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 THERMOSTAT REVISITED: SAME OIL, DIFFERENT BASE

In our March 2026 newsletter, we described crude as India's macro thermostat, a single variable that flows quickly through inflation, currency, fiscal math and consumption, and we set out three oil zones with a distinct portfolio stance for each. Six months on, **crude is back above USD 100** and the same zone applies. **The economy meeting it, however, is in a different place.**

That framework was never a forecast. The compass tells us what environment we are operating in. The businesses we own determine the outcome.

$120+ — Oil above $120 — SHOCK ZONE
- ↑ Import bill
- ↑ Inflation pressure
- ↓ Currency stability
- ↓ Near-term GDP growth

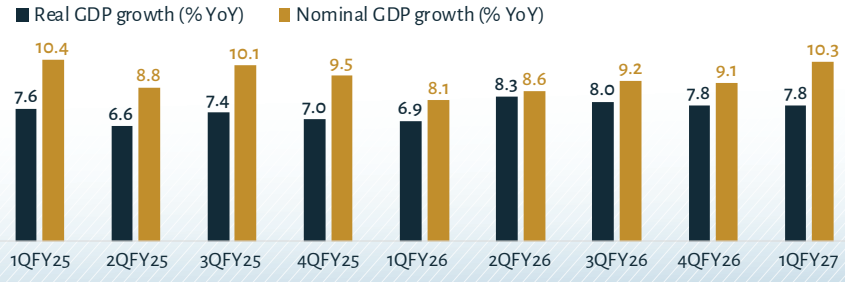
~$90 — Oil around $90 — FRICTION ZONE
- Manageable, not comfortable
- ↓ Growth (modest)
- Structural drivers intact

$80- — Oil below $80 — SWEET SPOT
- ↑ Macro stability
- ↓ Inflation
- ↑ Consumption
- India narrative regains momentum

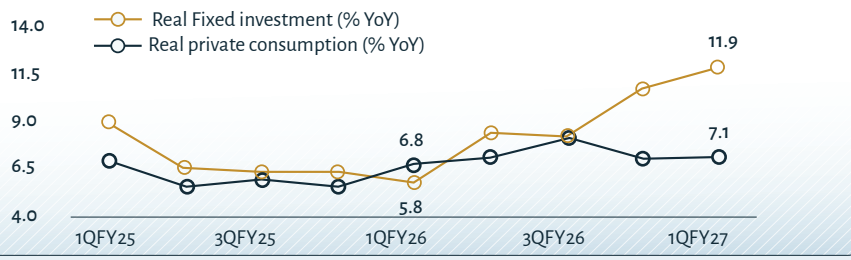
THE ENVIRONMENT HAS IMPROVED

Real GDP grew 7.8% YoY in 1QFY27 against 6.9% a year earlier, with GVA at 8.2%. Investment activity is picking up alongside, with capital spending across the economy growing 11.9% YoY in the June quarter against 5.8% a year earlier, and bank lending to industry accelerating to 19.2% YoY in June 2026 from 6.3% a year earlier, led by new projects rather than replacement spending.

Real GDP growth accelerated to 7.8% in 1QFY27, while nominal GDP grew 10.3%



Real fixed investment growth accelerated to 11.9% in 1QFY27 vs. 5.8% in 1QFY26



Source: MOIE

The buffers are also stronger. Forex reserves are at a record high near USD 786bn, led by the RBI's special USD-INR swap facility, which drew total inflows of USD 136.4b, with FCNR(B) deposits contributing USD 127.2b. That should help cushion the rupee in the current scenario, where a firm crude price would otherwise press on the currency, and the rupee has held near 95 to the dollar.

Valuations have moved the other way, with the **Nifty now trading near 18x one-year forward earnings, below its ten-year average,** even as earnings have broadened. Nifty-500 earnings excluding oil marketing companies grew 23% YoY in 1QFY27.

HOW THE FUND POSITIONING NAVIGATED THE CYCLE

Through the height of the conflict, crude moved into the friction to shock zone. We stayed with the core book, favouring pharma, select export-oriented businesses whose order books are independent of India macro, defence, and auto ancillaries.

That positioning shaped both halves of the move. **From the February 2026 peak through 30-Mar-26, the fund declined 12.09% against the benchmark's 13.64%. Through the recovery from 30-Mar-26 to 31-Aug-26, the fund delivered 41.74% against 14.93% for the benchmark.** Absorbing less on the way down and participating more on the way up came from owning businesses whose demand drivers were less exposed to the oil cycle, rather than from a view on the oil price itself.

