

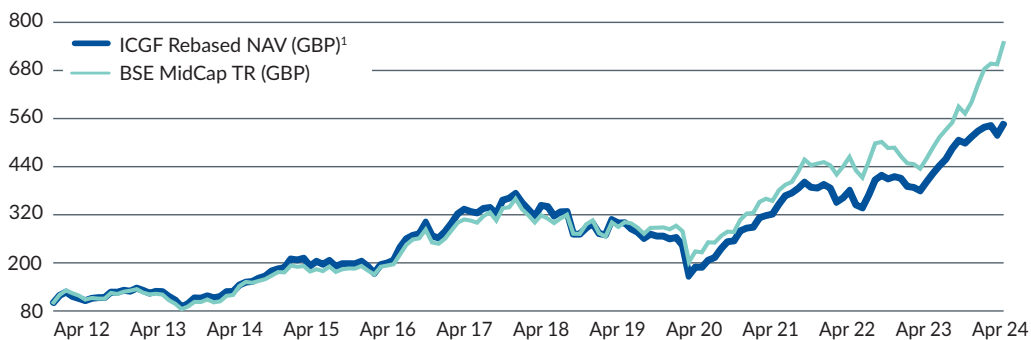
## PORTFOLIO AND MARKET UPDATE

The Indian equity market exhibited robust performance. The large-cap Sensex was up 1.1%, while the Mid-Cap and Small Cap index bounced back strongly from March lows and were up 7.2% and 9.6% respectively in local currency. Nearly all sectors gained positive returns, led by Metals (11%), Power (8%) and Realty (8%), however IT had another negative month down -4.3%. Equity flows were mixed, FII flows were down US\$1.1bn while domestic flows were up US\$5.3bn. March inflation moderated to 4.9% from 5.1% in February. RBI, as expected, maintained the status quo on rates and kept the stance unchanged. The goods and services tax (GST) collection hit an all-time high of INR 2.1 trillion a growth of 12.4% yoy reflecting robust economic growth. General elections in India began on 19 April with three out of seven phases concluding voting for 285 seats out of the total 543 seats. The BJP, led by Modi, remains the frontrunner to win the majority. At portfolio level, stocks posted positive returns, led by recently initiated Gokaldas Exports (+25%), Multi Commodity Exchange (+23%), and Neuland Labs (+20%). Negative returns came from Persistent Systems (-15%), Sona BLW Precision Forgings (-11%) and JK Lakshmi Cement (-9%).

## HOLDING IN FOCUS: Triveni Turbine

Triveni Turbine (TT) is a capital goods company which designs and manufactures steam turbines up to 100MW for industrial captive and renewable power. It is the largest player in India in the <30MW category market with market share of 55-60% and ~15% market share in the overseas geographies it serves. In FY22, TT increased its market opportunity by buying its JV partner (GE) in the 30-100MW turbine segment a market estimated to 1.5x the size of the <30MW. It manufactures engineered to order steam turbines for providing renewable power solutions specifically for biomass, sugar & process co-generation, waste to energy & direct heating. It also provides aftermarket services to its turbine users of multiple manufacturers. Triveni Turbine is a big beneficiary of the shift in power demand from conventional resources to renewable sources especially in the biomass, waste heat recovery & waste to energy segment. The effect of both these factors – increasing market opportunity in higher size turbine market and beneficiary of demand from renewable power segment – is evident in its bulging order book. Its order inflow has increased by 31% CAGR since FY21 driven by 53% growth in exports. The business is capital efficient with RoCE of ~28% (last 5 years' average) and RoE of ~22% (last 5 years' average).

## REBASED NAV PERFORMANCE SINCE 31 DECEMBER 2011 (%)



<sup>1</sup> The Rebased NAV is the fairest representation of the Manager's performance across all periods excluding the dilutive effect of the new ordinary shares issued on 8 August 2016 following the exercise of subscription share rights.

## PERFORMANCE (%)

	1 mnth	3mnth	6mnth	1 year	3 years	5 years
ICGF NAV	5.2	1.5	9.6	36.0	70.0	82.7
BSE MidCap TR Index	7.8	9.6	30.9	62.9	111.4	158.8

## TOPICAL COMMENT

THE WRITING ROOM:  
SUNDAY TIMES  
March 2024

There are more than a billion reasons to invest in India - Ian Cowie

IN THE MEDIA:  
PORTFOLIO ADVISER  
March 2024

What should investors expect ahead of India's marathon election? Christian Mayes

## THE WRITING ROOM

May 2024

The Indian Elections in 30 Secs: Part 2 - BJP vs.....?

