



TATA INDIAN SHARIA EQUITY FUND

Factsheet as on 30 June 2025

INVEST THE SHARIA WAY

Tata Indian Sharia Equity Fund is a diversified equity fund with an investment objective to invest in stocks which are compliant to the Sharia principles of investments. The Fund follows a bottom up approach to stock picking to build portfolio of companies which are in harmony with the principles of the Sharia on investments. Tata Indian Sharia Equity Fund prohibits from investing in companies categorized as morally deficient, such as those related to tobacco, alcohol, gambling, lottery, banking & finance services and other prohibited companies.

Diversified Portfolio of Sharia Compliant Stocks

- Diversified portfolio of Sharia compliant stocks.
- The Fund does not follow any market cap bias
- Bottom-up approach to stock selection
- Invests in Companies which have less than 25% of its capital sourcing done using interest bearing debt
- Such companies generally do not need large external debt to fund their growth
- High internal cash generation capability
- Ability to grow is good irrespective of the external liquidity conditions as experienced in current markets

Portfolio of Fundamentally Strong Companies

- High cash generation
- High capital efficiency
- Good earnings and growth prospects

Strict Adherence to Sharia Principles

- Rigorous monitoring of portfolio by independent advisors to check adherence to Sharia principles
- Any deviation is corrected within a specified time period
- Purification process in place in case of prohibited income

Who should invest and why?

- Investors looking to invest in Sharia compliant Indian equity & equity related instruments
- Invests in Socially responsible companies involved in businesses considered ethical
- Investors with a preference for investments in companies which have low leverage and fundamentally strong companies
- Equity Investors seeking long term wealth creation investment avenue with moderate to aggressive risk appetite and investment horizon of 3yrs or more

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Contact us

INVESTMENT MANAGER

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Performance of Sectoral Indices

Index Name	As on			Return in %	
	30-Jun-25	30-May-25	30-May-24	1 Month	1 Year
S&P BSE Sensex	83,606.46	81,451.01	73,885.60	2.6	13.2
S&P BSE MID CAP	46,854.46	45,136.35	42,827.11	3.8	9.4
S&P BSE SMALL CAP	54,690.91	52,413.25	46,908.16	4.3	16.6
S&P BSE 200	11,592.70	11,235.80	10,406.95	3.2	11.4
S&P BSE AUTO	53,495.02	52,321.56	53,194.93	2.2	0.6
S&P BSE Bankex	64,177.72	63,154.98	55,603.85	1.6	15.4
S&P BSE Consumer Durable	59,784.11	57,946.66	54,625.58	3.2	9.4
S&P BSE Capital Good	72,332.77	71,089.64	69,423.88	1.7	4.2
S&P BSE FMCG	20,241.32	20,308.16	19,569.07	-0.3	3.4
S&P BSE Health Care	44,259.41	42,604.29	35,084.20	3.9	26.2
S&P BSE IT	38,121.71	36,893.53	33,531.45	3.3	13.7
S&P BSE METAL	31,695.95	30,760.36	32,299.71	3.0	-1.9
S&P BSE Oil & Gas	27,866.79	27,030.06	28,481.52	3.1	-2.2
S&P BSE Power Index	6,937.59	6,804.84	7,562.99	2.0	-8.3
S&P BSE Realty	7,642.29	7,359.43	7,821.73	3.8	-2.3

Index Name	As on			Return in %	
	30-Jun-25	30-May-25	30-May-24	1 Month	1 Year
Nifty 200	14,252.65	13,798.40	12,708.30	3.3	12.2
Nifty 50	25,517.05	24,750.70	22,488.65	3.1	13.5
Nifty Auto	23,872.55	23,325.60	23,471.00	2.3	1.7
Nifty Bank	57,312.75	55,749.70	48,682.35	2.8	17.7
Nifty Commodities	8,937.95	8,583.85	8,825.80	4.1	1.3
Nifty Energy	36,568.65	35,879.05	39,986.85	1.9	-8.5
Nifty Financial Services	27,174.45	26,499.25	21,597.30	2.5	25.8
Nifty FMCG	54,883.90	55,283.00	54,280.10	-0.7	1.1
Nifty India Consumption	11,842.85	11,383.15	10,504.55	4.0	12.7
Nifty Infrastructure	9,409.35	8,970.35	8,623.05	4.9	9.1
Nifty IT	38,950.00	37,321.75	32,806.75	4.4	18.7
Nifty Metal	9,534.80	9,193.25	9,545.25	3.7	-0.1
Nifty Midcap 100	59,741.20	57,420.00	51,426.85	4.0	16.2
Nifty Pharma	22,038.70	21,442.05	18,971.00	2.8	16.2
Nifty Realty	986.55	949.35	996.05	3.9	-1.0
Nifty Smallcap 100	19,075.10	17,883.30	16,612.85	6.7	14.8

