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

Registered Name: Taksh Alternative Investment Trust

Registration Number: IN/AIF3/24-25/1525

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

THE ASYMMETRY OF UNDERSTANDING

The modern investment landscape is no longer defined by business cycles alone. It is increasingly shaped by a confluence of geopolitics, technological disruption, policy shifts, fragmented supply chains, and instantaneous information flows. The result is a world that is not merely **VUCA (Volatile, Uncertain, Complex and Ambiguous),** but one in which the half-life of consensus has become remarkably short.

In such an environment, we believe the pursuit of precision in macro forecasting is a diminishing-return exercise. Macro variables undoubtedly influence the investment climate, but they rarely determine the ultimate creators of wealth. Markets may be driven by narratives in the short run; over long periods, they remain anchored to the **economics of exceptional businesses.**

This forms the cornerstone of Taksh's philosophy: **Bottom-Up India before Top-Down India.**

Our starting point is never GDP growth, elections, interest rates or commodity prices. It is the entrepreneur allocating capital, the engineer improving productivity, the salesforce gaining market share, the management team expanding return on incremental capital, and the organisation strengthening its competitive moat. We believe the true source of alpha lies in understanding these microeconomic variables better than the market.

Consequently, we advocate micro-management of knowledge, not portfolios.

Every investment is treated as a living organism. We continuously reassess competitive positioning, customer behaviour, technological relevance, governance standards, capital allocation decisions, execution intensity, organisational culture, and industry structure. Conviction is not static; it is continuously earned through deeper understanding.

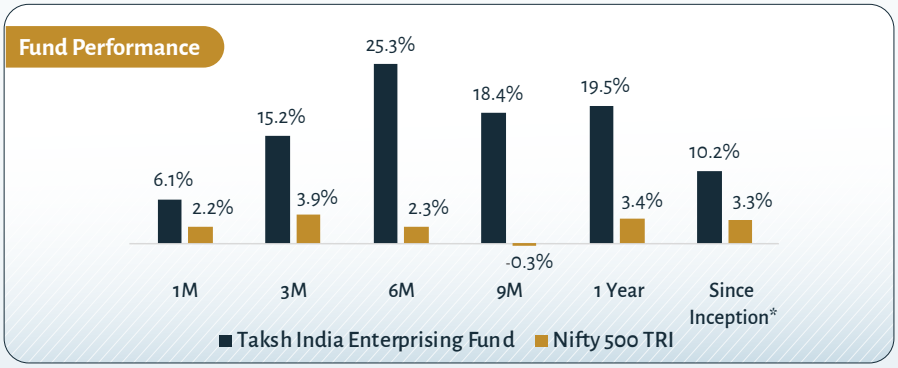
The objective is to reduce what truly matters: the **probability of being fundamentally wrong.**

At Taksh, we believe enduring wealth is created not by predicting every macro event, but by consistently discovering businesses whose intrinsic value compounds faster than the market appreciates.

TWO YEARS OF TAKSH INDIA ENTERPRISING FUND

The Taksh India Enterprising Fund ("TIEF") completed two years on 7 August. It has been among the most volatile two years in recent memory. Two wars, the US tariff tantrums, and the sequence running from the Pahalgam attack through Operation Sindoor to the Iran, Israel and US conflict have delivered successive shocks that tested market resilience and investor conviction in equal measure. Escalating regional conflicts, heightened volatility across energy markets, and intermittent risk-off episodes contributed to elevated uncertainty across global asset classes, with sharp factor rotations, compression in risk appetite, and indiscriminate drawdowns across broader equities.

Against this backdrop, **TIEF delivered a resilient performance outcome, generating meaningful alpha relative to the benchmark,** reflecting the strength of our research-led, high-conviction investment framework and disciplined portfolio construction process.



^Data as on 31st July,2026

*Since Inception date - 7th August,2024. Benchmark data is of the previous date i.e. 6th August, 2024. 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. Please refer to disclaimers and benchmarking report.

This outcome is a direct reflection of the philosophy set out above: that superior long-duration outcomes are achieved not through broad market participation, but through selective ownership of fundamentally superior businesses capable of navigating periods of heightened uncertainty.

In a VUCA world, information is abundant, opinions are cheap, and certainty is scarce. Our enduring edge lies in transforming information into understanding, understanding into conviction, and conviction into disciplined capital allocation. That, we believe, is the foundation of sustainable investment supremacy.

INTERIM EARNINGS REVIEW: 1QFY27

The interim earnings season offers a useful test of this philosophy. By the end of July 2026, **a little over 200 companies across the broader listed universe had declared 1QFY27 results,** together accounting for roughly half of India's listed market capitalisation and the bulk of the estimated profit pool. **Aggregate profit after tax for this cohort rose 2% YoY, against expectations of a 10% decline.** The headline number, however, conceals more than it reveals.

