INVESTMENT OBJECTIVE

The investment strategy of the Fund shall be guided by a focus on businesses demonstrating the potential to scale.

The Fund shall prioritize those investments which have a proven track record of generating consistent cash flows, valuing stability over sporadic gains.

The strategy lies in the systematic investment plan model, which reflects a deliberate and measured approach. The model embodies the ethos of "slow and steady wins the race," drawing parallels to the methodical pace of a tortoise. This will help ensure that there is a resilient and sustained growth trajectory, aligning with the Fund's commitment to both financial prudence and long-term wealth creation.

FUND CHARACTERISTICS

Manager: Taksh Asset Management Private Limited

Legal Structure: Category III Open-ended AIF

First Close Date: 6th August 2024

Benchmark: Nifty 500 TRI

Management Fees: Up to 2.50%

Exit Load at the time of Redemption: 1.5% up to 12 months; 1.0% between 12-24 months; NIL thereafter

ADMINISTRATIVE INFORMATION

Custodian: Kotak Mahindra Bank

Fund Accountant: Kotak Mahindra Bank

RTA: Computer Age Management Services Limited (CAMS)

Auditor: S R Batliboi

CONTACT

Ankur Joshi, Co-Founder & COO
ankur.joshi@takshasset.com

MARKET COMMENTARY

"Fear is the mind-killer" — The Investor's Mental Trap

In equity investing, fear often does more damage than market volatility itself. Whether it's triggered by sharp corrections, geopolitical events, or short-term underperformance, fear can lead to:

- Exiting quality investments at the wrong time,
- Chasing what's popular instead of what's valuable,
- Abandoning long-term plans in favour of short-term comfort.

Fear narrows perspective, erodes discipline, and drives reaction over reason. The real cost isn't just lost returns—it's lost conviction.

"Calm endurance" — The Superpower of Long-Term Investing

The equity markets have historically rewarded those who endure—not avoid—volatility. The ability to remain composed, process-driven, and fundamentally anchored through uncertain times is what separates the durable investor from the reactive one.

- Endurance is not inaction; it's thoughtful patience.
- Calm minds can identify dislocations as opportunities.
- Long-term investors stay aligned with underlying trends, not daily noise.

In a world chasing short-term outperformance, **calm endurance is a competitive edge.**
"Volatility is the price of admission to equity wealth. Calm endurance is the price of wisdom."

MARKET RESILIENCE MEETS IMPROVING FUNDAMENTALS

Despite a highly eventful first half of 2025—marked by global conflicts, monetary uncertainty, and elevated volatility—equity markets have shown remarkable resilience. Indian equities have risen ~6% CYTD, supported by strong domestic flows and improving macro signals.

We believe this quarter marks a transition from a low base in FY25 towards a stronger earnings cycle in the coming quarters. Several enablers are in place:

- **RBI's supportive stance**, with rate cuts and liquidity infusions
- **Fiscal momentum**, driven by renewed capex push and tax measures
- **Inflation well-contained**, creating space for consumption recovery
- **Better-than-expected monsoons**, supporting rural demand
- **Improving liquidity and market sentiment**, with both DIIs and FIIs turning positive

