



February 26, 2013

December 2012 Quarterly Update on the Surefin India Value Fund

Dear Investor,

Please find below the performance of the fund. This is the performance of the master series. Each of you will receive your individual performances separately. Please find the performance update also on the website at: <http://www.surefin.com/newsletter.htm>

Surefin Investments is up 6.9% in the last quarter, registering a 69.2% return since April 1st, 2007 and is up 1206.1% since inception in May 2001 after fees and other expenses¹. This fund has grossed a CAGR of 24.7% over the last 11 years after fees and other expenses.

¹Fees are calculated differently for different clients, depending on when they entered the fund. However, now fees are charged at 0% management fees and 25% carry, over a 5% hurdle rate, with high water marks.

Performance Evaluation of Surefin India Value Fund

Index Value

Date	Surefin IVF	SENSEX	NIFTY	NASDAQ	Russell 2000	S&P 500	Dow Jones
May 15, 2001	1,000.0	3,577.0	1,145.3	2,085.6	489.6	1,249.4	10,873.0
April-02	1,200.0	3,500.2	1,139.0	1,862.6	504.5	1,146.5	10,362.7
April-03	1,308.0	3,081.0	984.3	1,348.3	368.7	858.5	8,069.9
April-04	3,322.3	5,740.9	1,819.7	2,015.0	595.3	1,132.2	10,373.3
April-05	4,717.7	6,605.0	2,067.7	1,984.8	611.6	1,172.9	10,404.3
April-06	6,699.1	11,280.0	3,402.6	2,339.8	765.1	1,294.9	11,109.3
April-07	7,129.9	13,072.1	3,821.6	2,421.6	800.7	1,420.9	12,354.4
April-08	9,334.4	15,644.4	4,734.5	2,279.1	688.0	1,322.7	12,262.9
April-09	6,845.5	9,708.5	3,021.0	1,528.6	422.8	797.9	7,608.9
April-10	9,370.1	17,527.8	5,249.1	2,398.0	678.6	1,169.4	10,856.6
April-11	10,548.0	19,445.2	5,833.8	2,781.1	843.6	1,325.8	12,319.7
April-12	11,774.9	17,404.2	5,295.6	3,091.6	830.3	1,408.5	13,212.0
June-12	12,211.7	17,430.0	5,278.9	2,935.1	798.5	1,362.2	12,880.1
September-12	12,219.3	18,762.7	5,703.3	3,116.2	837.5	1,440.7	13,437.1
December-12	13,061.4	19,426.7	5,905.1	3,019.5	849.4	1,426.2	13,104.1

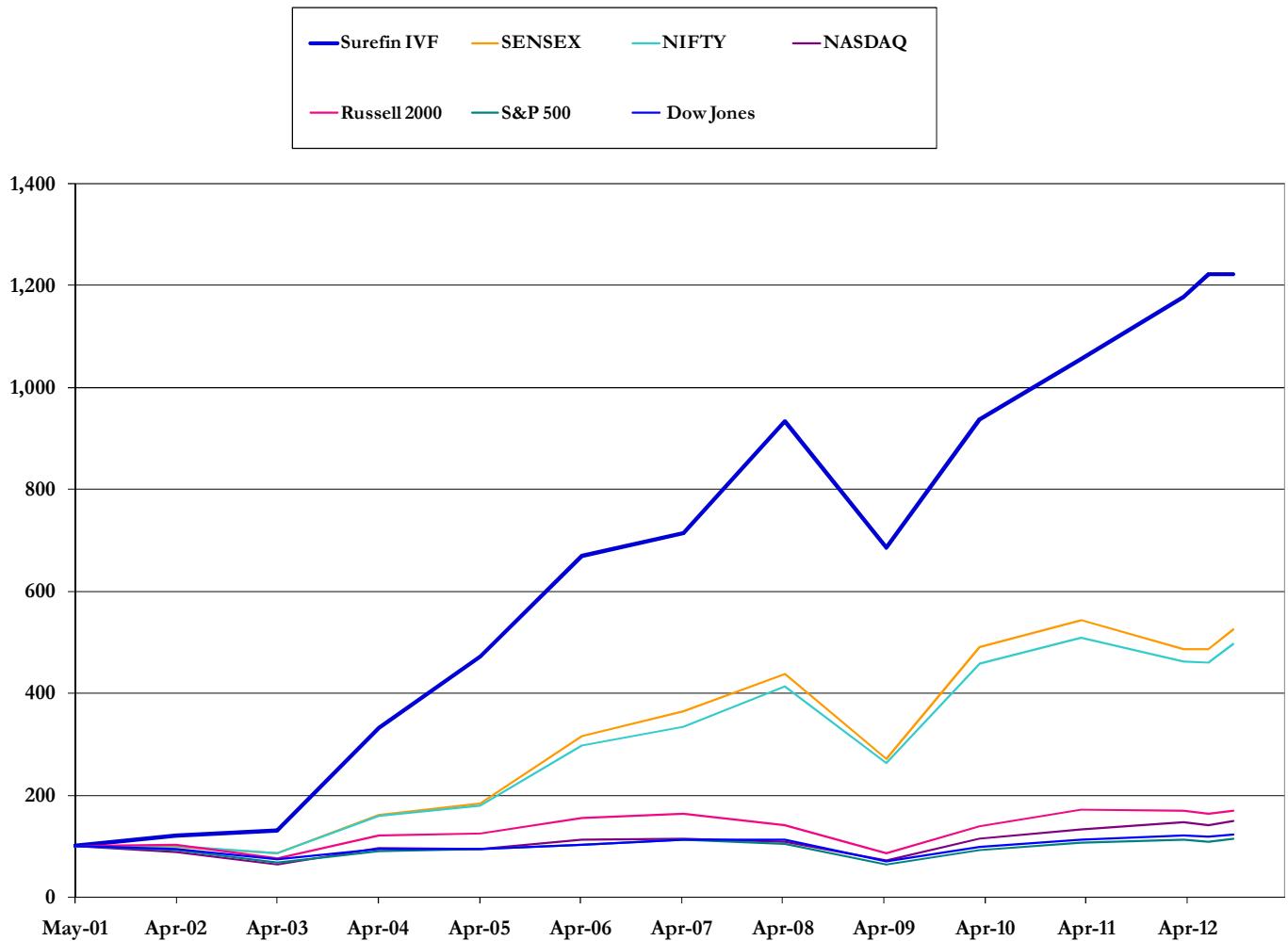
CAGR **24.7%** **15.7%** **15.1%** **3.2%** **4.9%** **1.1%** **1.6%**

