Registrar for establishing electronic connectivity with CDSL are as under:

Share Transfer Department:

Urban Mass Transit Company Limited
2nd Floor, Corporate Office Tower, Ambience Mall Complex, Ambience Island,
National Highway No. 8, Gurgaon – 122001
Contact Person : Dhiraj Gera, Company Secretary
Tel No. 0124-4716300, Fax No. 0124-4716248

Registrar for Electronic Connectivity:

Link Intime India Pvt Limited
C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400078
Contact Person : Santosh Jaiswal, Executive-IT Resources
Tel No. 022- 2596 3838, Fax No. 022- 2594 6969

**EXPLANATORY STATEMENT
AS PER SECTION 102 OF THE COMPANIES ACT, 2013**

ANNEXURE TO THE NOTICE DATED SEPTEMBER 6, 2019

ITEM NO. 1

- (1) Mr Ajai Mathur was appointed on the rolls of Infrastructure Leasing & Financial Services Limited (hereinafter referred to as “IL&FS”) on March 1, 2008 and deputed to the Company as Chief Operating Officer. He was appointed as full time Managing Director & CEO of the Company with effect from December 1, 2009. The last re-appointment as full time Managing Director & CEO of the Company was on December 1, 2016 for a period of 5 years i.e. up to November 30, 2021 on the following terms as approved by the Shareholders of the Company at their Annual General Meeting (AGM) held on September 12, 2017:
 - (a) IL&FS shall be partially reimbursed for the services of Managing Director at a rate given hereunder and in accordance with the limits placed under the relevant provisions of the Companies Act, 2013 (“the Act”):
 - (i) Rs. 4.79 lakhs per month plus applicable service tax from December 1, 2016 to March 31, 2017;
 - (ii) Rs. 5.51 lakhs per month plus applicable service tax from April 1, 2017 to March 31, 2018;
- (2) From the time of appointment of the first MD & CEO of the Company in February 2008, the salary costs of the MD & CEO were being shared by UMTC and IL&FS as the Company was at a nascent stage of development and not in a position to bear the full salary costs.
- (3) The Company is currently reimbursing Rs. 5.51 lakhs per month plus applicable taxes to IL&FS since FY 2017-18 towards the salary costs of MD & CEO.
- (4) Human Resource Department of IL&FS vide their emails dated July 17, 2019 and July 19, 2019, had informed the Company that the IL&FS Management has taken a decision to transfer the services of Mr. Mathur to the Company on a full time basis, and the entire salary costs would now be borne by the Company.
- (5) According to the information provided by Human Resource Department of IL&FS, the present salary package of Mr Mathur in IL&FS in the grade of CEO, is Rs 8.20 lakhs per month and other benefits as per IL&FS Rules. In addition, he was eligible for variable pay linked with performance as may be approved by IL&FS.
- (6) In view of above, it has become necessary to appoint Mr Mathur as an employee of the Company in the grade of CEO on the same salary and other benefits as in IL&FS with retrospective effect from July 23, 2019.

(7) The matter for appointing Mr Ajai Mathur as an employee of the Company in the grade of CEO alongwith his present drawn salary in IL&FS, was put up before the Remuneration Committee Meeting held on July 31, 2019. The Remuneration Committee Members were informed that the Company had already provided for Rs. 5.51 lakhs per month towards managerial remuneration in the annual budget for FY 2019-20 and there would be an additional financial impact of Rs. 2.69 lakhs per month with effect from July 23, 2019. The increased salary costs would not have any impact on the projected profitability as the Company had made adequate provisions in the budget.

(8) The summary of financial performance of the Company for FYs 2017, 2018 and 2019 is as under:

(Rs lakhs)

Particulars	FY 2016-17	FY 2017-18	FY 2018-19
Turnover	2315.32	1938.71	2022.72
Profit Before Tax	23.07	114.76	138.76

(9) The Remuneration Committee, after due deliberations and in view of financial position of the Company, had recommended to the Board that monthly salary at current level of Rs. 5.51 lakhs may be maintained for Mr Ajai Mathur - the Managing Director & CEO in the grade of CEO with effect from July 23, 2019 plus other benefits and perquisites as per the employee handbook of the Company and the differential salary could be paid as variable pay as may be fixed by the Board of Directors of the Company based on the performance of the Company.