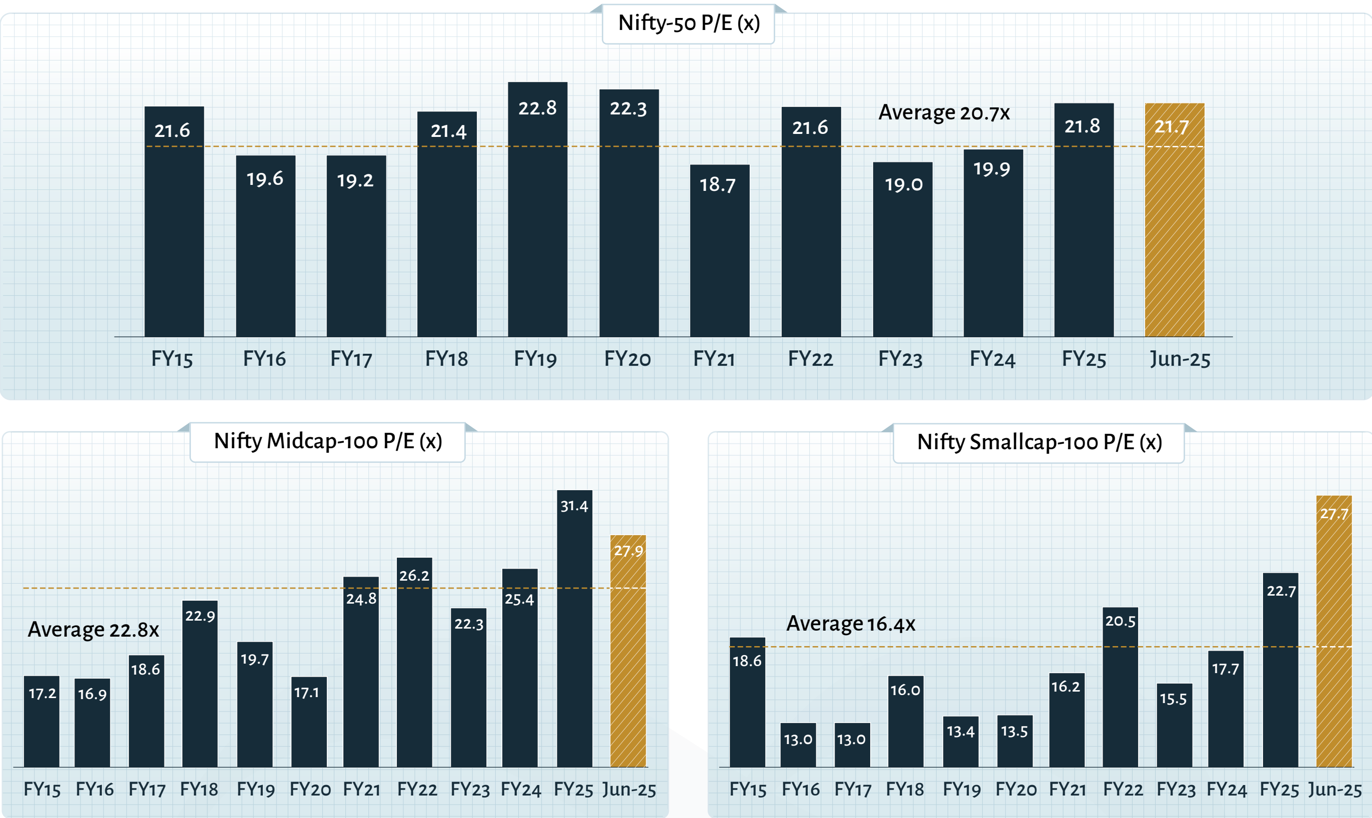
EARNINGS AND VALUATION OUTLOOK

As 1QFY26 earnings unfold, we expect early signs of a turnaround from the subdued growth seen in FY25. While headline growth will be skewed by few sectors, what stands out is the **breadth of recovery**—with multiple sectors expected to post double-digit earnings growth. Notably, the number of sectors expected to post negative PAT growth is lower than in previous quarters, indicating an improving earnings mix.

Valuations for Nifty 50 remain near long-term averages. While there is some froth in parts of the mid- and small-cap space, this is not a market-wide concern. The focus must remain on **business quality, execution strength, and reasonable entry points.**

Our portfolios continue to reflect this philosophy—with a tilt toward domestic-facing businesses that can benefit from macro tailwinds and improving demand. Within the SMID universe, we remain selective and conviction-led.

One-year forward P/E trends accross the Nifty-50, Nifty Midcap-100 and Nifty Smallcap-100 indices (x)



Source: Taksh Research

LOOKING AHEAD: STAY THE COURSE, STAY DISCERNING

India stands out as a structurally sound and relatively stable market, with a unique combination of:

- Size: breadth and depth across sectors and businesses,
- Growth: robust demand dynamics and earnings expansion,
- Diversification: a balance between domestic and export-linked sectors.

