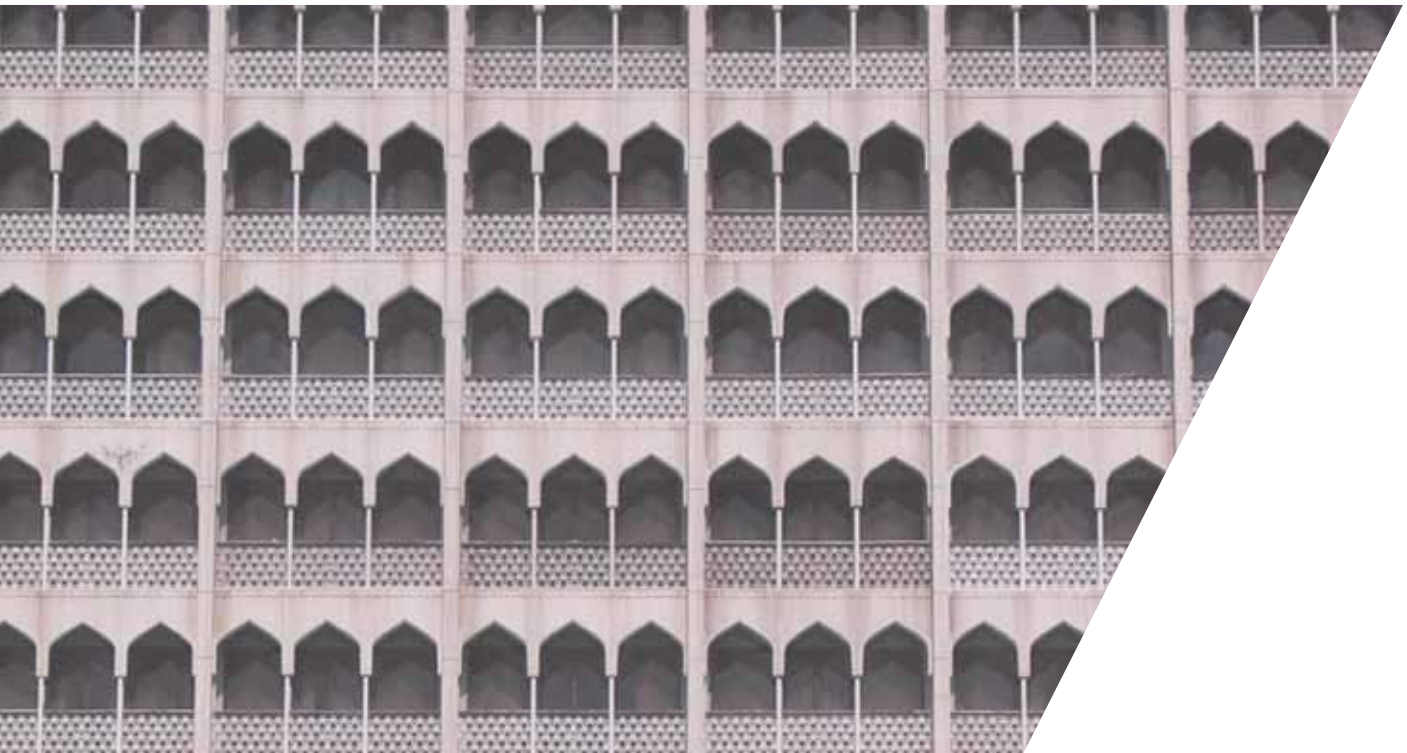


Aberdeen New India Investment Trust PLC

Looking for world-class, well governed companies at the heart of India's growth story



THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser.

If you have sold or otherwise transferred all your Ordinary shares in Aberdeen New India Investment Trust PLC, please forward this document, together with the accompanying documents immediately to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



[Visit our Website](#)

To find out more about Aberdeen New India Investment Trust PLC, please visit: aberdeen-newindia.co.uk

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Hasan Askari, Chairman



Kristy Fong and James Thom,
Aberdeen Standard Investments (Asia) Limited

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Highlights and Financial Calendar

Share price total return^A

-28.9%

2019

+8.2%

Net asset value total return^A

-22.7%

2019

+8.6%

Ongoing charges ratio^A

1.14%

2019

1.17%

MSCI India Index total return^B

-27.3%

2019

+14.9%

Discount to net asset value^A

-20.3%

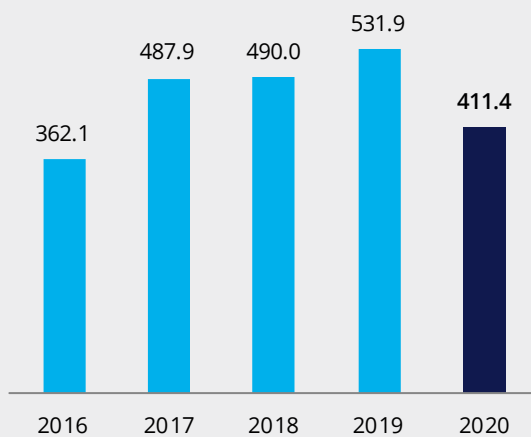
2019

13.3%

^A Alternative Performance Measure (see page 81).

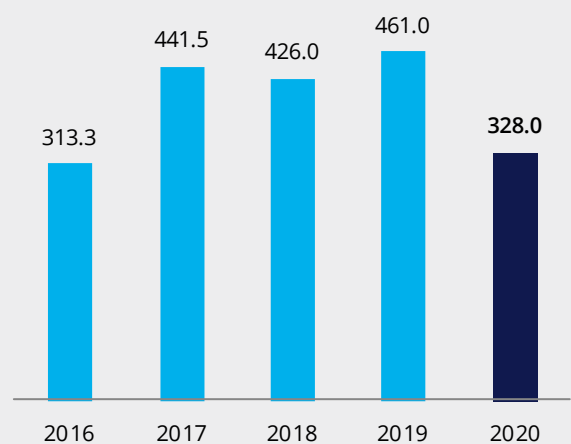
^B Sterling adjusted.

Net asset value per share



At 31 March – pence

Mid-market price per share



At 31 March – pence

“Over the last ten years to 31 March 2020, your Company’s NAV has increased by 71.8% as compared to the Benchmark’s increase of 17.3%, both in sterling total return terms.”

Hasan Askari, Chairman

Financial Calendar

Financial year end	31 March 2020
Annual General Meeting (London)	23 September 2020
Expected announcement of results for year ended 31 March 2021	June 2021

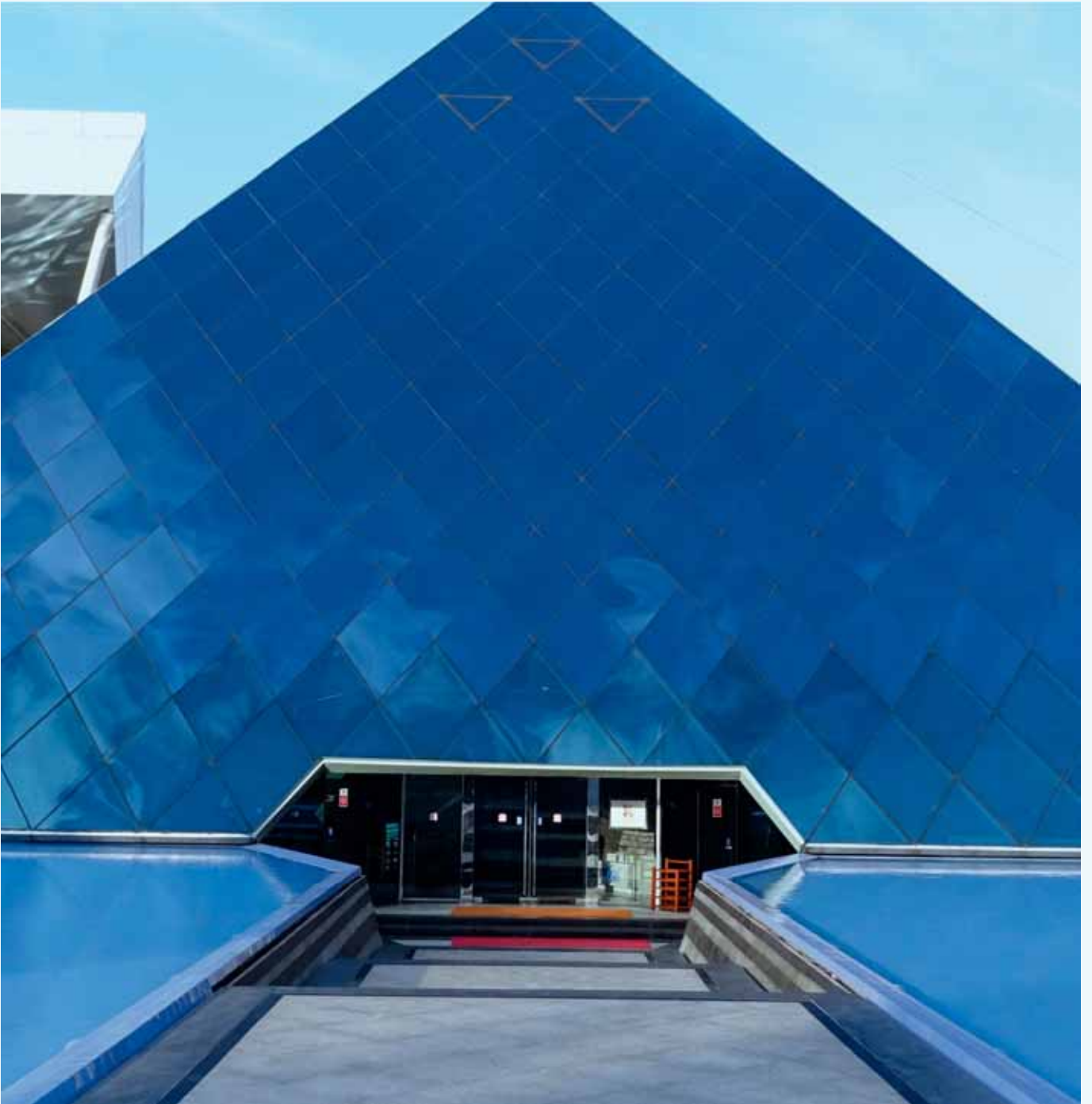
Highlights

	31 March 2020	31 March 2019	% change
Equity shareholders’ funds (net assets)	£241,583,000	£314,196,000	-23.1
Market capitalisation	£192,605,000	£272,313,000	-29.3
Share price (mid market)	328.00p	461.00p	-28.9
Net asset value per Ordinary share	411.41p	531.90p	-22.7
Discount to net asset value ^A	20.3%	13.3%	
Net gearing ^A	9.3%	3.1%	
Total (loss)/return per share	(120.34p)	41.90p	
Revenue profit/(loss) per share	2.08p	(0.35p)	
Revenue reserves per share	0.22p	(1.86p)	
Gross portfolio yield ^B	1.1%	1.1%	
MSCI India yield ^B	1.2%	1.2%	
Prospective portfolio P/E ratio ^C	30.9x	30.9x	
Operating costs			
Ongoing charges ratio ^A	1.14%	1.17%	

^A Considered to be an Alternative Performance Measure. See page 81 for further information.

^B Source – Aberdeen Standard Investments (Asia) Limited (estimated information)/Factset.

^C Consensus broker views.



Infosys, a portfolio company, provides business consulting, information technology and outsourcing services to clients in 45 countries around the world from its headquarters in Bangalore.

Strategic Report

The Company's main stakeholders are Shareholders, the Manager, Investee Companies, Service Providers, Debt Providers and the Environment and Community. The Board considers its stakeholders at Board meetings and receives feedback on the Manager's interactions with them.

Chairman's Statement



“Your Board has a sustained belief in the long-term potential of the Indian economy. We believe that consistent policy based on sound economic principles will set the stage for a period of growth that will steer the economy to the next level of development.”

Hasan Askari, Chairman

Dear Shareholder,

Overview

For the year ended 31 March 2020, your Company's net asset value (“NAV”) fell 22.7%, as compared to the MSCI India Index (the “Benchmark”) which dropped by 27.3%, both in sterling total return terms.

