UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

Amendment No. 1

FORM 10-QSB/A

(Mark One)
(X) Quarterly report under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended September 30, 2000

( ) Transition Report under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from __________ to __________

Commission file number: 000-22773

NETSOL INTERNATIONAL, INC.
(Exact name of small business issuer as specified in its charter)

NEVADA	95-4627685
(State or other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

24025 Park Sorrento, Suite 220, Calabasas, CA 91302
(Address of principal executive offices) (Zip Code)

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

Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the issuer was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ____

The issuer had 11,125,633 shares of its $.001 par value Common Stock issued and outstanding as of January 3, 2001.

Transitional Small Business Disclosure Format (check one)

Yes ____ No X

NETSOL INTERNATIONAL, INC.

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PART II. OTHER INFORMATION

NETSOL INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
SEPTEMBER 30, 2000

ASSETS

<TABLE>

<S>	<C>
CURRENT ASSETS:	
Cash	$ 3,075,337
Accounts receivable, net of allowance of $30,000	3,776,402
Other current assets	365,416
Total current assets	7,217,155
PROPERTY AND EQUIPMENT, net of accumulated depreciation and amortization of $ 463,569	3,088,563
OTHER ASSETS	1,736,141
INTANGIBLES:	
Product licenses, renewals, enhancements, copyrights, Trademarks and tradenames, net	4,579,555
Customer lists,net	2,457,112
Goodwill,net	6,785,866
Total intangibles, net	13,822,533
	$ 25,864,392

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:	
Accounts payable and accrued expenses	$ 1,940,102
Note payable, bank	250,000
Loan payable, stockholder	504,512
Current maturities of obligations under capital lease	73,722
Total current liabilities	2,768,336
DEFERRED TAX LIABILITY	2,800,000
OBLIGATIONS UNDER CAPITALIZED LEASES, less current maturities	471,343
8% CONVERTIBLE NOTE PAYABLE	100,000
STOCKHOLDERS' EQUITY:	

Common stock; $.001 par value, 25,000,000 shares authorized, 11,003,791 shares issued and outstanding	11,004
Stock subscriptions receivable	(68,650)
Additional paid-in capital	27,095,513
Other comprehensive income	(386,118)
Accumulated deficit	(6,927,036)
Total stockholders' equity	19,724,713
	$ 25,864,392

</TABLE>

See notes to consolidated financial statements.

NETSOL INTERNATIONAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

<TABLE>
<CAPTION>

<S>	Three months ended September 30, 2000 <C>	Three months ended September 30, 1999 * <C>
NET REVENUES	$ 2,117,906	$ 1,394,544
COST OF REVENUES	910,468	556,539
GROSS PROFIT	1,207,438	838,005
OPERATING EXPENSES:		
Selling and marketing	222,317	195,963
Depreciation and amortization	333,789	210,500
Salaries and wages	211,313	294,128
Professional services	635,240	674,814
General and administrative	556,039	299,809
Total operating expenses	1,958,698	1,675,214
OTHER INCOME/(EXPENSE)	43,167	-
NET LOSS	$ (708,093)	$(837,209)
NET LOSS PER SHARE - Basic and diluted	($0.06)	($0.10)
WEIGHTED AVERAGE SHARES OUTSTANDING - Basic and diluted	10,971,099	8,620,936

</TABLE>

* Restated for business combinations accounted for under the Pooling of Interest method

See notes to consolidated financial statements.

NETSOL INTERNATIONAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

<TABLE>
<CAPTION>

	Three months ended September 30, 2000	Three months ended September 30, 1999 *
<S>	<C>	<C>
CASH FLOWS PROVIDED BY (USED FOR) OPERATING ACTIVITIES:		
Net loss	$ (708,093)	$ (837,209)
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:		
Depreciation and amortization	333,789	210,500
Non-cash compensation expense	-	75,000
Bad debt expense	30,000	-
Foreign currency translation	(408,965)	-
CHANGES IN ASSETS AND LIABILITIES:		
(INCREASE) DECREASE IN ASSETS:		
Accounts receivable	(1,038,366)	(673,257)
Other current assets	272,837	(264,323)
Other assets	(417,379)	(143,357)
INCREASE (DECREASE) IN LIABILITIES -		
accounts payable and accrued expenses	(132,874)	1,004,646
Total adjustments	(1,360,958)	209,209
NET CASH USED FOR OPERATING ACTIVITIES	(2,069,051)	(628,000)
CASH FLOWS PROVIDED BY (USED FOR) INVESTING ACTIVITIES:		
Proceeds from certificate of deposit	1,000,000	-
Purchase of property, plant and equipment	(526,620)	(157,533)
NET CASH USED FOR INVESTING ACTIVITIES	473,380	(157,533)
CASH FLOWS PROVIDED BY (USED FOR) FINANCING ACTIVITIES:		
Issuance of common stock and warrants, net	1,007,000	990,004
Proceeds from (payments on) notes and loans payable,net	175,000	-
Payments on loan payable, related party	504,512	(44,750)
Exercise of stock options	29,000	100,000
Payments on capital lease obligations	(25,550)	(4,785)
NET CASH PROVIDED BY FINANCING ACTIVITIES	1,689,962	1,040,469
NET INCREASE (DECREASE) IN CASH	94,921	254,936
CASH AND EQUIVALENTS, beginning of period	2,981,046	85,585
CASH AND EQUIVALENTS, end of period	$ 3,075,337	$ 340,521
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Interest paid	$ 31,643	$ 4,500
Income taxes paid	$ -	$ -
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Issuance of 405,000 shares of common stock per stock purchase agreements	$ -	$ 1,453,698