## BOOK REVIEW

April 2024

Ikigai - The Japanese Secret to a Long and Healthy Life - Hector Garcia & Francesc Miralle

## NET ASSET VALUE

The Net Asset Value (NAV) per share as at 30 April 2024 was 186.33 pence. In April the NAV was up 5.24% in Sterling terms, whilst the BSE MidCap TR Index was up 7.83%. In local currency terms, the NAV was up 4.58% for the month.

## FUND INFORMATION

Listing	LSE Main Market
Domicile	Guernsey
NAV publication	Monthly (daily estimate)
Size (NAV)	GBP161.9m
Launch date	22 December 2005
Adviser start	31 December 2011
Fund Manager	Ocean Dial Asset Management
Principal Adviser	Gaurav Narain
Benchmark	S&P BSE MidCap TR
AMC	1.25% of market cap
Share price	176.5p /
NAV per share	186.3p
Discount to NAV	5.3%

## PORTFOLIO CHARACTERISTICS

Number of holdings	34
Median market cap (US\$bn)	\$1.8bn
PE FY25E	21.4
ROE FY25E	17.7%
Tracking Error	7.91%
Active Share	93.1%

## INDIA HIGHLIGHT

	MTD	YTD
INR vs US\$ [stronger/ (weaker)]	(0.0)%	(0.3)%
FII Net flows (US\$m)	(1,097.1)	261.2
DII Net flows (US\$m)	5,298.6	18,360.0
CPI inflation (Mar-24/3m avg)	4.9%	5.0%
GDP Q3 FY24		8.4%
Current account/ GDP Q3 FY24		(0.9)%

Source: Ocean Dial Asset Management Limited

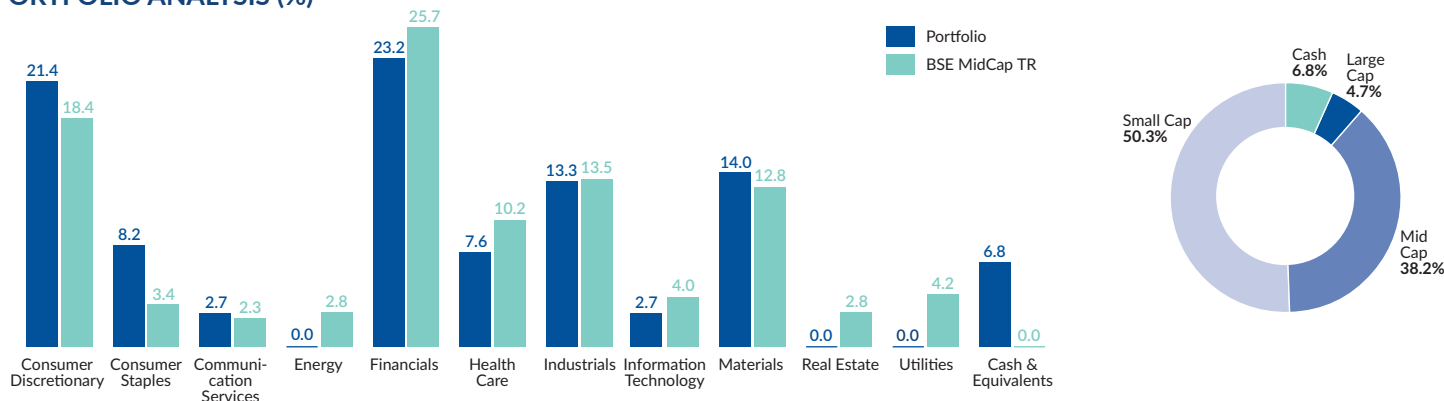
## QUARTERLY ATTRIBUTION – 3 MONTHS TO 30 APRIL 2024 (%)

TOP 5	Ave. weight	Ave. index weight	Return	Contribution	BOTTOM 5	Ave. weight	Ave. index weight	Return	Contribution
Dixon Technologies India	4.88	0.00	40.12	1.65	Persistent Systems	3.7	1.59	(18.83)	(0.64)
Skipper	4.61	0.00	43.21	1.63	JK Lakshmi Cement	3.17	0.00	(14.22)	(0.48)
Neuland Laboratories	4.29	0.00	19.15	0.71	Sagar Cements	2.17	0.00	(16.26)	(0.42)
Federal Bank	5.29	1.43	11.09	0.56	Jyothy Labs	2.11	0.00	(15.15)	(0.37)
Multi Commodity Exchange of India	2.69	0.00	21.12	0.53	Kajaria Ceramics	2.5	0.00	(12.42)	(0.36)

