

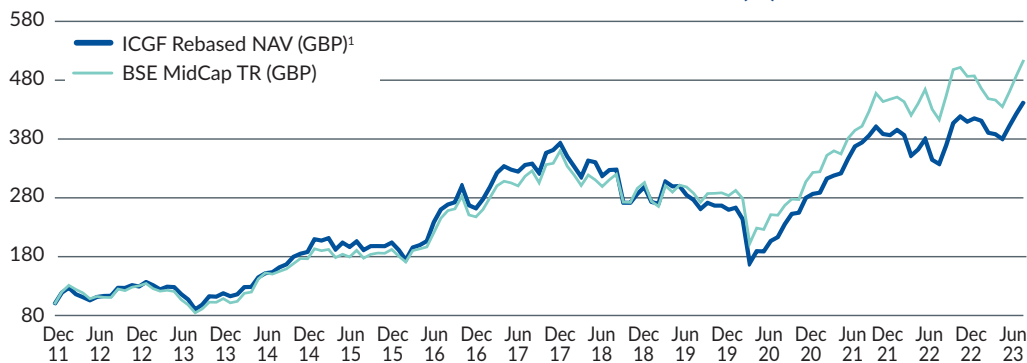
PORTFOLIO AND MARKET UPDATE

June was another good month for the Indian equity markets. The BSE Sensex was up 3.3% while the mid and small cap indices continued to outperform the large caps, rising 6.2% and 6.8% respectively, in local currency terms. All sectors posted positive returns, with Capital Goods (+9%), Healthcare (+9%) and Realty (+9%) gaining the most. This rally has been driven by upbeat US economic data, receding inflationary pressures, subdued crude oil prices and good progress in the monsoon. The Reserve Bank of India kept interest rates unchanged at 6.5% for the second consecutive monetary policy, with expectations of rates trending downwards from the last quarter of the calendar year now building in. The month also saw a surge in Foreign Institutional Investor (FII) inflows of US\$ 6.7bn, taking the year to date net inflows to US\$ 11.2bn. Domestic flows were also positive at US\$ 0.5bn, with year to date net inflows at US\$ 10.5bn. At a portfolio level, majority of the stocks posted positive returns, led by Skipper (+49%), EPL (+18%), Ramkrishna Forgings (+15%), Ashok Leyland (+14%) and Affle India (+14%). Sona BLW (-5%) and Vedant Fashions (-4%) were the major laggards.

HOLDING IN FOCUS: CCL Products Ltd

Founded in 1993, CCL products (CCL) is the world's largest private label manufacturer and India's largest B2B exporter of instant coffee. CCL has four manufacturing plants, with an overall capacity of 55000 Metric tonnes, located across India, Vietnam and Switzerland. The company manufactures spray-dried, freeze dried, speciality coffee and liquid coffee, offering over 900 blends to 400 clients and exporting to 90 countries. The company has a 7% share of the addressable market that it operates in globally, with ambitions to increase this to 10% in the next 3-4 years. The company has also managed a 3% market share in the competitive domestic branded instant coffee market in a relatively short span of time. CCL has established enduring relationships with clients who account for ~65-70% of the order book, with orders placed at least 12 months in advance, giving it high visibility on growth. Ocean Dial expects CCL to be a formidable instant coffee player, with revenue forecasted to grow at 17% CAGR and EBITDA growth of 19% over FY23-25.

REBASED NAV PERFORMANCE SINCE 31 DECEMBER 2011 (%)



PERFORMANCE (%)

	1 mnth	3mnth	6mnth	1 year	3 years	5 years
ICGF NAV	4.5	16.4	7.6	31.0	114.0	39.4
BSE MidCap TR Index	5.2	18.0	10.2	24.4	104.2	71.5

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.

TOPICAL COMMENT

MONTHLY BOOK REVIEW
June 2023

The Practising Mind by Thomas M. Sterner

IN THE MEDIA: INTERACTIVE
INVESTOR'S IAN COWIE
June 2023

Interactive Investor's Ian Cowie: winners and losers in my 'forever fund' in second quarter of 2023

HOODNOTE: INDIA
May 2023

India: Beyond the headlines

IN THE MEDIA:
PROACTIVE INVESTORS
April 2023

As India overtakes China as most populous country, how can you invest and is it attractive?

IN THE MEDIA:
PORTFOLIO ADVISER
April 2023

What are the drivers behind India's 'sizeable runway' for growth?

NET ASSET VALUE

The Net Asset Value (NAV) per share as at 30 June 2023 was 150.68 pence. In June the NAV was up 4.52% in Sterling terms, whilst the BSE MidCap TR Index was up 5.24%. In local currency terms, the NAV was up 5.67% for the month.

