Multi-Act Equity Consultancy Pvt. Ltd.
3rd Floor, KshamalayaBldg, 37 New Marine Lines,
Opp. SNDT College, Churchgate,Mumbai- 400020,
Tel +9122 61408989
www.multi-act.com

Date: 30th June 2012

Dear Fellow Investors,

Below is the consolidated performance of the PMS portfolios as of June end 2012. Previously, we showcased the performance for the March 2012 fiscal year. As one year is over we now showcase the annualized performance.

Portfolio Performance	Equity Allocation as on 30.06.2012	Equity Returns	Total Portfolio Returns after Expenses	Benchmark Returns
Since Inception 01.02.11	55.3%	34.1%	15.7%	-8.3%
Annualised Performance		23.1%	10.9%	-6.0%
June Quarter		-1.7%	-0.1%	-2.1%

• Benchmark returns are based on BSE 500 and BSE Mid Cap in equal weight.
• The benchmark returns are also for a period less than one year and are absolute returns.
• Returns are cash flow adjusted and time (Daily) weighted returns after expenses.
• The actual returns of clients may differ from client to client due to different portfolio and timing of investment.
• Past performance is not guarantee for future performance.

In the past quarter, investor's continued to focus on the negative news – be it the correction in the Rupee vs the Dollar, slowing economy or the hitherto unfavorable monsoon. But amidst this negativity and gloom the market surprised everyone with a rally at the end of the quarter on account of falling international crude price and the "hope" of reforms from the new finance minister. But there is double edged sword as rallies based on hope can easily get crushed if the government is not able to deliver. One point to note, at the start of the global financial crisis, India had a much better fiscal situation because of which it had some headroom to provide a fiscal stimulus. Sadly that is not the case today.

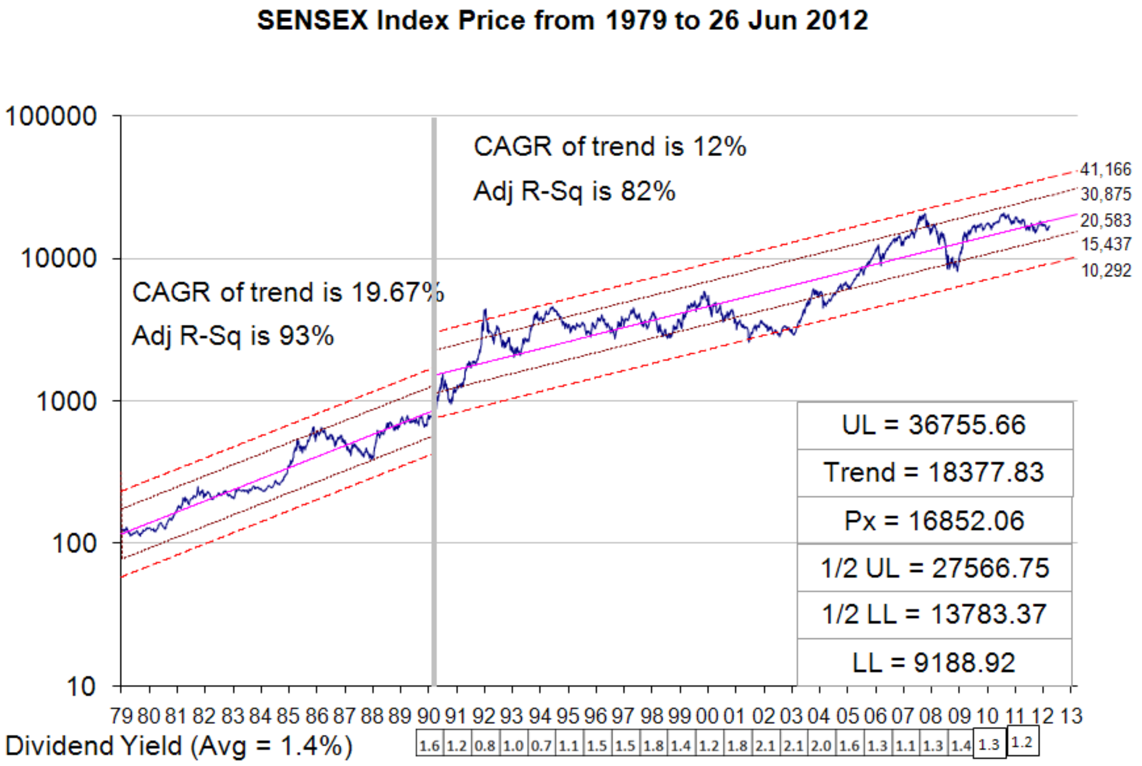
Despite all the macro gloom and macro-headwinds we are seeing some encouraging signs at a bottom up level. Based on data we have analyzed, we find that the capital investment plans laid down by Multi-national companies (MNC's) for the next 3-5 years are the highest in these companies history within this country. Many of these are our investee companies. We are referring of course to high quality companies that have created a global franchise. These companies usually have better knowledge of business cycles considering they have been through multiple cycles over a long period and have demonstrated excellent capital allocation discipline in the past. Amidst all the political clouds that this country is going through, these companies seem to be less concerned with short term problems and therefore continue to invest on grounds that their business is going to be better!