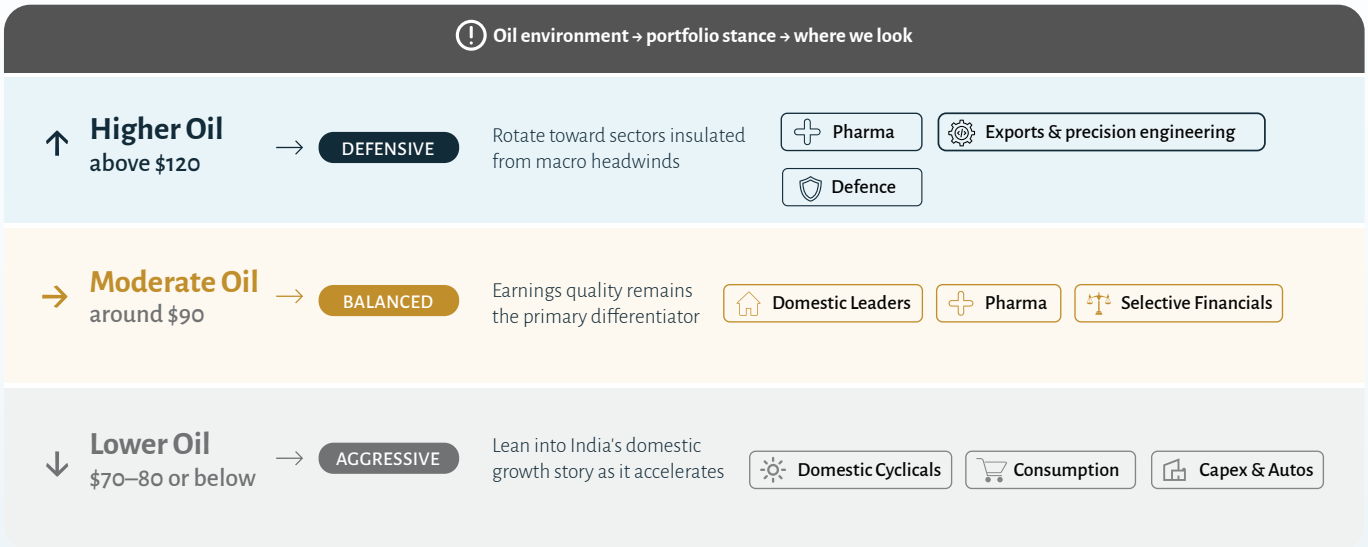
The businesses delivered on earnings as well. Our portfolio companies grew aggregate earnings 27% in 1QFY27, excluding the aviation holding, against 23% for the broader universe ex-OMCs.

Period	TIEF (Pre-tax)	Benchmark (Nifty 500 TRI)	Alpha
Recent conflict-driven movement (Feb 2026 to date)			
Correction (11-Feb-26 to 30-Mar-26)	-12.09%	-13.64%	+1.55%
Recovery (30-Mar-26 till date)	+41.74%	+14.93%	+26.81%

Data as of 31-August-26. 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 may or may not be forming part of the portfolio and Portfolio Manager can exit said stocks without notice.

THE COMPASS IS UNCHANGED

Crude sits in the friction band today, so our stance stays balanced with a defensive tilt. We continue to monitor crude tactically for selective rotation in specific sectors or stocks rather than wholesale repositioning. **Two developments would change the arithmetic: a sustained move above USD 120, and a shift in monetary policy, where stronger growth has put a rate move back into the conversation.**



WHERE WE ARE LEANING

Precision manufacturing is a theme we have been building exposure to, with global supply chains for high-precision, non-automotive components realigning toward India and qualification cycles that limit competitive intensity once a supplier is approved. We **stay constructive on domestic power and the energy transition, and on export-oriented businesses** benefiting from currency movement and favourable global positioning.