Issuance of common stock shares for services rendered	$ -	$ 75,000

</TABLE>

* Restated for business combinations accounted for under the Pooling of Interest method

See notes to consolidated financial statements.

NETSOL INTERNATIONAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
THREE MONTHS ENDED SEPTEMBER 30, 2000 AND 1999 (UNAUDITED)

PRINCIPLES OF CONSOLIDATION: The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Network Solutions PVT, Ltd., NetSol UK, Ltd., Network Solutions Group Ltd. And subsidiaries, NetSol Abraxas Australia Pty Ltd., NetSol Connect PVT, Ltd., NetSol eR, Inc., Supernet AG and NetSol USA. All material intercompany accounts have been eliminated in consolidation.

BUSINESS ACTIVITY: The Company designs, develops, markets, and exports proprietary software products to customers in the automobile finance and leasing industry worldwide. The Company also provides consulting services in exchange for fees from customers.

USE OF ESTIMATES: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

BASIS OF PRESENTATION: The consolidated condensed interim financial statements included herein have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading.

These statements reflect all adjustments, consisting of normal recurring adjustments, which, in the opinion of management, are necessary for fair presentation of the information contained therein. It is suggested that these consolidated condensed financial statements be read in conjunction with the financial statements and notes thereto included in the Company's annual report on Form 10-KSB for the year ended June 30, 2000. The Company follows the same accounting policies in preparation of interim reports.

Results of operations for the interim periods are not indicative of annual results.

FOREIGN CURRENCY: The accounts of Network Solutions Group Ltd. and Subsidiaries and NetSol UK, Limited use the British Pounds, Network Solutions PK, Ltd. and NetSol Connect PVT, Ltd. use Pakistan Rupees, NetSol Abraxas Australia Pty, Ltd. uses the Australian dollar, Supernet AG uses the German Mark, NetSol International, Inc. and subsidiaries NetSol USA, Inc. and NetSol eR, Inc. use the U.S. dollars as the functional currencies. Assets and liabilities are translated at the exchange rate on the balance sheet date, and operating results are translated at the average exchange rate throughout the period. Translation losses of $386,111 at September 30, 2000 are classified as an item of other comprehensive income in the stockholders' equity section of the consolidated balance sheet.

PRIVATE PLACEMENT: The Company sold 63,666 shares of its restricted common stock in the amount of $955,000 through a private placement offering during the quarter ended September 30, 2000 pursuant to Rule 506 of Regulation D of the Securities and Exchange Act of 1933.

NOTE PAYABLE: Effective September 28, 2000, NetSol eR, a subsidiary of the Company, entered into a promissory note agreement with City National Bank in the amount of $250,000. Interest is stated at 7.40%, and all outstanding principle balance and accrued interest payments are due on November 27, 2000. The Company has acted as a guarantor on the note.

LOAN PAYABLE, STOCKHOLDER: A principal stockholder of the Company advanced funds for working capital during the quarter ended September 30, 2000. The loan is due on September 30, 2001. The loan bears no interest as the Stockholder has waived any interest payments.

INTANGIBLES ASSETS: Accumulated depreciation at September 30, 2000 was $540,444 for products licenses, renewals, enhancements, copyrights, trademarks and tradenames, $252,465 for customer lists and $849,425 for goodwill.

BUSINESS COMBINATIONS ACCOUNTED FOR UNDER THE POOOLING OF INTEREST METHOD:

ABRAXAS AUSTRALIA PTY, LIMITED

On January 3, 2000, the Company issued 150,000 restricted common shares in exchange for 100% of the outstanding capital stock of Abraxas Australia Pty, Limited,

an Australian Company. This business combination was accounted for using the pooling of interest method of accounting under APB Opinion No. 16, and accordingly, the accompanying financial statements have been restated to show the results of operations as if the combination had occurred at the beginning of all periods presented.

