

SCHEDULE 13D

(RULE 13d-101)

Information to be Included in Statements Filed Pursuant to Rule 13d-1(a) and  
Amendments Thereto Filed Pursuant to Rule 13d-2(a)

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934  
(Amendment No. 2)\*

NETSOL INTERNATIONAL INC.

(Name of Issuer)

Common Stock, \$0.001 par value

(Title of Class of Securities)

64115A105

(CUSIP Number)

Najeeb U. Ghauri, President  
NetSol International Inc.  
24025 Park Sorrento, Suite 220  
Calabasas, California, 91302  
Telephone (818) 222-9195

(Name, Address and Telephone Number of Person Authorized to  
Receive Notices and Communications)

January 22, 2001

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to  
report the acquisition which is the subject of this Schedule 13D, and is filing  
this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the  
following box /XXX/.

Note: Schedules filed in paper format shall include a signed original  
and five copies of the schedule, including all exhibits. See Rule  
13d-7(b) for other parties to whom copies are to be sent.

\*The remainder of this cover page shall be filled out for a reporting  
person's initial filing on this form with respect to the subject class of  
securities, and for any subsequent amendment containing information which  
would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be  
deemed to be "filed" for the purpose of Section 18 of the Securities Exchange  
Act of 1934 ("Act") or otherwise subject to the liabilities of that section of  
the Act but shall be subject to all other provisions of the Act (however, see  
the Notes).

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1 NAMES OF REPORTING PERSONS/I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS  
(ENTITIES ONLY)

Blue Water Master Fund, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  
(See Instructions)

(a) [ ]  
(b) XXX [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS\* (See Instructions)

WC

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEM 2(d) OR 2(e)

[ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

British Virgin Islands

7 SOLE VOTING POWER

NUMBER OF

1,771,500

SHARES

8 SHARED VOTING POWER

BENEFICIALLY

0

OWNED BY EACH

9 SOLE DISPOSITIVE POWER

REPORTING

1,771,500

PERSON

10 SHARED DISPOSITIVE POWER

WITH

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,115,900

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (See Instructions)

[ ]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

19.1%

14 TYPE OF REPORTING PERSON (See Instructions)

PN

\* SEE INSTRUCTIONS BEFORE FILLING OUT!

INCLUDED BOTH SIDES OF THE COVER PAGE, RESPONSES TO ITEMS 1-7  
(INCLUDING EXHIBITS) OF THE SCHEDULE, AND THE SIGNATURE ATTESTATION.

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1 NAMES OF REPORTING PERSONS/I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS  
(ENTITIES ONLY)

Blue Water Partners I, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  
(See Instructions)

(a) [ ]

(b) XXX [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS\* (See Instructions)

OO

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEM 2(d) OR 2(e)

[ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

NUMBER OF

0

SHARES

8 SHARED VOTING POWER

BENEFICIALLY

0

OWNED BY EACH

REPORTING	9	SOLE DISPOSITIVE POWER	
PERSON	0		
WITH	10	SHARED DISPOSITIVE POWER	
	0		

---

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,115,900

---

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (See Instructions) [ ]

---

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

19.1%

---

14 TYPE OF REPORTING PERSON (See Instructions)

PN

---

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1 NAMES OF REPORTING PERSONS/I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS  
(ENTITIES ONLY)

Blue Water Fund, Ltd.

---

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  
(See Instructions)

(a) [ ]  
(b) XXX [ ]

---

3 SEC USE ONLY

---

4 SOURCE OF FUNDS\* (See Instructions)

OO

---

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEM 2(d) OR 2(e) [ ]

---

6 CITIZENSHIP OR PLACE OF ORGANIZATION

British Virgin Islands

---

NUMBER OF	7	SOLE VOTING POWER	
SHARES	0		
BENEFICIALLY	8	SHARED VOTING POWER	
OWNED BY EACH	0		
REPORTING	9	SOLE DISPOSITIVE POWER	
PERSON	0		
WITH	10	SHARED DISPOSITIVE POWER	
	0		

---

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,115,900

---

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (See Instructions) [ ]

---

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

19.1%

---

14 TYPE OF REPORTING PERSON (See Instructions)

CO

-----  
\* SEE INSTRUCTIONS BEFORE FILLING OUT!

