

April 2026

"PATIENCE IS THE MOST IMPORTANT QUALITY FOR AN INVESTOR" Warren Buffett

STAYING STEADY THROUGH CHANGING CYCLES

Dear Clients,

March served as a timely reminder that global narratives can shift faster than markets anticipate.

What began as geopolitical friction between the United States, Israel, and Iran gradually found its way into the world's economic arteries. Concerns around the Strait of Hormuz, a critical passage for global oil flows, pushed crude prices above \$115 per barrel. The ripple effects were swift: currencies wobbled, inflation expectations climbed, and financial markets worldwide repriced risk.



For India, the transmission followed a familiar path. A stronger crude import bill weighed on the rupee, while foreign institutional investors turned cautious, triggering intermittent outflows. Equity markets found themselves caught between resilient domestic fundamentals on one side and global headwinds on the other.



Yet, the domestic economic picture held its ground. Strong GST collections, steady infrastructure spending, and continued momentum in manufacturing and renewable energy kept India's growth foundation largely intact. Policy responses were measured. RBI stepped in to support the rupee, and the government's move to ease foreign investment norms for neighbouring countries reflected a thoughtful balance between openness and geopolitical prudence.

For investors, moments like this test temperament as much as portfolios. The instinct to react to short-term noise is understandable, but history consistently rewards those who stay anchored to fundamentally strong businesses. Companies with clear earnings visibility, differentiated models, and comfortable valuations tend to compound quietly through periods of turbulence- and it is precisely during such phases that long-term positions are either built or surrendered.



Looking ahead, near-term uncertainty is unlikely to fade quickly. Crude prices, central bank postures, and geopolitical developments will continue to shape sentiment in the months ahead. But markets have a well-established habit of adjusting once clarity emerges. And over the medium term, India's structural story remains compelling: policy continuity, a growing domestic consumer



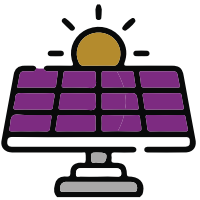
base, and powerful sectoral tailwinds in energy, infrastructure, and technology all point in the same direction.



The lesson March reinforces is not a new one, but it bears repeating: wealth is not built by timing markets, but by spending time in them. Staying invested in high-conviction ideas, resisting reactive decisions, and trusting in the compounding power of strong businesses that remains the most reliable path forward.

REFLECTIONS ON THE MONTH GONE BY

The portfolio saw some volatility during the month, largely reflecting broader market trends. Within this backdrop, performance was mixed - **Waaree Energies** and **Jain Resource Recycling** stood out as key contributors, while **State Bank of India** and **KPIT Technologies** trailed the broader portfolio performance.



Waaree Energies saw a strong rally in March, supported by a ₹3,900 crore solar glass capex that strengthens backward integration and margin visibility, along with a \$30 million US solar investment enhancing its global footprint.

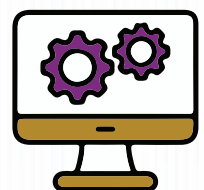
The sharp rise in crude prices also tilted sentiment in favour of renewables, while supportive policy momentum and growing investor interest in domestic solar manufacturing reinforced confidence in its long-term growth story.

Jain Resource Recycling performed well this month. Jain acquired stakes in three wind power companies for captive use, improving energy cost efficiency and supporting margin expansion. Rising metal prices also acted as a tailwind, enhancing realizations, while the move strengthened its integrated, sustainability-focused model and improved earnings visibility.



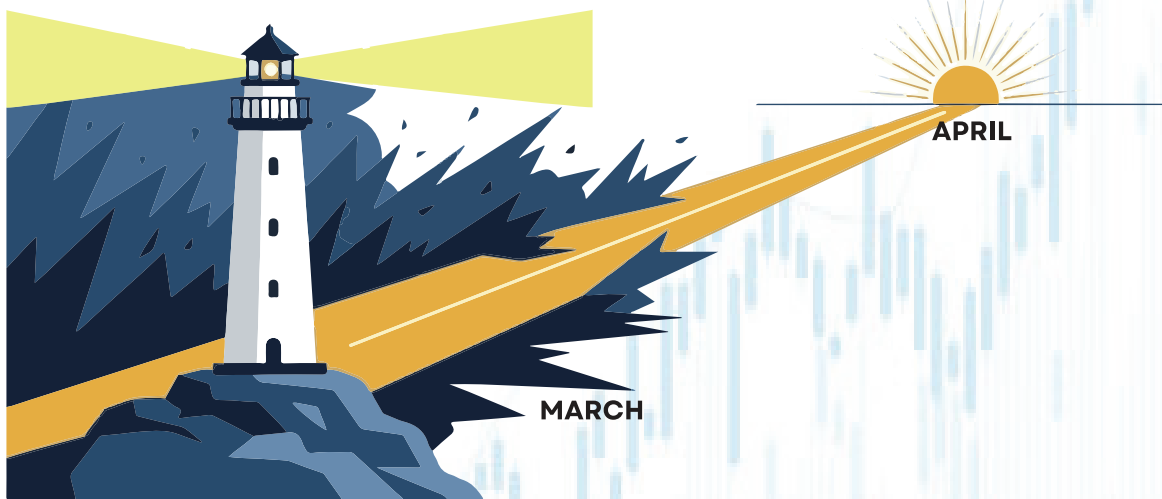
State Bank of India declined in March amid a broader banking sector sell-off, as RBI tightening of forex rules to support the rupee, which impacted treasury operations and fee income. Rising bond yields added to near-term pressure by increasing funding costs. However, the long-term outlook for both the banking sector and the bank remains constructive.

KPIT Technologies declined in March amid broader weakness driven by geopolitical tensions and concerns around AI-led disruption. Elevated valuations also saw correction as sentiment weakened, although the company maintained that strong domain expertise in ER&D would remain critical despite rising AI adoption.



Note: The stocks mentioned above are part of a broader stock universe of approximately 50 stocks that we actively track. Individual portfolio holdings may vary based on factors such as market conditions, portfolio strategy, and timing of entry. These stocks are highlighted for reference and may not be present in all client portfolios.

THE WAY FORWARD



March was marked by heightened volatility as ongoing geopolitical tensions kept markets unsettled and sentiment fragile. However, such phases often test conviction rather than change long-term direction. As we move into April, we remain firmly positioned with high-conviction ideas, focusing on businesses built for the long term, with the belief that patience through uncertainty ultimately drives meaningful wealth creation.

We appreciate your continued trust. While the journey may see ups and downs, we remain confident that staying invested in the right ideas will shape a rewarding path ahead.

**Warm regards,
Team Hedge**

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