(10) In order to maintain the present salary package of Mr Mathur at Rs 8.20 lakhs per month and other benefits as per IL&FS Rules, the Board of Directors at their Meeting held on September 6, 2019 approved the following matters, subject to the approval of shareholders of the Company:

(a) Appointment of Mr Ajai Mathur - Managing Director & CEO of the Company whose term is upto November 30, 2021, on the rolls of the Company in the grade of Chief Executive Officer with retrospective effect from July 23, 2019 at a monthly salary of Rs. 6.80 lakhs and other benefits and perquisites as per the employee handbook of the Company.

(b) Performance linked incentive equivalent to (a) 50% of remaining annual salary subject to achieving 20% additional profits over last year's profit before tax or (b) 100% of remaining annual salary subject to achieving 25% additional profits over last year's profit before tax.

- (11) The Board recommends that the Resolution be passed as a Special Resolution.
- (12) None of the directors and relatives of the director and key managerial personnel of the Company are interested or concerned in the said resolution except Mr Ajai Mathur to the extent of revision in his remuneration in the Company.

By Order of the Board of Directors
For Urban Mass Transit Company Limited



Date : September 6, 2019
Place : New Delhi

Dhiraj Gera
Company Secretary

PROXY FORM (MGT-11)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

URBAN MASS TRANSIT COMPANY LIMITED
Registered office: Toll Plaza, Mayur Vihar Link Road, New Delhi-110091
CIN: U34101DI1993PLC053032

Name of the Member(s): E-mail Id:.....

Registered address: Folio No/ Client Id / DP Id:.....

I/We, being the member (s) of shares of Urban Mass Transit Company Limited, hereby appoint :

1. Name:..... ofhaving e-mail Id: or failing him
2. Name:..... ofhaving e-mail Id: or failing him
3. Name:..... ofhaving e-mail Id: or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extra-ordinary General Meeting of the Company, to be held on Friday, November 29, 2019 at 4:00 pm in the Conference Room No. 123-C, 1st Floor, Ministry of Housing & Urban Affairs, Nirman Bhawan, New Delhi-110 011 and at any adjournment thereof in respect of the following Resolutions:

No.	Resolutions	For	Against
1	To revise remuneration of Mr. Ajai Mathur, Managing Director & CEO of the Company with retrospective effect from July 23, 2019		

Signed this... day of.....2019

Signature of the Member :

Affix
Rs 1
Revenue
Stamp

Signature of first proxy holder Signature of second proxy holder Signature of third proxy holder

Notes:

- (1) This form of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than Forty Eight (48) hours before the commencement of the Meeting.
- (2) For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Extra-ordinary General Meeting of the Company

URBAN MASS TRANSIT COMPANY LIMITED

Registered office: Toll Plaza, Mayur Vihar Link Road, New Delhi-110091

CIN: U34101DI1993PLC053032

Attendance Slip

(To be handed over at the entrance of the Meeting hall)

Extra-ordinary General Meeting held on Friday, November 29, 2019 at 4:00 pm

I hereby record my presence at the Extra-ordinary General Meeting of the Company held on Friday, November 29, 2019 at 4:00 pm in the Conference Room No. 123-C, 1st Floor, Ministry of Housing & Urban Affairs, Nirman Bhawan, New Delhi-110 011

Folio / DP ID / Client ID No. _____

Full name of the Member (in BLOCK LETTERS) _____

Full name of the Proxy (in BLOCK LETTERS) _____

Member's/ Proxy's Signature _____

Route Map to the Venue of Extra-ordinary General Meeting of Urban Mass Transit Company Limited to be held on Friday, November 29, 2019 at 4:00 pm in the Conference Room No. 123-C,1st Floor, Ministry of Housing & Urban Affairs,Nirman Bhawan, New Delhi -110011