SUPERNET AKTIENGESELLSCHAFT

On May 2, 2000, the Company issued 425,600 restricted common shares in exchange for 100% of the outstanding capital stock of Supernet Aktiengesellschaft, a German Company. This business combination was accounted for using the pooling of interest method of accounting under APB Opinion No. 16, and accordingly, the accompanying financial statements have been restated to show the results of operations as if the combination had occurred at the beginning of all periods presented.

OTHER EVENTS: Effective October 1, 2000, the Company entered into a rental lease agreement to occupy office space. Pursuant to this agreement, the Company will pay rent of approximately $12,500 per month through July 31, 2007. The Company was required to secure an Irrevocable Stand-By Letter of Credit for the benefit of the Landlord in the amount of $250,000, which is included in other assets on the accompanying balance sheet. In the event the Company fails to renew the Letter of Credit as set forth in the Letter of Credit Agreement, the Landlord shall be entitled to draw on the Letter of Credit in full. The renewal of each annual Letter of Credit will be reduced by $35,714 per annum.

During September 2000, the Company opened a certificate of deposit with Merrill Lynch Bank USA in the amount of $500,000, as security for an Irrevocable Standby Letter of Credit for the benefit of one of its customers. This letter of credit expires by December 31, 2003 and is included in other assets on the accompanying balance sheet.

PART I - FINANCIAL INFORMATION

ITEM 2

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

NetSol International, Inc. ("NetSol" or the "Company") is in the business of information technology ("I/T") services. The Company has helped clients use I/T more efficiently in order to improve their operations and profitability and to achieve business results. Network Solutions Pvt. Ltd. ("NetSol PK") develops the majority of the software for the Company. NetSol PK was the first company in Pakistan to achieve the ISO 9001 accreditation. The Company is in the process of attaining SEI CMM Level 3 accreditation. This is one of the highest levels of recognition for quality and best practices a software house can achieve.

The Company offers a broad array of professional services to clients in the global commercial markets and specializes in the application of advanced and complex I/T to achieve its customers' strategic objectives. Its service offerings include outsourcing, systems integration, and I/T and management consulting and other professional services, including e-business solutions.

Outsourcing involves operating all or a portion of a customer's technology infrastructure, including systems analysis, applications development, network *operations, desktop computing and data center management.*

Systems integration encompasses designing, developing, implementing and integrating complete information systems.

I/T and management consulting services include advising clients on the strategic acquisition and utilization of I/T and on business strategy, operations, change management and business process reengineering.

The Company also develops sophisticated software systems for the lease and finance industry. NetSol has developed a fully integrated leasing and finance package, which is a series of five products that can be marketed in an integrated system. These products are ePOS, PMS, SMS, CMS, and WFS. These five applications form the full suite of asset based lending Enterprise Resource Planning applications. These applications can run almost the entire operations of a captive leasing company.

NetSol ePOS is a browser-based Point of Sale system that is used by the dealership and other outlets. ePOS users create quotations and financing applications for the customers using predefined Financial Products. The proposal is submitted to Back Office (PMS) for approval. After analysis, the proposal is sent back to ePOS system with a final decision.

Proposal Management System (PMS) provides Finance/Leasing Companies with the ability to quickly assess the worthiness of an applicant applying for a loan or a lease. The System is equipped with strong workflow management, integrated link to Credit Rating Agencies, automated point scoring strategy for automatic approval/rejection/referral, can be customized to link to any Point of Sale System, ability to integrate any vehicle data provider such as Glass's Guide in Europe and Australia.

The NetSol Wholesale Finance System (WFS) is developed to automate and manage the Whole Sale Finance (Floor Plan) activities of a Finance Company. The design of the system is based on the concept of One Loan One Asset to facilitate Asset Tracking and Costing of an asset. The system covers from Credit Limit Request, Payment of Loan, Billing, and Settlement, Auditing of Stocks, Dealer Information and ultimately the pay-off functions.

Settlement Management System (SMS) verifies the signed document sent by the dealer/broker/third party against the information stored in the Proposal Management System database. Settlement Management System verifies all calculations before loading the contract into the Contract Management System. Other main features are collection of first rental, disbursement of funds to dealers, Insurance Company and other third parties. Workflow software is part of Settlement Management System and it enables the users of Settlement Management System to communicate with Proposal Management workflow or within its own workgroup.

