Multi-Act Equity Consultancy Pvt. Ltd.

3rd Floor, Kshamalaya Bldg, 37 New Marine Lines,
Opp. Sndt College, Churchgate,Mumbai- 400020,
Tel +9122 61408989
www.multi-act.com

Date: 12th October 2012

Dear Fellow Investors,

Below is the consolidated performance of the PMS portfolios as of September end 2012.

Portfolio Performance	Equity Allocation as on 31.09.2012	Equity Returns	Total Portfolio Returns after Expenses	Benchmark Returns
Since Inception 01.02.11	62.3%	39.9%	19.3%	-1.4%
Annualised Performance		22.4%	11.2%	-0.8%
September Quarter		4.3%	3.1%	7.6%

• 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.

Market sentiment has changed quite dramatically in the last couple of months due to the much awaited hike in diesel & LPG prices, certain policy changes such as FDI in retail, aviation and insurance along with power sector reforms. We feel that for the rally to be sustainable, the reforms need to actually get implemented. There have been inflows of around $7bn in the September qtr which has in turn triggered a sharp appreciation of the Indian rupee v/s the USD further adding to the rally.

We would like to spend a few moments highlighting the performance that we have shared above. As you can see the portfolio is up 11.2% since inception versus the benchmark return of (0.8) %. This reflects the performance of what we term the "Strict portfolio", which is a calculation of the combination of the portfolios. Individual portfolio returns would vary based on the timing difference of account additions. This performance should be seen in light of the fact that we are still in the portfolio build-up stage (equity weight of 62% in older accounts whereas the weights would be lower in case of newer accounts) and hence there could be some under-performance in the near term *if the Indices were to continue to rally*. Our equity weights have consistently been increasing as & when our process yields us opportunities to earn the appropriate RISK ADJUSTED returns rather than based on any forecasts of market movements. Therefore we feel that a meaningful way to assess our performance would be once we have a higher equity weight.

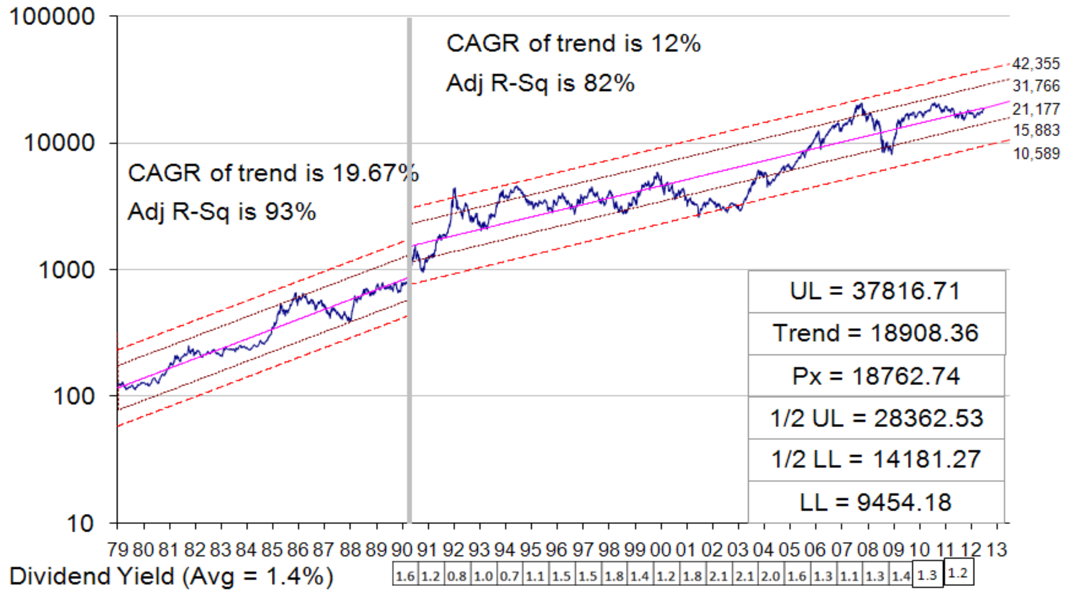
We would like to highlight that our AUM in the qtr has surpassed the 100cr. mark and are thankful for the confidence our investors have shown in our process.

