



September 3, 2012

June 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 3.7% in the last quarter, registering a 57.2% return since April 1st, 2007 and is up 1121.2% since inception in May 2001 after fees and other expenses¹. This fund has grossed a CAGR of 25.2% over the last 10 years after fees and other expenses.

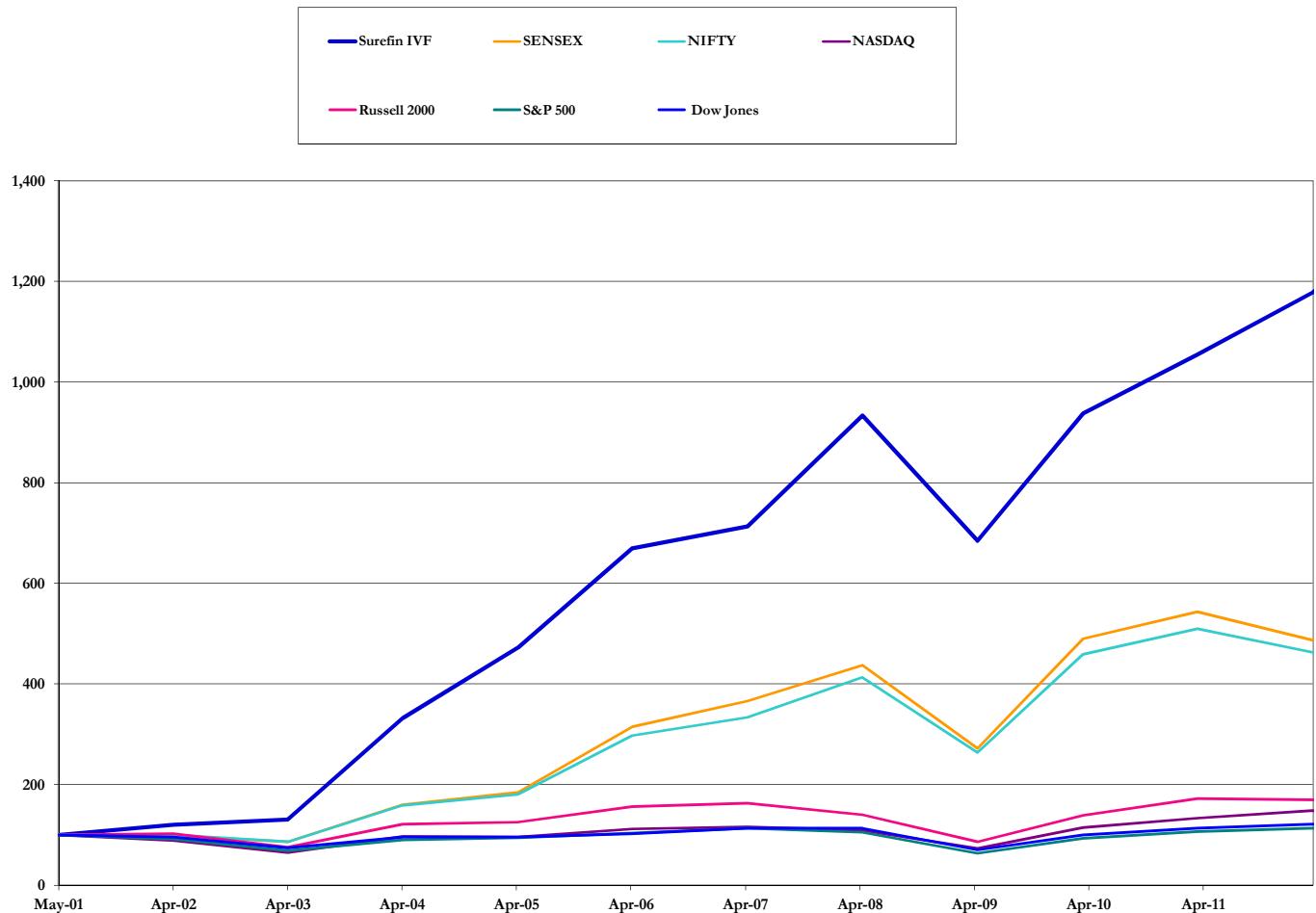
¹Fees are calculated differently for different clients, depending on when they entered the fund. However, now fees are charged at 0% management fees and 25% carry, over a 5% hurdle rate, with high water marks.

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	
CAGR	25.2%	15.3%	14.7%	3.1%	4.5%	0.8%	1.5%	
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%)	
Percent Change	1,121.2	387.3	360.9	40.7	63.1	9.0	18.5	

* 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 sold two positions this quarter. The returns on these positions were **(7.1%)** (held for 40 months) and 107% (held for 15 months) excluding dividends.

The position where we had a loss after holding it for a long time was not a major mistake. We had bought a company that had a lot of cash and our bet was that the underlying business would grow. It didn't. Although the cash was not frittered away, it was also never returned. We were not expecting it to be returned but since no intelligent allocation of the cash was visible, we decided to sell this position. The position was not large to begin with but we may have overpaid for the underlying business when we bought it. We also earned 1.6% in dividends over the years.

The second position sold is something we started selling last quarter. We still hold a small position in the company in the portfolio.

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