The Contract Management System (CMS) manages lease contracts for financing of vehicles from inception till completion. The leasing company is able to establish, maintain and terminate such financial contracts. Contracts may include added value services such as vehicle maintenance and/or insurance premiums. It furthermore incorporates functional extensions such as litigation, remarketing of vehicles, securitization of a portfolio and post dated check management.

These are traditionally complex business applications and require a great deal of industry experience both in the development as well as implementation stages. NetSol, over the years, has developed core competencies in the asset based lending software space. These are extremely sought after skills shared in a team of approximately 30 business consultants. NetSol is able to demand a premium for these consultants and leverages this competency when bidding for new business.

Typically, the sales cycle for these products is anywhere between six to twelve months and NetSol derives its income both from selling the license to use the products as well as customization. License fees can vary between $75,000 to up to $1,000,000 per license depending upon the size of the customer and the complexity of the customization. The revenue for the license and the customization flows in several phases and could take from six months to two years before it is fully recognized as income.

MARKETING AND SELLING

The objective of the Company's marketing program is to create and sustain preference and loyalty for NetSol as a leading e-services consulting and software solutions provider. Marketing is performed at the corporate and business unit levels. The corporate marketing department has overall responsibility for communications, advertising, public relations and our website and also engineers and oversees central marketing and communications programs for use by each of our business units.

Our dedicated marketing personnel within the business units undertake a variety of marketing activities, including sponsoring focused client events to demonstrate our skills and products, sponsoring and participating in targeted conferences and holding private briefings with individual companies. We believe that the industry focus of our sales professionals and our business unit marketing personnel enhances their knowledge and expertise in these industries and will generate additional client engagements.

In March 2000, the Company entered into a Software Distribution Agreement with CFS Group PLC ("CFS") whereby the Company granted CFS the exclusive right to market and sublicense certain software products of NetSol. The term of this agreement is for three years. This agreement provided the Company with the opportunity to expand its marketing efforts by offering its products to customers of CFS and others in need of lease and finance software. CFS will pay a minimum of $1.2 million regardless of the amount of actual sales achieved. The minimum guarantee is for the period beginning March 15, 2000 and ending twelve months after the time NetSol delivers and CFS accepts the US version of the products.

The Company generally enters into written commitment letters with clients at or around the time it commences work on a project. These commitment letters typically contemplate that NetSol and the client will subsequently enter into a more detailed agreement, although the client's obligations under the commitment letter is not conditioned upon the execution of the later agreement. These

written commitments and subsequent agreements contain varying terms and conditions and the Company does not generally believe it is appropriate to characterize them as consisting of backlog. In addition, because these written commitments and agreements often provide that the arrangement can be terminated with limited advance notice or penalty, the Company does not believe the projects in process at any one time are a reliable indicator or measure of expected future revenues.

NetSol provides its services primarily to clients in global commercial industries. In the global commercial area, the Company's service offerings are marketed to clients in a wide array of industries including schools; automotive; chemical; tiles/ceramics; Internet marketing; software; banks and financial services.

Geographically, NetSol continues to have operations throughout North America, Europe and Asia Pacific region.

RESULTS OF OPERATIONS

Three Months Ended September 30, 2000 as compared to the Three Months Ended September 30, 1999 (restated).

Net sales of $2,117,906 for the first quarter of fiscal 2000, which ended September 30, 2000, were more than 50% greater than the sales of the same quarter for the previous year of $1,394,544 (restated). The significant sales increase is attributable largely to positive upward trends in most of the subsidiaries. Due to the maturity of the lease and finance products, The Company is positioning itself to market these licenses to the North American and other global markets. The Company anticipates the growth pattern seen thus far in fiscal 2001 for NetSol PK to continue to grow steadily in the remainder of this fiscal year due to product maturity and market demand with several existing customers, among them CFS, Daimler-Chrysler and other leasing and finance companies.

The gross profit was $1,207,438 in the quarter ending September 30, 2000 in comparison with $838,005 (restated) for the same quarter the previous year. Cost of sale for the quarter ending September 30, 2000 was $910,468 in comparison with $556,539 (restated) for the same quarter in the previous year. The Company is continuing to negotiate better pricing on its new agreements which provides for higher margins.