The year under review was an incredibly challenging period, particularly in the final few months. The outbreak of Covid-19 in early 2020 affected equity markets globally and India was no exception. While the initial outbreak appeared localised, the speed at which it spread subsequently across international borders shook investor sentiment globally. The ensuing fall-out from the nationwide lockdowns was unprecedented,

not only for stock markets, but also for economies as well as our daily lives. However, even as the absolute declines in stock markets were staggering, there is some small measure of comfort in knowing that your Company's portfolio was more resilient through this period than the Benchmark. This was largely due to your Manager's investment approach and emphasis on quality. Over the longer-term, taking the ten years to 31 March 2020, your Company's NAV has increased by 71.8%, as compared to the Benchmark's increase of 17.3%, both in sterling total return terms.

While the impact of Covid-19 on stock returns for the year under review was severe, the preceding nine months had its fair share of challenges as well. There were several key moments that shaped the trajectory of Indian equities during this period.

First, it was an election year with the Bharatiya Janata Party (“BJP”) securing victory and Narendra Modi resuming his role as prime minister. This was viewed by many as a positive outcome as they expected continuity in the reforms which he had initiated. But events did not unfold as expected. The economy had already been facing several obstacles to growth. In order to boost consumption and encourage private investment, the administration lowered corporate tax rates and unveiled several measures, including credit support, especially for the automotive and real-estate sectors. The government also attempted to strengthen the financial sector, which had been experiencing defaults by non-banking financial companies (“NBFCs”). In so doing, several public sector lenders were consolidated and recapitalised in a bid to create scale and improve efficiency to produce a financial framework that would support both NBFCs and housing finance companies. As part of this fiscal assistance the central bank, the Reserve Bank of India (the “RBI”), relaxed monetary policy to support growth.

As with some miscalculations during Mr Modi’s first term, such as the poorly conceived demonetisation policy, investors were concerned when the government revoked the special status of the state of Jammu and Kashmir and faced civil unrest with the proposed Citizenship (Amendment) Act, 2019.

At the turn of the year, investor sentiment was further dampened by the emergence of Covid-19. Investors were anxious over the economic impact on livelihoods resulting from countrywide lockdowns. Meanwhile, oil prices slumped on reduced demand. Exacerbating the situation was the breakdown of talks between OPEC and Russia, with their mutual failure to agree on supply cuts resulting in further rounds of falls. This also marked a surreal milestone with the West Texas Intermediate oil futures benchmark registering a negative price for the first time ever. While India is a direct beneficiary of lower oil prices as a net importer, it seems unlikely that this will be able to compensate for the impact of Covid-19 on the domestic economy.

To curtail the spread of Covid-19, India imposed a nationwide lockdown from 25 March 2020, in common with other countries. However, this caused the economy to grind to a halt. To ease the pressure on end demand, the government implemented a fiscal package which included cash pay-outs and food security for the more vulnerable. On the monetary front, the RBI cut interest rates and enacted a raft of other measures to maintain adequate liquidity in the system which was in danger of seizing up as businesses suffered from lockdown-induced disruption. In spite of these measures there will be a significant decline in overall growth in the course of this year.

Portfolio

Against this backdrop, I am somewhat happier to report that your Company’s portfolio performed slightly better than the market, demonstrating resilience in the face of Covid-19, and outpacing the Benchmark by 4.6%, in sterling total return terms. Your Company’s outperformance can be attributed to your Manager’s emphasis on selecting good quality stocks with strong balance sheets. The Manager believes that India has some of the best managed companies in Asia and the indiscriminate sell-off induced by Covid-19 had pushed down valuations to attractive levels, presenting opportunities not seen in the past seven years. This should enable your Manager to take advantage, while maintaining vigilance and discipline, as it endeavours to create long-term shareholder value. The Manager integrates environmental, social and governance considerations into its investment approach and further information, including case studies, may be found on pages 33 to 35.

The Manager’s preference for defensive consumer staples proved beneficial as the crisis broke. Notably, your Company’s exposure to **Nestle India** and **Hindustan Unilever**, contributed to the year’s performance. Both of these large fast-moving consumer goods companies managed the slowdown in rural demand. Similarly, the slump in oil prices helped lower production costs and boost market leader **Asian Paints**. Its robust cash position and brand popularity, which confers pricing power, should enable it to withstand the economic shocks. Elsewhere, the halt in economic activity amid the lockdown heightened concerns over worsening bad debts and a liquidity crunch among financials. Investors favoured high quality well-capitalised financial stocks, backed by solid management, such as **Kotak Mahindra Bank**, **Bandhan Bank** and leading life insurer **SBI Life Insurance**, which proved more resilient than the broader market.

Earnings and dividend

For the year ended 31 March 2020, the Company’s revenue earnings per Ordinary share were 2.08p (2019 – loss of 0.35p). Due to timing issues of dividend receipts the Company received a larger gross income this year than previously and our net revenue turned positive which had not been the case for some years. As an investment trust, the Company is subject to tax legislation which requires the distribution to shareholders of at least 85% of investment income, after allowing for losses brought forward. Accordingly, the Board expects to declare an interim dividend per Ordinary share, in relation to the year under review, after the AGM on 23 September 2020 so as to maintain its investment trust status.

Chairman's Statement Continued

Board

Rachel Beagles, first elected as a Director of the Company in 2013, has decided to step down from the Board as of the AGM this year due to her other commitments. Rachel has been an extremely valuable member of the Board and has contributed extensively, both as Senior Independent Director as well as more widely in the governance of the Company. She will be much missed. Michael Hughes will succeed Rachel as Senior Independent Director.

Following a formal search process, the Board is announcing that Rebecca Donaldson will join as a Director with effect from 1 September 2020. The Board is delighted to have appointed Rebecca who combines a long career in investment management and strong digital marketing expertise, underpinning our continuing commitment to improve the promotion of the Company to existing and potential shareholders. Rebecca will stand for election as a Director at the AGM.

Website

During these difficult times, your Company has been staying in regular touch with you, our shareholders. Your Manager provides other useful information via the monthly factsheet, available on the Company's website, as well as reporting on what it is doing to navigate these uncharted waters. A new feature on the website is the introduction of regular podcasts, which we hope you are finding useful.

Gearing

In order to take advantage of the opportunity to add to certain positions in periods of market weakness, the remaining £15m was drawn down from the existing £30m bank facility during the year (2019 - £15m). This resulted in net gearing of 9.3% at 31 March 2020 (2019 - 3.1%). Subsequent to the year end, the Company renewed the existing bank facility for a further two years to July 2022.

The ability to gear is one of the advantages of the closed ended company structure and your Manager continues to seek opportunities to deploy the bank facility.

Discount and Share Buybacks

The Board continues to monitor actively the discount of the Ordinary share price to the NAV per Ordinary share (including income) and pursues a policy of selective buybacks of shares where to do so, in the opinion of the Board, is in the best interests of shareholders, whilst also having regard to the overall size of the Company. During the year, the discount to NAV widened from 13.3% to 20.3% and the Company bought back into treasury 349,159 (2019 - nil) Ordinary shares at a total cost

of £1.6m. The level of discount, which was especially high at the year end due to the market turbulence caused by Covid-19, had narrowed to 17.5% as at 14 August 2020, being the latest practicable date prior to approval of this Report.

Between the year end and 14 August 2020, the latest practicable date prior to the approval of this Report, a further 98,351 shares were bought back into treasury, resulting in 58,622,630 shares in issue with voting rights and an additional 447,510 shares in treasury. The Board believes that a combination of strong long-term performance and effective marketing should increase demand for the Company's shares and reduce the discount to NAV at which they trade, over time.

Continuation of the Company

Your Board considers that the Company's investment objective remains relevant and appropriate, and in view of its long term performance record, recommends that Shareholders vote in favour of Ordinary resolution 10 at the Annual General Meeting ("AGM"), to allow the Company to continue as an investment trust. Shareholders will be aware that they have had the opportunity to vote on this resolution annually since 2005.

Annual General Meeting

On 31 July 2020, the UK Government published compulsory Stay Alert and Safe (Social Distancing) measures in England to reduce the transmission of Covid-19 in the UK. These measures are, and will continue to be, subject to periodic amendment and currently impose rules on social distancing and limitations on, among other things, public gatherings. It is unclear how long these measures will be in place. The safety, security and health of the Company's shareholders, their guests and our advisers, including the Manager's personnel, is of paramount importance to the Board. Accordingly, in view of these measures, the Board is changing the form of the AGM this year.

The AGM will be held at Bow Bells House, 1 Bread Street, London EC4M 9HH at 9.00am on 23 September 2020, but will follow the minimum legal requirements for an AGM. Only the formal business set out in the Notice will be considered, with no presentation by the Investment Manager and no refreshments nor shareholder buffet lunch. In line with the measures, Shareholders are strongly discouraged from attending the meeting and indeed entry will be refused if current UK Government guidance is unchanged. Arrangements will be made by the Company to ensure that a minimum number of Shareholders required to form a quorum will attend the meeting in order that the meeting may proceed.

However, the Board is keen to ensure Shareholders have an opportunity to interact with the Board and the investment management team later in the year when it is hoped that the measures have been relaxed further. Therefore, in due course, we intend to publish on the Company's website details of a webcast during which the Board and Investment Manager will be available to present and answer your questions. As it is likely that Shareholders may not be able to attend the AGM in person, where possible, I would encourage you, in advance of the AGM, to lodge your vote either electronically via the registrar's online portal or by completion and return of a proxy (for direct shareholders) or a letter of direction (for Aberdeen Standard Investment Plan Participants).

I always welcome questions from our shareholders at the AGM but this year, given the format and the prevailing circumstances, I would ask shareholders to submit their questions to the Board prior to the meeting (and in any event by no later than 9 September 2020). The Board and/or the Investment Manager will respond to all such questions received either before or after the AGM. You may submit questions on the Company, the Annual Report or Notice of AGM in advance by email to the Board and Manager by sending such questions to New.India@aberdeenstandard.com.

The proposed resolutions are set out in the Notice of AGM on pages 89 to 94 and explained in the Directors' Report on pages 44 to 46. The presentation which would normally be given to the AGM by the Investment Manager will be made available on the Company's website on 23 September 2020. The situation in relation to Covid-19 continues to evolve and the Company will update shareholders as to any changes to the above arrangements for the AGM through its website at www.aberdeen-newindia.co.uk and, where appropriate, through announcement on the London Stock Exchange. Shareholders are advised to check the Company's website for updates. I trust that shareholders will be understanding and supportive of this format.

Outlook

Amid the uncertainty which we have witnessed it is obvious that the disjointed and uneven application of policies across individual countries, as well as the lack of strong leadership to galvanise and coordinate efforts to fight Covid-19, may lead to further problems for the global economy. In India, while the implementation of the lockdown and subsequent measures appears to have been effective so far, the economic costs of Covid-19 have yet to be fully recognised. While the government's stimulus was aimed mainly at the lower income groups that have been hit hardest, the initial response was somewhat

underwhelming. This is partly because there are limits to how much further the government can loosen its fiscal purse strings, with its coffers already stretched heading into this crisis. Nonetheless, the government announced belatedly in mid-May 2020 a stimulus package to support small businesses and the rural economy. There were concerns that the lack of testing capacity could result in the under-reporting of actual infections which recognises that there was also a significant threat of a potentially wider spread as migrant workers returned to their villages from overcrowded cities. Your Investment Manager remains cautious on India's ability to contain Covid-19, as well as manage the fallout, given the poor healthcare infrastructure.

In light of this, your Investment Manager remains watchful while regularly re-assessing the ability of the Company's underlying holdings to overcome Covid-19. I am confident that your Company will come through this crisis in relatively better shape, given your Manager's proprietary research platform, manned by a well-resourced and experienced team that has navigated many past crises successfully.

