

# TATA INDIAN SHARIA EQUITY FUND

Factsheet as on 31 December 2025

## INVEST THE SHARIA WAY

Tata Indian Sharia Equity Fund is a diversified equity fund with an investment objective to invest in stocks which are compliant to the Sharia principles of investments. The Fund follows a bottom up approach to stock picking to build portfolio of companies which are in harmony with the principles of the Sharia on investments. Tata Indian Sharia Equity Fund prohibits from investing in companies categorized as morally deficient, such as those related to tobacco, alcohol, gambling, lottery, banking & finance services and other prohibited companies.

### Diversified Portfolio of Sharia Compliant Stocks

- Diversified portfolio of Sharia compliant stocks.
- The Fund does not follow any market cap bias
- Bottom-up approach to stock selection
- Invests in Companies which have less than 25% of its capital sourcing done using interest bearing debt
- Such companies generally do not need large external debt to fund their growth
- High internal cash generation capability
- Ability to grow is good irrespective of the external liquidity conditions as experienced in current markets

### Portfolio of Fundamentally Strong Companies

- High cash generation
- High capital efficiency
- Good earnings and growth prospects

### Strict Adherence to Sharia Principles

- Rigorous monitoring of portfolio by independent advisors to check adherence to Sharia principles
- Any deviation is corrected within a specified time period
- Purification process in place in case of prohibited income

### Who should invest and why?

- Investors looking to invest in Sharia compliant Indian equity & equity related instruments
- Invests in Socially responsible companies involved in businesses considered ethical
- Investors with a preference for investments in companies which have low leverage and fundamentally strong companies
- Equity Investors seeking long term wealth creation investment avenue with moderate to aggressive risk appetite and investment horizon of 3yrs or more

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## Contact us



### INVESTMENT MANAGER

Tata Asset Management Private Ltd.

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### Performance of Sectoral Indices

Index Name	As on		Return in %		
	31-Dec-25	28-Nov-25	31-Dec-24	1 Month	1 Year
S&P BSE Sensex	85,220.60	85,706.67	78,139.01	-0.6	9.1
S&P BSE MID CAP	46,954.34	47,211.40	46,444.66	-0.5	1.1
S&P BSE SMALL CAP	51,525.46	52,053.71	55,180.60	-1.0	-6.6
S&P BSE 200	11,808.41	11,834.85	10,931.06	-0.2	8.0
S&P BSE AUTO	62,556.63	61,750.01	51,662.98	1.3	21.1
S&P BSE Bankex	66,759.93	66,946.16	57,741.99	-0.3	15.6
S&P BSE Consumer Durable	60,003.58	61,868.22	64,436.34	-3.0	-6.9
S&P BSE Capital Good	67,112.00	69,208.59	67,779.50	-3.0	-1.0
S&P BSE FMCG	20,345.14	20,407.47	20,771.92	-0.3	-2.1
S&P BSE Health Care	43,801.94	44,883.80	45,276.58	-2.4	-3.3
S&P BSE IT	36,735.18	36,305.54	43,187.78	1.2	-14.9
S&P BSE METAL	36,811.73	34,112.07	28,892.21	7.9	27.4
S&P BSE Oil & Gas	28,708.83	28,207.28	26,064.59	1.8	10.1
S&P BSE Power Index	6,503.30	6,613.14	6,965.68	-1.7	-6.6
S&P BSE Realty	6,806.93	7,014.79	8,234.10	-3.0	-17.3
Index Name	As on		Return in %		
	31-Dec-25	28-Nov-25	31-Dec-24	1 Month	1 Year
Nifty 200	14,533.50	14,579.35	13,406.95	-0.3	8.4
Nifty 50	26,129.60	26,202.95	23,644.80	-0.3	10.5
Nifty Auto	28,189.60	27,774.60	22,834.00	1.5	23.5
Nifty Bank	59,581.85	59,752.70	50,860.20	-0.3	17.1
Nifty Commodities	9,515.15	9,210.70	8,120.55	3.3	17.2
Nifty Energy	35,325.65	35,548.30	35,188.25	-0.6	0.4
Nifty Financial Services	27,613.30	27,890.25	23,512.80	-1.0	17.4
Nifty FMCG	55,475.65	55,595.80	56,799.65	-0.2	-2.3
Nifty India Consumption	12,289.45	12,472.15	11,362.60	-1.5	8.2
Nifty Infrastructure	9,616.35	9,653.90	8,463.50	-0.4	13.6
Nifty IT	37,884.05	37,405.50	43,337.80	1.3	-12.6
Nifty Metal	11,167.65	10,293.05	8,649.90	8.5	29.1
Nifty Midcap 100	60,484.50	61,043.25	57,199.45	-0.9	5.7
Nifty Pharma	22,723.65	22,998.30	23,412.25	-1.2	-2.9
Nifty Realty	877.95	903.15	1,052.35	-2.8	-16.6
Nifty Smallcap 100	17,713.95	17,829.25	18,769.20	-0.6	-5.6

