

## India Avenue Equity Fund

28 March 2025

### Investment Objective

The India Avenue Equity Fund is a registered, unlisted unit trust, which invests in listed companies trading on Indian stock exchanges or on other exchanges, with significant exposure to India's economy. The Fund aims to outperform its benchmark in AUD terms, after fees and over rolling 5-year periods.

IAEF M Class Units	1 month	3 months	1 year	3 years p.a.	5 years p.a.	Since Inception p.a.
IAEF Pre Tax Net Returns*	7.72%	-5.10%	15.22%	15.32%	22.91%	12.10%
MSCI India (net) in AUD#	8.01%	-4.60%	5.40%	13.39%	19.82%	11.54%
<b>Alpha</b>	<b>-0.29%</b>	<b>-0.50%</b>	<b>9.82%</b>	<b>1.93%</b>	<b>3.09%</b>	<b>0.56%</b>
IAEF Net Returns**	7.53%	-5.35%	13.39%	13.75%	21.61%	11.32%
iShares MSCI India ETF in AUD##	6.80%	-2.83%	5.24%	12.00%	17.75%	10.29%
<b>Alpha</b>	<b>0.73%</b>	<b>-2.52%</b>	<b>8.15%</b>	<b>1.76%</b>	<b>3.86%</b>	<b>1.03%</b>

Source: MSCI

\*Performance is calculated on a post fee, but pre-CGT and withholding taxes paid in India. Australian domiciled investors receive a partial credit for these taxes in their annual tax refund. Over the last 5 years the impact on performance from payment of Indian CGT is approximately 1.0% per annum. We estimate that 50-100% of Indian CGT paid is recoverable in Australian investor tax returns as a tax credit. However, we are not tax advisors and investors should seek their own tax advice. The MSCI India benchmark returns are calculated pre taxes paid.

# The MSCI India benchmark does not pay Indian CGT

\*\* India Avenue Equity Fund M Class returns based on NAV (exit price to exit price)

## iShares ETF is a benchmark which includes Indian CGT and transaction costs, which provide an "invested" benchmark experience

Past performance is not an indicator of future performance. Above returns are calculated based on the exit price of 28 March 2025, net of fees and assuming reinvestment of dividends. Returns of longer duration than 1 year are annualised

## Portfolio and Market returns

The India Avenue Equity Fund M Class Units ("the Fund") delivered a return of 7.72% in March 2025, underperforming the MSCI India Net Return Index in AUD ("the Benchmark") by 0.29%. This came as Indian equity markets staged a broad-based rebound, recovering from a subdued start to the calendar year.

Improved investor sentiment was evident throughout the month, particularly in domestic-facing sectors such as banking, public sector undertakings (PSUs), and fast-moving consumer goods (FMCG), which were buoyed by increased government expenditure. India's macroeconomic indicators continued to signal strength, underpinned by resilient domestic demand. Notably, both the manufacturing and services Purchasing Managers' Index (PMI) readings remained in expansionary territory in March, reflecting ongoing momentum in economic activity.

GDP growth for the fourth quarter of 2024 rose to 6.2%, marking a significant acceleration and reinforcing the broader economic recovery. This improved outlook is expected to support corporate earnings, driven by rising consumption and business activity. With inflation moderating and remaining within the Reserve Bank of India's (RBI) target range, the central bank is expected to maintain its rate-cutting trajectory. A more accommodative monetary policy stance would further enhance market liquidity and lower borrowing costs. Additionally, the recent decline in crude oil prices is favourable for India, given its status as a major energy importer. Softer energy prices should alleviate inflationary pressures and strengthen the country's external position.

While the overall tone in March was optimistic, we remain measured in our near-term outlook. Renewed global trade tensions, which escalated sharply in early April, have introduced fresh volatility across global markets. We expect upcoming fourth-quarter FY25 corporate earnings results—due from mid-April onwards—to provide greater clarity on the trajectory of India's earnings cycle and the pace of long-term growth normalisation.

