

PORTFOLIO BREAK DOWN BY SIZE AT 30 SEPTEMBER 2009

	No. of companies	% of portfolio
Small Cap	14	52.5
Mid Cap	3	28.0
Unlisted	2	6.4
Cash/Cash Equivalent		13.1
Total	19	100.0

ANALYSIS OF HOLDINGS BY SECTOR AT 30 SEPTEMBER 2009

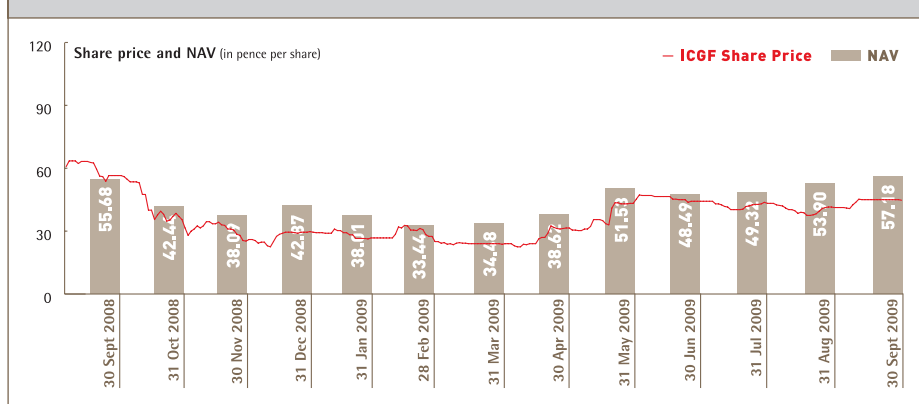
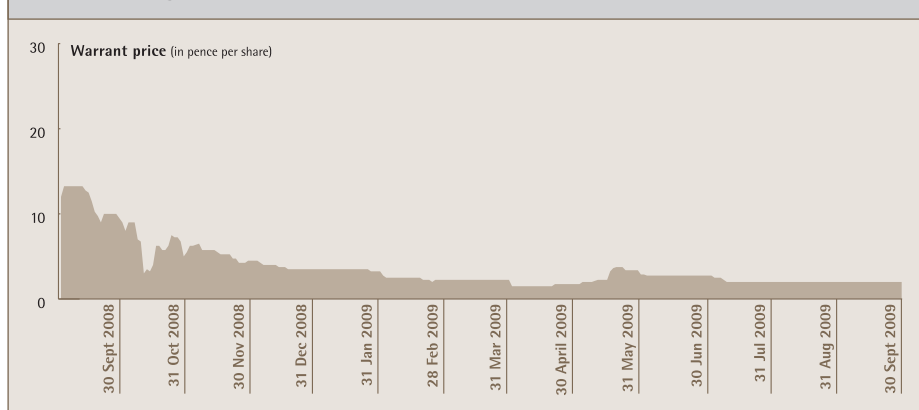
Sector summary	No. of companies	% of portfolio
Textiles	2	17.3
Financial Services	3	14.1
Transport	2	12.0
Process Controls	1	8.8
Media	2	8.1
Pharmaceuticals services and packaging	1	7.2
Housing & Construction	2	6.1
IT	3	4.4
Engineering / Manufacturing	1	4.2
Hotels	1	3.5
Others	1	1.2
Total Investment	19	86.9
Net Cash/Cash equivalent		13.1
Total Portfolio		100.0

TOP 10 EQUITY HOLDINGS AT 30 SEPTEMBER 2009

Holding	Sector	% of portfolio
S. Kumars Nationwide Textiles		14.4
ICSA India	Process Controls	8.8
Varun Shipping Co	Shipping	7.3
Bilcare	Pharmaceuticals services and packaging	7.2
Marwadi Shares and Finance	Financial Services	6.4
Prime Focus	Media	6.2
Bank Of Rajasthan	Banks	4.8
Spicejet	Airlines	4.7
Hindustan Dorr-Oliver	Engineering / Manufacturing	4.2
Arihant Foundations & Housing	Housing and Construction	3.8