THE WAY WE INVEST

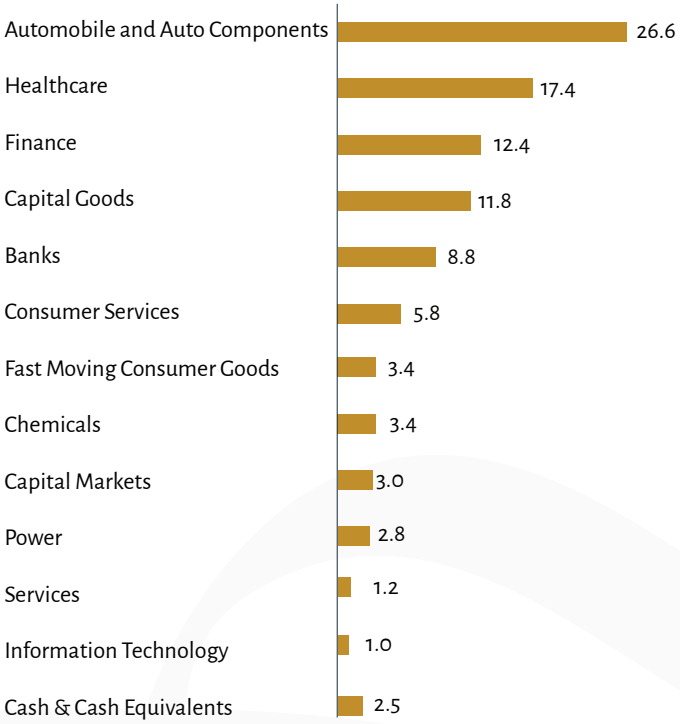
Two years of wars, tariff shocks and an oil spike have not changed our starting point. It is never GDP growth, elections or commodity prices. It is the entrepreneur allocating capital, the management team expanding returns on incremental capital, and the organisation strengthening its competitive moat. We treat every holding as a living business rather than a fixed conclusion, reassessing it continuously so that conviction is earned rather than assumed. Enduring wealth comes from owning businesses whose intrinsic value compounds faster than the market appreciates, and that work continues irrespective of what the thermostat reads.

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 21% and an earnings CAGR of 33% 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 2.4x 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.

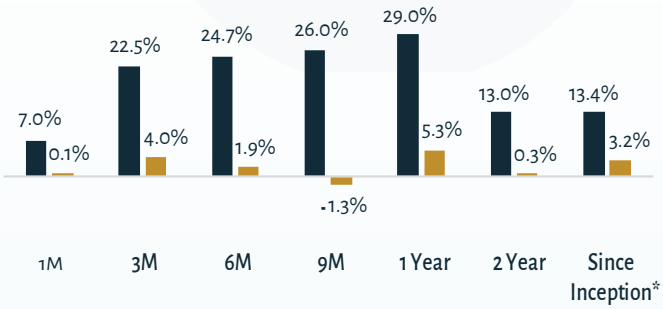
FUND DYNAMICS

SECTOR BREAKUP



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

FUND PERFORMANCE



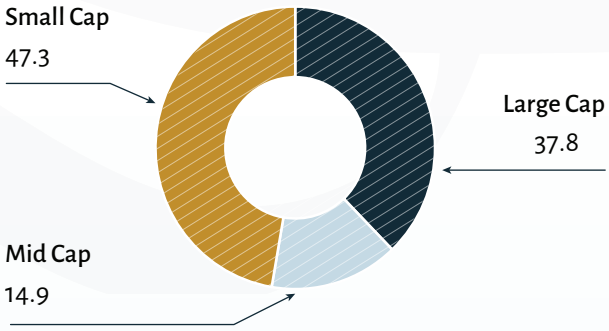
^Data as on 31st August,2026
*Since Inception date - 7th August,2024. Benchmark data is of the previous date i.e. 6th August, 2024
Disclaimer: Returns are calculated on a post-expenses, pre-carry, and pre-tax basis. Above mentioned returns are Strategy level returns and might deviate for different share 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 %
Rubicon Research Limited	Healthcare	8.2
ICICI Bank Limited	Banks	7.9
Divis Laboratories Limited	Healthcare	6.4
Bajaj Finance Limited	Finance	6.4
Craftsman Automation Limited	Automobile and Auto Components	6.3
Steelcast Limited	Capital Goods	6.3
Cholamandalam Investment and Finance Company Limited	Finance	6.0
Sona BLW Precision Forgings Limited	Automobile and Auto Components	5.4
Eternal Limited	Consumer Services	5.0
Sansera Engineering Limited	Automobile and Auto Components	4.8

Data as on August 31, 2026

MARKET CAPITALIZATION*



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

PORTFOLIO QUANTS

Portfolio Quants	TIEF	Nifty 500 TRI
RoE FY28e (%)^	21	14
EPS CAGR: FY26-28e (%)	33	11
PEG Ratio*	1.7	2.4

Source: Bloomberg; Internal Research. Data as on August 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 **(data as of 30-Sep-25)**	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

WHAT IS A BENCHMARKING REPORT?

A Benchmarking Report compares the Fund's investment performance with the CRISIL Benchmarking Index, which is constructed by collating the performance data of Category III AIFs that have completed at least one year from their first close. It helps assess how the Fund has performed relative to other Category III AIFs.

Important: The Benchmarking Report is released with a lag of approximately 6–12 months from the relevant performance period. Therefore, the benchmarking report numbers and the current performance will differ.

Benchmarking reports are mandatory for Category III AIFs to highlight in their scheme communications.

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.