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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 1
FORM 10-KSB

ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

or

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 0-22773

NETSOL TECHNOLOGIES, INC.

(Name of small business issuer as specified in its charter)

NEVADA
(State or other jurisdiction of
incorporation or organization)

95-4627685
(I.R.S. Employer
Identification Number)

24011 Ventura, Suite 101,
Calabasas, CA
(Address of principal executive offices)

91302
(Zip code)

(818) 222-9195 / (818) 222-9197
(Issuer's telephone/facsimile numbers, including area code)

SECURITIES REGISTERED UNDER SECTION 12(b) OF THE EXCHANGE ACT:
(None)

SECURITIES REGISTERED UNDER SECTION 12(g) OF THE EXCHANGE ACT:
COMMON STOCK, \$.001 PAR VALUE
(TITLE OF CLASS)

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PART IV

ITEM 13 — EXHIBITS AND REPORTS ON FORM

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Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Check if disclosure of delinquent filers in response to Item 405 of Regulation S-B, is not contained in this form and no disclosure will be continued, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to the Form 10-KSB.

Registrant's revenues for the fiscal year ended June 30, 2002 were \$3,578,113. As of October 4, 2002, Registrant had 19,445,499 shares of its \$.001 par value Common Stock issued and outstanding with an aggregate market value of the common stock held by non-affiliates of \$511,932.96. This calculation is based upon the closing sales price of \$0.07 per share on October 4, 2002.

DOCUMENTS INCORPORATED BY REFERENCE

(None)

Transitional Small Business Disclosure Format (Check one): Yes ; No

EXPLANATORY NOTE

This Form 10-KSB/A for the fiscal year ended June 30, 2002 is being amended to include the Independent Auditors' Report and Consent of Saeed Kamran Patel as of June 30, 2002.

PART IV

This form 10KSB contains forward looking statements relating to the development of the Company's products and services and future operation results, including statements regarding the Company that are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. The words "believe," "expect," "anticipate," "intend," variations of such words, and similar expressions identify forward looking statements, but their absence does not mean that the statement is not forward looking. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Factors that could affect the Company's actual results include the progress and costs of the development of products and services and the timing of the market acceptance.

ITEM 13 — EXHIBITS AND REPORTS ON FORM

(a) Exhibits

- 23.2 Audit Opinion of Saeed Kamran Patel & Co. for NetSol (Pvt.) Ltd.; Audit Opinion of Saeed Kamran Patel & Co. for NetSol Connect (Pvt.) Ltd.; Audit Opinion of Saeed Kamran Patel & Co. for Network
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Solutions (Pvt.) Ltd.

23.5 Consent of Saeed Kamran Patel

SIGNATURES

In accordance with Section 13 or 15 (d) of the Exchange Act, the Registrant caused this amendment to the report to be signed on its behalf by the undersigned, thereunto duly authorized.

NetSol Technologies, Inc.

Date: October 21, 2002

BY: /S/ NAEEM GHAURI

Naeem Ghauri
CEO

Date: October 21, 2002

BY: /S/ NAJEEB GHAURI

Najeeb Ghauri
Chief Financial Officer, Secretary

In accordance with the Exchange Act, this amendment to the report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Date: October 21, 2002

BY: /S/ NAJEEB U. GHAURI

Najeeb U. Ghauri
Director

Date: October 21, 2002

BY: /S/ SALIM GHAURI

Salim Ghauri
President,
Director

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Date: October 21, 2002

BY: /S/ EUGEN BECKERT

Eugen Beckert
Director

Date: October 21, 2002

BY: /S/ IRFAN MUSTAFA

Irfan Mustafa
Chairman of the Board, Director

Date: October 21, 2002

BY: /S/ JIM MOODY

Jim Moody
Director

Date: October 21, 2002

BY: /S/ NAEEM GHAURI

Naeem Ghauri
Director

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of NETSOL CONNECT (PVT.) LTD. as at June 30, 2002 and the related statement of income and cash flows for the year then ended, together with the notes forming part thereof, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is responsibility of the Company's Management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the International Standards on Auditing, which are comparable in all material respects with US Generally Accepted Auditing Standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we state that:

During the year ended June-30, 2002 the company suffered a substantial loss before tax of Rs. 38,932,745/- (2001: Rs. 49,418,008/-). The key financial ratios of the company have become adverse. These matters arise doubt that the company will be able to continue as a going concern. The management has however given us the understanding that the company shall be merged with other companies in Netsol Group Pakistan, and will ultimately go public to raise funds. The amount and classification of the assets and liabilities in the Financial Statements have not however been adjusted.