For the longer-term, India exhibits several structurally positive trends in its favour. Foremost, it is home to many of Asia's most successful companies, a number of which have been stress-tested and have survived the previous economic and financial crises. It is also a beneficiary of a rapidly growing middle class that is both upwardly mobile as well as increasingly affluent. Meanwhile, with valuations now at compelling levels, there are opportunities for your Manager to refine the portfolio. Your Manager's focus is on selecting only the best companies which India has to offer: those with solid fundamentals, strong balance sheets with good earnings prospects together with experienced management teams that can deliver sustainable growth in the long term. Usually, these companies tend to be dominant in their respective sectors. This should benefit your Company's portfolio and position it well for the challenges ahead. Since the year end, it is pleasing to note that the Company's NAV per share, including income, has risen to 492.4p, as at 14 August 2020, being the latest practical date prior to the date of approval of this Report.

Your Board has a sustained belief in the long-term potential of the Indian economy. We believe that consistent policy based on sound economic principles will set the stage for a period of growth that will steer the economy to the next level of development. But it is important that this prosperity be shared by all sections of a diverse country. Mr Modi's government would do well to remain sensitive to this diversity and ensure that the rising tide of prosperity lifts all boats, not just some.

Hasan Askari,
Chairman
17 August 2020

Investment Manager's Report

Kristy Fong and
James Thom,
Aberdeen Standard
Investments (Asia)
Limited



The Company's NAV fell by 22.7% in sterling terms in the year ended 31 March 2020, outperforming the MSCI India Index by 4.6%. Meanwhile, the Company's share price retreated by 28.9%.

Market review

Indian equities had a good start to the review period, but ended up shedding a quarter of their value, lagging Asia Pacific and emerging market peers in response to Covid-19. Initially, the Bharatiya Janata Party's landslide victory in May 2019 assured investors that its reform agenda and infrastructure spending plans would not be disrupted. A favourable monsoon season promised healthy consumer demand, providing cheer to the agricultural sector that employed half of the country's workforce. Stocks further rallied on earnings upgrades after the generous corporate tax cut in September, with benchmark heavyweights advancing on hopes that the government would speed up the sale of state owned assets.

Subsequently, the market faltered amid an economic slowdown and following a disappointing budget in February. The lack of support for stressed non-banking lenders and housing finance companies meant that real estate, construction and consumption demand remained starved of credit. The budget also removed incentives for investment linked products, hurting insurers. Early in 2020, Covid-19 shocked most markets, including India, and erased the past year's gains. Among consumer discretionary stocks, disruptions to supply and demand weighed across all segments. In the automobile industry, for example, manufacturing and sales at dealerships ground to a standstill. Elsewhere, financial stocks retreated under heightened credit risk. The rescue of Yes Bank in March rekindled the uncertainty caused by large scale defaults of NBFCs over the past two years, such as Dewan Housing Finance and Infrastructure Leasing & Financial Services. Only consumer staples remained unscathed, buffered by the demand for necessities.

Impact of Covid-19

India's economy was in standstill for almost a full quarter since the nationwide lockdown in late March. The migrant workforce bore the brunt as their livelihoods have been decimated yet mobility restrictions made it difficult for them to return to villages. Even as India has started to re-open since June, many states remain in lockdown as infections continue to rise. Through this period, policy response focused on financial liquidity and the micro-, small- and medium-sized enterprises, as well as a lifeline for its large rural population. The government's stimulus has so far been capped by its need to adhere to the fiscal deficit target that directly affects India's debt rating. The economic impact of the pandemic has been severe and we could be months away from a recovery.

At the corporate level, fears of salary cuts and layoffs hurt discretionary consumption. Purchases of big ticket items, such as automobiles and holidays, were deferred. Private hospitals also saw dwindling patient numbers. On a positive note, global pharmaceutical companies remained resilient with renewed interest in contract research and vaccines. Also among the beneficiaries were network operators on the back of higher data usage, as more people worked from home. Separately, the oil price slump may provide some relief for companies with oil-linked inputs, such as paint and cement companies.

Portfolio overview

While your Company's NAV fell sharply over the review period, it fell less than the benchmark due to our stock picking in the financials, consumer staples and materials sectors.

Financial holdings contributed the most, although lenders generally suffered from a heightened risk of non-performing loans in the wake of Covid-19. Our diligent stock selection process ensured that the Company held the more efficient and well capitalised companies. We avoided Yes Bank because of its poor track record, as well as the state owned banks and most NBFCs. **Kotak Mahindra Bank** remained the Company's top exposure. We like the leading private sector bank as it is poised to gain market share from state owned banks and NBFCs. This is because while state owned banks hold the majority of the deposit base, they are also saddled with non-performing assets. Leading public sector banks suffered after they were compelled to merge with their weaker peers, hampering loan growth. Among NBFCs, many players lost market share as banks and mutual funds became averse to buying their debt. Not being licensed to take on demand deposits proved to be a constraint, preventing them from offering more competitive loan rates.

Compared to the benchmark, the relatively large exposure to **SBI Life Insurance** contributed positively on the back of significant new business growth from individuals.

In the consumer staples sector, the large exposure to **Nestle India**, **Hindustan Unilever**, and **Asian Paints** helped returns. They stood out as top performers in the entire stock market. These leading household names continued their long rally into the review period, backed by their high quality product portfolios, and wide distribution networks. In the utilities sector, the off-Benchmark holding in **Gujarat Gas** proved beneficial. Its share price rose, aided by the directive for factories to use piped natural gas and the ban on fuel oil in key industrial regions. Its margins also benefited from the slide in liquefied natural gas and oil prices. Among healthcare stocks, the off-benchmark holding in **Sanofi India** proved defensive.

Conversely, not holding Bharti Airtel detracted from performance, as the telco rallied on hopes that it could benefit from the possible collapse of its rival, Vodafone Idea. We have avoided network operators as the sector is challenged by regulatory uncertainty, intense competition, and rapid technological change. Instead, your Company is invested in tower provider **Bharti Infratel** for its recurring rental fees and growth potential linked to the country's infrastructure development. The other main stock detractor, which was owned by the Company, was financial services and healthcare conglomerate **Piramal Enterprises**. Despite having raised capital to boost its balance sheet and funding capabilities, it was unfairly punished we feel by worries over liquidity issues that cast a pall over NBFCs.

Portfolio Changes

During the review period, we added two companies that are poised to benefit from the outsourcing demand for India's talent pool. We initiated **Tech Mahindra**, a key beneficiary of the adoption of 5G globally. The company was started by Mahindra & Mahindra and British telco BT as a technology service provider, and today enjoys a foothold among network operators. The other introduction made along this theme was **Syngene International**, a leading contract research organisation serving both pharmaceutical majors and biotech start-ups.

A change in management was a key driver of our decision to invest in two new holdings. For a long time, the second largest hospital operator **Fortis Healthcare** failed our corporate governance criteria. Our view changed after a leading pan-Asian healthcare group, IHH Healthcare, took a stake from its controlling shareholders. IHH injected equity to shore up Fortis Healthcare's balance sheet and overhauled its board. It also appointed a new CEO with an impressive track record for cutting costs and turning around hospitals in India. Similarly, we invested in **Axis Bank** after the third largest private sector lender refreshed its management. Many in its new team were recruited from the ranks at **HDFC Bank**. Since then, Axis Bank has tightened credit controls, improved risk management and beefed up its capital base.

We made use of the market volatility in March to initiate the country's central power transmission utility, **Power Grid Corp of India**. The public sector enterprise is prudently managed and has healthy operational cash flow, backed by a robust balance sheet.

Among the portfolio sales was **Aditya Birla Capital**, which we received in specie when it was separated from **Grasim**. We felt that the financial services company lacked a clear competitive edge. In the materials sector, we sold **Ambuja Cements** due to a lack of growth visibility. In the technology sector, we exited **Cognizant** as its portfolio concentration led to lower returns vis a vis its peers. We also sold small cap IT services player **Cyient**, due to its poor margins. Among healthcare stocks, we exited **Glaxo India** because our conviction waned after its financial performance disappointed. In the auto sector, we exited lubricants producer **Castrol India** in view of the industry downturn.

Strategy

We expect India's stock market to stay volatile in the short term, with Covid-19 likely to hinder a global economic recovery. Worries over slowing domestic growth, as well as concerns over the liquidity and solvency of the non-bank financing sector, persist. The government's commitment to protecting its sovereign debt rating by limiting its fiscal deficit has held back its infrastructure spending. The market awaits more reform to revive construction, industrial activity, employment and consumer demand.

Investment Manager's Report continued

The journey looks challenging, but our view on your Company's portfolio has not changed. The Company's core financial holdings are well-capitalised and leading private sector lenders such as **Kotak Mahindra Bank**, **Housing Development Finance Corp**, and **HDFC Bank** should continue to win market share from state owned mega-banks and NBFCs. Meanwhile, **SBI Life Insurance** enjoys access to the unrivalled bancassurance network of its parent company, State Bank of India. Other advantages include brand recognition and trust associated with having the multinational State Bank of India as a backer, as well as competitive rates from efficiencies of scale.

Among the consumer staples holdings, **Nestle India** and **Hindustan Unilever** have extensive and growing urban distribution reach, areas that tend to be more resilient than rural regions in downturns. Your Company's sole multinational pharmaceutical holding, **Sanofi India**, benefits from a well-established distribution network, attractive brand portfolio, and pipeline commitment from its parent company. Among domestic drug makers, the Company holds **Biocon** for its capabilities in biosimilars, the emerging and cost effective alternative to biologic medication.

In the real estate sector, the liquidity crunch and buyer protection controls over the deployment of project funds spurred an industry consolidation. Some housing projects from the competition are now less saleable, and this benefits well-funded leading developers. Your Company holds **Godrej Properties** and **Prestige Estates** for their established names and healthy balance sheets.

The Company's core technology holdings are global leaders in digital services and business process outsourcing, **Infosys** and **Tata Consultancy Services**, each with a presence in close to 50 countries. While they provide a cushion against a domestic slowdown, our sector overweight detracted from performance as fears mounted over a global recession. Over the long term, we are positive about tech-enablers as the world shifts online rapidly, from teleworking to gaming, as well as shopping and other business transactions.

Your Company is overweight construction materials and real estate stocks. Over the long term, decorative coatings major **Asian Paints** provides exposure to the huge domestic housing and construction demand. Separately, we prefer cement as a good proxy to infrastructure investments, even as liquidity issues have been stalling projects. The Company's main overweight position here is in domestic market leader **UltraTech**, which has a pan-India presence. It has been acquiring peers and turning them around while reducing its overall debt. In the utilities sector, **Gujarat Gas** will benefit from government ambitions to push clean fuel.

Of late, the auto sector has had a hard time. Incumbent players are challenged by the rise of electric vehicles and higher cost of car ownership, given the technology upgrades. That said, we believe the long term outlook remains intact as vehicle ownership is still low and will only increase in tandem with improvements in the road network. Our preferred holding is **Maruti Suzuki India** as its partnerships with Suzuki and Toyota will bear up well in the electrification trend.

We select high quality companies with robust balance sheets and good management which should be able to weather the storm better than most. We have been more defensive in our recent portfolio positioning as we expect a more challenging post-pandemic outlook, yet opportunistic in adding to quality stocks that had been unduly punished when the market had sold off in March. The Company remains focused on identifying companies which possess deep barriers to entry, clear earnings levers, and prudent capital management. We believe these holdings should deliver sustainable returns over time.

Kristy Fong and James Thom,
Aberdeen Standard Investments (Asia) Limited
Investment Manager
 17 August 2020

Overview of Strategy

Business Model

The business of the Company is that of an investment company which continues to qualify as an investment trust for UK capital gains tax purposes. The Directors do not envisage any change either to this model or to the Company's activities in the foreseeable future.

Investment Objective

The Company aims to provide shareholders with long term capital appreciation by investment in companies which are incorporated in India, or which derive significant revenue or profit from India, with dividend yield from the Company being of secondary importance.

Investment Policy

The Company invests primarily in Indian equity securities.

Delivering the Investment Policy

Risk Diversification

The Company's investment policy is flexible, enabling it to invest in all types of securities, including equities, debt and convertible securities in companies listed on the Indian stock exchanges or which are listed on other international exchanges and which derive significant revenue or profit from India. The Company may also, where appropriate, invest in open-ended collective investment schemes and closed-end funds which invest in India and are listed on the Indian stock exchanges. The Company is free to invest in any particular market segment or geographical region of India or in small, mid or large capitalisation companies.