### The Macro Picture

	December 2025	November 2025
WPI	-0.32% (November 2025)	-1.21% (October 2025)
CPI	0.71% (November 2025)	0.25% (October 2025)
Index of Industrial Production	6.68% (November 2025)	4.02% (September 2025)
Repo rate	5.25% (as on December 31, 2025)	5.50% (as on November 30, 2025)
Marginal Standing Facility Rate	5.50% (as on December 31, 2025)	5.75% (as on November 30, 2025)

Source: RBI, Bloomberg

BSE-30 and Nifty-50 indices consolidated in a very narrow range for the month and ended with minor losses of -0.6% and -0.3% respectively, post a strong recovery over the past few months. The mid-cap index delivered inline performance relative to the benchmark indices for the month with a loss of -0.5% whereas The Small Cap Index underperformed by a large margin with a correction of -1%. On the sectoral front Metals, Oil & Gas, IT, Auto, outperformed the benchmark index, rest all sectors underperformed during the month led by Real Estate, Consumer Durables, Healthcare and Real Estate.

No major news flow during the month to drive the market either way. Precious metals remain the flavour of discussion.

#### Inflation

India's Wholesale Price Inflation (WPI) Index came in at -0.32% YoY during the current month as compared to -1.21% for the previous month on account of stable fuel, lower food and lower commodity prices.

November headline inflation ticked up to 0.7%, driven by fading base effects and an uptick in food prices. Notably, some categories (prepared meals, non-alcoholic beverages, HH goods and services, and tobacco and intoxicants) are likely to have seen further pass-through of GST cuts. Core CPI dipped to 4.3% as gold (and silver) prices took a breather during the month, with core ex-gold rising to 3.4% as a result. December CPI is currently tracking at 1.6%, as base effects fade further and with food prices also increasing marginally.

India's Real GDP growth picked up pace in Q2FY26 to 8.2% with growth well balanced across all segments. Private final consumption expenditure grew by 7.9%, government final consumption expenditure degrew at 2.7% while Gross fixed capital formation growth stood at 7.3% for the quarter.

#### Other macro developments (fiscal deficit and household savings)

India's Q2FY26 current account balance registered a deficit of US\$12.3bn (1.3% of GDP) compared to a deficit of US\$ 2.4bn (0.2% of GDP) for Q1FY26. The deficit in Q1 is the lowest for India since Q1FY17. India has come a long way in managing its current account balance on account of good performance on services exports and higher remittances.

India's fiscal deficit came much lower than forecasted at 5.6% for FY24 on account of lower revenue expenditure. The government has announced a path to reduce fiscal deficit to 4.9% for FY25 (revised lower from 5.1% earlier) and 4.4% in FY26.

FY25 net household financial savings rate stood at 6% of GDP (5.3% for FY24). The same ratio had moved higher during the pandemic period to 12% in FY21 compared to 7.7% in FY20.

## Market Outlook

CY2025 closed with Nifty 50 generating 10.5% and BSE Sensex 9.1%. However, the year has not been so good for the broader markets, ie BSE Mid Cap Index delivered only 1.1% returns whereas the BSE Small Cap Index underperformed in a significant manner delivering a negative -6.6% returns.

Earnings growth for benchmark indices is expected to be at high single digits for FY26 (source: Bloomberg consensus), a marked slowdown post very strong double digit consistently between FY21 and FY25. Valuations rose on the back of consistent strong earnings growth for multiple years. It is in that backdrop that we would like to highlight a satisfactory performance for India markets for CY2025. The Small Cap segment of the market valuations rose to extremely high levels for most businesses leading to significant pick-up in supply of new paper in terms of IPO/QIP/PE/Promoter stake sale etc.

We think India markets is likely to be a stock pickers market in 2026. Across market capitalization we believe there are opportunities to identify businesses where scope to grow earnings at high double digits consistently over the next few years is available. This strategy of bottom-up stock picking on the one hand will lead to high reward for the risk taken, however, will require patience from investors for the markets to rerate them.

Long-term structural drivers like demographic advantage, low household debt, limited penetration across different consumer categories, increased potential for financial savings and urbanization makes India a compelling equity story from a long-term perspective.

We in our portfolios are focused on companies which can grow earnings at a fast pace and most importantly balance sheets/cash flow being on the positive side with less leverage. We believe investors would be well advised to invest with medium to long term perspective and systematically increase exposure to Indian equity markets.

Key portfolio actions – During the month we have not made any major changes in the portfolio.

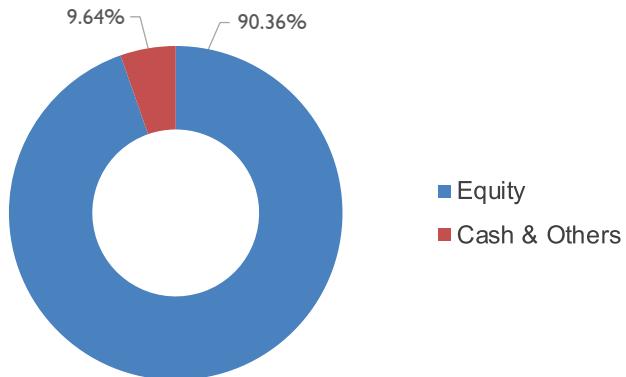
## Investment Objective

The principal investment objective of the Fund is to achieve capital appreciation through a carefully chosen diversified portfolio of stocks that conform to Sharia principles.