With supportive macro conditions, an improving earnings cycle, and strong liquidity, we remain constructive on Indian equities. But more than ever, what shapes long-term outcomes is not just **what one owns—but how one navigates volatility when it comes.**

"Fear is the mind-killer. Calm endurance is the alpha generator."

We remain focused on fundamentals, aligned with long-term narratives, and anchored in process.

PORTFOLIO STRATEGY: GROWTH WITH RESILIENCE

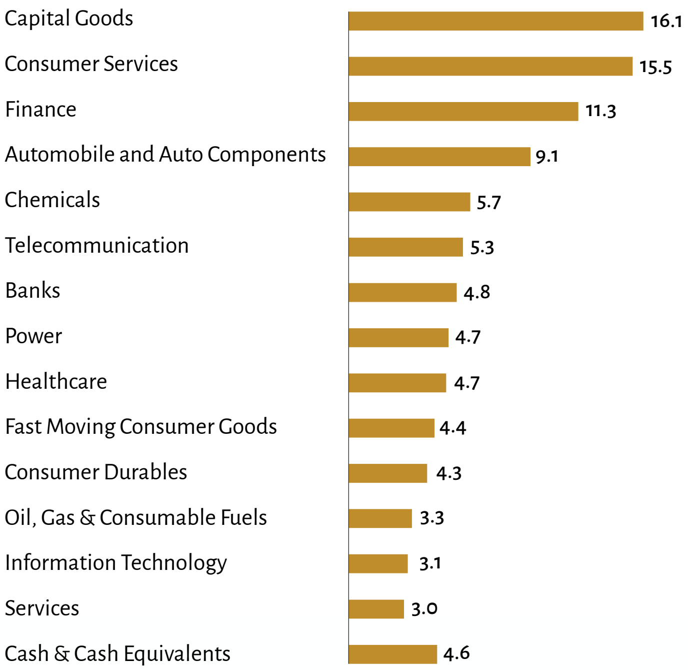
Over the last 10 months of our journey, we have delivered performance ahead of benchmark across various time periods. Though this track record is over a short span—and our focus remains on long-term investors with at least a 3–5 year horizon—**our goal is to deliver consistent, risk-adjusted returns.**

Our portfolio is structured for long-term capital appreciation, with a targeted **RoE of 23% for FY27 and an earnings CAGR of 20% over FY25–27E**. Valuations remain attractive, supporting our focus on sustainable growth and income across a diversified sectoral mix.

We thank you for your continued trust and look forward to navigating the future together—with conviction, prudence, and purpose.