The **distortion sits almost entirely with the oil marketing segment,** which swung to an aggregate loss of INR181b from a profit of INR162b a year earlier on elevated crude prices. **Excluding that segment, the same cohort delivered 17% YoY earnings growth.** Financials carried the quarter with 20% growth, supported by metals at 53%, technology at 11% and automobiles at 7%. Cement and healthcare declined 8% and 6% respectively. Of the 28 major sectors, 25 recorded YoY profit growth. The 39 Nifty constituents that have reported, grew earnings 11% YoY, ahead of expectations, with the incremental accretion concentrated in energy, ferrous metals and financials.

The same pattern repeats across the market-capitalisation curve. Large-caps grew 6% and small-caps 32%, while mid-caps declined 31% on the refining drag. **Adjusted for oil marketing, large-caps and mid-caps grew 15% and 25% respectively. Small-cap strength was itself narrow, led largely by financials; stripping those out leaves 12% growth.** About 49% of the cohort beat estimates against 22% that missed, and upgrades outnumbered downgrades by roughly 1.6 times.

Our own portfolio tells the same story from the other side. **Of 25 holdings, 23 have reported for the quarter, and aggregate earnings growth across them was 26% YoY.** The fair comparison is not with the 2% headline, distorted as it is by one segment, but with the 17% the broader cohort delivered once oil marketing is set aside. Against that mark, the portfolio compounded earnings at a meaningfully faster rate.

That outcome owes more to selection than to sector allocation, as the attribution analysis below sets out. Automobiles and auto components, healthcare and capital goods together account for roughly 52% of the portfolio, and in each the businesses we own grew earnings well ahead of the sector they sit in: **74% against 7% for automobiles, 46% against 10% for capital goods, and 38% in healthcare against a 6% decline for the sector as a whole.** Our NBFC holdings delivered 35% growth over the same period. Across the portfolio, selection contributed roughly 10.88% of returns in automobiles, 5.23% in healthcare and 2.98% in capital goods.

1QFY27: PORTFOLIO EARNINGS SNAPSHOT

Particulars	Strategy Holdings YoY EPS Growth (%)
Automobile and Auto Components	74%
Healthcare^	38%
Capital Goods^	46%
Portfolio Aggregate*	26%
Broader Market Aggregate (as of 31st Jul'26 results)	2%
Broader Market Aggregate ex OMCs (as of 31st Jul'26 results)	17%

Source: Internal Analysis
^One company yet to publish results
*Ex-companies yet to report numbers and aviation sector holding

Attribution Analysis: CY26TD

Sector	Fund Weight	Over/Under Weight	Allocation	Selection	Excess Return
Automobile and Auto Components	22.73%	15.52%	0.86%	10.88%	11.52%
Healthcare	13.09%	6.51%	1.05%	5.23%	6.30%
Capital Goods	14.38%	8.07%	2.06%	2.98%	5.04%
Financial Services	17.23%	-13.44%	0.37%	3.58%	4.08%
Information Technology	1.60%	-4.95%	1.50%	0.13%	1.60%
Fast Moving Consumer Goods	0.66%	-5.33%	0.73%	0.17%	0.90%
Oil, Gas & Consumable Fuels	1.72%	-5.89%	0.54%	-0.21%	0.48%
Power	6.01%	2.45%	0.26%	-0.03%	0.17%
Realty	0.10%	-0.92%	-0.03%	0.09%	0.09%
Construction	0.13%	-3.05%	-0.05%	-0.04%	-0.10%
Metals & Mining	0.00%	-4.68%	-0.16%	0.00%	-0.16%
Telecommunication	1.33%	-2.50%	-0.16%	-0.09%	-0.25%
Services	2.44%	0.62%	-0.11%	-0.30%	-0.49%
Consumer Durables	0.31%	-2.33%	-0.28%	-0.39%	-0.70%
Chemicals	4.36%	2.50%	0.13%	-0.87%	-0.73%
Consumer Services	10.63%	6.57%	-0.32%	-0.46%	-0.86%

Data for 31-Dec-25 to 31-July-26. Disclaimer: The above is for representation purpose only and should not used for development or implementation of an investment strategy. Past performance may or may not be sustained in future. Stocks may or may not be forming part of the portfolio and Portfolio Manager can exit said stocks without notice.

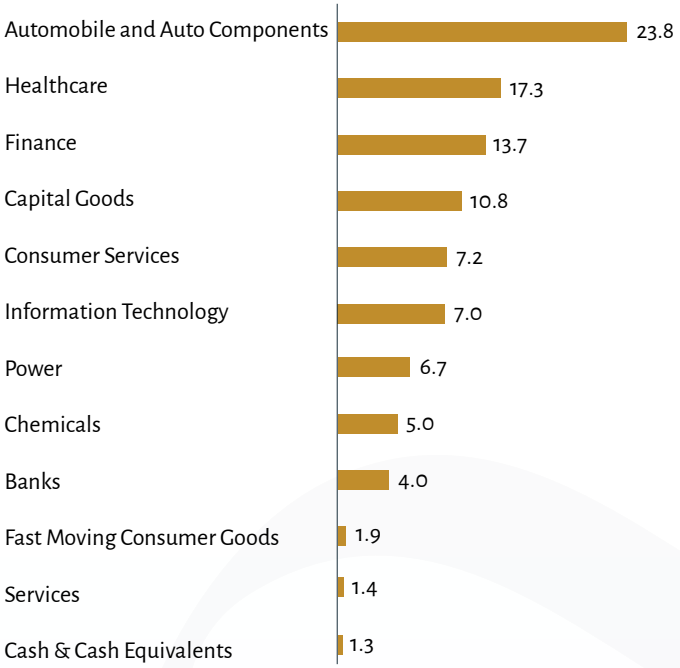
What this quarter demonstrates is precisely why we begin with the business rather than the aggregate. A single sub-sector, reacting to an exogenous commodity shock, moved the reported growth rate for the entire universe by fifteen percentage points. An investor anchored to the index-level print would have drawn the wrong conclusion about the earnings power of the businesses actually held. The facts that matter sit beneath the aggregate, discoverable only through direct examination, and they remain the terrain on which we expect to compound capital.