The Macro Picture

	June 2025	May 2025
WPI	0.39% (May 2025)	0.85% (April 2025)
CPI	2.82% (May 2025)	3.16% (April 2025)
Index of Industrial Production	1.23% (May 2025)	2.7% (April 2025)
Repo rate	5.50% (as on June 30, 2025)	6.00% (as on May 31, 2025)
Marginal Standing Facility Rate	5.75% (as on June 30, 2025)	6.25% (as on May 31, 2025)

Source: RBI, Bloomberg

BSE-30 and Nifty-50 indices delivered positive returns during the month of June 2025 with a return of 2.6% and 3.1% respectively. The mid-cap index outperformed the benchmark indices with a gain of 3.8% along with the small cap index at 4.3%. On the sectoral front Auto, Utilities, Consumer, Capital Goods and Banks underperformed the benchmark index, rest all sectors outperformed during the month.

June 2025 was another month of steady rise through the month despite headwinds in terms of the US led Tariff war. Israel-Iran war. Global slowdown risks remain on the higher side. We continue to believe one needs to build in higher volatility going ahead in equity markets globally.

Inflation

India's Wholesale Price Inflation (WPI) Index came in at 0.39% YoY during the current month as compared to 0.85% for the previous month on account of stable fuel, lower food and lower commodity prices.

Lower vegetable prices resulted in a sharp fall in headline inflation. May 2025 CPI inflation stood at 2.82% lower than 3.16% for April 2025. The RBI is estimating FY26 CPI Inflation in a range of 4% to 4.2%, however data so far suggests inflation may be on the lower side relative to expectations.

India's GDP growth picked up pace in Q4FY25 to 7.4% with primary driver of growth being Agriculture, Construction and Services from the supply side and Private consumption from the expenditure side. Gross fixed capital formation growth stood at 9.4% for the quarter.

Other macro developments (fiscal deficit and household savings)

India's Q4FY25 current account balance registered a surplus of US\$13.5bn (1.3% of GDP) compared to a deficit of US\$11.5bn (1.1% of GDP) for Q3FY25. The surplus represents preponement of goods exports to manage tariff risks from the US and better software/services exports along with stable imports.

India's fiscal deficit came much lower than forecasted at 5.6% for FY24 on account of lower revenue expenditure. The government has announced a path to reduce fiscal deficit to 4.9% for FY25 (revised lower from 5.1% earlier) and below 4.5% in FY26.

FY24 net household financial savings rate stood at 5.3% of GDP (5.1% for FY23). The same ratio had moved higher during the pandemic period to 12% in FY21 compared to 7.7% in FY20.

Market Outlook

India Equity markets have seen smart recovery, however, globally there are a few global markets which have delivered better performance than India over the past 6 months.

Country	Returns %
Hong Kong	20.0%
Korea	28.0%
India	7.9%
Germany	20.0%
Brazil	14.7%
Mexico	16.5%

* Returns in local currency

Given the sharp up move, post a short period of correction in India markets, equity capital raise in terms of IPO, QIP, Promoter/PE selling has picked up significantly in the month of May 2025 and June 2025. Just in the past 2 months aggregate capital raise in various forms has crossed US\$17bn. As per one estimate by Jefferies, the pipeline of capital raise, assuming markets remain strong, is equally strong at >US\$80bn in the coming few quarters.

With valuations being fair in the markets, earnings growth is likely to be the main driver of returns going ahead. We believe bottom-up stock picking will be the key to better performance unlike the past few years where momentum and valuation rerating was the key contributor of performance.

