

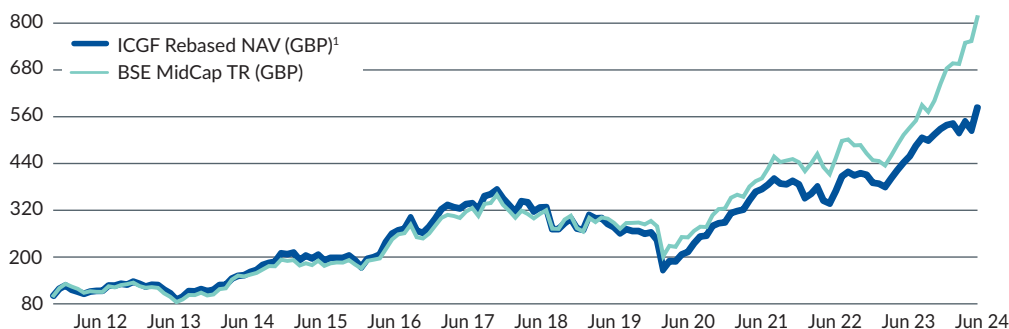
PORTFOLIO AND MARKET UPDATE

June was a strong month for the Indian equity markets as Modi became India's prime minister for a third term, cementing market expectation of an investment-led economic agenda to continue. This resulted in the large-cap Sensex up by 6.9%, Mid Cap up 7.9% and Small Cap index up 10.3% in local currency. All sectoral indices were up and equity flows were strong, FII flows were up US\$3.1bn while domestic flows were up US\$3.4bn. May inflation moderated to 4.75% from 4.83% in April. RBI, as expected, maintained the status quo on rates and kept the stance unchanged. RBI raised India's GDP forecast for FY25 to 7.2% from 7%. Prime Minister Modi has sent a clear signal of continuity and stability by retaining the major ministries such as Home, Defence, Finance, External Affairs, Road, Transport and Highways, and Railways with his core team of ministers from the previous term, meaning projects initiated and the economic growth agenda will continue. At portfolio level, stocks posted positive returns, led by Ramkrishna Forgings (+34%), Dixon Technologies (+27%), and Persistent Systems (+24%). Negative returns came from Container Corporation of India (-3%), Sona BLW Precision Forgings (-1.6%) and VIP Industries (-0.3%).

HOLDING IN FOCUS: Aether Industries

Aether Industries Limited (Aether) is a speciality chemical manufacturer in India producing advanced intermediates and speciality chemicals involving complex and differentiated chemistry. Since Aether was founded in 2013, it has developed an 8x8 matrix to select new molecules – 8 core chemistries produced via 8 technologies. Because of its focus on chemistry and technology, Aether's sales funnel is aligned to chemistry rather than a single industry. Thus, it has diverse customers from agri, pharma, oil & gas, photography, coatings, etc. It has 3 business models: 1) Large Scale Manufacturing (LSM) – manufacture own molecules; 2) Contract Research and Manufacturing Services (CRAMS) – does the R&D and manufacture in small quantities in pilot plants; 3) Contract and Exclusive Manufacturing (CEM). Aether's strength lies in its in-house research & development (R&D) capabilities. It has a 300+ member R&D team and its expense on R&D as % of sales is one of the highest (16%+ in FY24). Aether has a healthy pipeline of products which is entering production in the next couple of years like – oil field product for Baker Hughes, another large opportunity on Converge polyols product, product for Polaroid – to name a few. We forecast 38% revenue CAGR & 50%+ profit growth over the next 3 years.

REBASED NAV PERFORMANCE SINCE 31 DECEMBER 2011 (%)



1 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	11.1	12.5	10.6	32.2	59.1	105.3
BSE MidCap TR Index	8.3	17.5	26.7	59.1	106.9	173.6

TOPICAL COMMENT

ANNOUNCEMENTS

June 2024

Results of AGM

THE LISTENING ROOM:
DOCEO FUND UPDATE
June 2024With Elisabeth Scott, Chair and
Gaurav Narain, Principal AdviserBOOK REVIEW:
THE CEO FACTORY
June 2024Management Lessons from
Hindustan Unilever by Sudhir
SitapatiIN THE MEDIA:
INDIA'S ELECTION RESULTS
June 2024Investment Managers react to
India's Election result surprise by
Amanda Cheesley

NET ASSET VALUE

The Net Asset Value (NAV) per share as at 28 June 2024 was 199.18 pence. In June the NAV was up 11.05% in Sterling terms, whilst the BSE MidCap TR Index was up 8.33%. In local currency terms, the NAV was up 10.57% for the month.