The Company's portfolio will typically comprise in the region of 25 to 50 holdings but with due consideration given to spreading investment risk.

Gearing

The Company is permitted to borrow up to 25% of its net assets (measured when new borrowings are incurred). It is intended that this power should be used to leverage the Company's portfolio in order to enhance returns when and to the extent that it is considered appropriate to do so. Gearing is used in relation to specific opportunities or circumstances. The Directors take care to ensure that borrowing covenants permit flexibility of investment policy.

Currency, Hedging Policy and Derivatives

The Company's financial statements are maintained in Sterling while, because of its investment focus, many of the Company's investments are denominated and quoted in currencies other than Sterling, including in particular, the Indian Rupee. Although it is not the Company's present intention to do so, the Company may, where appropriate and economic to do so, employ a policy of hedging against fluctuations in the rate of exchange between Sterling and other currencies in which its investments are denominated. Cash balances are held in such currency or currencies as the Manager considers appropriate, although it is expected that this would primarily be Sterling.

Although the Company does not employ derivatives presently, it may do so, if appropriate, to enhance portfolio returns (of a capital or income nature) and for efficient portfolio management, that is, to reduce, transfer or eliminate risk in its investments, including protection against currency risks, or to gain exposure to a specific market.

Investment Restrictions

It is the investment policy of the Company to invest no more than 15% of its gross assets in other listed investment companies (including listed investment trusts). The Company held no investments in other listed investment companies during the year ended 31 March 2020.

Benchmark

The Company's benchmark is the MSCI India Index (Sterling-adjusted).

Overview of Strategy Continued

Key Performance Indicators

At each Board meeting, the Directors consider a number of performance measures to assess the Company's success in

achieving its objective. The main Key Performance Indicators ("KPIs") identified by the Board in relation to the Company, which are considered at each Board meeting, are as follows:

KPI	Description
Performance of NAV and share price compared to the MSCI India Index return (Sterling-adjusted)	The Board considers the Company's NAV return and share price return, relative to the MSCI India Index (Sterling-adjusted), to be the best indicator of performance over time. The figures for this year and for the past three and five years are set out on page 21 and a graph showing NAV total return performance against the MSCI India Index over the past five years is shown on page 23.
Discount to NAV	The discount at which the Company's share price trades relative to the NAV per share is monitored by the Board. A graph showing the discount over the last five years is shown on page 22.
Ongoing charges	The Board regularly monitors the operating costs of the Company and the ongoing charges for this year and the previous year are disclosed in Highlights on page 3.

Principal Risks and Uncertainties

There are a number of risks which, if realised, could have a material adverse effect on the Company and its financial position, performance and prospects. The Board has carried out a robust assessment of these risks, including emerging risks, which include those that would threaten its business model, future performance and solvency. The principal risks associated with an investment in the Company's shares are published monthly in the Company's factsheet or they can be found in the pre-investment disclosure document ("PIDD") published by the AIFM, both of which are available from the Company's website: aberdeen-newindia.co.uk.

The principal risks and uncertainties, and emerging risks, faced by the Company are reviewed annually by the Audit Committee in the form of a detailed risk matrix and heat map and they are described in the table below, together with any mitigating actions. Some of these risks can be mitigated or managed to a greater or lesser extent by the actions of the Board in appointing competent investment managers and depositaries. In addition, the Board seeks to put in place, through its contractual arrangements and through various monitoring processes, controls which should avert (but do not guarantee the avoidance of) what might be regarded as operational mistakes. However, investment tends to involve both risk and opportunity regarding future prospects, and the Board cannot avoid either in the Company's search for returns.

The key, principal uncertainty for the Company emerging just before the Company's year end was the outbreak of Covid-19 which has caused significant economic disruption and contributed to global stock market volatility. The longer term effects of Covid-19 are as yet unknown. The Manager, on behalf of the Board, has sought assurances from its key service providers, as well as its own operations, that they are each invoking business continuity procedures and appropriate contingency arrangements to ensure that they are able to continue to meet their contractual obligations to the Company.

Although there is now more clarity on the UK's Brexit, there remains uncertainty over the arrangements which will follow after the end of the transition period on 31 December 2020.

In all other respects, the Company's principal risks and uncertainties have not changed materially since the date of the Annual Report and are not expected to change materially for the current financial year.

An explanation of other risks relating to the Company's investment activities, specifically market price, interest rate, liquidity and credit risk, and a note of how these risks are managed, is contained in Note 16 to the financial statements.

Description

Market risk - falls in the prices of securities issued by Indian companies, which may themselves be determined by local and international economic, political and financial factors and management actions.

Mitigating Action

The Investment Manager seeks to reduce market risk by investing in a wide variety of companies with strong balance sheets and the earnings power to pay increasing dividends. In addition, investments are made in diversified sectors in order to reduce the risk of a single large exposure; at present the Investment Manager may invest in any single stock (measured when the investment is made) where the exposure is more than 10% of the Company's net assets, up to a maximum of 2% above or below the MSCI Index weighting, unless a specific waiver is sought from the Board. The Investment Manager believes that diversification should be looked at in absolute terms rather than relative to the MSCI India Index. The performance of the portfolio relative to the MSCI India Index and the underlying stock weightings in the portfolio against their index weightings are monitored closely by the Board.

Foreign exchange - adverse movements in the exchange rate between Sterling and the Rupee, as well as between other currencies, affecting the overall value of the portfolio.

The Board monitors the Rupee/Sterling exchange rate and reviews the currency impacts on both capital and income at each meeting, although the Company did not hedge its foreign currency exposure during the year.

Discount - factors which affect the discount to NAV at which the Ordinary shares of the Company trade. These may include the popularity of the investment objective of the Company, the popularity of investment trust shares in general and the ease with which the Company's Ordinary shares can be traded on the London Stock Exchange.

The Board keeps under review the discount and may consider selective buyback of shares where to do so would be in the best interests of shareholders, balanced against reducing the overall size of the Company. Any shares bought back would be either cancelled or held in treasury.

Depository - insolvency of the depository or custodian or sub-custodian, or a shortfall in the assets held by that depository, custodian or sub-custodian arising from fraud, operational errors or settlement difficulties resulting in a loss of assets owned by the Company.

The depository, BNP Paribas Securities Services London Branch, presents to the Board at least annually on the Company's compliance with the Alternative Investment Fund Managers Directive ("AIFMD"). The Manager separately monitors the activities of the depository and reports to the Board on any exceptions arising.

Financial and regulatory - the financial risks associated with the portfolio could result in losses to the Company. In addition, failure to comply with relevant regulation (including the Companies Act, the Financial Services and Markets Act, the Alternative Investment Fund Managers Directive, accounting standards, investment trust regulations and the Listing Rules, Disclosure Guidance and Transparency Rules and Prospectus Rules) may have an adverse impact on the Company.

The financial risks associated with the Company include market risk, liquidity risk and credit risk, all of which are mitigated by the Manager. Further details of the steps taken to mitigate the financial risks associated with the portfolio are set out in Note 16 to the financial statements.

The Board is responsible for ensuring the Company's compliance with applicable regulations. Monitoring of this compliance, and regular reporting to the Board thereon, has been delegated to the Manager. The Board receives updates from the Manager and AIC briefings concerning industry changes. From time to time, the Company also employs external advisers covering specific areas of compliance.

Overview of Strategy Continued

Description

Financial and regulatory (continued) Any change in the Company's tax status or in taxation legislation either in India or in the UK (including the tax treatment of dividends, capital gains or other investment income received by the Company) could affect the value of the investments held by the Company and the Company's ability to provide returns to shareholders or alter the post-tax returns to shareholders.

Gearing – whilst the use of gearing should enhance the total return on the Ordinary shares where the return on the Company's underlying assets is rising and exceeds the cost of borrowing, it will have the opposite effect where the underlying return is less than the cost of borrowing, further reducing the total return on the Ordinary shares. A significant fall in the value of the Company's investment portfolio could result in a breach of bank covenants and trigger demands for early repayment.

Covid-19 – the Directors have evaluated the financial position of the Company with particular attention to the economic and social impacts of Covid-19. As indicated in the Chairman's Statement on page 6, Covid-19 presents significant challenges both to India and the rest of the world. While it is premature to assess the longer term impact on the individual companies in the portfolio, the Board takes comfort from the Manager's selection of stocks with robust balance sheets and resilient business models.

Mitigating Action

In particular, the Board receives reports from the Manager covering investment movements, the level and type of forecast income and expenditure and the amount of proposed dividends with a view to ensuring that the Company continues to qualify as an investment trust under Chapter 4 of Part 24 of the Corporation Tax Act 2010. A breach of these regulations would mean that the Company is no longer exempt from UK capital gains tax on profits realised from the sale of its investments.

The Company may be liable to Indian capital gains tax at rates of 10% and 15% for long term and short term gains, respectively, although this is likely to be partly mitigated through the Manager's investment process with its emphasis on buy-and-hold.

The Board is responsible for determining the gearing strategy for the Company, with day-to-day gearing decisions being made by the Investment Manager. Borrowings are short term in nature and particular care is taken to ensure that any bank covenants permit maximum flexibility of investment policy. The Board has agreed certain gearing restrictions with the Manager and reviews compliance with these guidelines at each Board meeting. Loan agreements are entered into following review by the Company's lawyers.

The Board notes that there are a number of potential risks stemming from Covid-19 which may affect the operations of the Company. These include investment risks surrounding the Indian companies in the portfolio such as employee absence, reduced demand, reduced turnover and supply chain breakdowns. The Manager will continue to assess the performance of the underlying investee companies, together with their response to Covid-19, and be pro-active in taking investment decisions where necessary.

The Manager, on behalf of the Board, has sought assurances from its key service providers, as well as its own operations, that they are each invoking business continuity procedures and appropriate contingency arrangements to ensure that they are able to continue to meet their contractual obligations to the Company. The Manager has communicated these assurances to the Board as part of regular updates since the Company's year end.

Promoting the Company

The Board recognises the importance of promoting the Company to prospective investors both for improving liquidity and enhancing the value and rating of the Company's shares. The Board believes an effective way to achieve this is through subscription to, and participation in, the promotional programme run by the Standard Life Aberdeen Group on behalf of all the investment companies under its management. The Company's financial contribution to the programme is matched by the Standard Life Aberdeen Group. The Standard Life Aberdeen Group promotional activities team reports quarterly to the Board giving analysis of the promotional activities as well as updates on the shareholder register and any changes in the composition of that register.

The purpose of the programme is both to communicate effectively with existing shareholders and to gain new shareholders with the aim of improving liquidity and enhancing the value and rating of the Company's shares by reducing the discount at which they trade. Communicating the long-term attractions of the Company is key and therefore the Company also supports the Standard Life Aberdeen Group's investor relations programme which involves regional roadshows, promotional and public relations campaigns.

Board Diversity and Succession

The Board recognises the importance of having a range of skilled, experienced individuals with the right knowledge represented on the Board in order to allow the Board to fulfil its obligations. The Board also recognises the benefits, and is supportive, of the principle of diversity in its recruitment of new Board members. The Board will continue to ensure that all appointments are made on the basis of merit against the specification prepared for each appointment and will search widely when recruiting any new Director with a view to maximising diversity. Consequently, the Company does not consider it appropriate to set specific diversity targets. At 31 March 2020, there were three male Directors and one female Director on the Board.

In relation to succession, the Board has agreed a policy whereby the Chairman shall not serve for more than nine years from the date of their initial date of appointment as a Director of the Company unless in relation to exceptional circumstances around ensuring the orderly refreshment of the Board.

Environmental, Social and Human Rights Issues

The Company has no employees as it is managed by Aberdeen Standard Fund Managers Limited and there are therefore no disclosures to be made in respect of employees. The Company's responsible investment policy is outlined on page 44 while the Manager's ESG engagement is set out on page 33.

Due to the nature of the Company's business, being a company that does not offer goods and services to customers, the Board considers that it is not within the scope of the Modern Slavery Act 2015 because it has no turnover. The Company is therefore not required to make a slavery and human trafficking statement.