INCLUDED BOTH SIDES OF THE COVER PAGE, RESPONSES TO ITEMS 1-7

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1 NAMES OF REPORTING PERSONS/I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS  
(ENTITIES ONLY)

Blue Water Partners, L.L.C.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  
(See Instructions)

(a) ☐  
(b) XXX ☐

3 SEC USE ONLY  
-----

4 SOURCE OF FUNDS\* (See Instructions)

OO

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEM 2(d) OR 2(e)

☐

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

NUMBER OF

0

SHARES

BENEFICIALLY

8 SHARED VOTING POWER

0

OWNED BY EACH

9 SOLE DISPOSITIVE POWER

REPORTING

0

PERSON

10 SHARED DISPOSITIVE POWER

WITH

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,115,900

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (See Instructions)

☐

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

19.1%

14 TYPE OF REPORTING PERSON (See Instructions)

CO  
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-----  
\* SEE INSTRUCTIONS BEFORE FILLING OUT!

INCLUDED BOTH SIDES OF THE COVER PAGE, RESPONSES TO ITEMS 1-7

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1 NAMES OF REPORTING PERSONS/I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS  
(ENTITIES ONLY)

JDI Management Corp.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  
(See Instructions)

(a) ☐  
(b) XXX ☐

3 SEC USE ONLY  
-----

4 SOURCE OF FUNDS\* (See Instructions)

OO

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEM 2(d) OR 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

New York

7 SOLE VOTING POWER  
NUMBER OF  
SHARES 0  
8 SHARED VOTING POWER  
BENEFICIALLY 0  
OWNED BY EACH  
REPORTING 9 SOLE DISPOSITIVE POWER  
PERSON 0  
10 SHARED DISPOSITIVE POWER  
WITH 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,115,900

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (See Instructions) [ ]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

19.1%

14 TYPE OF REPORTING PERSON (See Instructions)

CO

\* SEE INSTRUCTIONS BEFORE FILLING OUT!

INCLUDED BOTH SIDES OF THE COVER PAGE, RESPONSES TO ITEMS 1-7

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1 NAMES OF REPORTING PERSONS/I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS  
(ENTITIES ONLY)

Jonathan D. Iseon

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  
(See Instructions)

(a) [ ]

(b) XXX [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS\* (See Instructions)

OO

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEM 2(d) OR 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

7 SOLE VOTING POWER  
NUMBER OF  
SHARES 0  
8 SHARED VOTING POWER  
BENEFICIALLY 0  
OWNED BY EACH  
REPORTING 9 SOLE DISPOSITIVE POWER

0  
PERSON -----  
10 SHARED DISPOSITIVE POWER  
WITH  
0  
-----  
11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
2,115,900  
-----  
12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (See Instructions) [ ]  
-----  
13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
19.1%  
-----  
14 TYPE OF REPORTING PERSON (See Instructions)  
IN  
-----  
\* SEE INSTRUCTIONS BEFORE FILLING OUT!  
INCLUDED BOTH SIDES OF THE COVER PAGE, RESPONSES TO ITEMS 1-7  
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1 NAMES OF REPORTING PERSONS/I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS  
(ENTITIES ONLY)  
Blue Water Partners II, L.P.  
-----  
2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  
(See Instructions)  
(a) [ ]  
(b) XXX [ ]  
-----  
3 SEC USE ONLY  
-----  
4 SOURCE OF FUNDS\* (See Instructions)  
WC  
-----  
5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEM 2(d) OR 2(e) [ ]  
-----  
6 CITIZENSHIP OR PLACE OF ORGANIZATION  
Delaware  
-----  
7 SOLE VOTING POWER  
NUMBER OF 344,400  
SHARES  
-----  
8 SHARED VOTING POWER  
BENEFICIALLY 0  
OWNED BY EACH  
REPORTING 9 SOLE DISPOSITIVE POWER  
PERSON 344,400  
WITH 10 SHARED DISPOSITIVE POWER  
0  
-----  
11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
2,115,900  
-----  
12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (See Instructions) [ ]  
-----  
13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
19.1%  
-----  
14 TYPE OF REPORTING PERSON (See Instructions)  
PN

## ITEM 1. SECURITY AND ISSUER

Security: Common Stock, \$0.001 par value  
Issuer: NetSol International Inc., 24025 Park Sorrento, Suite 220,  
Calabasas, California, 91302

## ITEM 2. IDENTITY AND BACKGROUND

- a) Blue Water Master Fund, L.P., a limited partnership whose general partner is Blue Water Partners, L.L.C.