Multi-Act Equity Consultancy Pvt. Ltd.

3rd Floor, Kshamalaya Bldg, 37 New Marine Lines,
Opp. Sndt College, Churchgate,Mumbai- 400020,
Tel +9122 61408989
www.multi-act.com

Asset Allocation: Trend line

SENSEX Index Price from 1979 to 28 Sep 2012



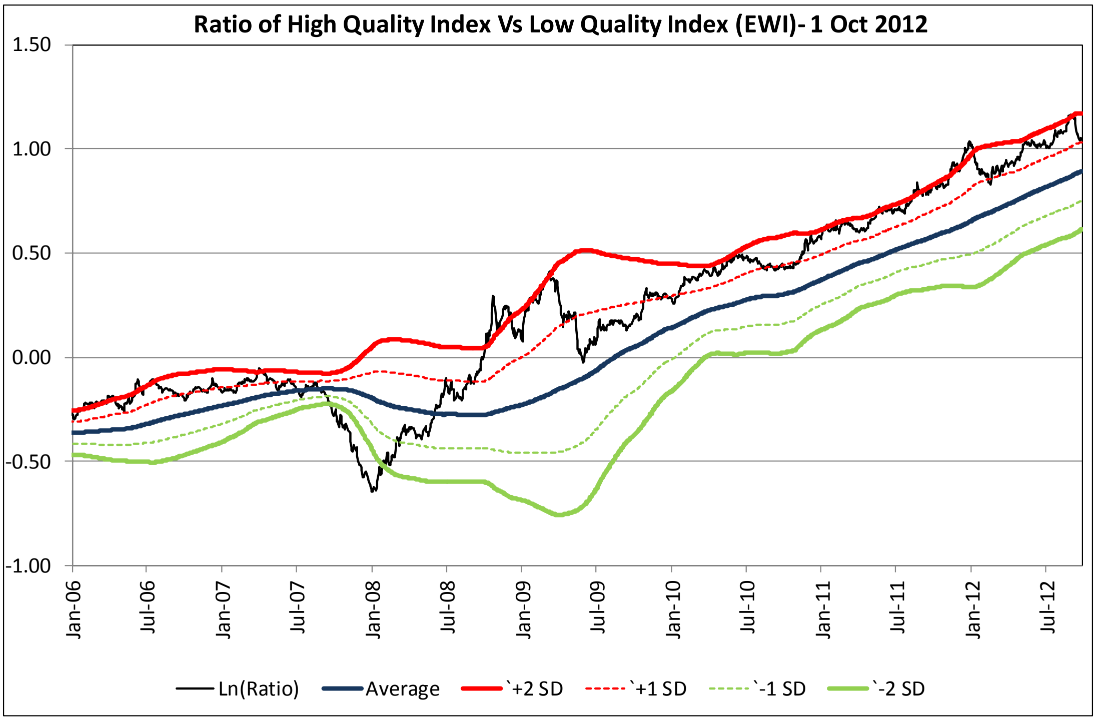
The markets have seen a run up in the last month after a slew of reforms. Currently the Sensex is at 18,700 levels and continues to hover around trend levels. The only difference is we are now seeing our technical signals display a more bullish posture.

Ideally at trend, our goal would be to carry an equity weight of 50% to 75% depending on the stock-specific opportunities thrown up by our process. In our case we have managed to get our equity exposure up to 62% - 65% even though we find it challenging to bring High Quality companies (our favored hunting grounds) into the portfolios given their poor prospective return profiles.

Multi-Act Equity Consultancy Pvt. Ltd.

