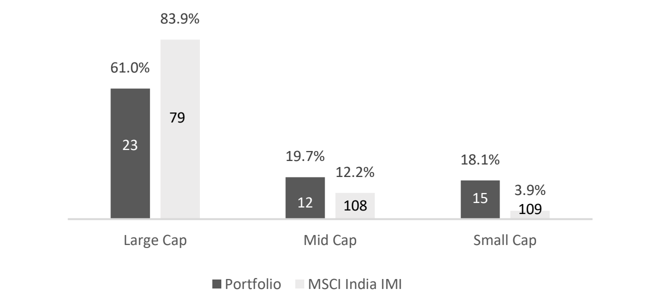
ASHOKA INDIA OPPORTUNITIES FUND

WHITE OAK
CAPITAL MANAGEMENT

Performance[1-6]	Sep 2020	Q3 2020	YTD 2020	Inception Cumulative	Inception Annualised
Class D Shares NAV (€)	3.84%	14.54%	7.24%	24.52%	14.61%
MSCI India IMI (€)	2.88%	11.04%	-7.86%	2.11%	1.31%
Outperformance (bps)	+96	+350	+1510	+2241	+1330
Other Indices (€)[7]					
INR/EUR	1.2%	-2.2%	-7.7%	-6.9%	-4.3%
S&P BSE 100 Largecap	0.8%	7.9%	-12.9%	-0.2%	-0.1%
S&P BSE 150 Midcap	3.7%	13.7%	-2.9%	7.2%	4.4%
S&P BSE 250 Smallcap	4.9%	20.5%	-3.7%	-2.7%	-1.7%
MSCI India	2.5%	10.3%	-8.5%	2.1%	1.3%
MSCI EM	0.3%	5.1%	-5.3%	3.9%	2.4%
S&P 500 (U.S.)	-2.0%	4.3%	0.7%	19.7%	11.8%
MSCI World	-1.6%	3.5%	-2.6%	13.6%	8.2%

Market Cap Classification[8]



Classification as per Securities and Exchange Board of India (SEBI) guidelines.

Investment Objective

The Fund's objective is to generate sustained capital appreciation through superior returns over time.

Investment Strategy

A Long-only portfolio of 30-50 great businesses at attractive values through bottom up stock selection process.