Blue Water Fund, Ltd., an international business corporation whose managing member is Blue Water Partners, L.L.C.

Blue Water Partners, L.L.C., a limited liability company whose members are JDI Management Corp. and Tuna Capital, L.L.C.

JDI Management Corp., a corporation whose sole shareholder is Jonathan D. Iseson.

Jonathan D. Iseson, an individual.

Blue Water Partners I, L.P., a limited partnership whose general partner is Blue Water Partners, L.L.C.

Blue Water Partners II, L.P., a limited partnership whose general partner is Blue Water Partners, L.L.C.

- b) Blue Water Master Fund, L.P. - c/o Citco Fund Services, Kaya Flamboyen 9, Curacao, Netherland Antilles  
Blue Water Fund, Ltd. - c/o Citco Fund Services, Kaya Flamboyen 9, Curacao, Netherland Antilles  
Blue Water Partners, L.L.C. - 192 Birch Hill Road, Locust Valley, NY 11560

JDI Management Corp. - 6 Chanticleare, Manhasset, New York 11030  
Jonathan D. Iseson - 6 Chanticleare, Manhasset, New York 11030  
Blue Water Partners I, L.P. - 6 Chanticleare, Manhasset, New York 11030  
Blue Water Partners II, L.P. - 6 Chanticleare, Manhasset, New York 11030

- c) Blue Water Master Fund, L.P. - Investment trading and management  
Blue Water Fund, Ltd - Investment trading and management  
Blue Water Partners, L.L.C. - Investment trading and management  
JDI Management Corp. - Investment trading and management  
Jonathan D. Iseson - Investment trading and management  
Blue Water Partners I, L.P. - Investment trading and management  
Blue Water Partners II, L.P. - Investment trading and management

- d) Blue Water Master Fund, L.P. has not been convicted in a criminal proceeding in the past five years.  
Blue Water Fund, Ltd. has not been convicted in a criminal proceeding in the past five years.  
Blue Water Partners, L.L.C. has not been convicted in a criminal proceeding in the past five years.  
JDI Management Corp. has not been convicted in a criminal proceeding in the past five years.  
Jonathan D. Iseson has not been convicted in a criminal proceeding in the past five years.  
Blue Water Partners I, L.P. has not been convicted in a criminal proceeding in the past five years.  
Blue Water Partners II, L.P. has not been convicted in a criminal proceeding in the past five years.

- e) Blue Water Master Fund, L.P. has not, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction which, as a result of such proceeding, caused it to be subject at any time to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.  
Blue Water Fund, Ltd. has not, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction which, as a result of such proceeding, caused it to be subject at any time to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Blue Water Partners, L.L.C. has not, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction which, as a result of such proceeding, caused it to be subject at any time to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

JDI Management Corp. has not, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction which, as a result of such proceeding, caused it to be subject at any time to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Jonathan D. Iseson has not, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction which, as a result of such proceeding, caused him to be subject at any time to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Blue Water Partners I, L.P. has not, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction which, as a result of such proceeding, caused it to be subject at any time to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Blue Water Partners II, L.P. has not, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction which, as a result of such proceeding, caused it to be subject at any time to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

f) Citizenship:

Blue Water Master Fund, L.P. - British Virgin Islands  
Blue Water Fund, Ltd. - British Virgin Islands  
Blue Water Partners, L.L.C. - California  
JDI Management Corp. - New York  
Jonathan D. Iseson - United States of America  
Blue Water Partners I, L.P. - Delaware  
Blue Water Partners II, L.P. - Delaware

ITEM 3. SOURCE AND AMOUNT OF FUNDS

Source: In each case the source of funds used to acquire securities of the issuer by the two entities holding title to the shares was the working capital of the entity acquiring title to the shares. The working capital was derived from the sale of limited partnership interests to investors. Other than margin used in securities trading accounts, no borrowed funds were used in the acquisition by the entities holding title to the shares of the issuer.

