

## **India Globalization Capital Commissions Second Quarry for Commercial Use**

### **Two Quarries Represent \$40 Million in Potential Revenue Orders for approximately One Million Metric Tons now in Production**

BETHESDA, Md., March 17, 2010 – MARKETWIRE – India Globalization Capital, Inc. (NYSE Amex: IGC), a company competing in the rapidly growing materials and infrastructure industry in India, today announced that it has commissioned its second quarry for commercial production in Maharashtra, India.

The quarry is located on 22 acres of private land and mined under a license. Combined capacity of the two operational quarries is projected between 10 million and 11 million metric tons of rock aggregate, representing potential revenue of approximately \$40 million, based on current pricing, over five to seven years.

Ram Mukunda, Chief Executive Officer of India Globalization Capital, commented: “We already have received orders for 1 mm metric tons from large well capitalized customers in India including the railways, power plants and road builders. This will be a very profitable business for IGC with pre-tax operating margins in the range of 20% and will provide superior returns to our shareholders as we ramp up throughout the remainder of this calendar year.”

“In addition to adding new customers over the coming quarters, we have an opportunity to expand the orders from these first several customers. As we have previously disclosed, we have an additional 3 quarries which are at various stages of development and which we expect to bring into production in the coming fiscal year to meet the demand which we anticipate. In all, we see a very strong market for rock aggregate, and we plan to create a pure-play rock aggregate business to compliment our infrastructure focus in India.

Mukunda concluded, “With India poised to accelerate its infrastructure build out, the demand for rock aggregate is expected to increase substantially. The Government of India recognizes the critical importance of the infrastructure build out and is offering incentives for the deployment of quarries, which we are taking advantage of. We think we are becoming increasingly well positioned to take full advantage of this opportunity.”

Through its IGC Materials subsidiary, India Globalization Capital produces crushed rock for construction projects in India, where developing infrastructure remains vital to maintaining the country’s economic growth. According to the Freedonia Group, India was the fourth largest aggregate market in the world in 2006, with annual demand of up to 1.1 billion metric tons. Sales have risen an average of 7.7% annually during the past 10 years compared to a global average of approximately 4.4%, with roughly 40% of the demand being for crushed stone. The quarry market is fragmented, with much of India’s aggregate supply coming from small local quarries.

## **About India Globalization Capital**

India Globalization Capital is an infrastructure and materials company operating in India, and builds roads, bridges and highways, and provides materials to the infrastructure industry in India and China. The Company has offices in Maryland, Mauritius, Nagpur, Cochin, Delhi, and Bangalore. For more information about India Globalization Capital, please visit [www.indiaglobalcap.com](http://www.indiaglobalcap.com).

## **Forward-Looking Statements:**

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements reflect management's current views and are subject to risks and uncertainties that could cause actual results to differ materially from those projected, expressed or implied in these statements. Factors that could cause actual results to differ, relate to: (i) ability of the parties to successfully execute on contracts and business plans, (ii) ability to raise capital and the structure of such capital including the exercise of warrants, and (iii) exchange rate changes between the U.S. dollar and the Indian Rupee. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise. Other factors and risks that could cause or contribute to actual results differing materially from such forward-looking statements have been discussed in greater detail in the company's definitive proxy statement and supplement filed with the SEC and incorporated by reference into the Form S-3.

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