## TOP TEN HOLDINGS

Portfolio company	Weight	Characteristics	Market cap US\$bn
Federal Bank	5.5%	Well run mid-sized private sector bank, attractive valuations	4.7
Dixon Technologies	5.3%	Dominant player in an emerging Indian Electronic Manufacturing Services industry with structural tailwinds	6.0
Skipper	4.6%	Power transmission and distribution company including polymer pipes and fittings segment	0.5
Neuland Laboratories	4.3%	API and Custom Manufacturing solutions (CMS) provider to multinational pharmaceutical companies. Beneficiary of China-dominated supply chain disruptions	1.2
IDFC Bank	4.0%	Well capitalised private sector retail bank. Digitally-focused and on a high growth trajectory	7.0
Ramkrishna Forgings	3.8%	Auto ancillary company manufacturing forgings for commercial vehicles in both domestic and international markets	1.6
Emami	3.7%	Dominant player across multiple niche consumer product categories, attractive valuations	2.6
RBL Bank	3.6%	Private sector bank offering online and branch business banking and financial market operations	1.9
Indusind Bank	3.6%	Fifth largest private sector bank in India and poised to gain market share. Value play with ebbing asset quality concerns	14.1
Sona BLW Precision Forgings	3.4%	Auto ancillary company manufacturing critical components for leading global electric vehicle companies.	4.4

## PORTFOLIO ANALYSIS (%)



## PRINCIPAL ADVISER

Gaurav Narain joined the Group in November 2011, having been immersed in the Indian equity markets for the previous 21 years. He has held senior positions as both a fund manager and an equities analyst in New Horizon Investments, ING Investment Management India and SG (Asia) Securities India. He holds a Masters degree in Finance and Control and a Bachelor of Economics degree from Delhi University.



## INVESTMENT PHILOSOPHY

The investment manager believes that in India, optimal returns will be generated over time by investing in companies that are well placed to benefit from the structural growth potential of the Indian economy, combined with the highest quality of management best able to exploit this opportunity. The fund uses a consistent and disciplined bottom up stock picking process to select investments from our best ideas, unconstrained by a benchmark.

## INVESTMENT OBJECTIVE

To provide long term capital appreciation by investing predominantly in listed mid and small cap Indian companies. Investments may also be made in unquoted Indian companies where the Fund Manager believes long-term capital appreciation will be achieved. The Company may hold liquid assets (including cash) pending deployment in suitable investments. It is the Company's declared policy not to hedge exposure to the Indian Rupee.

## FUND MANAGER

Ocean Dial Asset Management Limited is authorised and regulated by the Financial Conduct Authority.

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## WEBSITE

www.indiacapitalgrowth.com

**SOURCES**

Source of all performance and portfolio analysis: Ocean Dial Asset Management Limited, Bloomberg.

**CAPITAL STRUCTURE**

86,905,276 ordinary shares in issue with voting rights.

**BOARD**

Elisabeth Scott (Chair), Patrick Firth, Lynne Duquemin, Nick Timberlake

**OTHER ADVISERS**

Administrator: Apex Fund and Corporate Services (Guernsey) Limited

Broker: Shore Capital Stockbrokers Limited

Registrar and CREST Agent: Neville Registrars Limited

**IMPORTANT INFORMATION**

The information in this document does not constitute or contain an offer or invitation for the sale or purchase of any shares in the Fund in any jurisdiction, is not intended to form the basis of any investment decision, does not constitute any recommendation by the Fund, its directors, agents or advisers, is unaudited and provided for information purposes only and may include information from third party sources which has not been independently verified.

Interests in the Fund have not been and will not be registered under any securities laws of the United States of America or its territories or possessions or areas subject to its jurisdiction, and may not be offered for sale or sold to nationals or residents thereof except pursuant to an exemption from the registration requirements of the U.S. Securities Act of 1933, as amended (the "Securities Act"), and any applicable state laws. While all reasonable care has been taken in the preparation of this document, no warranty is given on the accuracy of the information contained herein, nor is any responsibility or liability accepted for any errors of fact or any opinions expressed herein.

Past performance is not a guide to future performance and investment markets and conditions can change rapidly. Emerging market equities can be more volatile than those of developed markets and equities in general are more volatile than bonds and cash. The value of your investment may go down as well as up and there is no guarantee that you will get back the amount that you invested. Currency movements may also have an adverse effect on the capital value of your investment. Investing in a country specific fund may be less liquid and more volatile than investing in a diversified fund in the developed markets. This Fund should be seen as a long term investment and you should read the London Stock Exchange Listing Prospectus published in December 2017 (the "Prospectus") whilst paying particular attention to the risk factors section before making an investment. Please refer to the Prospectus for specific risk factors.

Where reference to a specific Class of security is made, it is for illustrative purposes only and should not be regarded as a recommendation to buy or sell that security. Market index information shown herein such as that of the S&P BSE Midcap TR is included to show relative market performance for the periods indicated and not as standards of comparison, since indices are unmanaged, broadly based and differ in numerous respects from the Fund.

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