Notwithstanding this, the Board considers the Company's supply chains, dealing predominantly with professional advisers and service providers in the financial services industry, to be low risk in relation to this matter.

Global Greenhouse Gas Emissions

The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013.

Duration

The Company does not have a fixed life, but an ordinary resolution to continue the Company is put to shareholders at each AGM.

Viability Statement

The Company does not have a fixed period strategic plan, but the Board does formally consider risks and strategy on at least an annual basis. The Board regards the Company, with no fixed life, as a long term investment vehicle, but for the purposes of this viability statement has decided that a period of three years is an appropriate period over which to report. The Board considers that this period reflects a balance between looking out over a medium term horizon and the inherent uncertainties of looking out further than three years.

Taking into account the Company's current position and the potential impact of its principal risks and uncertainties, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due for a period of three years from the date of this Report.

Overview of Strategy Continued

In forming this expectation, the Directors looked to the following:

- the Company's assets consist, substantially, of a portfolio of readily realisable quoted securities, where the Directors monitor the liquidity of each holding as well as reviewing the outcome of testing undertaken by the Manager in which the portfolio is subject to adverse market scenarios, including those related to the impact of Covid-19;
- the principal risks and uncertainties detailed on pages 14 to 16 and the steps taken to mitigate these;
- a significant proportion of the expenses are proportional to the Company's NAV and will reduce if the NAV falls;
- the Directors regularly review the Company's level of gearing, including the financial modelling undertaken by the Manager to establish what level of reduction in the Company's NAV would require to occur in order to cause a breach in the covenants attached to the Company's £30m loan facility; and
- in advance of expiry in July 2022 of the Company's £30m loan, as renewed on 6 July 2020, the Company will enter into negotiations with its bankers. If acceptable terms are available from the existing bankers, or any alternative, the Company would expect to continue to access borrowings. However, should these terms not be forthcoming, any outstanding borrowing would be repaid through the proceeds of equity sales.

In particular the Board recognises that this assessment makes the assumption that the resolution to continue the Company, which is put to shareholders at each AGM, is passed at the next AGM on 23 September 2020 and at the two subsequent AGMs, as it has been previously.

Accordingly, taking into account the Company's current position and the potential impact of its principal risks and uncertainties, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due for a period of three years from the date of this report. In making this assessment, the Board has considered in particular the potential short and longer term impact of Covid-19, in the form of a large economic shock (including a larger than anticipated shock arising from Covid-19), a period of significant stock market volatility, a significant reduction in the liquidity of the portfolio or changes in investor sentiment, and how these factors might affect the Company's prospects and viability in the future. The Board has also evaluated the ability of third party suppliers to continue to deliver contracted services to the Company during Covid-19.

Likely Future Developments

The Board expects the Company to continue to pursue its investment objective and accepts that this may involve divergence from the Benchmark. The companies which make up the investment portfolio are considered by the Investment Manager to demonstrate resilience and to offer opportunities for investors to benefit from the development of the broader Indian economy. Further information on the outlook and future developments of the Company may be found in the Chairman's Statement on pages 6 to 9 and in the Investment Manager's Report on pages 10 to 12.

**Hasan Askari,
Chairman**

17 August 2020

Promoting the Success of the Company

The Purpose of the Company and Role of the Board

The Board is required to report on how it has discharged its duties and responsibilities under section 172 of the Companies Act 2006 (the “s172 Statement”). Under section 172, the Directors have a duty to promote the success of the Company for the benefit of its members as a whole, taking into account the likely long term consequences of decisions, the need to foster relationships with the Company’s stakeholders and the impact of the Company’s operations on the environment.

The purpose of the Company is to act as a vehicle to provide, over time, attractive financial returns to its shareholders. Investment trusts, such as the Company, are long-term investment vehicles and are typically externally managed, have no employees, and are overseen by an independent non-executive board of directors.

The Board, which during the year was comprised of four independent non-executive Directors with a broad range of skills and experience across all major functions that affect the Company, retains responsibility for taking all decisions

relating to the Company’s investment objective and policy, gearing, corporate governance and strategy, and for monitoring the performance of the Company’s service providers.

The Board’s philosophy is that the Company should operate in a transparent culture where all parties are provided with respect as well as the opportunity to offer practical challenge and participate in positive debate which is focused on the aim of achieving the expectations of shareholders and other stakeholders alike. The Board expects the Manager to act as a responsible steward of the Company’s investments (see pages 33 to 35 for further information). The Manager’s approach to responsible investing may be found at <https://www.aberdeenstandard.com/en/responsible-investing>.

How the Board Engages with Stakeholders

The Company’s main stakeholders are Shareholders, the Manager, Investee Companies, Service Providers, Debt Providers and the Environment and Community. The Board considers its stakeholders at Board meetings and receives feedback on the Manager’s interactions with them.

Stakeholder	How the Board Engages
Shareholders	<p>Shareholders are key stakeholders and the Board places great importance on communication with them. The Board welcomes all shareholders’ views and aims to act fairly between all shareholders. The Directors, Manager and Company’s broker regularly meet with current and prospective shareholders to discuss performance and shareholder feedback is discussed by the Directors at Board meetings. In addition, the Directors meet with major shareholders in the absence of representatives of the Manager.</p> <p>Regular updates are provided to shareholders through the Annual Report, Half Yearly Report, Manager’s monthly factsheets, Company announcements, including daily net asset value announcements, and the Company’s website.</p> <p>In normal times, the Company’s Annual General Meeting provides a forum, both formal and informal, for shareholders to meet and discuss issues with the Directors and Manager. The Board encourages as many shareholders as possible to attend the Company’s Annual General Meeting and to provide feedback on the Company.</p>
Manager	<p>The Investment Manager’s Report on pages 10 to 12 details the key investment decisions taken during the year. The Investment Manager has continued to manage the Company’s assets in accordance with the mandate provided by shareholders, with the oversight of the Board.</p> <p>The Board regularly reviews the Company’s performance against its investment objective and the Board undertakes an annual strategy review to ensure that the Company is positioned well for the future delivery of its objective for its stakeholders. The Board receives presentations from the Investment Manager at every Board meeting to help it to exercise effective oversight of the Investment Manager and the Company’s strategy. The Board, through the Audit Committee, formally reviews the performance of the Manager at least annually and further details are provided on page 43.</p>

Promoting the Success of the Company Continued

Stakeholder	How the Board Engages
Investee Companies	<p>Responsibility for actively monitoring the activities of portfolio companies has been delegated by the Board to the Manager which has sub-delegated that authority to the Investment Manager.</p> <p>The Board has also given discretionary powers to the Investment Manager to exercise voting rights on resolutions proposed by the investee companies within the Company's portfolio. The Manager reports on a quarterly basis on stewardship (including voting) issues.</p> <p>Through engagement and exercising voting rights, the Investment Manager actively works with companies to improve corporate standards, transparency and accountability.</p>
Service Providers	<p>The Board seeks to maintain constructive relationships with the Company's suppliers either directly or through the Manager with regular communications and meetings.</p> <p>The Audit Committee conducts an annual review of the performance, terms and conditions of the Company's key service providers to ensure they are performing in line with Board expectations and providing value for money.</p>
Debt Providers	<p>On behalf of the Board, the Manager maintains a constructive working relationship with Natwest Markets Plc, part of The Royal Bank of Scotland Group plc, the provider of the Company's £30m multi-currency loan facility, ensuring compliance with its loan covenants and arranging for regular updates for the lender on the Company's business activities, where requested.</p>
Environment and Community	<p>The Board and Manager are committed to investing in a responsible manner and the Investment Manager integrates Environmental, Social and Governance ("ESG") considerations into its research and analysis as part of the investment decision-making process. Further information on the Manager's ESG engagement, with case studies from the portfolio, may be found on pages 33 to 35.</p>

Specific Examples of Stakeholder Consideration During the Year

While the importance of giving due consideration to the Company's stakeholders is not new, and is considered as part of every Board decision, the Directors were particularly mindful of stakeholder considerations during the following decisions undertaken during the year ended 31 March 2020.

Gearing

During the year, the Company drew down a further £15m from the bank loan facility with Natwest Markets Plc. The Board reached this decision after consulting with the Manager who considered that the cost of servicing the additional funds drawn down was outweighed by the potential returns from increasing the Company's investment portfolio.

Share Buy Backs

During the year the Company bought back into treasury 349,159 shares, providing a small accretion to the NAV per share and a degree of liquidity to the market at times when the discount to the NAV per share had widened. It is the view of the Board that this policy is in the interest of all shareholders. Prior to August 2019, the Company had not bought back shares for 11 years. The Board reached this decision following its strategic review and deciding that initiating limited share buybacks would be in shareholders' best interests.

Results

Performance (total return, in Sterling terms)

	1 year % return	3 year % return	5 year % return
Share price ^A	-28.9	-25.7	-6.8
Net asset value per Ordinary share ^A	-22.7	-15.7	+6.7
MSCI India Index (sterling adjusted)	-27.3	-18.0	+0.2

^A Considered to be an Alternative Performance Measure. See page 81 for further information.
Source: Aberdeen Standard Fund Managers Limited, Morningstar & Lipper.

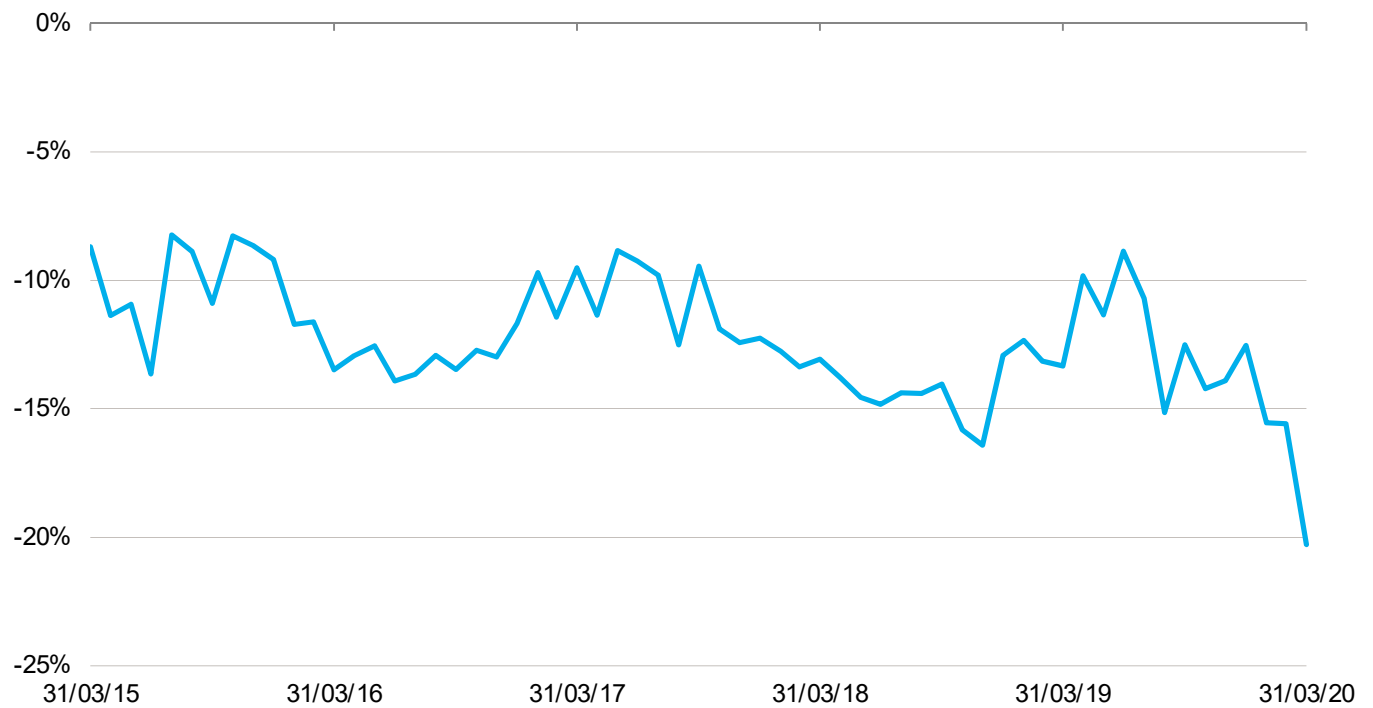
Ten Year Financial Record

Year to 31 March	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total income (£'000)^A	2,338	2,702	2,414	376	341	374	3,104	3,318	3,602	5,185
Per share (p)										
Net revenue return/(loss)	0.15	0.61	0.20	(0.36)	(0.39)	(1.06)	(0.28)	(0.71)	(0.35)	2.08
Total return/(loss)	31.71	(24.95)	24.75	(5.16)	121.94	(23.42)	125.81	2.12	41.90	(120.34)
Net asset value per share (p)										
Basic	268.90	243.96	268.71	263.55	385.49	362.07	487.88	490.00	531.90	411.41
Shareholders' funds (£'000)	158,842	144,105	158,726	155,680	227,708	213,874	288,190	289,444	314,196	241,583

^A Years 2011 to 2013 reflect the consolidated amounts of the Company and its Subsidiary, years 2014 to 2020 reflects amounts relating to the Company only following the application of IFRS 10 'Consolidated Financial Statements' including the Amendments, 'Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)(Investment Entity Amendments). 2017 reflects the transfer of securities to the Company from its Subsidiary.