We in our portfolios are focused on companies which can grow earnings at a fast pace and most importantly balance sheets/cash flow being on the positive side with less leverage. We believe investors would be well advised to invest with medium to long term perspective and systematically increase exposure to Indian equity markets.

Key portfolio actions – During the month we have not made any major change to the portfolios.

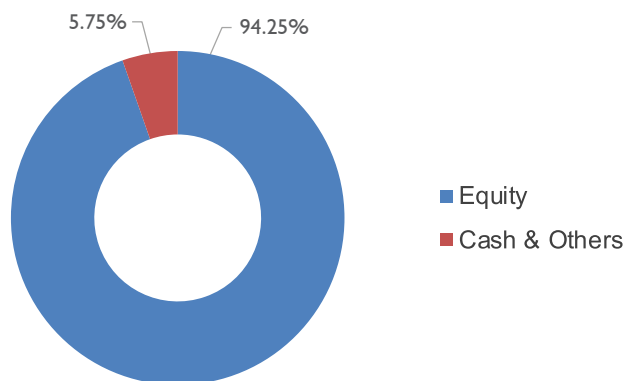
Investment Objective

The principal investment objective of the Fund is to achieve capital appreciation through a carefully chosen diversified portfolio of stocks that conform to Sharia principles.

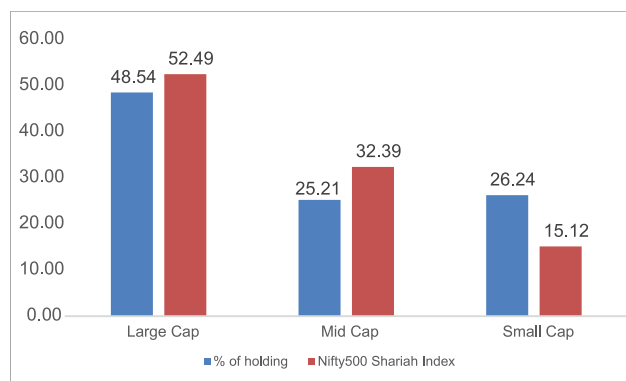
Investment Approach

The fund will follow a bottom-up approach to investing based on rigorous research. Focus will be on companies with good governance practices, strong earnings growth visibility and reasonable valuation. Fund will invest across sectors and market caps with a slight bias towards large caps.

