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

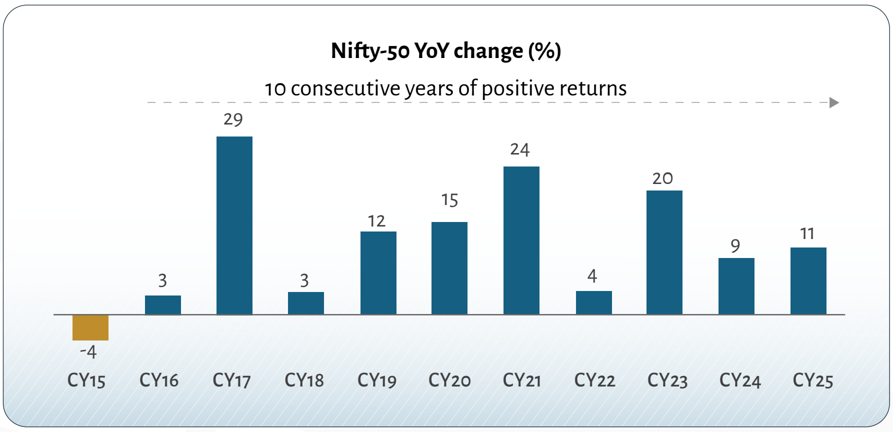
CONTACT

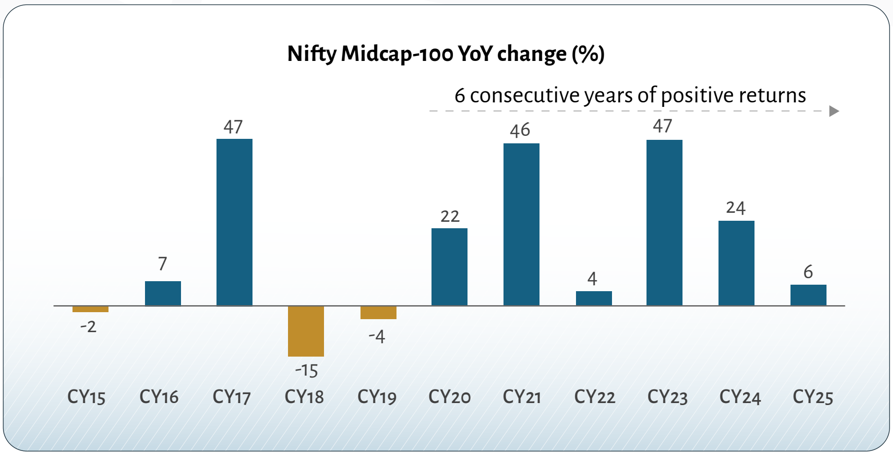
Ankur Joshi, Co-Founder & COO
ankur.joshi@takshasset.com

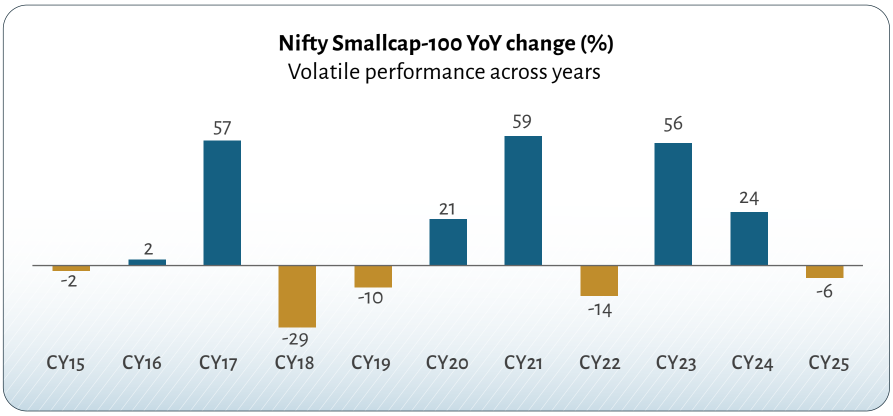
MARKET COMMENTARY

As we enter CY26, Indian equity markets are on relatively firm ground, with several growth-supportive factors already in place. The last 12–18 months were challenging, marked by geopolitical stress, supply-chain shifts, and trade-related uncertainty. Emerging market currencies also faced pressure. Despite this, India has shown strong resilience through the cycle.