Performance

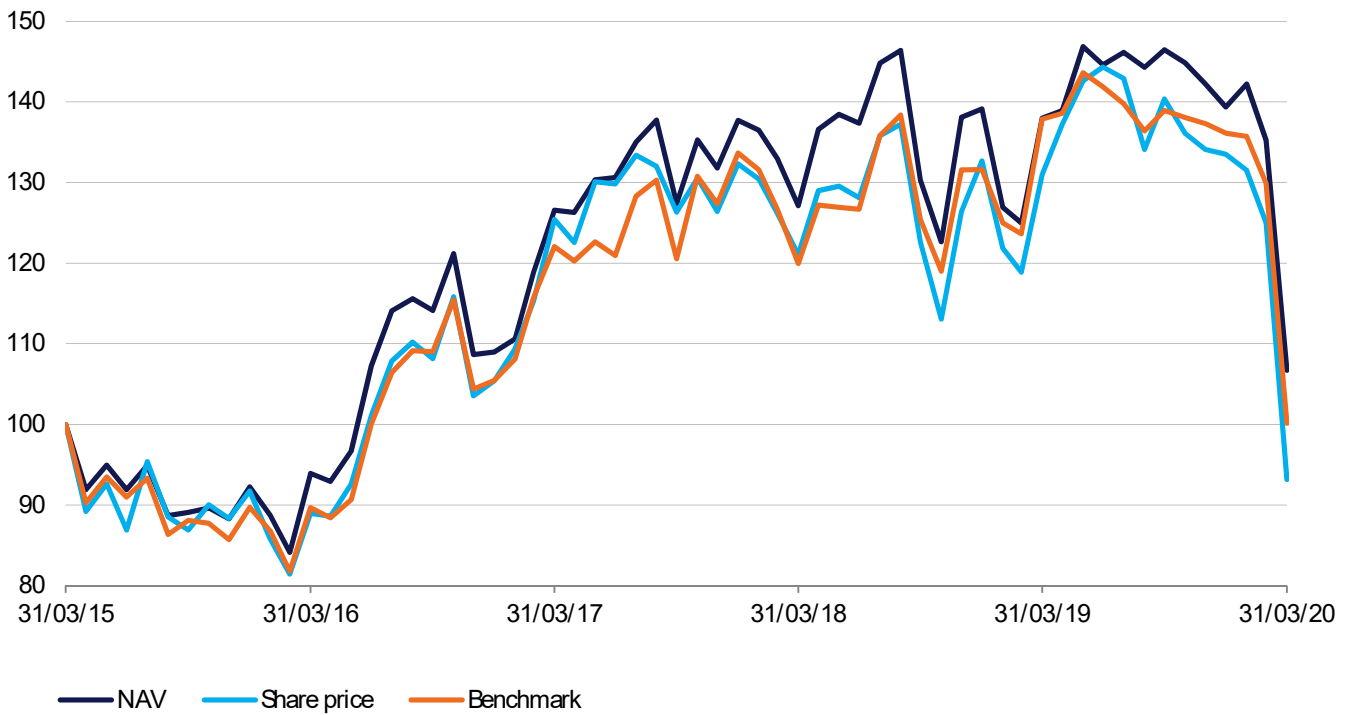
Share Price Discount to NAV
Five years ended 31 March 2020



Source: Aberdeen Standard Fund Managers Limited, Morningstar & Lipper

Total Return of NAV and Share Price vs MSCI India Index (Sterling adjusted)

Five years ended 31 March 2020 (rebased to 100 at 31 March 2015)



Source: Aberdeen Standard Fund Managers Limited, Morningstar & Lipper

Portfolio

Whilst the management of the Company's investments is not undertaken with any specific instructions to exclude certain asset types or classes, the Investment Manager integrates environmental, social and governance considerations into the research of each investee company as part of the investment process.



Bosch, a portfolio company with a workforce in India over 9,400, is assisting vehicle manufacturers with developing engine emissions technology to ensure compliance with tighter government regulations from April 2020.

Ten Largest Investments

As at 31 March 2020



Housing Development Finance Corporation

A steady, well-managed financial services conglomerate with leading positions in mortgage finance, retail banking, life insurance and asset management, supported by a broad distribution network, efficient cost structure and balance sheet quality.



Tata Consultancy Services

A best-in-class Indian IT services provider with the most consistent execution and lowest attrition rates. It is a long-term compounder with a decent outlook for revenue growth and order wins over the medium term.



Hindustan Unilever

The largest fast-moving consumer goods company (FMCG) in India, with an unrivalled portfolio of brands, an extensive distribution network nationwide, and a long and successful operational track record in the country.



Infosys

One of India's best software developers, it continues to impress with its strong management, solid balance sheet and sustainable business model.



Kotak Mahindra Bank

A full-service private-sector bank in India that has good asset quality and a relatively low level of non-performing loans compared to many of its peers. It is well positioned in an industry that offers higher growth than most markets in Asia, given the low level of financial penetration.



Nestlé India

The group is among the leading consumer goods companies in India. It has enjoyed solid sales momentum and sustained margins, owing to good execution and innovation focus, rising distribution reach and market share gains.



ITC

An associate of British American Tobacco, it is a dominant cigarette player in the Indian market with a strong distribution system. Its competitive moat is strong; not just in its core tobacco business, but also in its paper and packaging business, its agribusiness and its newer branded packaged foods business.



Asian Paints

The market leader in India's decorative paint segment, it is benefiting from rising paint demand given its unparalleled distribution network, broad product portfolio and good management.



Ultratech Cement

A clear industry leader in India's cement industry, backed by strong brand recognition, a good distribution and sales network and solid product quality. Its focus on cost efficiency and an improving energy mix has given UltraTech a cost advantage.



SBI Life Insurance

India's biggest private sector life insurer with a strong distribution network, reputable brand and highly productive agency force. Management's focus on annuity and protection is improving its margin profile, positioning it well in an attractive and underpenetrated industry.

Investment Portfolio

As at 31 March 2020

Company	Sector	Valuation 2020 £'000	Net assets 2020 %	Valuation 2019 £'000
Housing Development Finance Corporation	Financials	25,724	9.5	30,356
Tata Consultancy Services	Information Technology	21,115	7.8	24,448
Hindustan Unilever	Consumer Staples	20,102	7.4	15,607
Infosys	Information Technology	16,858	6.2	18,715
Kotak Mahindra Bank	Financials	14,599	5.4	16,361
Nestlé India	Consumer Staples	13,583	5.0	11,095
ITC	Consumer Staples	11,542	4.2	17,333
Asian Paints	Materials	10,427	3.8	7,833
Ultratech Cement ^A	Materials	10,400	3.8	11,735
SBI Life Insurance	Financials	9,793	3.6	5,900
Ten largest investments		154,143	56.7	
HDFC Bank	Financials	8,626	3.2	11,659
Container Corporation of India	Industrials	6,787	2.5	12,107
Mphasis	Information Technology	6,515	2.4	10,185
Godrej Consumer Products	Consumer Staples	6,209	2.3	8,478
Gujarat Gas	Utilities	6,166	2.3	3,285
Godrej Properties	Real Estate	5,849	2.2	4,840
Piramal Enterprises	Healthcare	5,842	2.2	16,724
Sanofi India	Healthcare	5,238	1.9	5,098
Tech Mihandra	Information Technology	4,979	1.8	-
Maruti Suzuki India	Consumer Discretionary	4,259	1.6	5,852
Top twenty investments		214,613	79.1	
Biocon	Healthcare	4,245	1.6	3,695
Prestige Estates Projects	Real Estate	3,927	1.4	3,262
Syngene International	Healthcare	3,893	1.4	-
Shree Cement	Materials	3,718	1.4	5,386
Axis Bank	Financials	3,635	1.3	-
Aegis Logistics	Energy	3,373	1.2	4,655
Jyothy Laboratories	Consumer Staples	3,325	1.2	4,780
Fortis Healthcare	Healthcare	3,253	1.2	-
Godrej Agrovet	Consumer Staples	3,069	1.1	3,160
Hero MotoCorp	Consumer Discretionary	2,892	1.1	7,662
Top thirty investments		249,943	92.0	

Investment Portfolio Continued

As at 31 March 2020

Company	Sector	Valuation 2020 £'000	Net assets 2020 %	Valuation 2019 £'000
Bandhan Bank	Financials	2,814	1.0	4,983
Bosch	Consumer Discretionary	2,220	0.8	7,275
ABB India	Industrials	2,066	0.8	3,015
Bharti Infratel	Communication Services	2,004	0.7	3,360
Power Grid Corporation	Utilities	1,828	0.7	-
Grasim Industries	Materials	1,486	0.5	6,968
Lemon Tree Hotels	Consumer Discretionary	987	0.4	-
Kansai Nerolac Paints	Materials	964	0.4	5,553
ABB Power Products & Systems	Industrials	332	0.1	-
Total investments		264,644	97.4	
Net current assets (before deducting prior charges)^B		6,939	2.6	
Total assets^B		271,583	100.0	

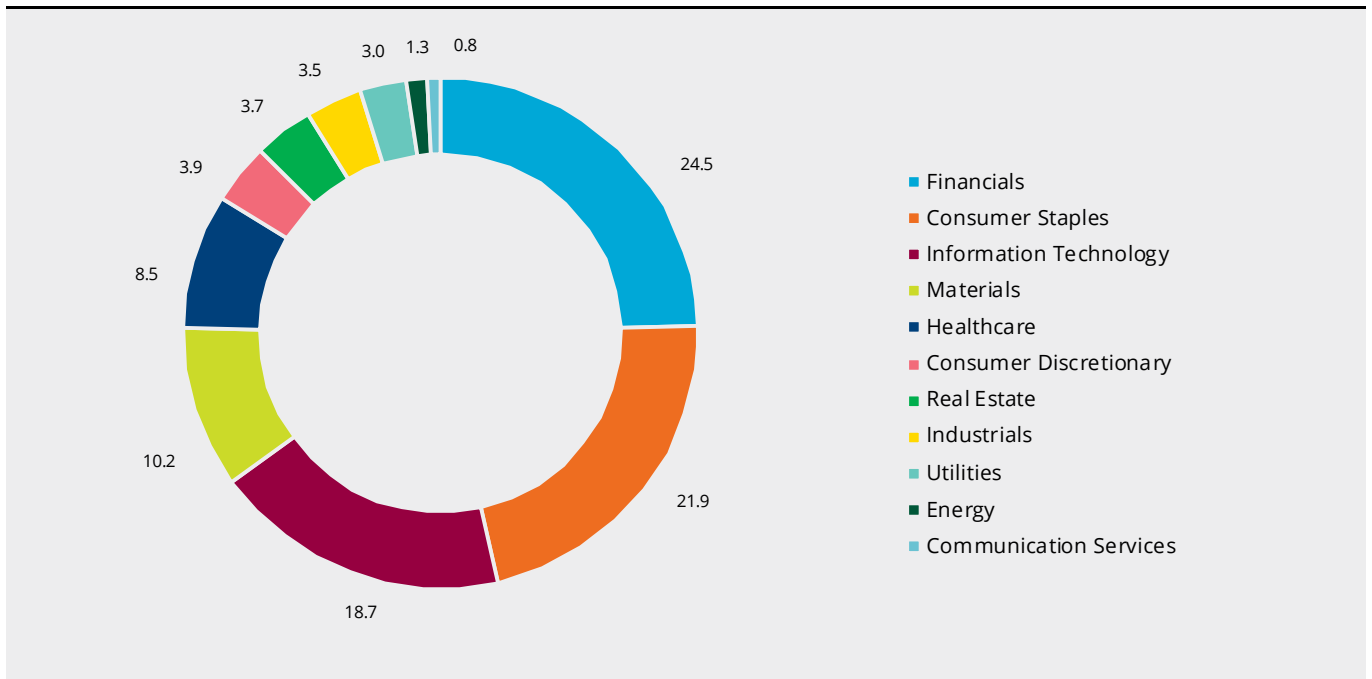
^A Comprises equity and listed Global Depository Receipt ("GDR") holdings.