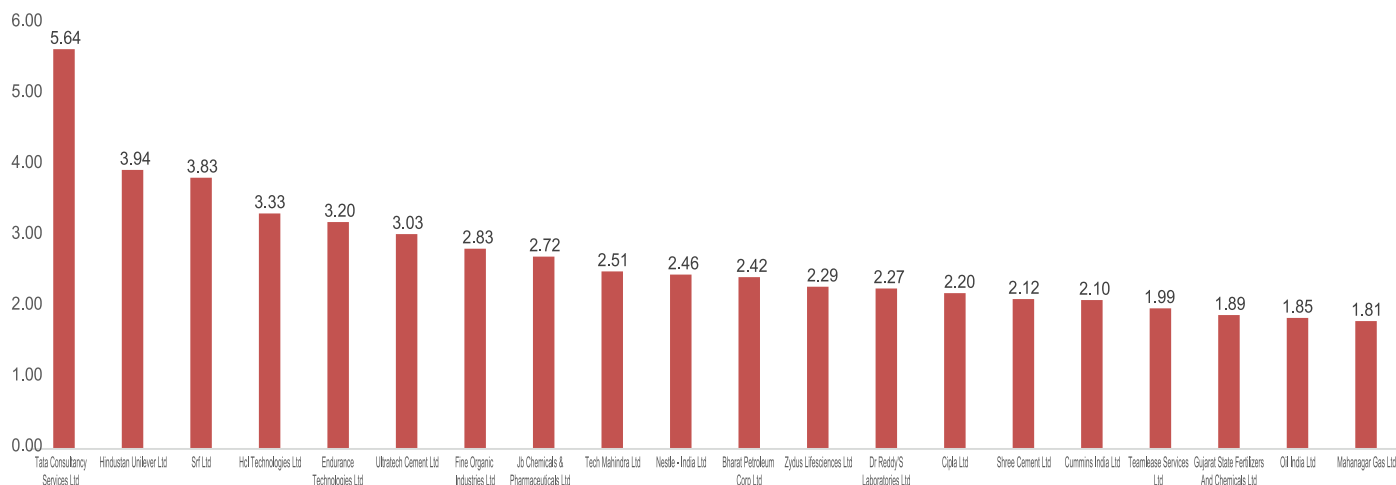
Asset Allocation



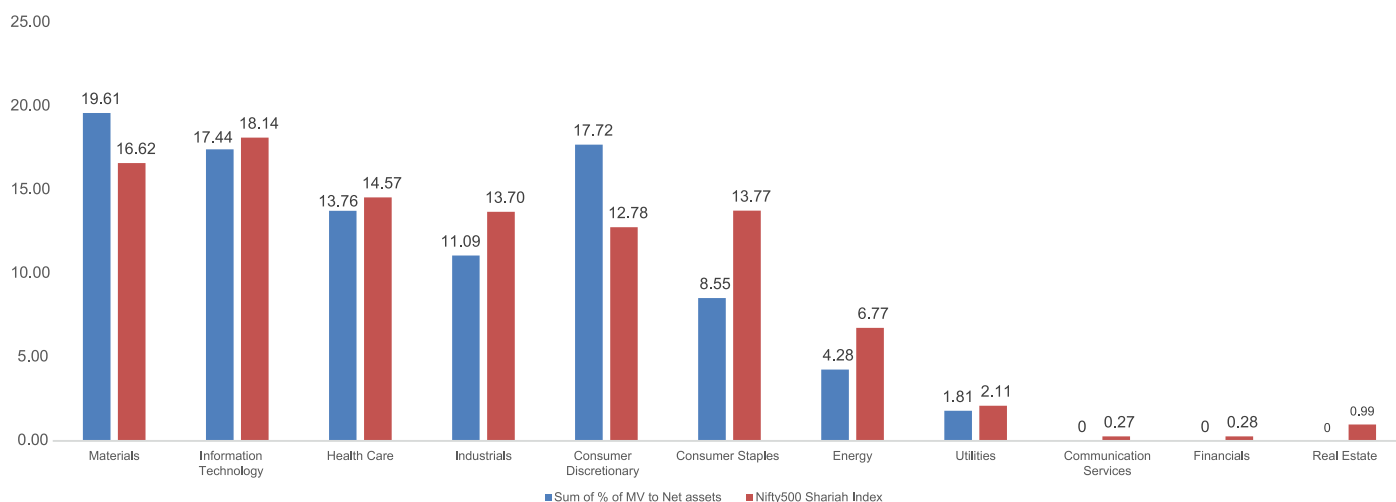
Market Cap Allocation



Top 20 Holdings



Sector Allocation



Fund Performance - Class B (USD terms)

Period	1 month	3-months	6-months	1-year	3-Years	5-Years	Since Inception
TISEF	3.15	9.54	-2.79	-8.36	10.40	15.56	5.96
Nifty 500 Shariah Index	2.62	7.96	-3.06	-4.52	12.67	17.10	6.95

Past performance may or may not be sustained in future. Less than 1 year returns calculated on absolute basis & more than 1 year on CAGR basis *Inception Date: October 2010

Key Information

Structure	Open-ended Fund
ISIN No	Class B : MU0316S00010
Domicile	Mauritius
Fund Type	Diversified equity fund investing in Sharia compliant equity or equity equivalent listed Indian companies
Benchmark	Nifty 500 Sharia Index
Reference Currency	USD
Total Expense Ratio (TER)	Class B: 2.0%
Custodian	Standard Chartered Bank
Administrator	APEX Fund Services, Mauritius
Auditors	KPMG Mauritius
Sharia Advisor	Taqwaa Advisory and Shariah Investment Solutions Pvt. Ltd. (TASIS)
Month-End AUM	USD 48.01 mn
Month –End NAV	USD 22.6695
Minimum Investment	USD5000
Inception Date	October 2010
Purging Ratio for the period 1 October 2023 to 31 March 2024	0.018027

Disclosures and Disclaimers

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