SEPTEMBER 2025

India Capital Growth Fund

India Capital GROWTH FUND

PORTFOLIO AND MARKET UPDATE

In September, Indian equities posted gains across market segments. The Sensex rose 0.6%, while mid-cap and small-cap indices advanced 0.7% and 1.4%, respectively in local currency terms, driven by growth optimism following the government's Goods and Services Tax (GST) rationalisation aimed at boosting consumption. Sector performance was mixed, with Metals (+9%), Auto (+6%), and Oil & Gas (+5%) the notable performers, while Consumer Durables (-5%), IT (-3%), and FMCG (-2%) declined. Equity flows were mixed, FII flows were down US$2bn while domestic flows were up US$7bn. The Indian Rupee depreciated by 1.1% against the US Dollar during the month, bringing the year-to-date decline to 3.7%. Inflationary pressures intensified slightly, as CPI rose to 2.1% in August from 1.6% in July. Despite the increase it remains well withing the Reserve Bank of India's target range. The RBI left policy rates unchanged at 5.5%, maintaining a neutral stance while ensuring adequate system liquidity. In its latest outlook, RBI raised its FY2026 real GDP growth forecast by 30 bps to 6.8%, reflecting optimism around resilient domestic demand and supportive policy measures. At a portfolio level, stocks posted positive returns, led by Cholamandalam Investment and Finance (+13%), PSP Projects (+10%), and City Union Bank (+9%). Negative returns came from Persistent Systems (-9%), Coforge (-8%) and Jyothy Laboratories (-7%).

HOLDING IN FOCUS: Atlanta Electricals

India's power transmission infrastructure is witnessing strong growth driven by the accelerating deployment of renewable energy projects. With over 3 decades of manufacturing experience in transformers and pan India presence, Atlanta has a dominant position in the low and medium voltage class (up to 220kv) transformers. It is further entering into the complex high voltage transformers class of 400kv and 765kv and has almost quadrupled its capacities to meet the soaring demand. Atlanta has a healthy orderbook and to support its growth, it recently completed a public listing. While the domestic market constitutes the bulk of the company's order book, Atlanta is simultaneously expanding its footprint abroad to participate in the global transmission super cycle and thus increase exports. Atlanta has recorded 26% CAGR in revenue and 29% CAGR profit after tax over the past 3 years. We forecast 50% revenue CAGR and 57% profit after tax CAGR over the next two years, supported by robust demand both domestically and internationally.

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. Full provision is made for Indian Capital Gains Tax in the Net Asset Value.

PERFORMANCE (%)

	1 mnth	3mnth	6mnth	1 year	3 years	5 years
ICGF NAV	(0.6)	(5.2)	2.5	(12.0)	26.1	108.7
BSE MidCap TR Index	0.0	(5.3)	0.9	(13.8)	41.6	155.7

NET ASSET VALUE

The Net Asset Value (NAV) per share as at 30 September 2025 was 179.70 pence. In September the NAV was down 0.56% in Sterling terms, whilst the BSE MidCap TR Index was down 0.00%. In local currency terms, the NAV was up 0.09% for the month.

FUND INFORMATION

Listing	LSE Main Market
Domicile	Guernsey
NAV publication	Monthly (daily estimate)
Size (NAV)	GBP153.3m
Launch date	22 December 2005
Adviser start	31 December 2011
Fund Manager	River Global Investors
Principal Adviser	Gaurav Narain
Benchmark	S&P BSE MidCap TR
AMC	1.25% of market cap
Share price NAV per share	161.5p / 179.7p
Discount to NAV	10.1%

PORTFOLIO CHARACTERISTICS

Number of holdings	39
Median market cap (US$bn)	$1.8bn
PE FY26E	29.3
ROE FY26E	15.8%
Tracking Error	6.65%
Active Share	87.73%
Annual return	14.96%

INDIA HIGHLIGHT

	MTD	YTD
INR vs US$ [stronger/(weaker)]	(0.7)%	(3.7)%
FII Net flows (US$m)	(2,132.5)	(17,453.4)
DII Net flows (US$m)	7,395.6	66,748.4
CPI inflation (Aug-25 / 3m avg)	2.1%	1.9%
GDP Q1 FY26		7.8%
Current account/ GDP Q1 FY26		(0.4)%

Source: River Global Investors

TOPICAL COMMENT

Q&A	INVESTOR UPDATE	INVESTMENT TEAM ARTICLE	IN THE MEDIA: MONEY WEEK
Oct 2025	Oct 2025	Oct 2025	Oct 25
Redemption Facility Q&A	Register for our investor update - November 5th at 10am	India's savings uncovered	Emerging Markets Stocks deliver strong growth by Alex Rankine

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QUARTERLY ATTRIBUTION – 3 MONTHS TO SEPTEMBER 2025 (%)