Amount: The aggregate cost of the shares to the entities holding title to the shares of the issuer was \$43,063,311.20.

ITEM 4. PURPOSE OF THE TRANSACTION

In each case, the shares were acquired as a passive investment to be held for capital appreciation and not with any intention to effect a change of control of the issuer. The most recently acquired shares described in this report were acquired in May of 2000. On or about January 22, 2001, the reporting entities determined to protect the value of their investment by attempting to effect a change in the composition of the issuer's management through the removal and replacement of certain individuals currently employed by the issuer. Certain individuals associated with the reporting entities, most likely Mr. Iseson, may also seek to obtain membership on the issuer's board of directors.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER

a) Amount of Securities: 2,115,900  
Percent: 19.1%



b) Blue Water Master Fund, L.P. holds title to and has sole power to vote or to direct the vote of 1,771,500 of the 2,115,900 shares described in this filing. The limited partners of Blue Water Master Fund, L.P. are Blue Water Partners I, L.P. and Blue Water Fund, Ltd. Because they are the only limited partners of Blue Water Master Fund, L.P., their ownership of interests in Blue Water Master Fund L.P. may, under SEC interpretations, be deemed ownership of the securities owned by Blue Water Master Fund, L.P. Blue Water Partners I, L.P. and Blue Water Fund, Ltd. each specifically disclaims ownership of the securities described in this report. Blue Water Partners II, L.P. holds title to and has sole power to vote or to direct the vote of 344,400 of the 2,115,900

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shares described in this filing. Blue Water Partners, L.L.C. is the general partner of each of Blue Water Master Fund, L.P. and Blue Water Partners II, L.P., and as such may, under SEC interpretations, be deemed a beneficial owner of the securities held by the partnerships. Blue Water Partners, L.L.C. specifically disclaims ownership of the securities described in this report. JDI Management Corp. provides investment advisory services to Blue Water Partners, L.L.C., and as such may, under SEC interpretations, be deemed a beneficial owner of the securities held by the partnerships. JDI Management Corp. specifically disclaims ownership of the securities described in this report. Jonathan D. Ison holds a controlling interest in JDI Management Corp. and as such may, under SEC interpretations, be deemed a beneficial owner of the securities held by the partnerships. Jonathan D. Ison specifically disclaims ownership of the securities described in this report.

c) None.

d) Not applicable.

e) Not applicable.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER

None.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS

Exhibit Number	Description
None.	n/a

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#### SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

<TABLE>  
<S>

<C>

BLUE WATER MASTER FUND, L.P.

BLUE WATER FUND, LTD.

By: Blue Water Partners, L.L.C.  
Its General Partner

By: Jonathan D. Ison  
Its Director

By: JDI Management Corp.  
Its Principal

/s/ Jonathan D. Ison

By: Jonathan D. Ison  
Its Principal

/s/ Jonathan D. Ison

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BLUE WATER PARTNERS, L.L.C.

By: JDI Management Corp.  
Its Principal

By: Jonathan D. Iseon  
Its Principal

/s/ Jonathan D. Iseon  
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JDI MANAGEMENT CORP.

By: Jonathan D. Iseon  
Its Principal

/s/ Jonathan D. Iseon  
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BLUE WATER PARTNERS I, L.P.

By: Blue Water Partners, L.L.C.  
Its General Partner

By: JDI Management Corp.  
Its Principal

By: Jonathan D. Iseon  
Its Principal

/s/ Jonathan D. Iseon  
-----

JONATHAN D. ISEON

/s/ Jonathan D. Iseon  
-----

-----  
-----  
BLUE WATER PARTNERS II, L.P.

By: Blue Water Partners, L.L.C.  
Its General Partner

By: JDI Management Corp.  
Its Principal

By: Jonathan D. Iseon  
Its Principal

/s/ Jonathan D. Iseon  
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Dated: January 30, 2001  
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</TABLE>