In a volatile environment, Indian equities still delivered positive returns. During CY25, the Nifty 50 gained 11% YoY and the Nifty Midcap 100 rose 6% YoY, while the Nifty Smallcap 100 declined 6% YoY. Performance dispersion across market segments reflects a more selective market.





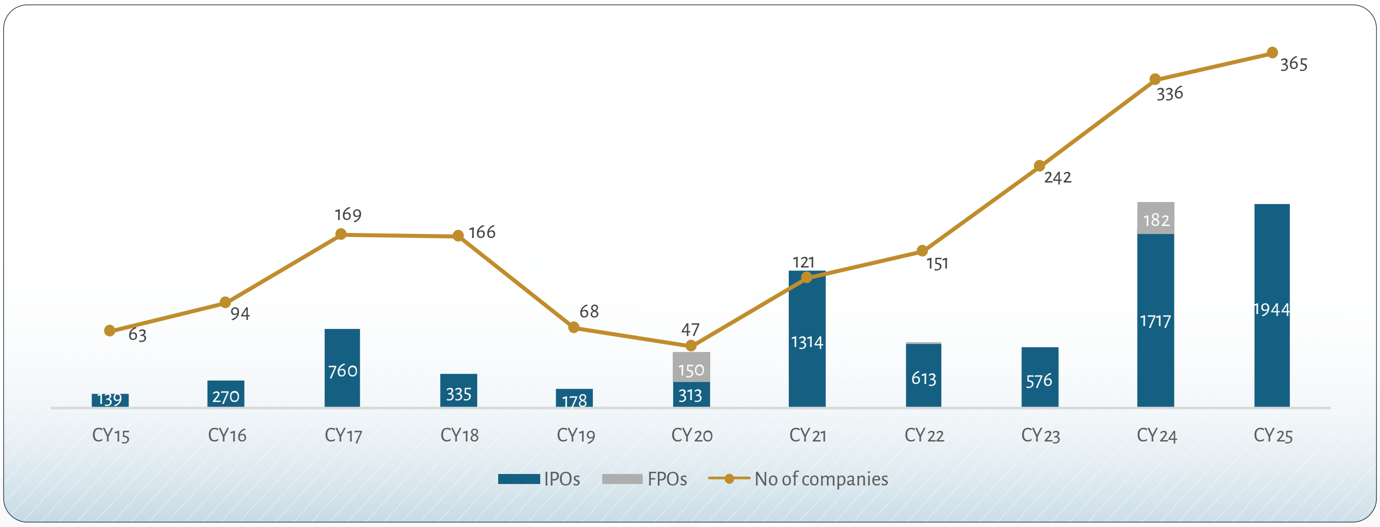


Source: Internal Analysis

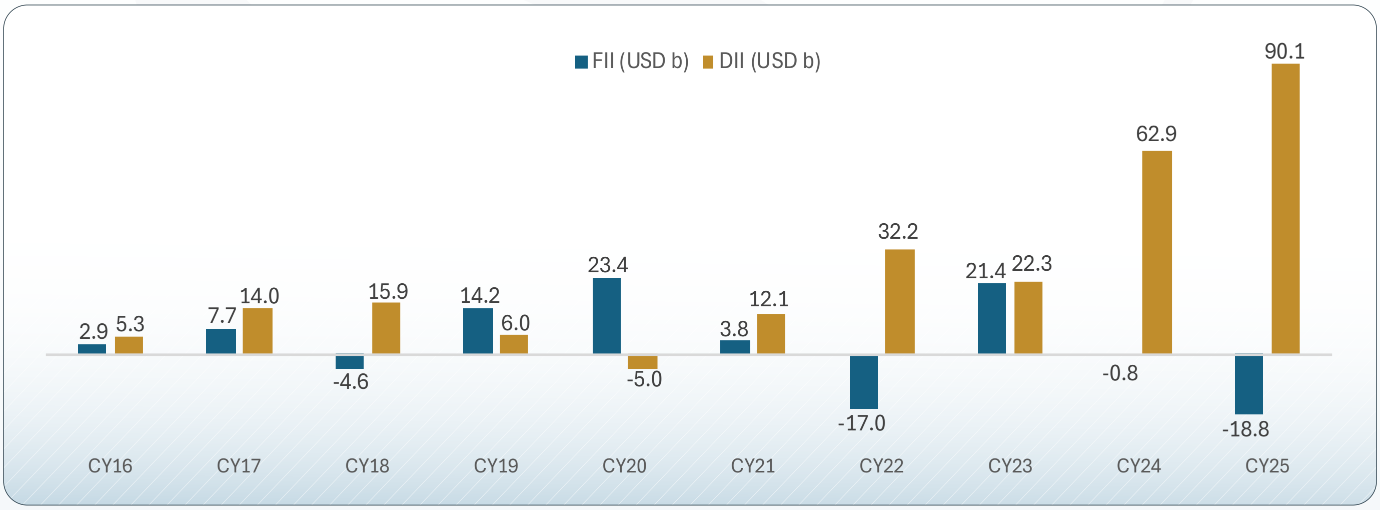
Both the Government and the RBI have actively worked to cushion external risks and support domestic growth through fiscal measures, monetary easing, and structural reforms. We believe the full impact of these actions should start becoming visible through 2026, with limited domestic factors likely to derail growth. That said, global geopolitics and trade dynamics remain uncertain and continue to weigh on risk sentiment. Against this backdrop, progress on the long-pending India–US trade agreement could emerge as an important catalyst, potentially easing FII outflows, while domestic institutional investors are expected to remain a key source of support.