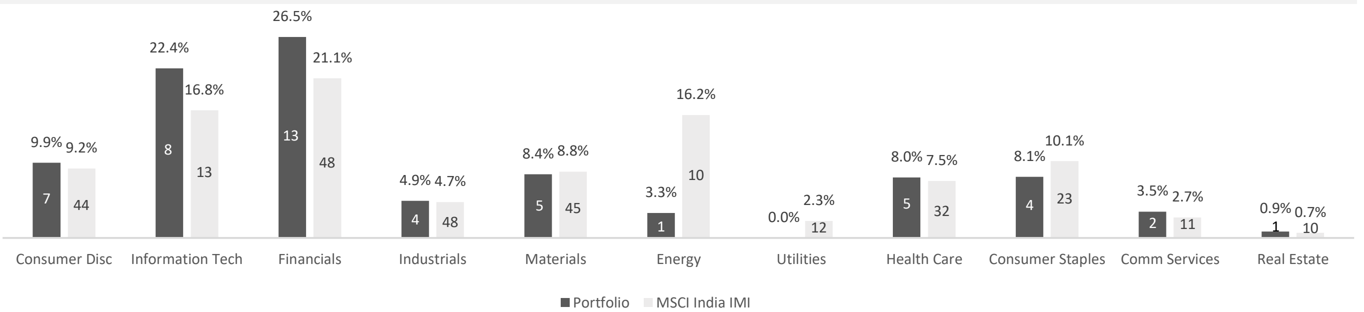
Fund Facts

Fund Name:	India Acorn ICAV
Sub Fund:	Ashoka India Opportunities Fund
Fund Inception Date:	19 Dec 2018
Class D Inception Date:	21 Feb 2019
Firmwide AUM:[10]	$ 2.1 billion
Fund AUM:	$ 210 million
Manager:	Carne Global Fund Managers (Ireland) Limited
Investment Manager:	White Oak Capital Partners Pte. Ltd. (Singapore)
Investment Advisor:	White Oak Capital Management Consultants LLP (India)
Management Fees	
Class D Shares:	0.95% per annum
Benchmark:	MSCI India IMI Index (EUR)
Subscription:	Daily
Redemption:	Daily
Other Expenses:	Capped at 0.5%
Bloomberg Ticker:	AIOFDEU ID Equity
ISIN:	IE00BDR0JY05
NAV:	124.52

Service Providers

Administrator:	HSBC Security Services (Ireland) Designated Activity Company
Banker:	HSBC
Custodian:	HSBC France, Dublin Branch
Auditor & Tax:	Ernst & Young LLP

Sector Exposure



Market Review

During the third quarter, MSCI India IMI index was up 11.0% outperforming global, developed and emerging markets. US equities (S&P 500) were up 4.3%, MSCI World up 3.5%, and MSCI EM up 5.1%.[7,9]

Foreign Portfolio Investors bought US$6.5bn worth of Indian equities during the quarter. Crude oil prices declined by 4.8% and INR depreciated by 2.2% during the same period.[9]

Among sectors, information technology and energy outperformed while communication services and utilities underperformed.

Performance Review

Ashoka India Opportunities Fund ("Fund") was up 14.5% during the quarter, outperforming the benchmark by +350bps. The key contributors include Coforge (+61.5%), Mphasis (+60.5%), and Garware Technical Fibres (+52.8%), whereas some of the major underperformers were Kotak Mahindra Bank (-8.6%), Bharti Airtel (-26.0%), and Nestle India (-9.2%).

YTD the Fund is up 7.2%, outperforming the benchmark by +1510bps. The key contributors include Navin Fluorine (+103.4%), Dixon Technologies (+113.8%), and Coforge (+37.1%), whereas some of the main underperformers were from the financial sector including Bajaj Finserv (-42.3%), HDFC Bank (-21.5%), and Bajaj Finance (-28.1%).

Notes: (1) The performance numbers are net of expenses for Class D shares. (2) Fund performance in EUR€ v/s MSCI India IMI (EUR€) Net Index. (3) Performance prior to February 2020 is net of fees and realized and unrealized tax on capital gains calculated using Net NAV (EUR€) of Ashoka India Opportunities Fund (Class D shares). Performance from February 2020 is net of fees and realized tax on capital gains calculated using Net NAV (EUR€) of Ashoka India Opportunities Fund (Class D shares). (4) All Portfolio data is as at 30 September 2020. (5) Inception: 21 Feb 2019. (6) INR/€ rate is derived from 1/INRRRTEU Index. (7) S&P BSE 100 LargeCap TMC (INR) TR Index presented in EUR terms, all indices are Net Total Return in EUR. (8) Index Futures are included in Large Cap. (9) All returns and % changes are in EUR terms unless otherwise stated. (10) Refers to aggregate assets under management or advisory for the investment advisor, White Oak Capital Management Consultants LLP (India).

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Q3 2020 Top Contributors	Ending Weight (%)	Total Return (%)	Contribution to Alpha (bps)
Coforge	4.7	+61.5	+220
Mphasis	3.6	+60.5	+91
Rossari Biotech	0.7	+87.9	+81
Reliance Industries	3.3	+4.7	+77
Garware Technical Fibres	2.1	+52.8	+74

Q3 2020 Top Detractors	Ending Weight (%)	Total Return (%)	Contribution to Alpha (bps)
Kotak Mahindra Bank	2.6	-8.6	-76
Bharti Airtel	2.2	-26.0	-61
Nestle India	4.1	-9.2	-60
HDFC Bank	4.8	-0.8	-60
Bajaj Finserv	4.2	-1.9	-58

Key Contributors Q3 2020

Coforge is a fast-growing, mid-sized IT services company clocking approximately $600m in annual revenues and present across three major verticals – travel & transportation, insurance, and banking & financial services – which collectively account for 75% of revenues. It has a niche positioning in both travel as well as insurance verticals. The company underwent a management change around three years ago and under the new leadership has consistently demonstrated strong improvement across all KPIs including order intake, number of million-dollar clients, large deal wins, digital business growth and client diversification. The stock price appreciated during the quarter due to robust performance of June quarter, and expectations of strong recovery in deal flow. The strong operating performance in rest of the business limited the impact of the travel and transportation vertical on the overall company.