FUND INFORMATION

Listing	LSE Main Market
Domicile	Guernsey
NAV publication	Monthly (daily estimate)
Size (NAV)	GBP145.4m
Launch date	22 December 2005
Adviser start	31 December 2011
Portfolio Manager	Ocean Dial Asset Management
Principal Adviser	Gaurav Narain
Benchmark	S&P BSE MidCap TR
AMC	1.25% of market cap
Share price	144.0p/
NAV per share	150.7p
Discount to NAV	4.4%

PORTFOLIO CHARACTERISTICS

Number of holdings	34
Median market cap (US\$bn)	\$2.0bn
PE FY24E	19.0
ROE FY24E	18.1%
Tracking Error	5.3%
Active Share	89.3%

INDIA HIGHLIGHT

	MTD	YTD
INR vs US\$ [stronger/ (weaker)]	0.8%	0.8%
FII Net flows (US\$m)	6,717.4	11,166.0
DII Net flows (US\$m)	540.4	10,536.3
CPI inflation (March/3m avg)	4.3%	4.9%
GDP Q4 FY23		6.1%
Current account/GDP Q4 FY23		(2.0)%

Source: Ocean Dial Asset Management Limited

QUARTERLY ATTRIBUTION - 3 MONTHS TO 30 JUNE 2023 (%)

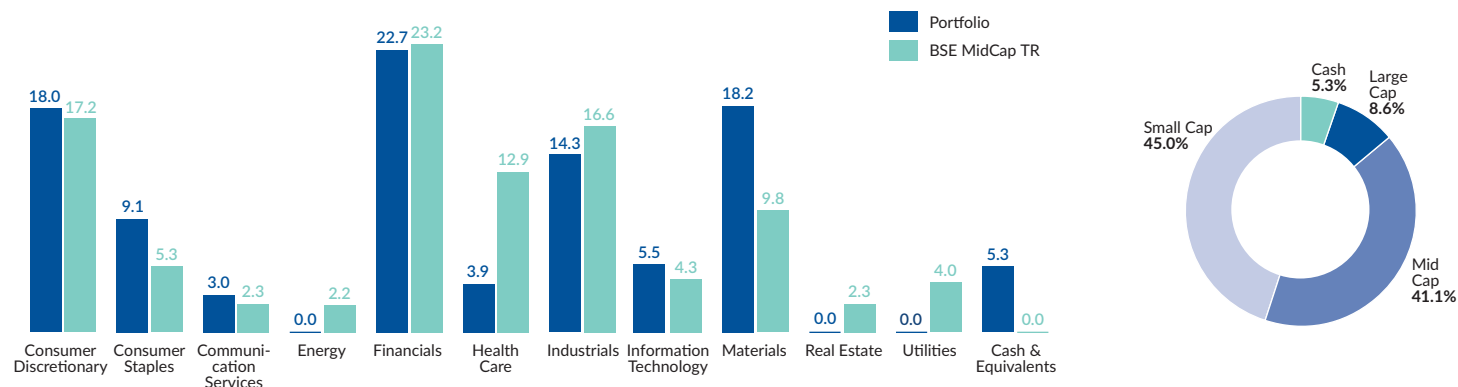
TOP 5	Ave. weight	Ave. index weight	Return	Contribution	BOTTOM 5	Ave. weight	Ave. index weight	Return	Contribution
IDFC Bank	6.29	1.15	41.95	2.42	Cash-INR	5.13	0.00	(1.58)	(0.06)
Ramkrishna Forgings	4.49	0.00	53.20	2.07	Aarti Industries	1.77	0.59	(4.34)	(0.08)
Neuland Laboratories	4.00	0.00	54.43	1.96	Multi Commodity Exchange	1.69	0.00	(2.62)	(0.11)
Skipper	2.90	0.00	72.24	1.75	JK Lakshmi Cement	3.09	0.00	(10.64)	(0.35)
Indusind Bank	5.03	0.00	28.06	1.36	Federal Bank	6.45	1.43	(6.15)	(0.48)

Source: Ocean Dial Asset Management Limited, Statpro

TOP TEN HOLDINGS

Portfolio company	Weight	Characteristics	Market cap US\$bn
IDFC Bank	6.1%	Well capitalised private sector retail bank. Digitally-focused and on a high growth trajectory	6.4
Federal Bank	5.8%	Well run mid-sized private sector bank, attractive valuations	3.3
Indusind Bank	5.3%	Fifth largest private sector bank in India and poised to gain market share. Value play with ebbing asset quality concerns	13.0
Ramkrishna Forgings	5.0%	Auto ancillary company manufacturing forgings for commercial vehicles in both domestic and international markets	0.9
Neuland Laboratories	3.9%	API and Custom Manufacturing solutions (CMS) provider to multinational pharmaceutical companies. Beneficiary of China-dominated supply chain disruptions	0.4
PI Industries	3.6%	Quality agro-chemical company, high visibility, strong industry tailwinds in global supply chains	7.3
Skipper	3.6%	Power transmission and distribution company including polymer pipes and fittings segment	0.2
Persistent Systems	3.5%	IT services company benefitting from 'digital transformation' of businesses globally	4.7
Dixon Technologies	3.3%	Dominant player in an emerging Indian Electronic Manufacturing Services industry with structural tailwinds	3.2
Emami	3.3%	Dominant player across multiple niche consumer product categories, attractive valuations	2.3

PORTFOLIO ANALYSIS (%)



FUND 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

96,515,653 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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