3rd Floor, Kshamalaya Bldg, 37 New Marine Lines,
Opp. Sndt College, Churchgate,Mumbai- 400020,
Tel +9122 61408989
www.multi-act.com

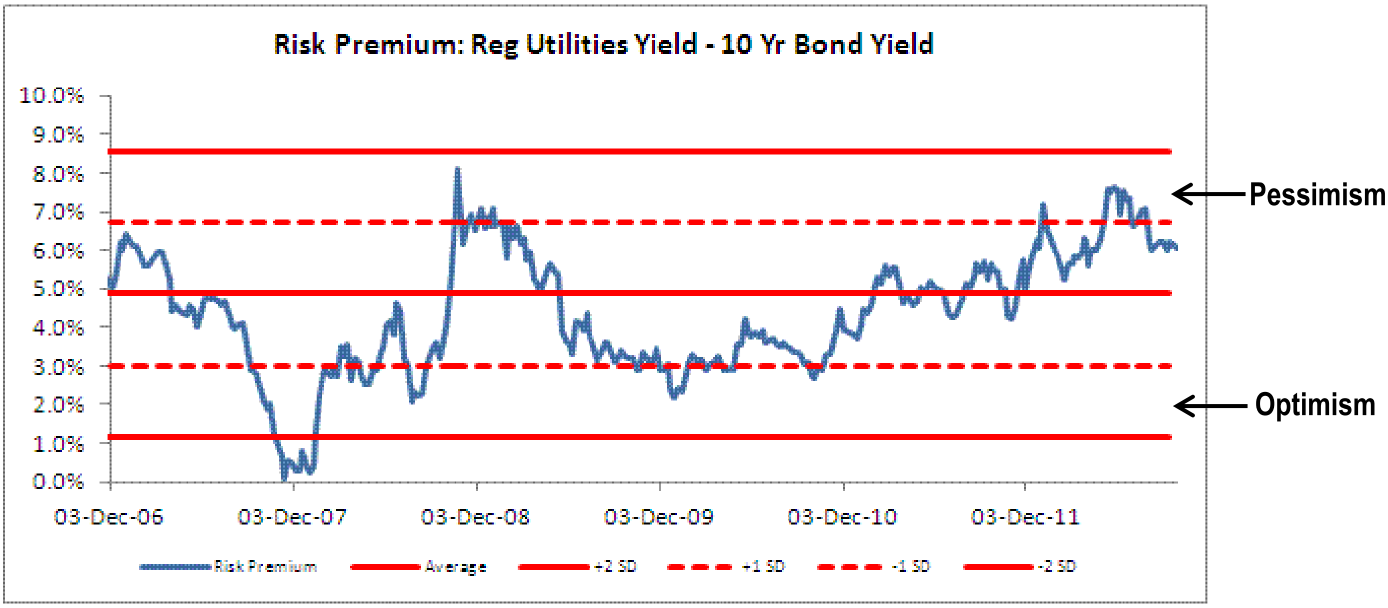
High Quality vs Low Quality:



The High Quality v/s Low Quality ratio has finally reverted back a bit. The correction is more to do with LQ outperformance rather than any meaningful correction in the High Quality. The recent market rally was mainly driven by stocks from sectors which the market perceives would benefit from reforms announced by the finance ministry.

Since the inception of our PMS, the High Quality index has given an annualized return of 12.9%. The Low Quality index has given a return of a -11.8%. During the same period the performance of our equity exposure has been 22.4% (on a time and value weighted basis).

Regulated Utilities Index:



As highlighted in our previous newsletter the probability of the market bouncing back from excessive pessimism zone was high. The markets did have a good bounce back and now we are in a zone where clear direction can't be ascertained using this indicator.

Portfolio activities during the Quarter:

Few highlights of the portfolio are given below:

We have initiated position in a south based private sector bank which fit our criteria of reasonable risk reward and strong technical position. We are of the view that considering the quality of the Bank in terms of historical return ratios and excellent asset quality, the bank would eventually get rerated. The price at which we have initiated doesn't factor in the possibility of a rerating. Thus we could benefit from rerating in the stock. It also seems that some of the strongest hands in the domestic and global investment community share our perspective on this company.

Another company that we initiated is an engine manufacturer for a niche segment of a large auto company which is the market leader in that segment. We are of the view that this particular company was the best way to gain exposure to the relevant segment, rather than through the OEM which also has other businesses. The engine manufacturer is one of the lowest cost producers, and the OEM which used to source around 50% of its requirement from the company has slowly increased sourcing to 80% and we feel would eventually take this up to 100%.