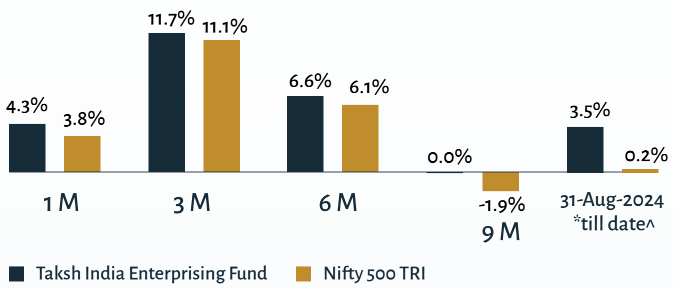
FUND DYNAMICS

SECTOR BREAKUP



As per AMFI Classification; Data as on June 30, 2025

FUND PERFORMANCE



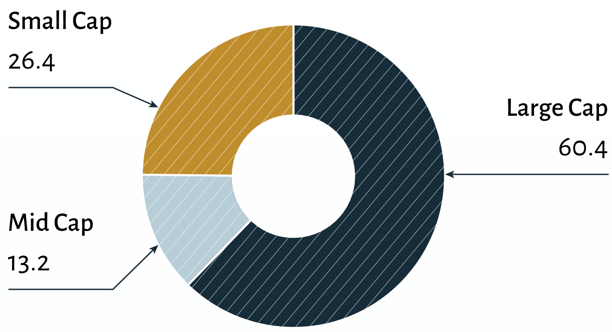
^Data as on June 30,2025
First Close date - 6th August,2024.
*Note - As the fund was in the capital deployment phase during its first month (August 2024) with an average cash holding of approximately 69%, the returns are presented from the end of August 2024 which is the 10 month returns as of the end of June 2025.
Disclaimer: Returns are calculated on a post-expenses, pre-carry, and pre-tax basis. Above mentioned returns are Strategy level returns and might deviate for different share classes. Past performance may or may not be sustained in future. Returns for greater than one year are annualised returns.

TOP 10 HOLDINGS

Company	Sector	Weight %
Bharti Airtel Limited	Telecommunication	5.3
Avenue Supermarts Limited	Consumer Services	4.9
ICICI Bank Limited	Banks	4.8
Torrent Power Ltd	Power	4.8
Divis Laboratories Limited	Healthcare	4.7
Bharat Electronics Ltd	Capital Goods	4.5
Eternal Limited	Consumer Services	4.3
Steelcast Limited	Capital Goods	4.3
Bajaj Finance Limited	Finance	4.3
Cholamandalam Investment and Finance Company Limited	Finance	3.7

Data as on June 30, 2025

MARKET CAPITALIZATION*



As per AMFI Classification; Data as on June 30, 2025
*Cash excluded

PORTFOLIO QUANTS

Portfolio Quants	TIEF	Nifty 500 TRI
RoE FY27e (%)^	23	15
EPS CAGR: FY25-27e (%)	20	11
PEG Ratio*	2.3	2.1

Source: Bloomberg; Internal Research. Data as on June 30, 2025
*PEG Ratio is Price/Earnings to Growth calculated as FY25 PE divided by the expected EPS growth for FY25-27e
^adjusted for one-time and non-recurring items

DISCLAIMERS

The Scheme is yet to complete one year from the date of first closing and hence benchmark report is not available as of now. Further, the Scheme notes to publish the same as when it is available. The NIFTY 500 TRI returns are disclosed from reference perspective to show performance of the scheme and the said benchmark to the readers and the same shall not be construed as the Scheme has been benchmarked with NIFTY 500 TRI. The Investment objective/ strategy of the Fund is not structured in a way which is identical/ similar to the compared benchmark.

This document is purely for information purposes and should not be considered as an investment advice/recommendation or an offer or solicitation of an offer to buy/sell any securities. There is no guarantee that the aimed returns may be met and there can be no assurance that the same will be achieved in the products managed by Taksh Asset Management Private Limited (Taksh).Certain data and numbers mentioned in this document are on the basis of internal research data of Taksh and data available in the public forum and shall not be considered as investment recommendation or opinion of Taksh. Taksh is the investment manager and sponsor of the Taksh Alternative Investment Trust (Taksh AIF), a Category III SEBI registered AIF. Taksh India Enterprising Fund is the first scheme of the Taksh AIF. Taksh and its employees/directors shall not be liable for any loss, damage, or liability whatsoever for any direct or indirect loss arising from the use of this information. All investors must read the fund documents of Taksh AIF and shall consult their financial, legal, tax advisors, before making any investment decision/contribution with Taksh. Performance: Past performance may or may not be sustained in future. Returns are dependent on prevalent market factors, liquidity and credit conditions. Instrument returns depicted are in the current context and may be significantly different in the future. There is no guarantee that the aimed returns may be met. Contributors should bear in mind that past performance is not necessarily indicative of future results, and there can be no assurance that the Fund will achieve comparable results.

OUR PARTNERS

TAX ADVISOR

LEGAL ADVISOR

FUND ACCOUNTANT

TRUSTEE

MARKETING & BRANDING

RTA

COMPLIANCE & OPERATIONS

COMMUNICATIONS & CONTENT