



Date: 30/09/2016

The General Manager,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Subject: Notice of Annual General Meeting

Dear Sir,

Enclosed please find a copy of the Notice (Annexure-I) and statement under Section 160 (1) (b) of the Companies Ordinance, 198 (Annexure-II) for Annual General Meeting of the Company to be held on Tuesday, October 25, 2016 for circulation amongst the TRE Certificate Holders of the Exchange.

Yours Sincerely,

BOO-ALI-SIDDIQUI
Company Secretary



Encl: As Above

C.C to:

Securities and Exchange
Commission Of Pakistan
N.I.C Building, Jinnah
Avenue,
Islamabad.



Lahore Office:
NetSol IT Village (Software Technology Park)
Lahore Ring Road, Ghazi Road Interchange,
Lahore Cantt. 54792, Pakistan.
Tel: (92-42) 111-44-88-00, 35727096-7, Fax: (92-42) 35726740



Karachi Office:
26-C, Main Khayaban-e-Jami,
Phase 7 Ext. DHA, Karachi
Tel: (92-21) 35319401-5



Rawalpindi Office:
H-No. 4 Saffari Villas,
Bahria Town - Near Car Chowk, Rawalpindi
Tel: (92-51) 5707011



**NETSOL TECHNOLOGIES LIMITED
NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT the 20th Annual General Meeting of the shareholders of NetSol Technologies Limited will be held on Tuesday October 25, 2016 at 11:00 A.M at Faletti Hotel, 24 – Egerton Road, Lahore, to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Reports of Directors and Auditors together with Audited Annual Separate and Consolidated Financial Statements for the year ended 30 June 2016.
2. To approve the payment of cash dividend of Rs.0.50 per share (i.e., @5%) as recommended by the board of directors.
3. To appoint auditors and fix their remuneration.

Special Business

4. To obtain consent of the shareholders in terms of S.R.O 470(I)/2016 dated May 31, 2016 issued by Securities and Exchange Commission of Pakistan, for the transmission of the annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the Company either through CD or DVD or USB and to pass the following resolution as an Ordinary Resolution, with or without modification:

RESOLVED THAT:

“Consent & approval of the members of NetSol Technologies Limited (“the Company”) be and is hereby accorded for transmission of annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the company to the members for future year commencing from the year ending on June 30, 2017 through CD or DVD or USB instead of transmitting the same in hard copies.”

RESOLVED FURTHER THAT:

“Chief Executive Officer or Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things, take or cause to be taken all necessary action to comply with all legal formalities and requirements and file necessary documents as may be necessary or incidental for the purposes of implementing this resolution.”

5. To consider and, if deemed fit, pass the following resolution as Special Resolution with or without modification for alterations in the Articles of Association of the Company:

RESOLVED THAT:

“Pursuant to Section 28 and other applicable provisions, if any, of the Companies Ordinance, 1984, Articles of Association of the Company be and are hereby amended by inserting a new Article 44A immediately after the existing Article 44 to read as under;

44A. ELECTRONIC VOTING: The Company shall comply with the mandatory e-voting requirements as may be prescribed by the Securities and Exchange Commission of Pakistan from time to time and members may be allowed to appoint members as well as non-members as proxies for the purposes of electronic voting pursuant to this Article.

RESOLVED FURTHER THAT:

“The Chief Executive Officer or Company Secretary be and is hereby authorized to do all acts, deed and things, take all steps and action necessary, ancillary and incidental for altering the Articles of Association of the Company including filing of all requisite documents/ statutory forms and complying with all other regulatory requirements so as to effectuate the alteration in the Article of Association of the Company.



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A statement under Section 160(1)(b) of the Companies Ordinance, 1984 pertaining to the special business is being sent to the members along with the notice.

By Order of the Board

Boo-Ali Siddiqui
Company Secretary

Lahore
October 04, 2016

NOTE:

1. Share transfer books of the Company will remain closed from October 19, 2016 to October 25, 2016 (both days inclusive). Transfers received in order at share
2. Shareholders are requested to notify the change of addresses, if any, to our Shares Registrar, **M/s Vision Consulting Ltd.**, 3-C, LDA Flats, Lawrence Road, Lahore Tel: (92 42) 36283096, 36283097 and Fax: (+92 42) 36312550 maximum by the close of business hours on October 18, 2016. This will be treated in time for the entitlement of cash dividend and to attending the meeting.
3. A member entitled to attend and vote at the meeting may appoint another member as his/her proxy to attend and vote on his/her behalf. In order to be effective, proxies, complete in all respect, must be received at the registered office of the company not less than 48 hours before the scheduled time of the meeting.
4. CDC account holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan:

A) For Attending the Meeting:

- a) In case of individuals, the account holder or sub-account holder and/or the persons whose shares are in group accounts and their registration details are uploaded as per CDC regulations shall authenticate their identity by showing their original computerized national identity cards (CNICs) or original passport at the time of attending the meeting.
- b) 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 the meeting.

B) For Appointing Proxies:

- a) In case of individuals, the account holder or sub-account holder and/or persons whose shares are in group accounts and their registration details are uploaded as per CDC regulations, shall submit the proxy form as per the above requirements.
- b) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- c) Attested copies of CNICs or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- d) The proxy shall produce his/ her original CNIC or original passport at the time of the meeting.
- e) In case of corporate entity, the board of directors' resolution/ power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity shall be submitted (unless it has been provided earlier) along with proxy form to the Company.