Portfolio Characteristics	IAEF	MSCI India
Return on Invested Capital	14.6%	13.3%
Gross Profit Margin	47.9%	38.0%
Asset Growth 3 years	14.4%	14.5%
Forecast LT Sales Growth	13.5%	13.3%
Forecast LT Earnings Growth	17.8%	16.7%
Return on Assets	10.6%	9.4%
Price-to-Book	3.8	3.9
P/E Forward (Mar-26)	19.6	21.5
Free Cash Flow Yield	3.9%	3.4%
Beta	1.0	0.9
Market Capitalisation	\$48bn	\$100bn
Dividend Yield	1.3%	1.1%

Source: Foresight Analytics

Risk Characteristics	IAEF	MSCI India
Volatility	18.3%	18.6%
Tracking Error	5.0%	
Information Ratio	0.23	
Sharpe Ratio	0.61	0.54

Source: MSCI

1) Volatility: Standard deviation annualised since inception

2) Standard deviation of active return (before fees)

3) Sharpe ratio: Excess return (before fees) over the Ausbond Bank Bill Index, divided by standard deviation

4) Information ratio: Active return (before fees) divided by tracking error

## India Avenue Equity Fund

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Performance by Unit Class^	1 month	3 months	1 year	3 years p.a.	5 years p.a.	7 years p.a.
M Class	7.53%	-5.35%	13.39%	13.75%	21.61%	11.70%
H Class	7.49%	-5.45%	12.88%	13.12%	20.96%	11.12%
L Class	7.62%	-5.24%	13.39%	13.70%	-	-
<b>MSCI India</b>	<b>8.01%</b>	<b>-4.60%</b>	<b>5.40%</b>	<b>13.39%</b>	<b>19.82%</b>	<b>11.63%</b>