The market seems to have left the investing community perplexed whether this is the beginning of a "Bull market" or are we yet in another "Bear market rally". We try and refrain from making market calls. Our investment decision is influenced by our Rational Analysis and Rational Investing framework which we believe will help us sail through these uncertain times. Our forte lies in trying to identify good quality companies at "fair" prices. These are testing times for us as high quality has not corrected as much as we would like and therefore we remain patient rather than acting on the behavioral sentiments of regret.

Regd. Office: 3rd Floor, Trade Centre, North Main Road, Koregaon Park, Pune – 411001, Tel. +91 20 66033141/2, www.multi-act.com

Multi-Act Equity Consultancy Pvt. Ltd.
3rd Floor, KshamalayaBldg, 37 New Marine Lines,
Opp. SNDT College, Churchgate,Mumbai- 400020,
Tel +9122 61408989
www.multi-act.com

Asset Allocation: Trend line

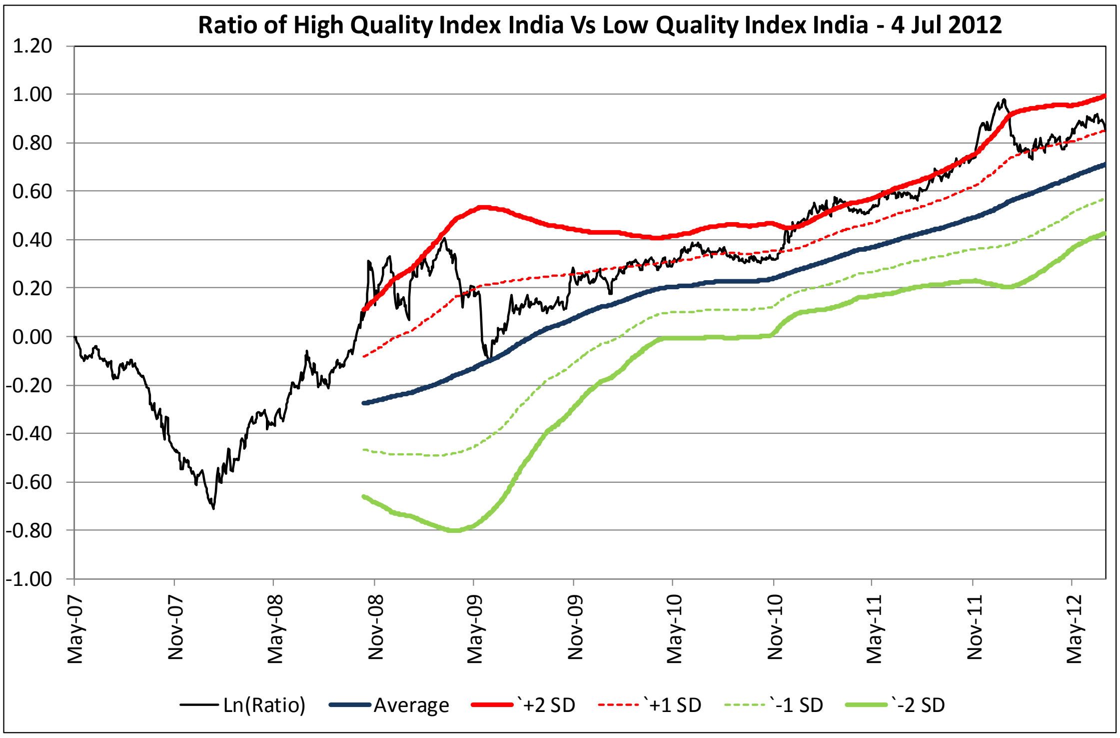


Not much has changed with regards to the Sensex/Nifty since the last quarter. Both still hover around trend levels. We haven't seen much activity in the "strict" equity portfolio, where our equity weights have gone up slightly to ~55%. On the other hand, those investors that