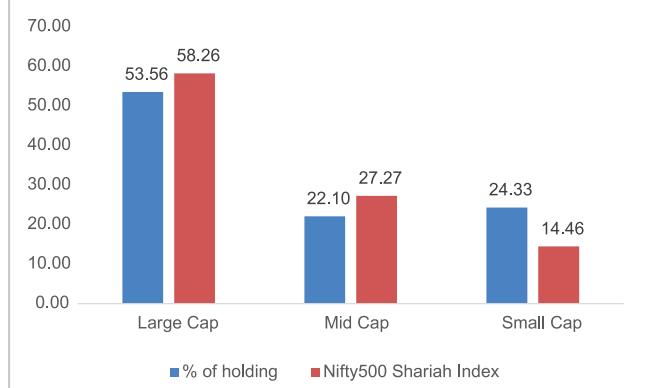
## Investment Approach

The fund will follow a bottom-up approach to investing based on rigorous research. Focus will be on companies with good governance practices, strong earnings growth visibility and reasonable valuation. Fund will invest across sectors and market caps with a slight bias towards large caps.

## Asset Allocation



## Market Cap Allocation

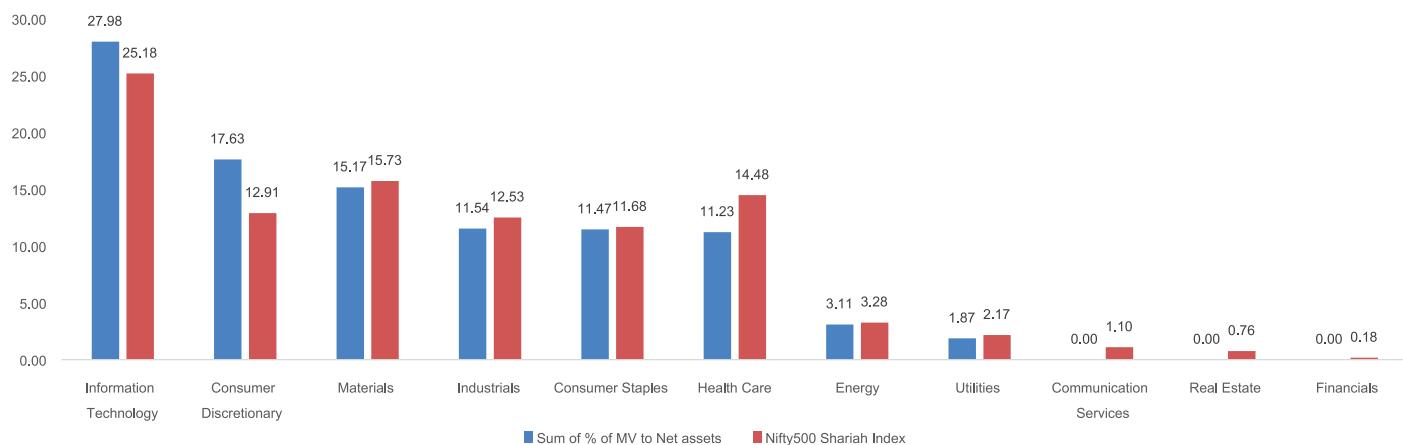


\* Exposure for the fund are scaled up to 100% for benchmark comparisions

## Top 20 Holdings



## Sector Allocation



\* Exposure for the fund are scaled up to 100% for benchmark comparisions

## Fund Performance - Class B (USD terms)

Period	1 month	3-months	6-months	1-year	3-Years	5-Years	Since Inception
Tata Indian Sharia Equity Fund	-1.03	0.79	-6.62	-9.22	6.39	7.05	5.19
Nifty 500 Shariah Index	-0.48	2.00	-5.75	-8.64	8.32	7.86	6.18

Past performance may or may not be sustained in future. Less than 1 year returns calculated on absolute basis & more than 1 year on CAGR basis \*Inception Date: October 2010

## Key Information

Structure	Open-ended Fund
ISIN No	Class B : MU0316S00010
Domicile	Mauritius
Fund Type	Diversified equity fund investing in Sharia compliant equity or equity equivalent listed Indian companies
Benchmark	Nifty 500 Sharia Index
Reference Currency	USD
Total Expense Ratio (TER)	Class B: 2.0%
Custodian	Standard Chartered Bank
Administrator	APEX Fund Services, Mauritius
Auditors	KPMG Mauritius
Sharia Advisor	Taqwaa Advisory and Shariah Investment Solutions Pvt. Ltd. (TASIS)
Month-End AUM	USD 45.57mn
Month –End NAV	USD 21.1685
Minimum Investment	USD5000
Inception Date	October 2010
Purging Ratio for the period 1 October 2024 to 31 March 2025	0.022496

## Disclosures and Disclaimers

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