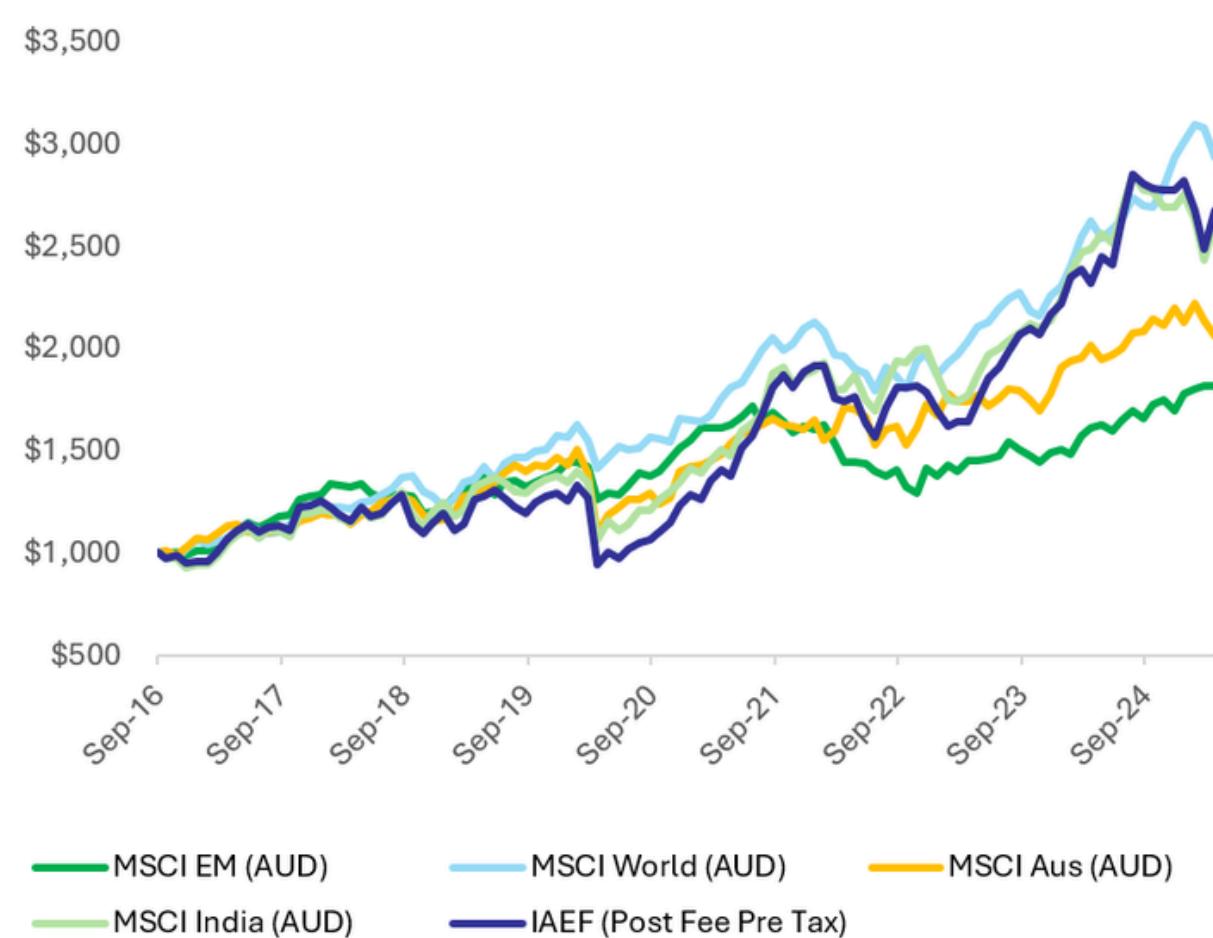
Source: MSCI

<sup>^</sup>Performance in the table above is calculated on exit price NAVs after fees and all includes all Indian CGT taxes

Past performance is not an indicator of future performance. Above returns are calculated based on the exit price of 28 March 2025, net of fees and assuming reinvestment of dividends. Returns of longer duration than 1 year are annualised. The only difference between the M, H and L class are the management and performance fees charged. The underlying investments of each class are identical.