SHARE PRICE AND NAV AS AT 30 SEPTEMBER 2009

Ordinary Shares				Warrants	
Ticker	Share price (p)	NAV per share (undiluted) (p)	NAV per share (diluted) (p)	Ticker	Warrant price (p)
IGC	44.75	57.18	57.18	IGCW	2.00

SHARE PRICE AND NAV PERFORMANCE

WARRANTS

PROGRESS UPDATE

The Indian stock markets continued to move forward in the month with a rise of 9.3% in the BSE Sensex index of leading shares. FIs purchased a net USD 4.1bn of Indian equities in September, making this month's inflow the fifth highest ever. Smaller stocks also gained with rises of 8.5% in the BSE Small Cap index and 7.5% in the BSE Mid Cap Index. The Company's NAV was up 6.1% in the month, with the Rupee appreciating by 3.5% against Sterling.

The index of industrial production grew at an annual rate of 6.8% for the month of July but the consumer price index (CPI) measured for industrial workers rose by 11.89% in the year to 31 July 2009 (the latest CPI data available) driven primarily by food price increases. These increases were fuelled by a

weak monsoon which the India Meteorological Department reported as being the worst for 30 years. The wholesale price index increased marginally by 0.83% for the year to 19 September 2009.

The Company is maintaining its strategy to use present price levels to sell down from three investments while continuing to analyse new opportunities. At 30 September 2009, cash and cash equivalents were 13.1% of the portfolio. Unlisted investments, the value of which has been left unchanged since February 2009, accounted for a further 6.4% of the portfolio.

Information on the principal investee companies, updated monthly, is contained in the Presentation on the Company's web site (www.indiacapitalgrowth.com)



THE FUND

The India Capital Growth Fund is a closed ended, Guernsey registered, AIM listed fund established in December 2005, with the objective of generating long-term capital appreciation by investing in small and medium sized companies based in India, both listed and unlisted. The shares are denominated in Pounds Sterling.

ADDITIONAL INFORMATION

Further information can be found on the Company's website at: www.indiacapitalgrowth.com

INVESTMENT OBJECTIVES

The Company's investment objective is to provide long term capital appreciation by investing predominantly in listed small to mid-cap companies with a smaller proportion in unlisted companies. Investment may also be made in large-cap listed Indian companies where the Fund Manager believes long-term capital appreciation will be achieved.

Investment evaluation and selection is based on a bottom-up approach where opportunities are evaluated on a case by case basis. The Fund Manager follows an absolute return focus to investing rather than 'relative-performance' stock picking. The Company may hold liquid assets (including cash) pending deployment in suitable investments. It is the Company's declared policy not to hedge the exposure to the Indian Rupee.

BASIC DATA

Launch date	22nd December, 2005
Listing	Alternative Investment Market, LSE
Domicile	Guernsey
NAV publication	Monthly

CAPITAL STRUCTURE

Ordinary shares in issue	75,000,063
Warrants outstanding	14,999,937
Warrant exercise price	100p
Warrant exercise period	23 April 2009 to 21 May 2009, and subsequently post publication of the annual accounts in 2010 and 2011

BOARD

Fred Carr (Chairman)
Robin Nicholson
Jamie Cayzer-Colvin
Ashok Dayal
Andrew Maiden

MANAGER AND FEES

India Investment Partners Limited	30 Buckingham Gate, London SW1E 6NN Tel: +44 207 802 8902 Fax: +44 207 802 8909
Annual Management fee	1.5% of AUM
Performance fee	20% of increase in NAV in excess of 10% compound annual growth in sterling, paid semi-annually and subject to a High Water mark

OTHER ADVISERS

Registrar	Capita IRG (CI) Limited 2nd Floor, No 1 Le Truchot, St Peter Port, Guernsey GY1 4AE
Administrator	Northern Trust International Fund Administration Services (Guernsey) Limited Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL
NOMAD	Arbuthnot Securities Limited 20 Ropemaker Street, London EC2Y 9AR
CREST Agent	Capita Registrars 34 Beckenham Road, Kent BR3 4TU