

## India Globalization Capital Begins Iron Ore Shipments

**BETHESDA, MD, September 7, 2010** - India Globalization Capital, Inc. (AMEX:IGC), a company competing in the rapidly growing materials and infrastructure industry in India, announced today that it has begun its shipment of iron ore for its contracts.

The Company has begun shipping Iron Ore from Orissa, India for one of its customers. As a result of continued monsoon rains in the Karnataka and Goa region of India, affecting ports from which IGC operates, the Company has moved some of its operations to the East Coast of India and has initiated servicing one customer from Vizag in Andra Pradesh. The iron ore grade being shipped is FE 63.5%.

Ram Mukunda, Chief Executive Officer of India Globalization Capital, commented, "With a backlog of orders of over \$200 million, we are excited to begin shipment on one of our contracts. While this is just our first step, it marks an important milestone in our efforts to execute at a larger scale. As monsoon rains continue to hamper transportation of ore from the mines to the west coast ports, we took the strategic step of delivering ore via alternative methods and ports. We have relocated some of our staff from the west coast to the east coast to begin these operations. The general expectation is that the monsoons will abate by the end of September and the ports will reopen. As such, we will look to ramp up operations and expand into additional ports as the weather improves."

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### About IGC

Based in Bethesda, Maryland, India Globalization Capital (IGC) is an infrastructure and materials company operating in India that builds roads, bridges and highways, and provides materials to the infrastructure industry in India and China. The company has three core competencies: Highway and Heavy Construction, Mining & Quarrying, and Civil Construction and Engineering. For more information about IGC, please visit the company's web site at [www.indiaglobalcap.com](http://www.indiaglobalcap.com).

### Forward-Looking Statements:

Some of the statements contained in this press release that are not historical facts constitute forward-looking statements under the federal securities laws. Forward-looking statements can be identified by the use of the words "may," "will," "should," "could," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "intends," "potential," "proposed," or "continue" or the negative of those terms. 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, (iii) exchange rate changes between the U.S. dollar and the Indian Rupee and (iv) weather conditions in India. Readers are cautioned not to place undue reliance on these forward-looking statements. The Company undertakes 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 Annual Report on Form 10-K for the year ended March 31, 2010 filed with the Securities and Exchange Commission.

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