Mphasis is the 7th largest IT services company in India with approximately $1.2bn in annual revenues. It has a strong positioning in custom application development and management for the banking & financial services industry. Its deep domain expertise within financial services has resulted in a high-quality customer profile wherein it counts six of the top ten US banks as its clients. Its core business, constituting ~70% of revenues, has delivered industry leading growth over the past two years. We expect the company to continue to do well on the back of continued new client additions, strong total contract value (TCV) of deal wins and mining of existing accounts. The stock outperformed due to strong operating results for the June quarter and expectation of continued business momentum going forward.

Garware Technical Fibres (GTFL) is India's largest technical textiles company with diversified presence in fishing nets & cages, sports nets, mooring ropes, agri nets and geosynthetics. GTFL has a wide product portfolio comprising of over 20000 SKUs which it exports to 75 countries. The company is the leading exporter of aquaculture cages and nets with more than 80% market share in Scotland and Canada. It is now making inroads into Norway and Chile which together account for 70% of global salmon production. The company has consistently demonstrated the ability to increase the share of patent-protected, value-added products in its business mix which should drive a steady margin improvement over the coming years. We expect GTFL to continue to demonstrate value accretive growth led by new product introductions, market share gains in aquaculture and sports nets, and rising domestic penetration in technical textiles segment.

Key Detractors Q3 2020

Kotak Bank is one of the most well-run and conservative banks in the country, highly regarded for its excellent credit underwriting. During past crises, the bank had chosen to grow at a much slower pace than the system. It also operates with lower leverage compared to its peers. Despite the conservative approach, over the long term the bank has grown much faster than the industry. Its non-lending businesses such as mutual fund, institutional broking, investment banking, life and general insurance are strong franchises and are likely to post strong growth and profitability in the coming years. These businesses account for one-third of the overall value of the company. The stock's underperformance during the quarter can be attributed to the general underperformance of the sector due to worries surrounding Covid-led disruptions to the economy and the consequent risk to bank balance sheets. We expect Kotak Bank's well-capitalized, high-quality franchise with superior underwriting and risk management practices to hold up better and emerge stronger from the crisis compared to the peer group.

Bharti Airtel is India's second largest telecom operator providing wireless and fixed line broadband services. The Indian telecom industry is around $25bn in revenues and has consolidated into a three-player market with Reliance Jio, Bharti Airtel and Vodafone-Idea controlling 93% of the market after a period of unprecedented disruption and intense price competition. Bharti Airtel has demonstrated superior execution on the back of its high-quality customer base, and we expect it to deliver strong returns on incremental capital as it gains market share from Vodafone Idea which is struggling with a highly leveraged balance sheet. Over time, we expect pricing to stabilize and inch upwards. This was evidenced by the first industry wide price hikes of 15-30% in late 2019. While we expect price discipline to be observed by the industry over time, we are likely to see intermittent instances of pricing aggression along the way, like the one we saw in September 2020 from Reliance Jio where they introduced a slightly aggressive post-paid plan. Following this move by the market leader, Bharti's stock price declined to underperform for the quarter.

Nestle India is India's largest food products company. With household brands like Maggi, KitKat, Nescafe, Cerelac and Nan in its portfolio, it is a market leader in most of the categories that it operates in. Under the leadership of its new CEO, Suresh Narayanan, it has significantly increased focus on volume growth driven by new product development and distribution. It has launched more than 40 products in various categories over the past two years and is following a cluster-based approach to enhance distribution. While there are near term challenges in ramping up capacity and restocking inventory, we expect Nestle to continue to deliver strong performance led by increasing penetration and new product introductions. Given the defensive nature of the business, the stock often tends to lag in a sharply rising market as was the case during the third quarter.