contributed primarily with pre-existing stock portfolios have an average equity weight is at 80%+. Ideally we would like to bring that in line with our core portfolio over a 6-9 month period with the help of the RARI framework.

The underlying tone of the markets does seem to be showing a slightly positive technical stance, what we term as a "Setup 1". If this situation continues to remain the case amongst an ongoing negativity, we would probably increase our equity weights and bring our equity exposure to 67%.

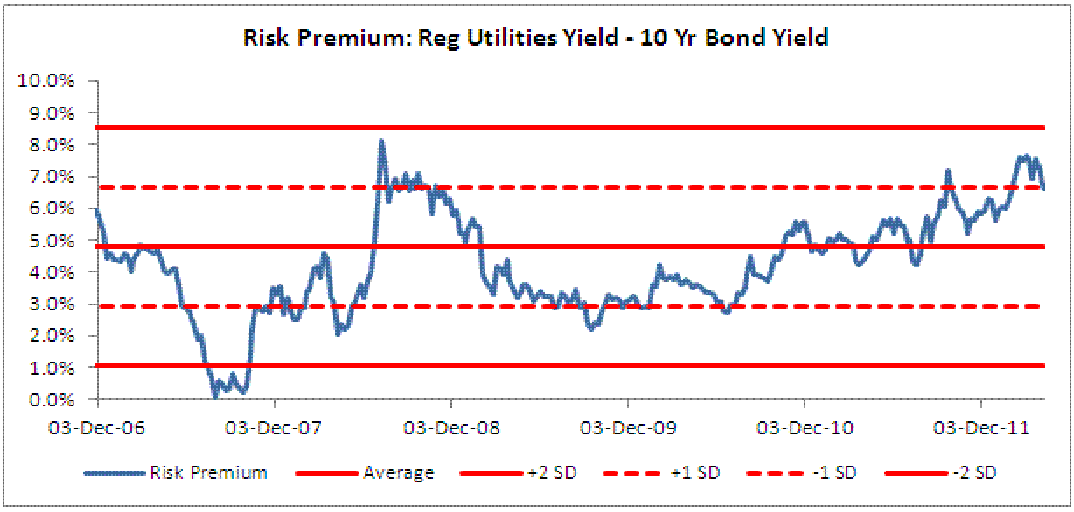
Multi-Act Equity Consultancy Pvt. Ltd.
3rd Floor, KshamalayaBldg, 37 New Marine Lines,
Opp. SNDT College, Churchgate,Mumbai- 400020,
Tel +9122 61408989
www.multi-act.com

High Quality vs Low Quality:



Our High Quality index has continued to outperform the Low Quality index. However, increasingly we feel that we may have reached a valuation stretch-point where the probability of a reversal in this ratio remains high.

Regulated Utilities Index:



As we can see from the chart above, pessimism had clearly over taken the markets and our proprietary measure of the “risk” premium was almost close to earlier peaks during this May/June. Probabilistically, there is a higher chance for the markets to advance.