NETSOL TECHNOLOGIES LIMITED
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5. Notice to Shareholders who have not provided CNIC:

The Company has made several requests through advertisements in Urdu and English newspapers having circulation throughout the country and Independent Share Registrar of the Company has also sent letters through Registered Post to the shareholders who have not yet provided valid copies of their Computerized National Identity Card (CNIC), requesting them to provide their CNIC's. The directive of the Securities and Exchange Commission of Pakistan contained in S.R.O. 831(I)/2012 dated 5 July 2012 requires that the dividend warrants should bear the Computerized National Identity Card Numbers (CNIC) of the registered shareholders or the authorized person except in the case of minor(s) and corporate shareholders.

CNIC number of the shareholders is, therefore, mandatory for the issuance of future dividend warrants and in the absence of such information, payment of dividend may be withheld in term of SECP's order dated 10th May, 2016. Therefore, the shareholders who have not yet provided their CNICs are once again advised to provide the attested copies of their CNICs directly to our Independent Share Registrar at the address given herein above without any further delay.

6. Mandate for E-DIVIDENDS for shareholders

In order to make process of payment of cash dividend more efficient, e-dividend mechanism has been envisaged where shareholders can get amount of dividend credited into their respective bank accounts electronically without any delay. In this way, dividends may be instantly credited to respective bank accounts and there are no chances of dividend warrants getting lost in the post, undelivered or delivered to the wrong address, etc. The Securities and Exchange Commission of Pakistan (SECP) through Notice No. 8(4) SM/CDC 2008 dated 5 April 2013 has advised all Listed Companies to adopt e-dividend mechanism due to the benefits it entails for shareholders. In view of the above, you are hereby encouraged to provide a dividend mandate in favour of e-dividend by providing dividend mandate form duly filled in and signed.

7. Electronic Transmission of Financial Statements Etc.,

SECP through its Notification No.SRO.787(1)/2014, dated September 08, 2014 has allowed companies to circulate Annual Audited Financial Statements along with Notice of Annual General Meeting through email instead of sending the same through post, to those members who desires to avail this facility. The members who desire to opt to receive aforesaid statements and notice of AGM through e-mail are requested to provide their written consent on the Standard Request Form available on the Company's website: www.netsolpk.com

8. Deduction of Income Tax from Dividend at Revised Rates

Pursuant to the provisions of Finance Act, 2016 effective July 1, 2016, deduction of income tax from dividend payments shall be made on the basis of filers and non-filers as follows:

S. No.	Nature of Shareholders	Rate of deduction
1	Filers of Income Tax Return	12.5%
2	Non-Filers of Income Tax Return	20.0%

Income Tax will be deducted on the basis of Active Tax Payers List posted on the Federal Board of Revenue website.

Member seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax certificate or necessary documentary evidence, as the case may be.

The shareholders who have joint shareholdings held by Filers and Non-Filers shall be dealt with separately and in such particular situation, each account holder is to be treated as either a Filer or a Non-Filer and tax will be deducted according to his shareholding. If the share is not ascertainable then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction to tax at a higher rate, the joint account holders are requested to provide the below details of their shareholding to the Share Registrar of the Company latest by the AGM date.

Folio/CDC Account No.	Name of Shareholder	CNIC	Shareholding	Total Shares	Principal/Joint Shareholder
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9. Placement of Financial Statements

The Company has placed the Audited Annual Separate and Consolidated Financial Statements for the year ended 30 June 2016 along with Auditors and Directors Reports thereon on its website: www.netsolpk.com



NETSOL TECHNOLOGIES LIMITED
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(Annexure-II)

Statement Under Section 160(1) (b) Of The Companies Ordinance, 1984

This statement set out the material facts concerning the special business to be transacted at the annual general meeting of the Company to be held on October 25, 2016.

Circulations of Annual Reports through CD/DVD/USB

Securities and Exchange Commission of Pakistan has vide S.R.O 470(I)/2016 dated May 31, 2016 allowed the companies to circulate the annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the Company to its members through CD/DVD/USB subject to consent of the shareholders in general meeting. This will save time and expenses incurred on printing of the annual report.

The Company shall supply the hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand. After approval of the shareholders, the Company will place a Standard Request Form on its website to communicate their need of hard copies of the documents along with postal and email address of the Company Secretary/Share Registrar to whom such requests shall be made.

Accordingly, the directors have placed the matter before the shareholders for their approval and to pass the ordinary resolution as proposed in the notice of meeting. The directors are not interested, directly or indirectly, in the above business except to the extent of their investment as has been detailed in the pattern of shareholding annexed to the Directors Report.

Alteration in the Articles of Association

Securities and Exchange Commission of Pakistan has issued Companies (E-Voting) Regulation 2016 on January 22, 2016 vide S.R.O 431(I)/2016. The directors have recommended alteration in the Articles of Association which will give the members option to be part of the decision making in the general meeting of the Company through electronic means. Accordingly, it has been proposed to pass the resolution as a Special Resolution for alteration in the Articles of Association of the Company, as specified in the notice of meeting.

The directors are not interested, directly or indirectly, in the above business except to the extent of their investment as has been detailed in the pattern of shareholding annexed to the Directors Report.