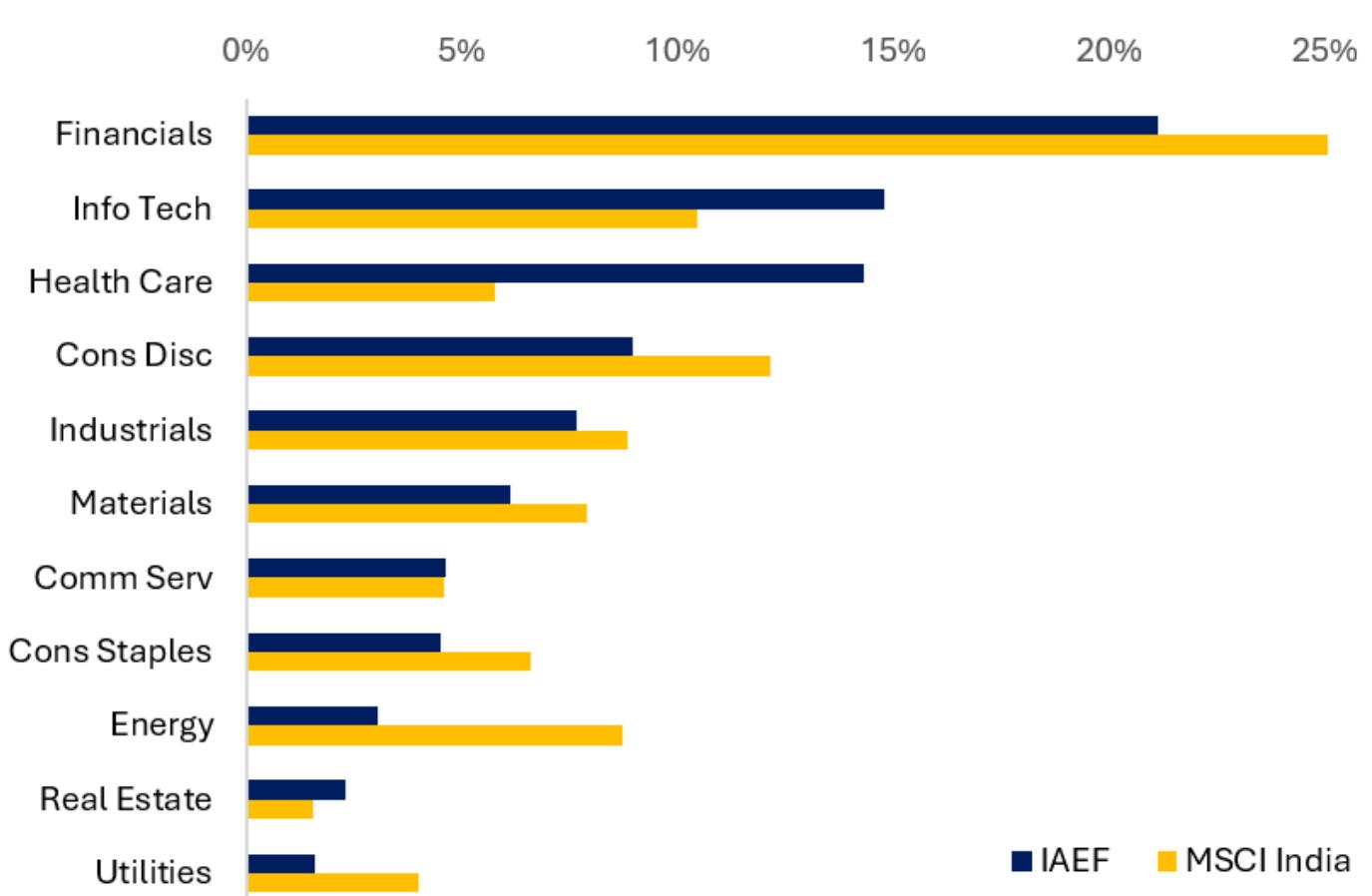
## Comparative Returns

IAEF vs India, EM, World, Aus (Rebased to \$1,000)