Despite global uncertainty, India witnessed a record year for IPOs, with healthy participation from retail, HNIs, and institutions. Liquidity, while more selective, has remained supportive and reflects confidence in medium-term fundamentals rather than short-term momentum. Importantly, capital allocation has become more discerning, with investors clearly differentiating between balance-sheet strength, cash flows, and leverage. We view this as a constructive development.

EQUITY RAISING THROUGH IPO AND FPOS REMAINS STRONG (INR B)



INSTITUTIONAL FLOWS

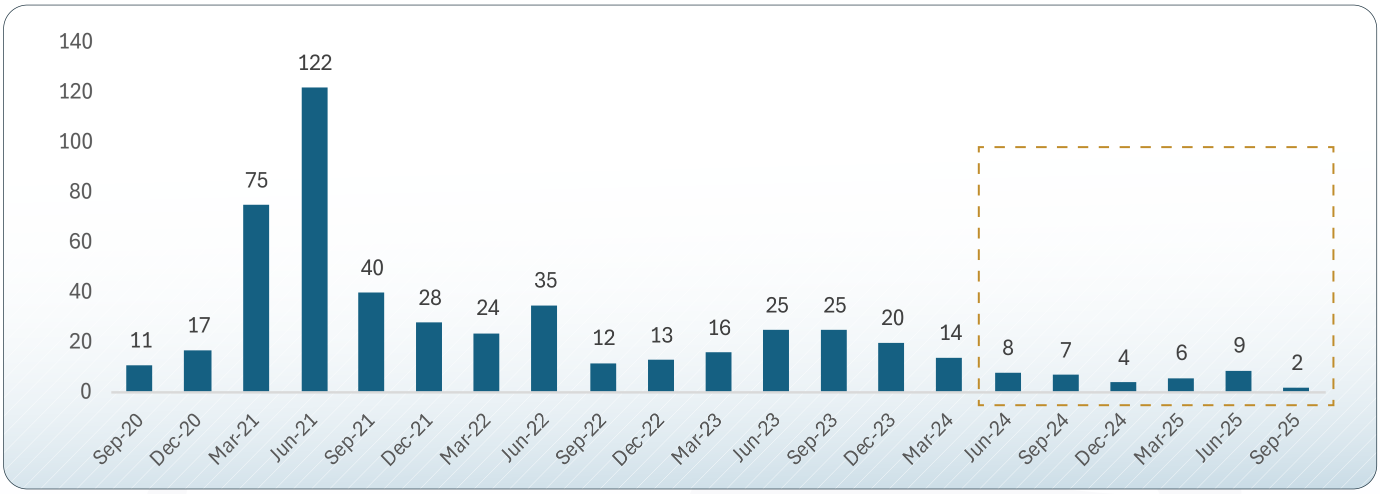


Source: Internal Analysis

Q3FY26 EARNINGS PREVIEW

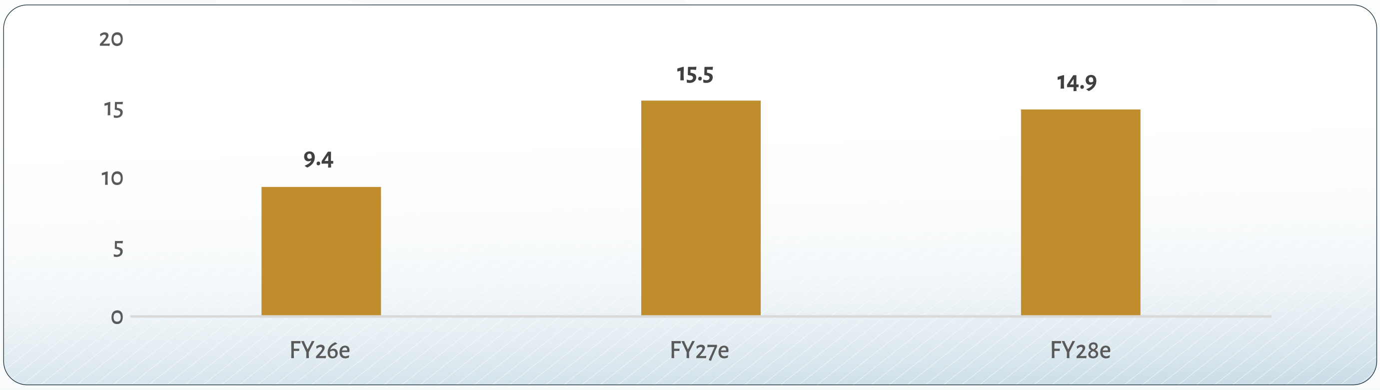
We expect Q3FY26 to deliver the strongest earnings growth in the last eight quarters, aided by an improving operating environment. This quarter should capture the full impact of the GST 2.0 cuts. Discretionary segments such as automobiles, travel, and hospitality have seen a pickup in demand, supported by GST cuts, the festive season, lower interest rates, and personal income tax relief. Beyond the reported numbers, management commentary on the durability of demand will be critical in assessing whether the momentum sustains once the initial impact of policy support normalizes.

NIFTY REPORTED A SINGLE-DIGIT EARNINGS GROWTH FOR THE SIXTH CONSECUTIVE QUARTER SINCE THE PANDEMIC (JUN'20)



Source: Internal Analysis

EXPECT DOUBLE DIGIT EARNINGS GROWTH FOR NIFTY THROUGH FY26-28E (YOY GROWTH %)



Source: Internal Analysis

Overall, we believe Indian equities are entering 2026 with more tailwinds than headwinds. The RBI's cumulative repo rate cuts of 125 bps, along with liquidity measures such as CRR cuts, OMOs, and FX swaps, have meaningfully eased financial conditions. On the fiscal side, personal tax relief and GST 2.0 cuts have supported consumption. Additionally, the upcoming **8th Pay Commission** is expected to further strengthen household consumption. Combined with ongoing reforms and capex momentum, this creates a strong base for double-digit earnings growth. Valuations remain reasonable, with the Nifty 50 trading at 21.2x, close to its long-term average of 20.8x, leaving room for expansion with sustained earnings growth and any improvement in the global environment.