The 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 22% and an earnings CAGR of 28% over FY26–28E, compared to 14% RoE and 11% earnings CAGR for the benchmark.** The portfolio is also available at **relatively better valuations, with a PEG ratio of 1.7x versus 2.3x 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.

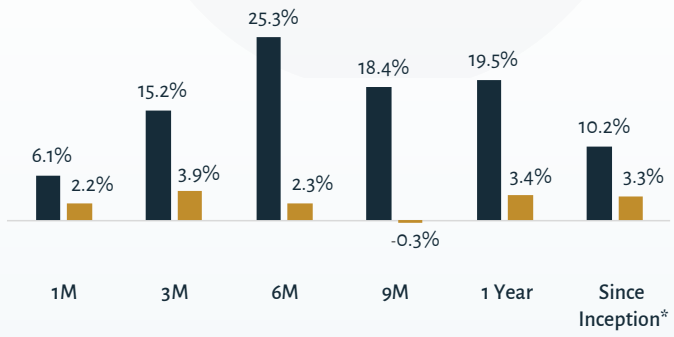
FUND DYNAMICS

SECTOR BREAKUP



As per AMFI Classification; Data as on July 31, 2026

FUND PERFORMANCE



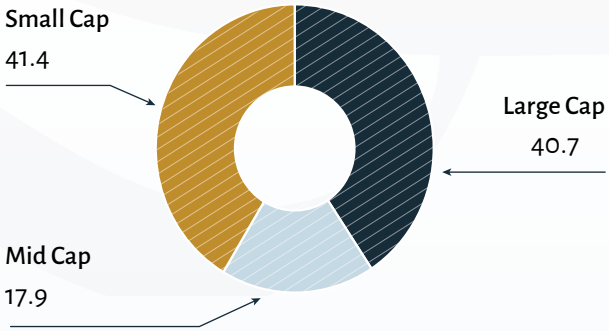
^Data as on 31st July,2026
*Since Inception date - 7th August,2024. Benchmark data is of the previous date i.e. 6th August, 2024.
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TOP 10 HOLDINGS

Company	Sector	Weight %
Rubicon Research Limited	Healthcare	7.8
Bajaj Finance Limited	Finance	7.7
Divis Laboratories Limited	Healthcare	6.5
Eternal Limited	Consumer Services	6.3
Steelcast Limited	Capital Goods	6.2
Sansera Engineering Limited	Automobile and Auto Components	6.1
Cholamandalam Investment and Finance Company Limited	Finance	6.0
Sona BLW Precision Forgings Limited	Automobile and Auto Components	5.6
Craftsman Automation Limited	Automobile and Auto Components	5.3
Torrent Power Ltd	Power	5.1

Data as on July 31, 2026

MARKET CAPITALIZATION*



As per AMFI Classification; Data as on July 31, 2026
*Cash excluded

PORTFOLIO QUANTS

Portfolio Quants	TIEF	Nifty 500 TRI
RoE FY28e (%)^	22	14
EPS CAGR: FY26-28e (%)	28	11
PEG Ratio*	1.7	2.3

Source: Bloomberg; Internal Research. Data as on July 31, 2026
*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

Note: 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.
Disclaimer: The above is for representation purpose only and should not be used for development or implementation of an investment strategy. Past performance may or may not be sustained in future. Stocks/Sectors may or may not be forming part of the strategy and Fund Manager can exit said stocks/sectors without notice.

BENCHMARKING REPORT

Particulars	1-year (%)
Taksh India Enterprising Fund	-4.6%
Sub Category:	
Crisil Cat III AIF Index - Long-only Equity Funds	-5.1%
Crisil Cat III AIF Index - Long-only Equity Funds (Open-ended)	-3.9%
Crisil AIF Index – Cat III	-3.7%

Source: Crisil. Data as on September 30, 2025. Schemes that have completed at least one year since their first close as on September 30, 2025, have been considered for the benchmark.
Returns refer to post-expense, pre-carry, pre-tax values. Returns for more than one year are annualised. For Category III schemes, an asset-weighted index at the category level is created based on the quarterly returns of each scheme and the respective assets under management for those schemes. Category III includes funds under sub-categories Long-only Equity, Long-short Equity, Hybrid Funds and any other strategies registered under Category III of SEBI (AIF) Regulations, 2012

DISCLAIMERS

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.