Operating expenses were $1,958,698 for the quarter ending September 30, 2000. This compares with $1,675,214 (restated) for the quarter ending September 30, 1999. The increase in the current fiscal year is attributable to the amortization of goodwill and other intangible assets. Depreciation and amortization expense increased to $333,789 for the quarter ended September 30, 200 as compared to $210,500 for the quarter ended September 30, 1999. General and administrative costs increased to $556,039 for the quarter ended September 30, 2000 as compared to $299,809 for the quarter ended September 30, 1999. This increase is attributable to additional operational expenses as the Company strengthens and expands its infrastructure both at the parent and subsidiary level. Salaries and wages and professional fees were slightly lower in the current quarter as compared to the prior years quarter largely as a result of the Company applying pooling of interest accounting. Selling and marketing *expenses were comparable for both quarters as the Company has yet to aggressively launch its global marketing efforts. Operating results for the September 30, 1999 quarter was impacted as the Company applied pooling of interest accounting rules to two of its four acquisitions - Abraxas in Australia and Supernet AG of Germany. Its consolidated statement of operations includes the operations of both Abraxas and Supernet AG for quarters ended September 30, 2000 and September 30, 1999 (restated).*

Net loss was $708,093 for the quarter ended September 30, 2000 as compared to $837,209 (restated) for the quarter ended September 30, 1999. This resulted in a net loss per share, basic and diluted, of $0.06 for the quarter ended September 30, 2000 as compared with $0.10 (restated) for the quarter ended September 30, 1999. That is a reduction of $0.04 loss per share on a quarter to quarter comparative basis.

The Company's cash position was $3,825,337 at September 30, 2000. This is presented on the financial statements as $3,075,337 as cash and cash equivalents, and a total $750,000 as certificates of deposit, which is included in other assets.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2000, the Company's working capital (current assets less current

liabilities) totaled $4.44 million, a slight decrease of $280,097 since June 30, 2000 The Company utilizes working capital to fund both existing operations, for anticipated capital expenditures and further development of new business. At September 30, 2000, the Company has not elected to set up a revolving credit facility, but is evaluating various financing activities which will enable the Company to execute it business plan and meet its capital demands in the coming year. ER, a subsidiary of the Company, entered into a promissory note agreement in this quarter to assist in its cash flow management for working capital needs. The Company's principle capital requirements have been to fund acquisitions, working capital, and capital expenditures. The Company does not believe that the nature of their software sales contracts will have a negative material impact upon its liquidity. In the opinion of management, the Company currently has sufficient funds and adequate financial sources available to provide it with liquidity to meet its current foreseeable cash needs for at least the next year. Management believes that its anticipated cash flows from financing and investing activities, existing cash balances and any successful newly sought after borrowings and private raises, will be sufficient for the foreseeable future to finance anticipated working capital requirements and capital expenditures.

RAISING OF ADDITIONAL CAPITAL

The Company filed a Form S-3 with the Securities and Exchange Commission on November 13, 2000 to sell $30 million of its securities.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is currently party to one dispute filed by its former Chief Financial Officer and director, Gill Champion, which involves litigation. The plaintiff filed a Complaint for Declaratory Relief on May 9, 2000 in the Los Angeles, CA Superior Court (Case No. BC229642). The plaintiff contends that, on or about May 29, 1998, he was granted 120,000 options at a $.01 per share exercise price. The Company has responded that the options were originally granted by the Board to all board members but later all of the directors agreed to forego such grant, and none received such options as the Plaintiff claims were granted him. The parties are in the discovery stage of the proceeding. The Company denies the allegations and is currently defending the action and believes it will win on its merits.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

The Company did not receive any additional proceeds from its Public Offering since its Annual Report.

In July 2000, the Company issued and sold 63,666 shares of common stock for aggregate gross proceeds of $955,000 in a private placement. The Company relied upon the registration requirements section of Section 4(2) of the Securities Act of 1933 and restricted securities were sold only to accredited investors.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) EXHIBITS:

3.1 Articles of Incorporation of Mirage Holdings, Inc., a Nevada corporation, incorporated by reference to the Company's Registration Statement No. 333-28861 filed on Form SB-2 filed June 10, 1997

3.2 Amendment to Articles of Incorporation dated May 21, 1999, incorporated by reference to the Company's Annual Report on Form 10-KSB filed September 28, 1999

3.3 Bylaws of Mirage Holdings, Inc., as amended and restated as of November 28, 2000, incorporated by reference to the Company's Annual Report on Form 10-KSB/A filed February 2, 2001

27 Financial Data Schedule was previously filed with the Company's Quarterly Report on Form 10-QSB filed November 14, 2000

(b) REPORTS ON FORM 8-K

On July 25, 2000, a Form 8-K was filed announcing a Settlement Agreement and Release by and between the Company and Blue Water Partners, LLC.

In accordance with the requirements 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 INTERNATIONAL, INC.
(Registrant)

Date: February 1, 2001

/s/ Najeeb U. Ghauri

NAJEEB U. GHAURI
Chief Executive Officer

/s/ Syed Husain

SYED HUSAIN
Chief Financial Officer
(Principal Financial Officer)