^B Excluding loan balances.

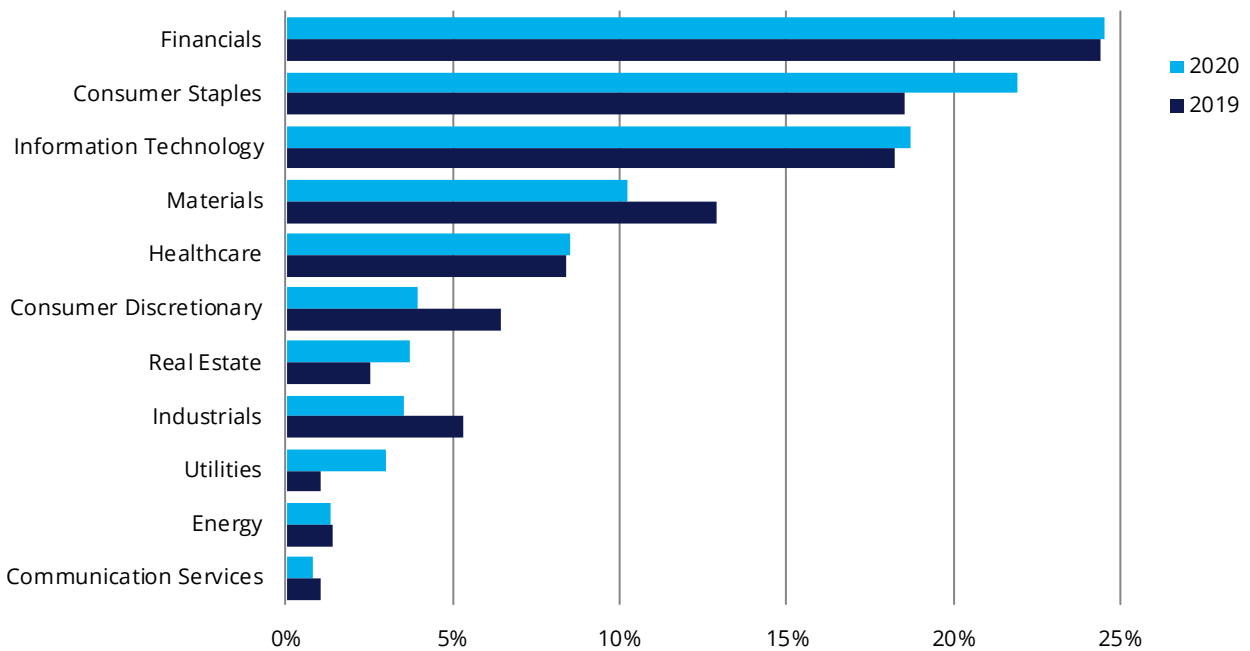
Unless otherwise stated, investments are in common stock. Purchases and/or sales effected during the year will result in 2020 and 2019 values not being directly comparable. Where 2019 valuation is "-" this indicates the company was not held at the previous year-end.

Sector/Currency Analysis

As at 31 March 2020



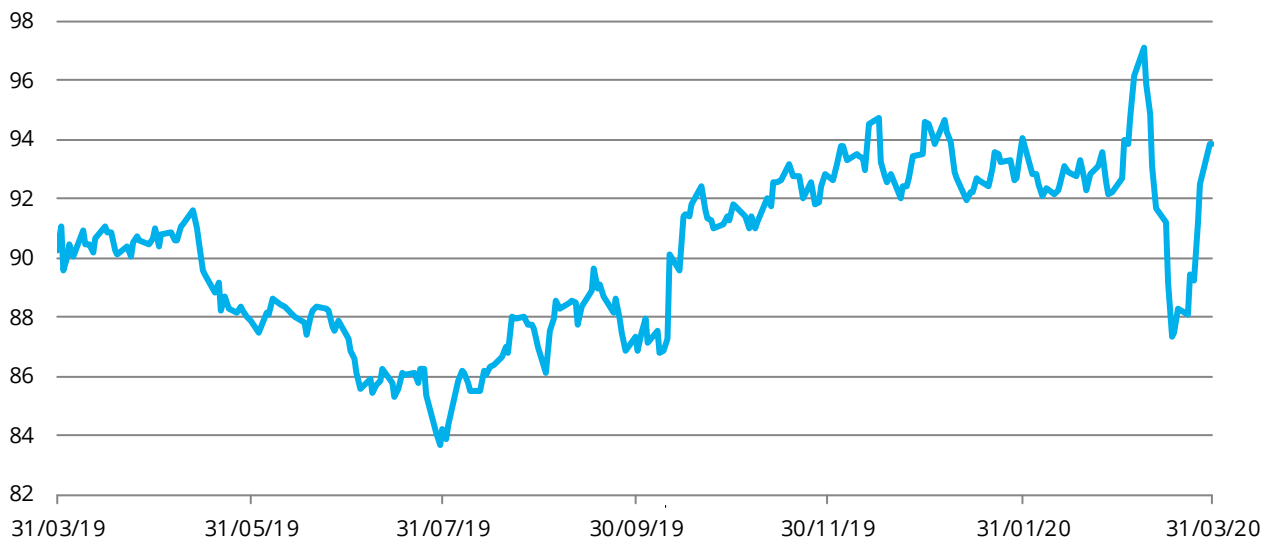
Sector breakdown



Sector/Currency Analysis Continued

Indian Rupee/Sterling Currency Movement

Year to 31 March 2020



Stock Contribution to NAV Performance

Stock name	Weight %	Total Returns %	Contribution to return %	Contribution to NAV return pence
Hindustan Unilever	7.8	31.10	1.34	7.13
Nestle India	5.3	46.63	1.27	6.77
Gujarat Gas	2.3	53.55	0.44	2.33
Asian Paints	4.1	9.07	0.15	0.81
ABB Power Products & Systems ^A	0.1	2.82	0.09	0.45
Thermax ^B	-	13.78	0.03	0.16
GlaxoSmithKline Pharmaceuticals ^B	-	12.29	0.02	0.12
Grasim Industries GDR ^B	-	(1.63)	0.01	0.04
Aditya Birla Capital ^B	-	101.58	0.01	0.04
Sanofi India	2.0	4.11	-	0.02
Max Financial Services ^B	-	(7.33)	(0.02)	(0.10)
Power Grid Corporation ^A	0.7	(14.17)	(0.03)	(0.13)
Ultratech Cement GDR	0.2	(21.52)	(0.04)	(0.21)
Kansai Nerolac Paints	0.4	(18.77)	(0.07)	(0.38)
Fortis Healthcare ^A	1.3	(0.91)	(0.08)	(0.43)
Cognizant Technology Solutions ^B	-	(9.41)	(0.11)	(0.57)
Castol India ^B	-	(19.86)	(0.11)	(0.58)
Shree Cements	1.4	(8.68)	(0.12)	(0.64)
Biocon	1.7	(15.32)	(0.13)	(0.70)
Bandhan Bank	1.1	(25.45)	(0.13)	(0.71)
Ambuja Cements ^B	-	(26.53)	(0.16)	(0.83)
Cyient	-	(47.68)	(0.19)	(1.01)
SBI Life Insurance	3.7	8.69	(0.23)	(1.23)
ABB India	0.9	(20.37)	(0.27)	(1.46)
Grasim Industries	0.6	(46.59)	(0.34)	(1.78)
Kotak Mahindra Bank	5.7	(5.97)	(0.36)	(1.90)
Godrej Agrovet	1.2	(29.75)	(0.38)	(2.02)
Syngene International ^A	1.5	(7.15)	(0.41)	(2.17)
Tech Mahindra ^A	1.9	(34.26)	(0.46)	(2.44)
Bharti Infratel	0.8	(49.22)	(0.48)	(2.56)
Hero Motocorp	1.1	(37.04)	(0.50)	(2.63)
Aegis Logistics	1.3	(33.54)	(0.53)	(2.82)
Tata Consultancy Services	8.2	(8.48)	(0.57)	(3.02)
Godrej Consumer Products	2.4	(26.05)	(0.61)	(3.23)
Lemon Tree Hotels ^A	0.4	(62.96)	(0.61)	(3.24)
Axis Bank ^A	1.4	(44.49)	(0.73)	(3.87)

Stock Contribution to NAV Performance Continued

Stock name	Weight %	Total Returns %	Contribution to return %	Contribution to NAV return pence
Godrej Properties	2.3	(28.72)	(0.73)	(3.88)
Bosch	0.9	(49.05)	(0.76)	(4.04)
Maruti Suzuki India	1.6	(36.89)	(0.77)	(4.09)
Infosys	6.6	(13.99)	(0.77)	(4.10)
Prestige Estates Projects	1.5	(34.77)	(0.79)	(4.20)
Jyothy Laboratories	1.3	(48.73)	(0.86)	(4.55)
Ultratech Cement	3.9	(21.70)	(0.87)	(4.65)
MphasiS	2.5	(33.41)	(0.93)	(4.97)
HDFC Bank	3.4	(27.86)	(0.98)	(5.21)
Gruh Finance ^B	-	(73.18)	(1.03)	(5.47)
Container Corporation of India	2.6	(38.01)	(1.23)	(6.54)
Housing Development Finance Corporation	10.0	(19.43)	(2.02)	(10.72)
ITC	4.5	(42.88)	(2.27)	(12.07)
Piramal Enterprises	2.3	(65.72)	(2.86)	(15.23)
Total	102.9		(21.18)	(112.51)
Cash	(2.9)	(15.02)	(0.02)	(0.12)
Total return	100.0		(21.20)	(112.63)
Bid price adjustment ^C			(0.07)	(0.38)
Gearing			(1.18)	(6.28)
Admin expenses			(0.19)	(1.00)
Management fees			(0.68)	(3.60)
Tax charge			0.57	3.03
Technical differences			0.10	0.52
NAV per share return			(22.65)	(120.34)

^A Stock bought during year.

^B Stock sold completely during year.

^C Represents the difference between the last trade valuation and bid price valuation.

ESG Engagement and Case Studies

Environmental, Social and Governance (“ESG”) Engagement

Whilst the management of the Company’s investments is not undertaken with any specific instructions to exclude certain asset types, the Investment Manager integrates ESG into the research of each investee company as part of the investment process. ESG investment is about active engagement, with the goal of improving the performance of assets held around the world.

The Investment Manager aims to make the best possible investments for the Company, by understanding the whole picture of the investments – before, during and after an investment is made. That includes understanding the environmental, social and governance risks and opportunities they present – and how these could affect longer-term performance. Environmental, social and governance considerations underpin all investment activities. With 1,000+ investment professionals, the Investment Manager is able to take account of ESG factors in its company research, stock selection and portfolio construction – supported by more than 50 ESG specialists around the world.

Active Engagement

Through engagement and exercising voting rights, the Investment Manager, on behalf of the Company, actively works with companies to improve corporate standards, transparency and accountability. By making ESG central to its investment capabilities, the Investment Manager looks to deliver improved financial performance in the longer term as well as actively contributing to a fairer, more sustainable world.

