

**NetSol Technologies Ltd.**

NetSol IT Village (Software Technology Park), Lahore Ring Road, Ghazi Road Interchange, Lahore Cantt. 54792, Pakistan.

Email: info@netsolpk.com

Phone: +92 42 111-44-88-00

Web: www.netsolpk.com

Date: 25/09/2019

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

Subject: **Notice of Annual General Meeting (Prior to Publication)**

Dear Sir,

Enclosed please find a copy of the Notice of the Annual General Meeting to be held on Monday October 21, 2019 for circulation amongst the TRE Certificate Holders of the Exchange.

Yours Sincerely,

SEHRISH

Company Secretary



Encl: As Above

C.C to:

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



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

NOTICE IS HEREBY GIVEN THAT the 23rd Annual General Meeting of the shareholders of NetSol Technologies Limited (the "**Company**") will be held on October 21, 2019 at 11:00 A.M at the Registered Office of the Company situated at NetSol IT Village (Software Technology Park) Lahore Ring Road, Ghazi Road Interchange, Lahore Cantt., to transact the following ordinary business:

1. To receive, consider and adopt the Reports of Directors, Chairman and Auditors together with audited annual separate and consolidated financial statements for the year ended June 30, 2019.
2. To approve the payment of final cash dividend of Rs.2.80 per share (i.e., @28%) as recommended by the board of directors.
3. To appoint Auditors and fix their remuneration. The members are hereby notified that the Audit Committee and the Board of directors have recommended the name of retiring auditors M/s H.Y.K & Co. Chartered Accountants for appointment as auditors of the Company

By Order of the Board

SEHRISH
Company Secretary

Lahore
September 27, 2019

NOTE:

1. Share transfer books of the Company will remain closed from October 15, 2019 to October 21, 2019 (both days inclusive). Physical/ CDC transfers received in order at the Shares Registrar, *M/s Vision Consulting Ltd.*, 3-C, LDA Flats, Lawrence Road, Lahore Tel: (92 42) 36283096, 36283097 and Fax: (+92 42) 36312550 by the close of business on October 14, 2019 will be treated in time for determining the entitlement of cash dividend to the transferees and to attend, speak and vote at the meeting.
2. Shareholders are requested to notify the change of address, if any.
3. A member entitled to attend and vote at the general meeting may appoint another member as his/her proxy to attend and vote on his/her behalf and a proxy so appointed shall have such rights, as respects attending, speaking and voting at the Annual General Meeting as are available to the Member. 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. Proxy Form in English and Urdu languages is attached herewith.
4. CDC account holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan in Circular 1 dated 26 January 2000 :
 - 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.



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- 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.

ATTENTION OF THE MEMBERS ARE DRAWN TO THE FOLLOWING MATTERS:

5. CNIC, IBAN for E-Dividend & Zakat

- a) As per Section 242 of the Companies Act 2017, in case of a Public listed company, any dividend payable in cash shall only be remitted through electronic mode directly into the bank account designated by the entitled shareholders. Therefore, through this notice, all shareholders are requested to update their bank account No. (IBAN), CNIC & details in the Central Depository System through respective participants. In case of physical shares, to provide bank account (IBAN) details to our Share Registrar, M/s Vision Consulting Ltd. Please ensure an early update of your particulars to avoid any inconvenience in future. e-Dividend mandate form is enclosed in the annual report and also available on the website of the Company, www.netsolpk.com. In case of non-submission, all future dividend warrants may be withheld.
- b) Members are requested to submit declaration (CZ-50) as per Zakat & Ushr Ordinance 1980 for zakat exemption and to advise change in address, if any.

6. Unclaimed Shares / Dividends to vest with the Federal government

Members of the Company are informed that in compliance with the provisions of Section 244 of the Companies Act, 2017, shares / dividend which remain unclaimed or unpaid for a period three years from the date it is due and payable will be vested with the Federal Government after the lapse of the time period as prescribed by the Securities and Exchange Commission of Pakistan (SECP), if no claim is made by respective members. Accordingly, all those members whose shares/dividend remain unclaimed or unpaid for the mentioned period are once again requested to lodge their claims as the Company has already dispatched notices in this respect to all such shareholders at their last known addresses, where available with the Company.