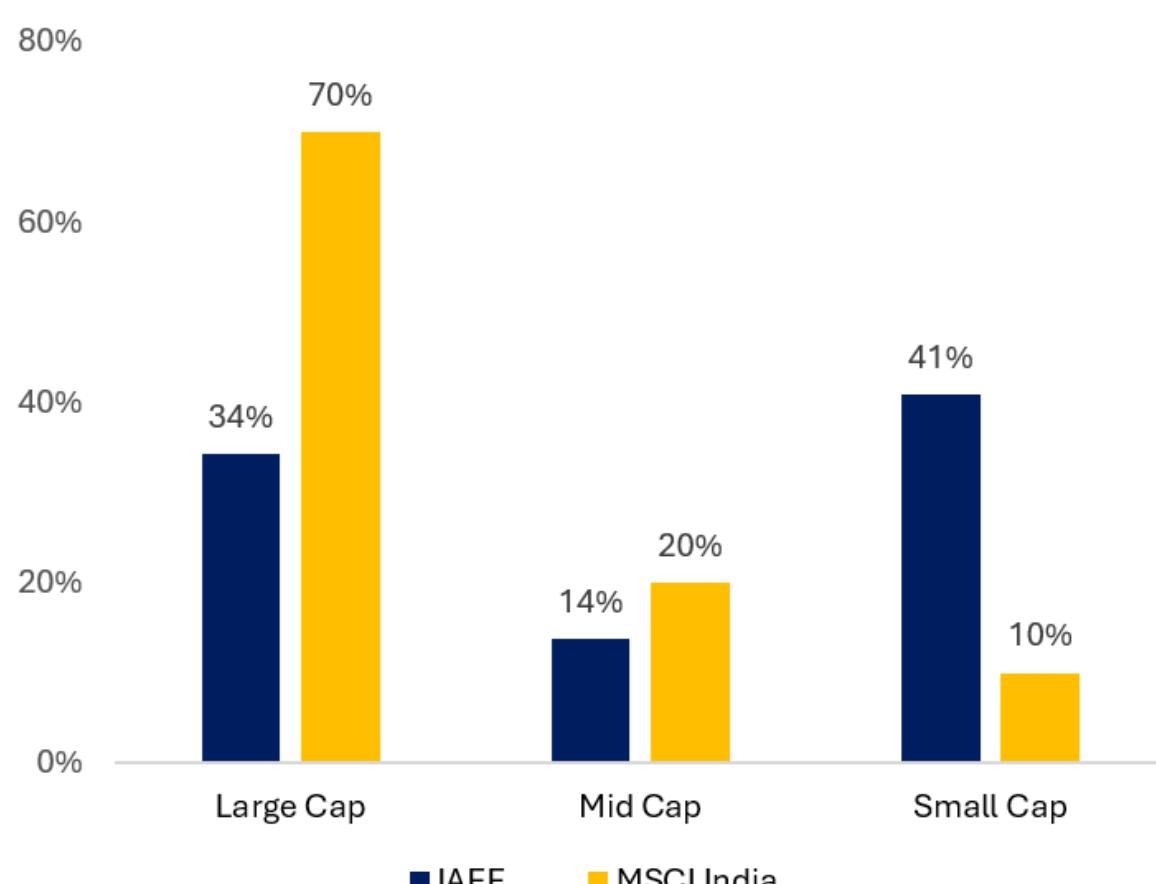
Source: MSCI

## Sector Positioning - IAEF vs MSCI India



Source: Foresight Analytics

## Size Distribution



\*Large Cap (above A\$20bn), Mid Cap (between A\$5-20bn) and Small Cap (below A\$5bn)

## Top 10 Stocks

Holdings	Weight
Bajaj Finance	3.9%
Bharti Airtel	3.3%
HCL Technologies	3.0%
ICICI Bank	3.0%
Aurobindo Pharmaceutical	2.7%
HDFC Bank	2.4%
Redington India	2.4%
Infosys	2.4%
Interglobe Aviation	2.1%
Shriram Finance	2.1%
<b>Top 10 Weight</b>	<b>27.3%</b>

## India Avenue Equity Fund

28 March 2025

### Fund Overview - 31.03.2025

	M Class	H Class	L Class	Platform Availability
NAV	1.8862	1.86	1.5294	Hub24
Inception Date	6/09/2016	9/04/2017	21/04/2021	Netwealth
APIR Code	ETL0482AU	ETL0478AU	ETL2814AU	Mason Stevens
ARSN	611374586	611374586	611374586	Praemium
ISIN	AU60ETL04826	AU60ETL04784	AU60ETL28148	DASH
Morningstar Code	ETL0482AU	ETL0478AU	ETL2814AU	Acclaim Wealth
Management Fee	1.10%	1.50%	0.95%	
Performance Fee	10%	10%	15%	
Min. Investment Amount	A\$50,000	A\$10,000	A\$50,000	
FY24 Distribution	0.1106	0.0955	0.0902	
Distribution Frequency	Annually as of 30 June			
Assets under Management	\$134m			
Benchmark	MSCI India (net) AUD			
Investment Universe	Predominantly securities listed on Indian stock exchanges			
Investment Style	Multi-manager, Neutral			

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### Rating



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India Avenue Equity Fund's Target Market Determination is available on our website: [www.indiaavenue.com.au](http://www.indiaavenue.com.au)

A Target Market Determination is a document which is required to be made available from 5 October 2021. It describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.