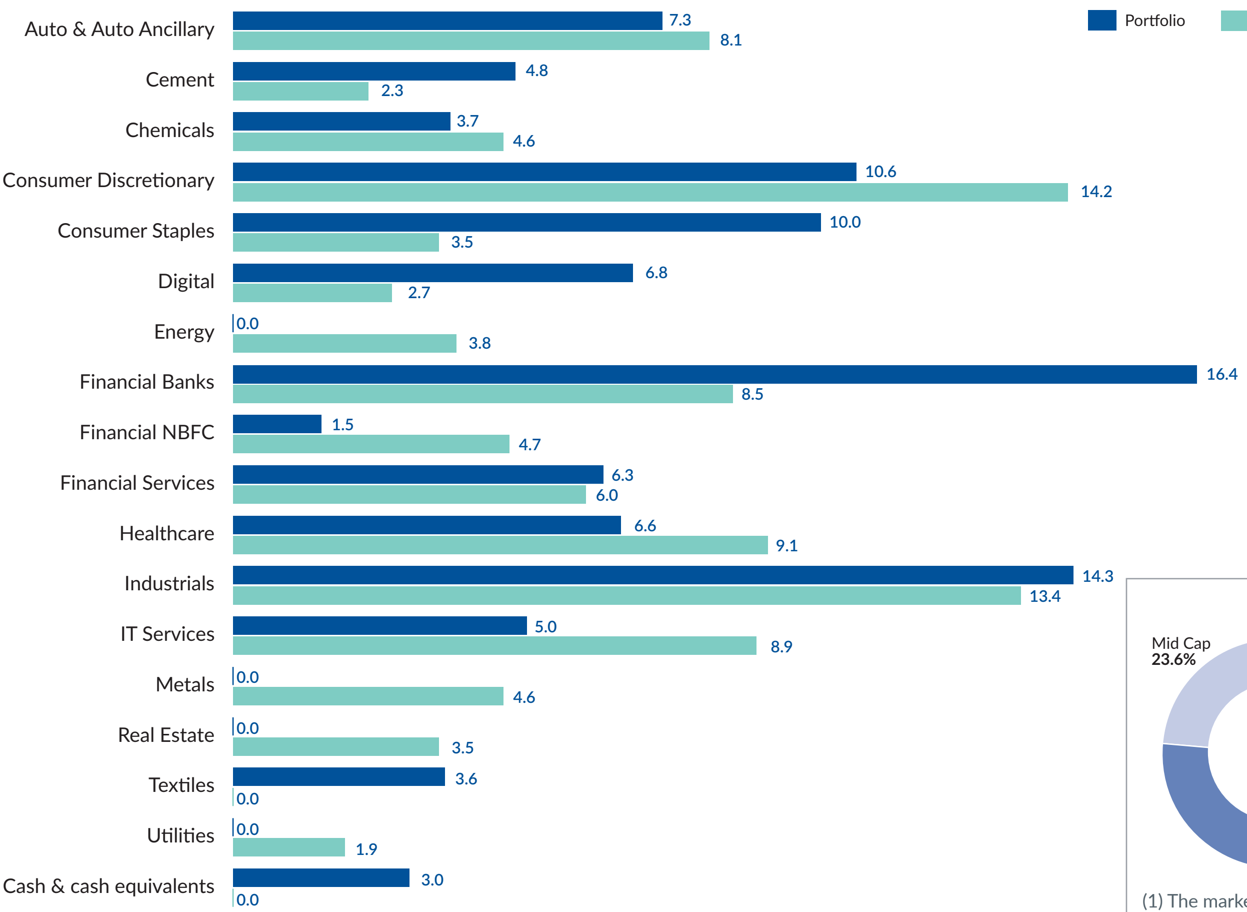
TOP 5	Ave. weight	Ave. index weight	Return	Contribution
Cartrade Tech Ltd	2.73	0	41.79	0.92
Neuland Laboratories Ltd	4.68	0	19.89	0.82
RBL Bank Ltd	4.33	0	10.22	0.41
Dixon Technologies India Ltd	4.92	2.16	7.26	0.28
Kajaria Ceramics Ltd	2.22	0	6.58	0.12

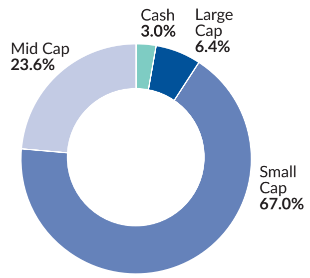
BOTTOM 5	Ave. weight	Ave. index weight	Return	Contribution
Persistent Systems Ltd	3.36	1.90	(21.23)	(0.78)
Multi Commodity Exchange of India Ltd	4.66	0	(13.88)	(0.70)
Ramkrishna Forgings Ltd	2.39	0	(21.24)	(0.55)
Federal Bank Ltd	4.34	1.63	(10.36)	(0.46)
Welspun Living Ltd	1.92	0	(21.24)	(0.46)

TOP TEN HOLDINGS

Portfolio company	Weight	Characteristics	Market cap US$bn
Skipper	5.1%	Power transmission and distribution company including polymer pipes and fittings segment	0.7
Dixon Technologies	5.0%	Dominant player in an emerging Indian Electronic Manufacturing Services industry with structural tailwinds	11.1
Neuland Laboratories	4.9%	API and Custom Manufacturing solutions (CMS) provider to multinational pharmaceutical companies. Beneficiary of China-dominated supply chain disruptions	2.1
RBL Bank	4.7%	Private sector bank offering online and branch business banking and financial market operations	1.9
Multi Commodity Exchange	4.7%	Commodity exchange, with 95%+ market share	4.5
Federal Bank	4.3%	Well run mid-sized private sector bank, attractive valuations	5.3
Affle India	3.9%	Mobile adtech company	3.1
Emami	3.5%	Dominant player across multiple niche consumer product categories, attractive valuations	2.7
IDFC Bank	3.3%	Well capitalised private sector retail bank. Digitally-focused and on a high growth trajectory	5.8
Ccl Products India	3.2%	World's largest private-label coffee manufacturer	1.3

PORTFOLIO ANALYSIS (%)





(1) The market capital classifications have recently changed. Read more

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PRINCIPAL ADVISER

Gaurav Narain has advised India Capital Growth Fund since 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

River Global Investors 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: River Global Investors, Bloomberg.

CAPITAL STRUCTURE

85,304,644 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