FUND INFORMATION

Listing	LSE Main Market
Domicile	Guernsey
NAV publication	Monthly (daily estimate)
Size (NAV)	GBP172.9m
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	180.5p /
NAV per share	199.2p
Discount to NAV	9.4%

PORTFOLIO CHARACTERISTICS

Number of holdings	35
Median market cap (US\$bn)	\$1.9bn
PE FY25E	24.6
ROE FY25E	17.7%
Tracking Error	91.95%
Active Share	8.5%

INDIA HIGHLIGHT

	MTD	YTD
INR vs US\$ [stronger/ (weaker)]	0.1%	(0.2)%
FII Net flows (US\$m)	3,111.1	349.5
DII Net flows (US\$m)	3,433.5	28,477.6
CPI inflation (May-24/3m avg)	4.8%	4.8%
GDP Q4 FY24		7.8%
Current account/ GDP Q4 FY24		(0.7)%

Source: Ocean Dial Asset Management Limited

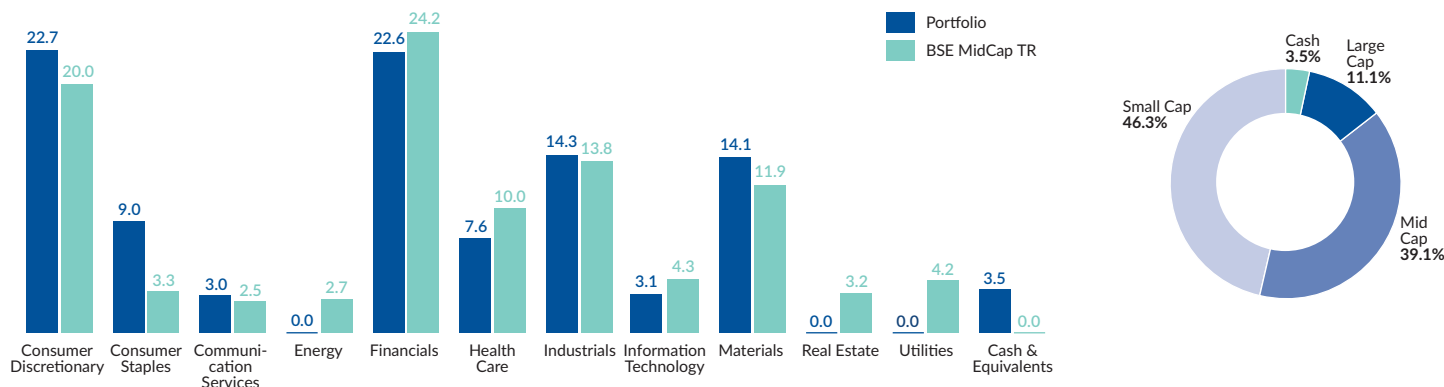
QUARTERLY ATTRIBUTION – 3 MONTHS TO 30 JUNE 2024 (%)

TOP 5	Ave. weight	Ave. index weight	Return	Contribution	BOTTOM 5	Ave. weight	Ave. index weight	Return	Contribution
Dixon Technologies India	5.73	0.00	59.65	2.98	Sona Blw Precision Forgings	3.54	0.94	(9.22)	(0.37)
Emami	4.25	0.39	60.14	2.20	GPT Healthcare	1.94	0.00	(14.15)	(0.33)
Ramkrishna Forgings	3.75	0.00	28.61	1.04	VIP Industries	2.86	0.00	(7.93)	(0.26)
Federal Bank	5.48	1.40	17.71	0.95	IndusInd Bank	3.5	0.00	(4.88)	(0.19)
Balkrishna Industries	2.29	0.79	38.99	0.82	PI Industries	3.45	1.06	(2.03)	(0.09)

TOP TEN HOLDINGS

Portfolio company	Weight	Characteristics	Market cap US\$bn
Dixon Technologies	6.6%	Dominant player in an emerging Indian Electronic Manufacturing Services industry with structural tailwinds	8.6
Federal Bank	5.5%	Well run mid-sized private sector bank, attractive valuations	5.2
Emami	4.9%	Dominant player across multiple niche consumer product categories, attractive valuations	3.6
Skipper	4.2%	Power transmission and distribution company including polymer pipes and fittings segment	0.5
IDFC Bank	3.9%	Well capitalised private sector retail bank. Digitally-focused and on a high growth trajectory	7.4
Ramkrishna Forgings	3.9%	Auto ancillary company manufacturing forgings for commercial vehicles in both domestic and international markets	1.9
Neuland Laboratories	3.9%	API and Custom Manufacturing solutions (CMS) provider to multinational pharmaceutical companies. Beneficiary of China-dominated supply chain disruptions	1.2
RBL Bank	3.6%	Private sector bank offering online and branch business banking and financial market operations	1.9
PI Industries	3.3%	Quality agro-chemical company, high visibility, strong industry tailwinds in global supply chains	6.9
Sona BLW Precision Forgings	3.3%	Auto ancillary company manufacturing critical components for leading global electric vehicle companies.	4.5

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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enquiries@oceandial.com

WEBSITE

www.indiacapitalgrowth.com

SOURCES

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

CAPITAL STRUCTURE

86,811,872 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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