Percentage Return

Date	Surefin IVF	SENSEX	NIFTY	NASDAQ	Russell 2000	S&P 500	Dow Jones
May 15, 2001	-	-	-	-	-	-	-
April-02	20.0%	(2.1%)	(0.6%)	(10.7%)	3.0%	(8.2%)	(4.7%)
April-03	9.0%	(12.0%)	(13.6%)	(27.6%)	(26.9%)	(25.1%)	(22.1%)
April-04	154.0%	86.3%	84.9%	49.4%	61.5%	31.9%	28.5%
April-05	42.0%	15.1%	13.6%	(1.5%)	2.7%	3.6%	0.3%
April-06	42.0%	70.8%	64.6%	17.9%	25.1%	10.4%	6.8%
April-07	6.4%	15.9%	12.3%	3.5%	4.6%	9.7%	11.2%
April-08	30.9%	19.7%	23.9%	(5.9%)	(14.1%)	(6.9%)	(0.7%)
April-09	(26.7%)	(37.9%)	(36.2%)	(32.9%)	(38.6%)	(39.7%)	(38.0%)
April-10	36.9%	80.5%	73.8%	56.9%	60.5%	46.6%	42.7%
April-11	12.6%	10.9%	11.1%	16.0%	24.3%	13.4%	13.5%
April-12	11.6%	(10.5%)	(9.2%)	11.2%	(1.6%)	6.2%	7.2%
June-12	3.7%	0.1%	(0.3%)	(5.1%)	(3.8%)	(3.3%)	(2.5%)
September-12	0.1%	7.6%	8.0%	6.2%	4.9%	5.8%	4.3%
December-12	6.9%	3.5%	3.5%	(3.1%)	1.4%	(1.0%)	(2.5%)
Percent Change	1,206.1	424.5	398.0	49.4	71.0	15.3	23.6

* The returns till 2005 are calculated on an XIRR basis.

* XIRR is the internal rate of return of an investment that does not necessarily have periodic payments. This function is closely related to the net present value function (NPV). The IRR is the interest rate for a series of cash flows where the net present value is zero.



Portfolio Evaluation and Mistakes

We were up 6.9% for the quarter. In comparison the Indian large cap indices were up 3.5%. We believe that one quarter or even one year is a short and incorrect time frame to measure performance.

We sold two positions this quarter. The returns on these positions were (35.7%) (Held for 54 months) and 91.5% (held for 20 months) excluding dividends.

The first position we sold is something that we have written about at length in many of our previous letters. It was a mistake we made in a company called Himatsingka Seide. We simply exited a small remaining position this quarter and we are happy to stop the nose-bleed. We will write more about this in our annual letter to you. We believe in rubbing our noses in our mistakes.

The second position we sold is something we started selling a couple of quarters ago. The company is called Balkrishna Industries. We exited the remaining portion of our investment.

We have not made any mistakes that we know of during the quarter.

We are getting increasingly concentrated in the fund. Investors should expect greater volatility in the NAV over short durations because of this increased concentration. We are very happy about our largest position which is slightly over 25% of the fund. We will write more about this in our annual letter to you.

As we have written earlier we will be writing a detailed annual letter after the end of the December to March quarter every year along with briefer quarterly letters like this one. Please feel free to get in touch with us for any questions or thoughts. We deeply appreciate your interest with us.

Warm regards,

A handwritten signature in black ink, appearing to read "Atul Sinha".

Portfolio Manager
Surefin India Value Fund
www.surefin.com