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Investment Outlook

Indian equity markets continued their upward trend in Q3 following the sharp recovery in Q2 from March-end lows. The equity indices are now within breathing distance of their pre-Covid peaks.

Earlier in the year India imposed one of the strictest lockdowns globally followed by a gradual lifting-off of restrictions. India now has the second highest reported total case count after the United States. While this might paint a bleak picture, recent trends do provide some hope. Positivity rate peaked in July and has trended down since then even as daily testing continues to rise, indicating that the rate of spread might be slowing. On the other hand, Indian Council of Medical Research's (ICMR) antibody surveys done across the country suggest that the actual case count may be more than 20x of the reported cases. Consequently, the reported infection fatality rate (IFR) which has been falling since June and now stands at 1.3% could be overstating the actual IFR by a similar 20x magnitude since mortality data is captured more accurately.

The implied mortality rate of less than one-in-a-thousand appears to be lower than that in other parts of the world, quite likely due to the lower median age in India. For example, the median age of 29 years in India compares to 38 years in the US and 47 years in Italy.

While the uncertainty is till high, the relatively lower mortality and the high economic costs of lockdowns might mean that restrictions are unlikely to come back. In fact we expect to see further easing as we move forward. Our loosely defined base case scenario continues to build a reasonable likelihood of mass vaccinations in the latter part of next year.

The economic activity on the ground has continued to strengthen sequentially throughout Q3 with several high frequency indicators displaying strong trends. GST (Goods and Services Tax) collections, e-way bill generation, rail freight, electricity & petrol consumption are either back to pre-Covid levels or exhibiting growth on a year-on-year basis. A healthy monsoon has resulted in a strong sowing season compared to last year which should be supportive of rural demand.

India's full year GDP is now estimated to contract by 7-10% in FY21 followed by high single digit growth in FY22. This means that exit GDP run rate of FY22 might resemble that of FY20.

The Central Bank kept benchmark policy rates steady at 4% post a cumulative 115 bps cut since the start of the pandemic. Headline inflation has averaged at 6.5%, slightly above the targeted inflation range of 2-6%. This leaves room for further rate cuts later in FY21 to support growth once inflation moderates. With Crude at $40/bbl, the Current Account has turned surplus over the past two quarters and is expected to stay positive in the near term.

The Parliament passed landmark bills on labour and agriculture reforms. The labour reforms mark a watershed moment for India, a culmination of years of background work of untangling a highly complex and restrictive set of rules, many of which were written pre-independence about a century ago. We believe these reforms will significantly reduce compliance burden for businesses and will go a long way in improving the ease of doing business. The reforms would mitigate the regulatory hurdles for small businesses that have historically restricted them from scaling up. Another impact of these reforms would be an increase in the pace of formalisation of the economy.

The agriculture reforms are aimed at deregulation of production and pricing. It would also help to attract private investments for building critical supply chain infrastructure such as warehouses, cold storage chains and logistics. The reforms would facilitate the creation of a single common market for agri-produce while eliminating intermediaries and reducing the role of inefficient, state-sponsored monopolies.

The government has continued to take various steps to boost the domestic manufacturing sector. The Cabinet recently approved an incentive program aimed at creating a global manufacturing hub for mobile phones. Further, a newly proposed production-linked incentive (PLI) program of $40bn over five years could cover multiple industries including auto components, pharmaceuticals, electronics and food processing amongst others. While this new program is still at a proposal stage, it signals a clear impetus to develop India as a global manufacturing hub and accelerate market share gains on the back of a visible diversification of manufacturing from China.

On geo-political front, tensions between Indian and Chinese troops along the northern border appear to be de-escalating in the backdrop of ongoing high-level talks on disengagement.