Except for the effects of matters discussed in the above paragraphs we report that:

- (a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
 - (i) the balance sheet and income statements together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984 and are in agreement with the books of account and are further in accordance with accounting policies;
 - (ii) the expenditure incurred during the year was for the purposes of the Company's business; and
 - (iii) the business conducted and the expenditure incurred during the year were in accordance with the objects of the Company.
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984 in the manner so required and give a true and fair view of the state of the Company's affairs as at June 30, 2002 and of the loss and its cash flows for the year then ended and are in accordance with the International Accounting Standards which are comparable in all respect with US Generally Accepted Accounting Principles; and
- (d) in our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

LAHORE

/s/ SAEED KAMRAN PATEL
CHARTERED ACCOUNTANTS

OCTOBER 8, 2002

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of NETSOL (PVT.) LTD. as at June 30, 2002 and the related statement of income and cash flows for the year then ended, together with the notes forming part thereof, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is responsibility of the Company's Management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the International Standards on Auditing, which are comparable in all material respects with US Generally Accepted Auditing Standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we state that:

An amount of Rupees 19,348,898/- has been recognized as sales without any documentary evidence and corresponding receivables are also unverifiable. Keeping this adjustment in view, the company suffered a loss of Rupees 17,470,453/- for the year, and the accumulated loss therefore goes up to Rs. 33,994,606.

Analysis of the financial statements of the company also reveal that the actual liabilities of the company have gone up to Rs. 40,920,882/-, but the total assets of the company are only Rs. 26,315,174/- of which Rs. 19,348,898/- are unverified receivables. The company may not therefore be able to pay its debts. The key financial ratios of the company have also become adverse. These matters raise doubt that the company will be able to continue as a going concern. The management has however given us the understanding that the company shall be merged with other companies in Netsol Group Pakistan, and will ultimately go public to raise funds. The amounts and classification of the assets and liabilities in the financial statements have not, however, been adjusted.

Except for the effects of matters discussed in the above paragraphs we report that:

- (a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
 - (i) the balance sheet and income statements together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984 and are in agreement with the books of account and are further in accordance with accounting policies;
 - (ii) the expenditure incurred during the year was for the purposes of the Company's business; and
 - (iii) the business conducted and the expenditure incurred during the year were in accordance with the objects of the Company.
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet together with the notes forming part thereof conform with approved accounting

standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984 in the manner so required and give a true and fair view of the state of the Company's affairs as at June 30, 2002 and of the profit, its cash flows for the year then ended and are in accordance with the International Accounting Standards which are comparable in all respect with US Generally Accepted Accounting Principles; and

- (d) in our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

/s/ Saeed Kamran Patel
CHARTERED ACCOUNTANTS

LAHORE
OCTOBER 9, 2002

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of NETSOL TECHNOLOGIES (PVT.) LTD. as at June 30, 2002 and the related statement of income and cash flows for the year then ended together with the notes forming part thereof, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is responsibility of the Company's Management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the International Standards on Auditing, which are comparable in all material respects with US Generally Accepted Auditing Standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we state that:

- (a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
- (i) the balance sheet and income statements together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984 and are in agreement with the books of account and are further in accordance with accounting policies;
 - (ii) the expenditure incurred during the year was for the purposes of the Company's business; and
 - (iii) the business conducted and the expenditure incurred during the year were in accordance with the objects of the Company.
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984 in the manner so required and give a true and fair view of the state of the Company's affairs as at June 30, 2002 and of the loss and its cash flows for the year then ended and are in accordance with the International Accounting Standards which are comparable in all material respects with US Generally Accepted Accounting Principles; and

(d) in our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

LAHORE
OCTOBER 7, 2002

/s/ Saeed Kamran Patel
CHARTERED ACCOUNTANTS

[*SAEED KAMRAN PATEL & COMPANY LETTERHEAD*]

CONSENT OF INDEPENDENT CHARTERED ACCOUNTANT

Netsol Technologies, Inc. and Subsidiaries

(Formerly: Netsol International Inc. & Mirage Holdings, Inc.)

Calabasas, California

We consent to the reference to our firm under the caption "Experts" in the Registration Statement on Form S-3 (333-59454) and Form S-8 (333-60534) of Netsol Technologies, Inc. and the incorporation by reference therein of our reports dated October 18, 2002 for Netsol Technologies (Private) Limited (Formerly Network Solutions (Private) Limited, Netsol (Private) Limited and Netsol Connect (Private) Limited with respect to their inclusion in the consolidated financial statements of Netsol Technologies Inc. and Subsidiaries included in its Annual Report on Form 10-KSB for the year ended June 30, 2002.

/s/ SAEED KAMRAN PATEL & COMPANY

SAEED KAMRAN PATEL & COMPANY

CHARTERED ACCOUNTANTS

*Lahore, Pakistan
October 18, 2002*