TOYOTA DAIHATSU

INDUS MOTOR COMPANY LTD.

September 2, 2015

The General Manager,
Karachi Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi-74000.

Fax: 111-573-329
(Tel: 32439618/35274381)

Sub: **Notice of Annual General Meeting for the year ended June 30, 2015**

Dear Sir,

Enclosed please find a copy of the Notice of Annual General Meeting of Indus Motor Company Limited scheduled to be held on Tuesday, October 6, 2015 at 9:00 a.m. at the Institute of Chartered Accountants of Pakistan (ICAP Auditorium), Clifton, Karachi, for circulation amongst your members.

The above notice will be published in the newspapers namely, The Business Recorder (English) and Nawa-i-Waqt (Urdu) having circulation in Karachi, Lahore and Islamabad in second week of September 2015. A copy thereof will be duly sent to your office for records.

Thanking you,

Yours faithfully,
for **INDUS MOTOR COMPANY LIMITED**

Anam Fatima Khan
Company Secretary

cc: 1) **The General Manager,**
Lahore Stock Exchange Ltd.
19-Khyaban-e-Aiwan-e--Iqbal,
Lahore-54000.
Fax: 042-36368485 / Tel: 042-36368000

2) **The General Manager,**
Islamabad Stock Exchange Ltd.
55-B, ISE Tower, Jinnah Avenue,
Islamabad-44000
Fax: 051-111-473-329 / Tel: 111-473-473

3) **CEO**
Central Depository Company of Pakistan
CDC House #99-B, Block-B,
S.M.C.H.S. Shahra-e-Faisal,
Karachi.
Fax No. 021-34326034 / Tel: 111-111-500

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Sixth Annual General Meeting of INDUS MOTOR COMPANY LIMITED will be held on Tuesday, October 6, 2015 at 9:00 a.m. at the Institute of Chartered Accountants of Pakistan (ICAP Auditorium), situated at Chartered Accountants Avenue, Clifton, Karachi -75600 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended June 30, 2015, together with the Report of the Directors and Auditors thereon.

2. To approve and declare cash dividend (2014-2015) on the ordinary shares of the Company. The directors have recommended a Final Cash dividend at 40% i.e. Rs 40/- per share. This is in addition to the combined Interim Dividend of 400% i.e. Rs. 40 per share (First Interim Cash Dividend of 200% and Second Interim Cash Dividend of 200%) already paid in March 2015 and May 2015 respectively. The total dividend for 2014-2015 will thus amount to 80% i.e. Rs. 80/- per share.

3. To appoint auditors and fix their remuneration for the year ending June 30, 2016. The present auditors M/s. A.F. Ferguson & Co., Chartered Accountants, retire and being eligible have offered themselves for re-appointment.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass the following as a Special Resolution:

__RESOLVED__ as and by way of Special Resolution __THAT__ the authorised share capital of the Company be and is hereby increased to Rs. 5,000,000,000 (Rupees Five Billion) by the creation of 500,000,000 (Five Hundred Million) ordinary shares of Rs. 10 each, such new shares to rank pari passu in all respects with the existing ordinary shares in the capital of the Company, and that accordingly:

(a) Clause V of the Memorandum of Association of the Company be and is hereby substituted by the following new Clause V, namely:

"V. The Capital of the Company is Rs. 5,000,000,000 (Rupees Five Billion) divided into 500,000,000 (Five Hundred Million) ordinary shares of Rs.10/- each of the classifications and with the rights and privileges attaching thereto, as are or may be provided by the Regulations of the Company for the time being. The Company shall have power to issue redeemable capital including participatory redeemable capital or to increase or reduce the capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such special rights, privileges or conditions as may be determined by or in accordance with the Regulations of the Company and to vary the classifications and to modify or abrogate any such rights, privileges or conditions, in such manner as may

for the time being be provided by the Regulations of the Company and to consolidate or sub-divide the shares and issue shares of higher or lower denomination, provided however, that the rights as between various classes of ordinary shares as to profits, votes and other benefits shall be strictly proportionate to the paid up value of shares ."

(b) *Article 4 of the Articles of Association of the Company be and is hereby substituted by the following new Article 4, namely:*

> *"4. The authorised capital of the Company is Rs. 5,000,000,000 (Rupees Five Billion) divided into 500,000,000 (Five Hundred Million) ordinary shares of Rs. 10 (Rupees ten) each".*

FURTHER RESOLVED THAT the Company Secretary of the Company, be and is hereby authorized, to do all acts, deeds and things and take all steps necessary to complete the legal formalities and file the required documents as may be necessary or ancillary for the purpose of implementing the aforesaid resolution.

A statement as required under Section 160(1)(b) of the Companies Ordinance 1984 in respect of the special business to be considered at the meeting is annexed to this Notice of Meeting being sent to the members/ shareholders.

By order of the Board

Karachi.
August 28, 2015

Anam Fatima Khan
Company Secretary

NOTES:

1. The Share Transfer Books of the Company will be closed from September 23, 2015 to October 6, 2015 (both days inclusive) for the purpose of the Annual General Meeting and payment of the final dividend.

2. Transfer requests received by the Company's Share Registrar, "M/s. Noble Computer Services (Private) Limited, Share Department, First Floor, House of Habib Building, (Siddiqsons Tower), 3-Jinnah Cooperative Housing Society, Main Shahrah-e-Faisal, Karachi-75350, Tel: (021) 34325482-84, Fax. (021) 34325442, Email: ncsl@hoh.net" at the close of business on September 22, 2015 will be treated in time for the purpose of determining above entitlement to the transferees for payment of final dividend and to attend the Annual General Meeting.