Multi-Act Equity Consultancy Pvt. Ltd.

3rd Floor, Kshamalaya Bldg, 37 New Marine Lines,
Opp. Sndt College, Churchgate,Mumbai- 400020,
Tel +9122 61408989
www.multi-act.com

The pharma sector has lately seen an overhang due to policy changes. Currently the EGOM has submitted the new proposed policy to the cabinet for approval. This new pharma policy could have some negative impact in form of a one-time hit for domestic pharma companies (MNC would have higher hits due to their stronger domestic portfolio's) in the short term but we feel would be highly beneficial in the long run. We believe lower prices of products would open up new addressable markets in turn giving them incremental volume growth. Also these companies would be permitted to a price inflation which would be linked to WPI, which was not the case earlier. We believe majority of the negatives from the one- time hit seem to be priced in and we would seek further clarity when the final policy is promulgated.

Sector Allocation:

Moat/Limited Moat	Mar-11	Jun-11	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12
Moat	54%	50%	42%	41%	40%	40%	37%
Limited Moat	26%	20%	29%	29%	33%	30%	34%
Moat + Limited Moats	***80%***	***70%***	***71%***	***70%***	***73%***	***70%***	***70%***
No Moat	11%	20%	21%	22%	18%	21%	22%
Regulated Utility	9%	11%	9%	8%	9%	9%	8%
Grand Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Sectors	Mar-11	Jun-11	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12
Auto & Auto Ancs	8%	11%	15%	15%	15%	17%	19%
Capital Goods	10%	9%	11%	15%	24%	18%	17%
Financials & Financial Services	17%	23%	20%	19%	18%	20%	23%
FMCG	14%	9%	5%	2%	2%	-	
Information Technology	-	-	2%	-	-	3%	3%
Logistics	3%	-	4%	7%	6%	6%	5%
Materials	3%	-	5%	8%	4%	-	
Other	9%	14%	5%	4%	3%	4%	1%
Pharma	15%	13%	17%	16%	13%	16%	19%
Telecom	11%	9%	8%	6%	5%	6%	5%
Utility	10%	13%	9%	8%	10%	9%	8%
Grand Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Regards,
Jinal Sheth & Rohan Samant.

Multi-Act Equity Consultancy Pvt. Ltd.

3rd Floor, Kshamalaya Bldg, 37 New Marine Lines,
Opp. Sndt College, Churchgate,Mumbai- 400020,
Tel +9122 61408989
www.multi-act.com

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

Disclaimer

This is an Internal Document and not meant for unlimited public circulation. This document has been solely prepared for the PMS Clients of Multi-Act Equity Consultancy Private Limited (MAECL) and is not meant for circulation to any third party. The information contained herein does not constitute any guidelines or recommendations on any course of action to be followed by the Client.

The information is prepared on the basis of publicly available information, internally developed data and other sources believed to be reliable. MAECL does not solicit any course of action based on the information provided by it and the investor is advised to exercise independent judgment and act upon the same based on its/his/her sole discretion based on their own investigations and risk-reward preferences.

The information is meant for general reading purpose and is not meant to serve as a professional guide. Hence the client may or may not be holding the Company mentioned in the newsletter in its/his/her PMS portfolio as the portfolio will vary from client to client depending upon the investment strategy followed by the Portfolio Manager for each client.

MAECL, its associates or any of their respective directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information and consequently are not liable for any decisions taken based on the same. This information is not intended to be an offer or solicitation for the purchase or sale of any security or financial product. The investor shall at all times keep such information / data and material provided by MAECL strictly confidential and will not use, share or disclose such information to any third party.

It is stated that, as permitted by SEBI Regulations and the Company's Employee Dealing Policy, MAECL and/or its associates, affiliates and/or individuals thereof may have positions in securities referred to in the information provided by it and may make purchases or sale thereof while the information is in circulation. MAECL is not responsible for any error or inaccuracy or any losses suffered on account of any information contained in this document. Neither MAECL nor any of its associates, directors, employees, affiliates or representatives shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way from the information provided by it.

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.