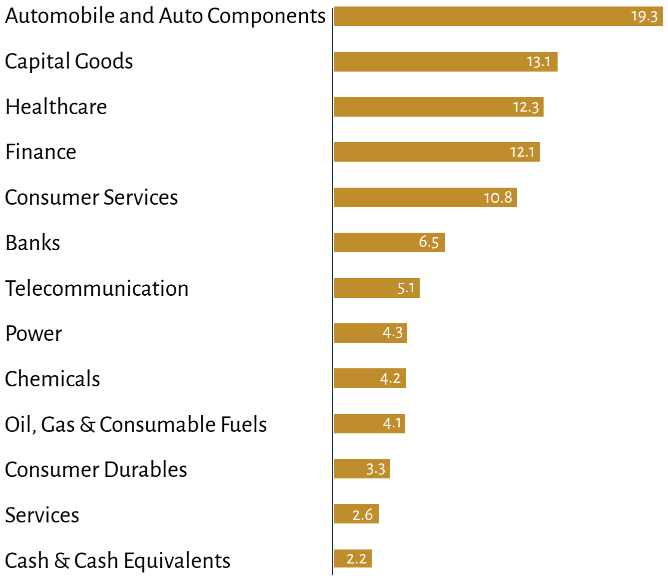
PORTFOLIO POSITIONING & STRATEGY

Our portfolio is strategically positioned for long-term capital appreciation, supported by robust earnings growth, prudent sectoral diversification, and attractive valuations. **By FY28, we are targeting a RoE of 19% and an earnings CAGR of 25% over FY26–28E, compared to 14% RoE and 12% earnings CAGR for the benchmark.** The portfolio is also available at more a**ttractive valuations, with a PEG ratio of 1.5x v/s 2.1x for the benchmark.**

We appreciate your continued trust and support as we remain focused on navigating the market with discipline and a long-term perspective.

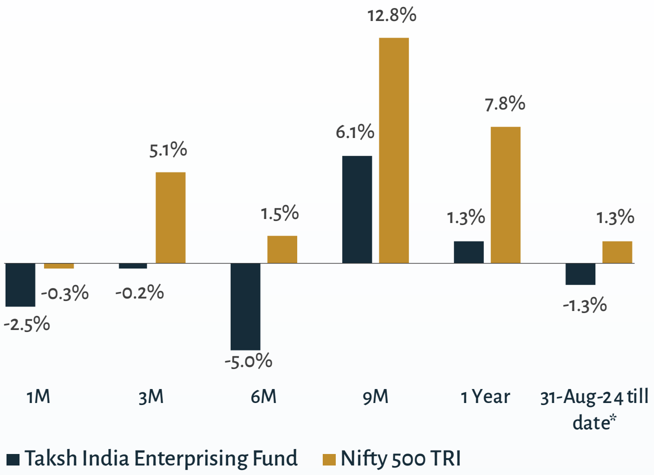
FUND DYNAMICS

SECTOR BREAKUP



As per AMFI Classification; Data as on December 31, 2025

FUND PERFORMANCE



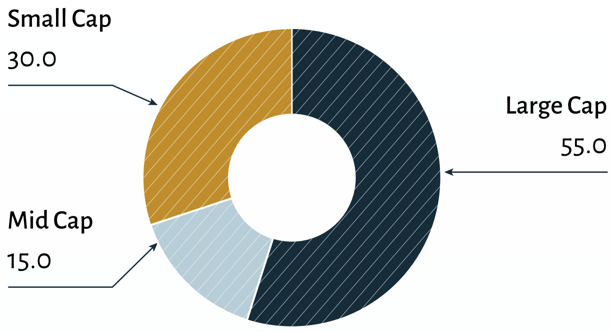
^Data as on 31st December,2025
First Close date - 6th August,2024.
*Note - As the fund was in the capital deployment phase during its first month (August 2024) with an average cash holding of approximately 69%, the returns are presented from the end of August 2024.
Disclaimer: Returns are calculated 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 %
Bajaj Finance Limited	Finance	6.6
Eternal Limited	Consumer Services	5.6
Divis Laboratories Limited	Healthcare	5.2
Bharti Airtel Limited	Telecommunication	5.1
Rubicon Research Limited	Healthcare	5.1
Cholamandalam Investment and Finance Company Limited	Finance	4.8
Steelcast Limited	Capital Goods	4.7
ITC Hotels Limited	Consumer Services	4.7
Sansera Engineering Limited	Automobile and Auto Components	4.6
Torrent Power Ltd	Power	4.3

Data as on December 31,2025

MARKET CAPITALIZATION*



As per AMFI Classification; Data as on December 31, 2025
*Cash excluded

PORTFOLIO QUANTS

Portfolio Quants	TIEF	Nifty 500 TRI
RoE FY28e (%)^	19	14
EPS CAGR: FY26-28e (%)	25	12
PEG Ratio*	1.5	2.1

Source: Bloomberg; Internal Research. Data as on December 31, 2025
*PEG Ratio is Price/Earnings to Growth calculated as FY26 PE divided by the expected EPS growth for FY26-28e
^adjusted for one-time and non-recurring items

DISCLAIMERS

As of 31st March, 2025, the scheme has not completed one year from the date of first closing and hence benchmark report is not available. 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.