3. All members are entitled to attend and vote at the meeting. A member may appoint a proxy to attend and vote on behalf of him / her. Proxy forms must be deposited at the Share Registrar of the Company not less than 48 hours before the Meeting.

4. Shareholders are requested to promptly notify change in their registered postal address, if any, to the Company's Share Registrar.

5. Shareholders are also requested to provide the following information to enable the Company to comply with the directives of the Securities & Exchange Commission of Pakistan.

CDC Account Holders are further required to follow the guidelines mentioned herembelow as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

A. For attending the meeting:

i) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.

ii) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of meeting.

B. For appointing Proxies:

i) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.

ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

iv) The proxy shall produce his / her original CNIC or original passport at the time of meeting.

v) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

Submission of copies of CNIC and NTN Certificate (Mandatory)

Pursuant to the directive of the Securities & Exchange Commission of Pakistan (SECP), Dividend Warrants shall mandatorily bear the Computerized National Identity Card (CNIC) numbers of shareholders. Shareholders are therefore requested to fulfill the statutory requirements and submit a copy of their CNIC (if not already provided) to the Company's Share Registrar, M/s. Noble Computer Services (Pvt.) Limited without any delay.

In case of non-availability of a valid copy of the Shareholders' CNIC in the records of the Company, the company shall be constrained to withhold the Dividend Warrants in terms of Section 251(2)(a) of the Companies Ordinance 1984, which will be released by the Share Registrar only upon submission of a valid copy of the CNIC in compliance with the aforesaid SECP directives.

Withholding Tax on Dividend

Government of Pakistan through Finance Act, 2015 has made certain amendments in section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:

(a) For filers of income tax returns: 12.5%
(b) For non-filers of income tax returns: 17.5%

Shareholders who are filers, are advised to make sure that their names are entered into latest Active Tax Payers List (ATL) provided on the website of FBR at the time of dividend payment, otherwise they shall be treated as non-filers and tax on their cash dividend will be deducted at the rate of 17.5% instead of 12.5%.

Withholding tax on Dividend in case of Joint Account Holders

In order to enable the Company to follow the directives of the regulators to determine shareholding ratio of the Joint Account Holder(s) (where shareholding has not been determined by the Principal shareholder) for deduction of withholding tax on dividends of the Company, shareholders are requested to please furnish the shareholding ratio details of themselves as Principal shareholder and their Joint Holders , to the Company's Share Registrar, enabling the Company to compute withholding tax of each shareholder accordingly. In the event of non-receipt of the information each shareholder will be assumed to have equal proportion of shares and the tax will be deducted accordingly.

Payment of Cash Dividend Electronically (Optional)

The SECP has initiated e-dividend mechanism through its Notification 8(4) SM/CDC/2008 dated April 05, 2013. In order to avail benefits of e-dividend shareholders are hereby advised to provide details of their bank mandate specifying: (i) title of account, (ii) account number, (iii) bank name, (iv) branch name, code and address to Company's Share Registrar M/s. Noble Computer Services (Private) Limited. Shareholders who hold shares with Participants / Central Depository Company of Pakistan (CDC) are advised to provide the mandate to the concerned Broker / CDC.

Distribution of Annual Report through Email

We are pleased to inform shareholders that the Securities and Exchange Commission of Pakistan has under and pursuant to SRO No. 787(I)/2014 dated 8 September 2014, permitted companies to circulate their annual balance sheet and profit and loss accounts, auditor's report and directors' report etc. ("**Annual Report**") alongwith the notice of annual general meeting ("**Notice**"), to its shareholders by email. Shareholders of the Company who wish to receive the Company's Annual Report and notices of annual general meeting by email are requested to provide the completed Electronic Communication Consent Form already dispatched, to the Company's Share Registrar, Noble Computer Services (Private) Limited.

STATEMENT UNDER SECTION 160 (1) (B) OF THE COMPANIES ORDINANCE, 1984

The material facts concerning the special business to be transacted at the Annual General Meeting of the Company to be held at Institute of Chartered Accountants of Pakistan (ICAP) Auditorium, Karachi on Tuesday, October 6, 2015, at 9 a.m. are as follows:

At present the Company has an authorised share capital of Rs. 1,000,000,000 (Rupees One Billion) divided into 100,000,000 (One Hundred Million) ordinary shares of Rs. 10 each of which 78,600,000 (Seventy Eight Million Six Hundred Thousand) ordinary shares are issued and the remainder are unissued. The Company intends to increase its authorised share capital to Rs. 5,000,000,000 (Rupees Five Billion) by the creation of 500,000,000 (Five Hundred Million) ordinary shares of Rs. 10 each, in order to accommodate the size of the Company and sustain its operations. While the Company has traditionally utilized its reserves for this purpose, owing to recently proposed legislation whereby the

Company's reserves would have been unreasonably taxed, the Company is seeking to increase its authorized share capital.

The increase in the authorised share capital will also require Clause V of the Memorandum of Association and Article 4 of the Articles of Association to be amended in order to reflect the increased capital.

The text of the resolution for increasing the authorised share capital and the consequential amendments to the Memorandum and Articles of Association of the Company is set forth in the notice convening the Annual General Meeting which resolution will be proposed and passed as a Special Resolution.