

PORTFOLIO AND MARKET UPDATE

Indian equity markets were flat, with large-cap Sensex up by 0.5%, Mid Cap up 0.3% and Small Cap index up 0.4% in local currency. Sector returns were mixed, with gains in IT (+6%), Consumer Durables (+3%), and Capital Goods (+2%) while losses were seen in Power (-4%), Metals (-2%) and Oil & Gas (-2%). FIIs continued to be net sellers, withdrawing USD\$2bn, while domestic inflows of US\$5bn in the same period supported the market. The Reserve Bank of India (RBI) kept interest rates unchanged as higher food inflation continued to impact Consumer Price Index (CPI) inflation which increased to 6.2% in October from 5.5% in September. India's 2QFY25 GDP growth fell to its lowest level in seven quarters at 5.4% impacted by reduced government expenditure due to the general election. For the full year, the RBI revised its GDP forecast down from 7.2% to 6.6%. Modi's BJP led alliance won the crucial Maharashtra state election, as it contributes approximately 15% of India's GDP and has the second highest number of seats in the lower house. A decisive win reinforces BJP's governance agenda and reduces opposition influence in the region. At a portfolio level, stocks posted positive returns, led by Cartrade Technologies(+25%), CCL Products (+17%), and Neuland Labs (+14%). Negative returns came from Jyothy Labs (-19%), Bajaj Electricals (-12%) and PI Industries (-9%).

HOLDING IN FOCUS: Multi Commodity Exchange of India

Multi Commodity Exchange of India (MCX) dominates the non-agri commodity derivatives market with a 98% share. Despite competition from NSE and BSE, MCX has maintained a 90%+ share over the last five years. In 2023, MCX switched to a new technology platform. It now operates on a fixed cost model vs the earlier variable cost model giving it greater operating leverage. Options volume surged 3.5x over three years up to FY24, with an additional 100% increase in the first eight months of FY25, driven by higher margins in crude futures, new contracts, and increased volatility. The new cost structure boosted EBITDA margins to 60% from 47% in FY21. In August 2024, MCX appointed a new CEO with a strong track record in launching new products. The focus is now on launching new products across commodities and time periods. We believe with its new tech platform and management's focus on product development, MCX is positioned for higher profitability. We forecast revenues to grow by 30% CAGR and profits by 34% CAGR over FY24-27.

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	3.2	3.7	18.1	20.9	60.8	133.1
BSE MidCap TR Index	1.7	-3.3	6.6	33.7	79.6	178.5

TOPICAL COMMENT

HOODNOTE

November 2024

Make in India - Product Linked Incentive Scheme

IN THE MEDIA

November 2024

Macro Matters: India's tax glitch by Christian Meyes

IN THE MEDIA

November 2024

As the G20 Clouds gather, here's why I'm investing in India by Ian Cowie

BOOK REVIEW

November 2024

The Ride of a Lifetime - India Capital Growth Fund by Rober Iger

NET ASSET VALUE

The Net Asset Value (NAV) per share as at 29 November 2024 was 211.84 pence. In November the NAV was up 3.18% in Sterling terms, whilst the BSE MidCap TR Index was up 1.71%. In local currency terms, the NAV was up 1.77% for the month.

FUND INFORMATION

Listing	LSE Main Market
Domicile	Guernsey
NAV publication	Monthly (daily estimate)
Size (NAV)	GBP181.8m
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	189.0p /
NAV per share	211.8p
Discount to NAV	10.8%

PORTFOLIO CHARACTERISTICS

Number of holdings	36
Median market cap (US\$bn)	\$1.8bn
PE FY26E	22.2
ROE FY26E	18.6%
Tracking Error	8.9%
Active Share	88.2%
Annual return	17.31%

INDIA HIGHLIGHT

	MTD	YTD
INR vs US\$ [stronger/ (weaker)]	(0.1)%	(0.2)%
FII Net flows (US\$m)	(2,163.9)	(2,075.1)
DII Net flows (US\$m)	5,269.0	58,877.1
CPI inflation (Oct-24 / 3m avg)	6.2%	5.1%
GDP Q2 FY25		5.4%
Current account/ GDP Q1 FY25		(0.7)%