7. Deduction of Income Tax from Dividend at Revised Rates

- i) Pursuant to the provision of Finance Act, 2019, effective July 01, 2019, applicable rates on payment of dividend have been amended and the rates of deduction of income tax, under Section 150 of Income Tax Ordinance, 2001 have been revised as follows:
 - a) Rate of tax deduction for persons whose name appearing in Active Taxpayer List (ATL) - 15%
 - b) Rate of tax deduction for persons whose name not appearing in Active Taxpayer List(ATL)- 30%

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To enable the Company to make tax deduction on the amount of cash dividend @ 15% instead of 30%, all the shareholders whose names are not entered into the Active Tax payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL on or before the date of approval of cash dividend at the Annual General Meeting of October 21, 2019 otherwise tax on their cash dividend will be deducted @ 30% instead of @ 15%.

In the case of shares registered in the name of two or more shareholders, each joint-holder is to be treated individually as either a filer or non-filer and tax will be deducted by Company accordingly on the basis of shareholding of each joint-holder as may be notified to the Company in writing. The joint-holders are, therefore, requested to submit their shareholdings otherwise each joint holder shall be presumed to have an equal number of shares.

The CNIC number/NTN detail is now mandatory and is required for checking the tax status as per the Active Taxpayers List (ATL) issued by Federal Board of Revenue (FBR) from time to time.

- ii) For any query/problem/information, the investors may contact the Company and /or the Share Registrar at the following phone Numbers, email address:

The Manager Shares
M/s Vision Consulting Ltd.,
3-C, LDA Flats, Lawrence Road, Lahore
Tel: (92 42) 36283096, 36283097
Fax: (+92 42) 36312550
E-mail: shares@vcl.com.pk

- iii) The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate members having physical shares should send a copy of their NTN certificate to the Company or its Share Registrar i.e. M/s Vision Consulting Ltd. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name their respective folio numbers.

8. Dissemination of Annual Audited Accounts and Notice of Annual General Meeting

The Company has placed a copy of the Notice of AGM, the Audited Annual Separate and Consolidated Financial Statements for the year ended June 30, 2019 along with Auditors' and Directors' Reports thereon and Chairman's Review Report on Company's website i.e. <http://www.netsolpk.com/investor-information.php>.

Further, in accordance with SRO 470(I)/2016 dated May 31, 2016, through which SECP has allowed companies to circulate the annual audited accounts to its members through CD/DVD/USB instead of transmitting the hard copies at their registered addresses, subject to the consent of shareholders and compliance with certain other conditions, the Company had obtained shareholder's approval in its Annual General Meeting held on October 25, 2016. Accordingly, annual audited accounts of the Company for the year ended June 30, 2019 are being dispatched to the shareholders through CD. The shareholders may request a hard copy of annual audited accounts, which shall be provided free of cost within seven days of receipt of such request.

Further, in terms of SRO No.787(I)/2014 dated September 8, 2014, shareholders can also opt to obtain annual balance sheet and profit and loss accounts, auditors' report and directors' report etc., along with the Notice of the Annual General Meeting through email. For this purpose, we hereby give you the opportunity to send us your written request along with your valid email ID to provide you the same via email.



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For the convenience of shareholders, a Standard Request Form (for the provision of annual audited accounts) is enclosed and also available at the company's website. i.e. www.netsolpk.com

9. Deposit of Physical Shares into CDC Account

The Shareholders having physical shareholding may open sub-account with any of the brokers or Investor account directly with CDC to place their physical shares into scrip-less form, this will facilitate them in many ways including safe custody and sale of shares, at any time they want, as the trading of physical shares is not permitted as per existing regulations of the stock exchange. Further, Section 72 of the Act states that after the commencement of the Act from a date notified by the SECP, a company having share capital, shall have shares in book-entry form only. Every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of the Act.

10. Video Conference Facility

The Company shall provide video conference facility to its members for attending the Annual General Meeting, at places other than the town in which the Annual General Meeting is taking place, after considering the geographical dispersal of its members: provided that if members, collectively holding 10% or more shareholding residing at a geographical location, provide their consent to participate in the meeting through video conference at least 10 days prior to date of the meeting, the Company shall arrange video conference facility in that city subject to availability of such facility in that city.

In this regard, please fill the following form and submit to the registered address of the Company 10 days before holding of the Annual General Meeting;-

I/We, _____ of _____ being a member of NetSol Technologies Limited, holder of _____ Ordinary shares as per Register Folio No. _____ hereby opt for video conference facility at _____.

Signature of member