Regd. Office: 3rd Floor, Trade Centre, North Main Road, Koregaon Park, Pune – 411001, Tel. +91 20 66033141/2, www.multi-act.com

Multi-Act Equity Consultancy Pvt. Ltd.
3rd Floor, KshamalayaBldg, 37 New Marine Lines,
Opp. SNDT College, Churchgate,Mumbai- 400020,
Tel +9122 61408989
www.multi-act.com

Portfolio activities during the Quarter:

Stock Portfolios:

We have received quite a few pre-existing equity portfolios in the last quarter. Our broad sector allocation is as given below:

Sector Allocation:

Moat/Limited Moat	Mar-11	Jun-11	Sep-11	Dec-11	Mar-12	Jun-12
Moat	54%	50%	42%	41%	40%	40%
Limited Moat	26%	20%	29%	29%	33%	30%
Moat + Limited Moats	***80%***	***70%***	***71%***	***70%***	***73%***	***70%***
No Moat	11%	20%	21%	22%	18%	21%
Regulated Utility	9%	11%	9%	8%	9%	9%
Grand Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Sectors	Mar-11	Jun-11	Sep-11	Dec-11	Mar-12	Jun-12
Auto & Auto Ancs	8%	11%	15%	15%	15%	17%
Capital Goods	10%	9%	11%	15%	24%	18%
Financials & Financial Services	17%	23%	20%	19%	18%	20%
FMCG	14%	9%	5%	2%	2%	-
Information Technology	-	-	2%	-	-	3%
Logistics	3%	-	4%	7%	6%	6%
Materials	3%	-	5%	8%	4%	-
Other	9%	14%	5%	4%	3%	4%
Pharma	15%	13%	17%	16%	13%	16%
Telecom	11%	9%	8%	6%	5%	6%
Utility	10%	13%	9%	8%	10%	9%
Grand Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

We have had minimal activity in the Cash ("Strict") portfolios but the pre-existing Equity portfolios have kept us busy due to the recent rally, allowing us to make some marginal adjustments in the individual lines being held.

A few highlights of our portfolio actions are given below:

We continued to add to one of our existing auto OEM which we believe has had several negative impacts due to currency, petrol hikes and a slowdown in the overall industry. Interestingly, demand for petrol prices have come down but demand for diesel cars has remained steady for the industry and strong for this particular company. Diesel cars have higher margins; so realizations should do well in this scenario. We feel the market price is factoring most of the negative news-flow surrounding the company.

We also increased our weights in our current sole bank exposure and a couple of the power financing companies. There have been a few changes seen at the ground level wherein state electricity boards have started to take pricing actions in excess of 15%, so as to ameliorate the losses being incurred by them. The Central Government is also likely to seek cabinet approval for restructuring loans worth Rs.1.5 trillion of these power distribution companies. From what we understand as per this discussion, there are talks about the state governments absorbing 50% of the discom's debt and converting them into a bond which was a similar situation during 2001-2003. The remaining 50% will be restructured by the commercial banks. If this were to happen, the Power sector, which has been languishing since its peak in 2007, will receive a shot to the arm for the next 3 or so years.

Regards,
Jinal Sheth/Rohan Samant.

Statutory Details: Portfolio Manager – Multi-Act Equity Consultancy Private Limited

Risk factors
General risk factors

a. Securities investments are subject to market risks and there is no assurance or guarantee that the objective of the investments will be achieved.

b. Past performance of the Portfolio Manager or its affiliates does not indicate its future performance.

c. Investors are not being offered any guaranteed or assured returns i.e either of principal or appreciation on the Portfolio.

d. As with any investment in securities, value of the Client's Portfolio can go up or down depending on the factors and forces affecting the capital market.

e. The Portfolio Manager is neither responsible nor liable for any losses resulting from the operations of the Portfolios.

f. The investments made are subject to external risks such as war, natural calamities, and policy changes of local / international markets which affect stock markets.

g. The Portfolio Manager has renewed SEBI PMS registration effective October 14, 2011 and has commenced its portfolio management activities with effect from January 2011. However the Portfolio Manager has more than 10 years of experience in managing its own funds invested in the domestic market.