Source: Ocean Dial Asset Management Limited

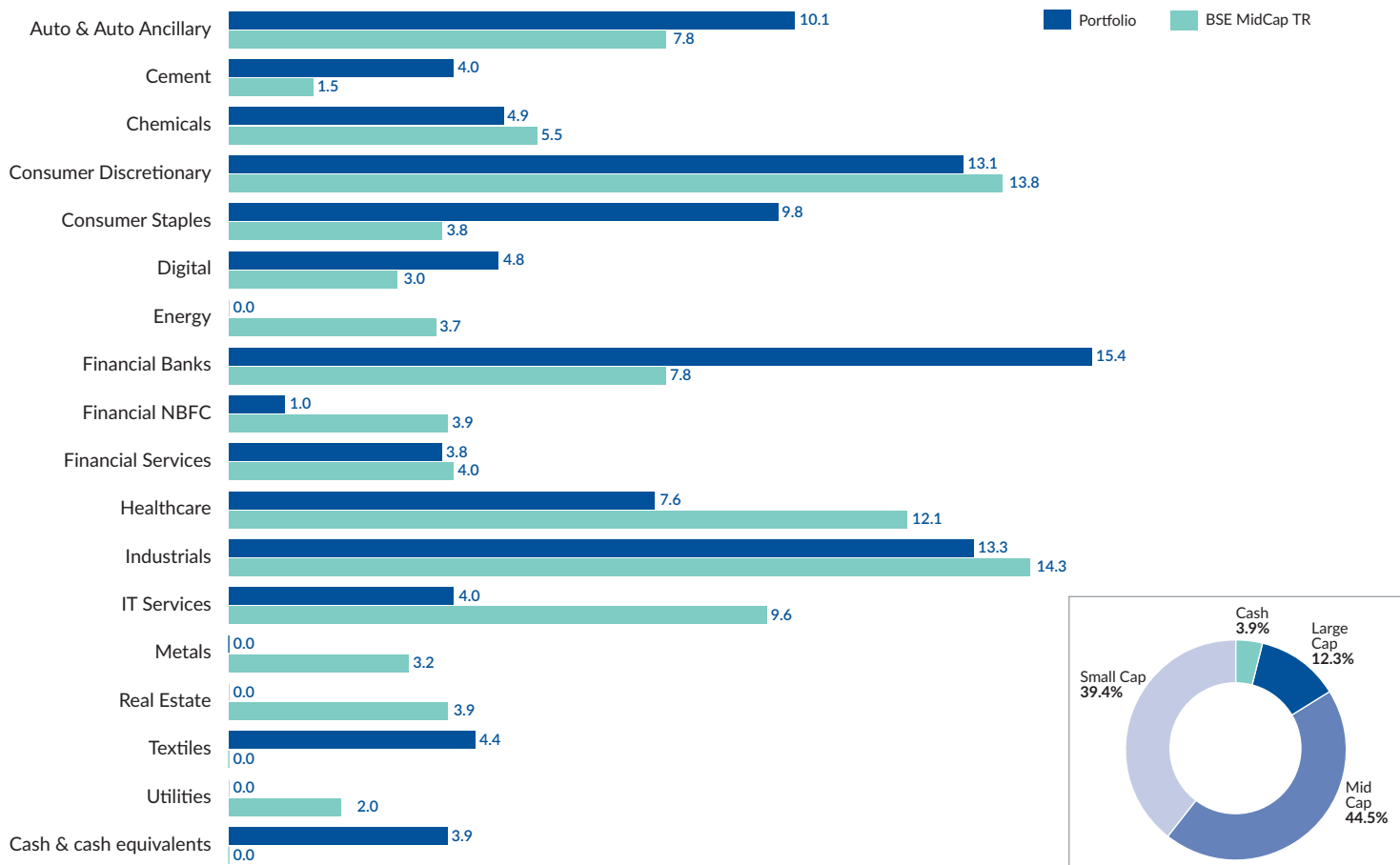
QUARTERLY ATTRIBUTION - 3 MONTHS TO 30 NOVEMBER 2024 (%)

TOP 5	Ave. weight	Ave. index weight	Return	Contribution	BOTTOM 5	Ave. weight	Ave. index weight	Return	Contribution
Skipper	5.97	0.00	35.20	1.82	RBL Bank	2.88	0.00	(29.94)	(1.06)
Neuland Laboratories	5.19	0.00	37.43	1.72	IndusInd Bank	2.52	0.00	(28.15)	(0.83)
Dixon Technologies India	5.11	1.42	23.45	1.13	Emami	4.15	0.47	(12.95)	(0.60)
Multi Commodity Exchange of India	3.71	0.00	22.88	0.73	Welspun Living	2.42	0.00	(18.75)	(0.54)
Cartrade Tech	1.35	0.00	64.34	0.71	Jyothy Labs	1.81	0.00	(19.98)	(0.39)

TOP TEN HOLDINGS

Portfolio company	Weight	Characteristics	Market cap US\$bn
Skipper	6.2%	Power transmission and distribution company including polymer pipes and fittings segment	0.8
Federal Bank	5.7%	Well run mid-sized private sector bank, attractive valuations	6.1
Neuland Laboratories	5.7%	API and Custom Manufacturing solutions (CMS) provider to multinational pharmaceutical companies. Beneficiary of China-dominated supply chain disruptions	2.5
Dixon Technologies	5.3%	Dominant player in an emerging Indian Electronic Manufacturing Services industry with structural tailwinds	11.2
Persistent Systems	4.0%	IT services company benefitting from 'digital transformation' of businesses globally	10.9
Emami	3.9%	Dominant player across multiple niche consumer product categories, attractive valuations	3.6
Ramkrishna Forgings	3.9%	Auto ancillary company manufacturing forgings for commercial vehicles in both domestic and international markets	2.1
Multi Commodity Exchange	3.8%	Commodity exchange, with 95%+ market share	3.7
PI Industries	3.2%	Quality agro-chemical company, high visibility, strong industry tailwinds in global supply chains	7.3
Sona BLW Precision Forgings	3.1%	Auto ancillary company manufacturing critical components for leading global electric vehicle companies.	4.9

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.

+44 (0) 20 3327 5107
enquiries@oceandial.com

WEBSITE

www.indiacapitalgrowth.com

SOURCES

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

CAPITAL STRUCTURE

85,830,644 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

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.

This document is issued by Ocean Dial Asset Management Limited and views expressed in this document reflect the views of Ocean Dial Asset Management Limited and its Mumbai based affiliated company and advisor, Saltoro Investment Advisors Private Limited as at the date of publication.

This information may not be reproduced, redistributed or copied in whole or in part without the express consent of Ocean Dial Asset Management Limited. Ocean Dial Asset Management Limited is authorised and regulated by the Financial Conduct Authority in the United Kingdom and is a signatory to the UN Principles of Responsible Investment. Registered office 30 Coleman Street, London EC2R 5AL.