The primary goal is to generate the best long-term outcomes for the Company in order to fulfil fiduciary responsibilities to the Company. The Investment Manager sees ESG factors as being financially material and impacting corporate performance. ESG factors put the ‘long-term’ in long-term investing. The Investment Manager focuses on understanding the ESG risks and opportunities of investments alongside other financial metrics to make better investment decisions. The Investment Manager aims for better risk-adjusted returns by actively undertaking informed and constructive engagement and asset management to generate better performance from the investments. This helps to enhance the value of clients’ assets. Comprehensive assessment of ESG factors, combined with constructive company engagement, should lead to better long term performance for clients.



Hindustan Unilever – digital social good

The 90 year old Hindustan Unilever (HUL) (a subsidiary of the British-Dutch multinational Unilever Group) is the largest fast-moving consumer goods company in India. Aside from delivering superior growth and solid margins on its portfolio of household, personal care and food & beverage brands, it is also supporting mom & pop general merchandise stores known as Kiranas. Kiranas make up close to 80% of HUL's channel business.

The company has developed online platforms “My Kirana” & “Humarashop” which help small retailers establish a digital presence. Each kirana gets their own website and online users are linked to their nearest local store. These platforms not only enable HUL to better distribute their products, but the kiranas may also sell other brands and distributor products too. HUL also gets insight into the inventory and sales trends of the kirana shops. Overall, a win-win situation. During the covid-19 episode, Kiranas saw a surge in business thanks to their convenience, reliability and also ease of online access. Online sales still only make up about 3% of HUL's business so this is set to grow rapidly as they help their distributors modernise. Being future-ready is one of HUL's core pillars. HUL's investment in these online retail platforms started about 5 years ago, so they were early movers into tapping into consumer trends for digital.



Syngene International – improving access to medicines

India's leading contract research organisation (CRO) Syngene International supports R&D programmes of global innovative companies, mainly in the fields of pharmaceutical and biotech and also in other industrial sectors such as agrochemical, nutrition, animal health, specialty and performance chemicals. The company has more recently added contract manufacturing organisation (CMO) capabilities to offer clients an end-to-end continuum of services. Syngene is a 70% subsidiary of the reputable Biocon group in India.

The company has a role to play in improving public healthcare system by driving innovation, operational efficiency and productivity. With longer R&D development cycles and rising costs, global pharmaceutical companies have started to partner with CROs to a) increase efficiencies, b) increase speed to market, and c) reduce costs. Syngene's value proposition to clients is to offer world-class capabilities at more affordable prices. Notable collaborations include Baxter, Bristol-Myers Squibb, Amgen and Herbalife.

Syngene upholds itself to high corporate governance standards, best-in-class product quality management as certified by ISO and OHSAS and improving on their carbon footprint having now switched to the use of solar power, a source of energy that is abundant and cheap in India.



Tech Mahindra Limited, a portfolio company, is a multinational technology company, providing information technology and business process outsourcing services. A subsidiary of the Mahindra Group, the company is headquartered in Pune, India

Governance

The Directors, all of whom are non-executive and independent of the Manager, supervise the management of Aberdeen New India Investment Trust PLC and represent the interests of shareholders.

Your Board of Directors

Hasan Askari

Status:

Independent Non-Executive Chairman and Chairman of the Nomination Committee



Experience:

Formerly an investment banker, from 1975, initially with SG Warburg & Co. Ltd. (now UBS Ltd.) and subsequently with JP Morgan Chase Investment Bank in Hong Kong and Barclays Capital (previously BZW) in Tokyo and London. Formerly at Old Mutual plc, London as a member of the Executive Committee responsible for the United Kingdom and Europe and later, for Asia-Pacific.

Length of service:

Seven years; appointed a Director on 21 September 2012 and Chairman on 11 September 2014.

Contribution:

The Nomination Committee has reviewed the contribution of Hasan Askari in light of his proposed re-election as a Director at the forthcoming AGM and has concluded that he has continued to chair the Company expertly, fostering a collaborative spirit between the Board and Manager while ensuring that meetings remain focussed on the key areas of stakeholder relevance.

Last re-elected to the Board:

2019

All other public company directorships:

None

Rachel Beagles

Status:

Senior Independent Non-Executive Director and Chairman of the Management Engagement Committee



Experience:

Formerly worked in financial markets, primarily in equity research and sales from 1990 until 2003. She was co-head of the Pan European Banks Equity Research and Sales Team and a Managing Director of Corporate and Investment Banking Group Division at Deutsche Bank AG from 2000 to 2003. Since then, she has worked as a non-executive director, including for a number of investment companies and is currently Chairman of the Association of Investment Companies.

Length of service:

Six years; appointed a Director on 26 September 2013 and Senior Independent Director on 6 September 2016.

Contribution:

The Nomination Committee has reviewed the contribution of Rachel Beagles and has concluded that, in addition to her position as Senior Independent Director, she has continued to provide to the Board significant investment insight and knowledge of the investment trust sector. Rachel Beagles is not standing for re-election as a Director of the Company at the AGM on 23 September 2020 and will retire at the conclusion of the meeting.

Last re-elected to the Board:

2019

All other public company directorships:

Gresham House Plc and Witan Investment Trust PLC

Stephen White



Status:

Independent Non-Executive Director and Chairman of the Audit Committee

Experience:

A former investment manager, he has more than 35 years' experience of managing investment portfolios, most notably twenty years as Head of European Equities at F&C Asset Management, where he was also manager of F&C Eurotrust plc and deputy manager of the F&C Investment Trust plc, and ten years as Head of European and US Equities at British Steel Pension Fund. He qualified as a Chartered Accountant at PwC before starting a career in investment management. He is a non-executive Director and chairman of the audit committee of Blackrock Frontiers Investment Trust plc and a non-executive director of JP Morgan European Smaller Companies Investment Trust plc and Polar Capital Technology Trust plc.

Length of service:

Six years; appointed a Director on 26 September 2013 and Chairman of the Audit Committee on 11 September 2014.

Contribution:

The Nomination Committee has reviewed the contribution of Stephen White in light of his proposed re-election at the forthcoming AGM and has concluded that he has continued to chair the Audit Committee expertly throughout the year as well as providing to the Board significant investment insight and knowledge of the investment trust sector.

Last re-elected to the Board:

2019

All other public company directorships:

JP Morgan European Smaller Companies Trust plc, BlackRock Frontiers Investment Trust PLC and Polar Capital Technology Trust plc

Michael Hughes



Status:

Independent Non-Executive Director

Experience:

Currently, a Director of T. Bailey Asset Management Limited and acting investment consultant to various family offices and charities. He was a Director of Baring Asset Management Limited from 1998, and Chief Investment Officer from 2000, until his retirement in 2007. Prior to this, he was a Managing Director of Barclays Capital (previously BZW) and Chairman of the Board of pension trustees. Before 'Big Bang' he was a Partner at stockbrokers de Zoete and Bevan.

Length of service:

Three years; appointed a Director on 7 September 2016.

Contribution:

The Nomination Committee has reviewed the contribution of Michael Hughes in light of his proposed re-election as a Director at the forthcoming AGM and has concluded that he continues to provide to the Board significant investment insight and knowledge of the investment trust sector.

Last re-elected to the Board:

2019

All other public company directorships:

JPMorgan Mid Cap Investment Trust plc (chairman)

Directors' Report

The Directors present their Report and the audited Financial Statements of the Company for the year ended 31 March 2020, taking account of any events between the year end and the date of approval of this Report.

Results

The Company's results, including its performance for the year against its Key Performance Indicators ("KPIs"), may be found on page 3.

Investment Trust Status and ISA Compliance

The Company is registered as a public limited company in England & Wales under registration number 02902424 and has been accepted by HM Revenue & Customs as an investment trust for accounting periods beginning on or after 1 April 2012, subject to the Company continuing to meet the eligibility conditions of s1158 of the Corporation Tax Act 2010 (as amended) and S.I. 2011/2099. In the opinion of the Directors, the Company's affairs have been conducted in a manner to satisfy these conditions to enable it to continue to qualify as an investment trust for the year ended 31 March 2020. The Company intends to manage its affairs so that its shares will be qualifying investments for the stocks and shares component of an Individual Savings Account ("ISA"). In order to continue to meet these conditions, the Board anticipates declaring an interim dividend, in respect of the year ended 31 March 2020, following the AGM on 23 September 2020 (see also page 44).

Capital Structure

During the year ended 31 March 2020 the Company bought back into treasury 349,159 Ordinary shares (2019 – nil Ordinary shares). As at 31 March 2020, the Company's issued share capital consisted of 58,720,981 Ordinary shares (2019 – 59,070,140 Ordinary shares) with voting rights, each share holding one voting right in the event of a poll, and an additional 349,159 Ordinary shares in treasury. Between 1 April 2020 and the date of approval of this Annual Report, the Company bought back into treasury a further 98,351 Ordinary shares resulting in 58,622,630 Ordinary shares in issue, with voting rights, and 447,510 Ordinary shares in treasury.

Ordinary shareholders are entitled to vote on all resolutions which are proposed at general meetings of the Company. The Ordinary shares carry a right to receive dividends. On a winding up, after meeting the liabilities of the Company, the surplus assets will be paid to Ordinary shareholders in proportion to their shareholdings. There are no restrictions on the transfer of Ordinary shares in the Company other than certain restrictions which may from time to time be imposed by law and regulation.

Manager and Company Secretaries

The Company has appointed Aberdeen Standard Fund Managers Limited ("ASFML"), a wholly owned subsidiary of Standard Life Aberdeen plc, as its alternative investment fund manager. ASFML has been appointed to provide investment management, risk management, administration and company secretarial services and promotional activities to the Company. The Company's portfolio is managed by Aberdeen Standard Investments (Asia) Limited ("ASIAL") by way of a group delegation agreement in place between ASFML and ASIAL. In addition, ASFML has sub-delegated administrative and secretarial services to Aberdeen Asset Management PLC and promotional activities to Aberdeen Asset Managers Limited ("AAML").

Under the terms of the management agreement ("MA"), investment management fees payable to the Manager have been calculated and charged on the following basis throughout the year ended 31 March 2020: a monthly fee, payable in arrears, calculated at an annual rate of 0.9% of the Company's total assets less current liabilities, up to £350m and 0.75% above £350m. There is a rebate for any fees received in respect of any investments by the Company in investment vehicles managed by the Standard Life Aberdeen Group. The MA is terminable by either party on not less than six months' notice. In the event of termination on less than the agreed notice period, compensation is payable to the Manager in lieu of the unexpired notice period.

The fees, and other expenses, payable to the Standard Life Aberdeen Group companies during the year ended 31 March 2020 are disclosed in Notes 4 and 5 to the Financial Statements. The investment management fees are chargeable 100% to revenue.

Corporate Governance

The Company is committed to the highest standards of corporate governance. The Board is accountable to the Company's shareholders for good governance and, as required by the Listing Rules of the FCA, this statement describes how the Company applies the Main Principles identified in the UK Corporate Governance Code published in July 2018 (the "UK Code") and which is applicable for the Company's year ended 31 March 2020. The UK Code is available on the Financial Reporting Council's (the "FRC") website: frc.org.uk.

The Board has also considered the AIC Code of Corporate Governance as published in February 2019 (the "AIC Code") which addresses all the principles and recommendations set out in the UK Code, as well as setting out additional guidance on issues which are of specific relevance to investment trusts. The AIC Code is available on the AIC's website: theaic.co.uk.

The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the UK Code), will provide better information to shareholders. The Board confirms that, during the year, the Company complied with the recommendations of the AIC Code and the relevant provisions of the UK Code, except as set out below:

The AIC Code includes provisions relating to

- the establishment of a nomination committee (provision 22): the Board established a Nomination Committee on 5 June 2019; further details may be found below;
- the composition of the Audit Committee (provision 29): the other Directors consider that it is appropriate for the Chairman of the Board to be a member of, but not chair, the Audit Committee, due to the Board's small size, the lack of any perceived conflict of interest, and because the other Directors believe that Hasan Askari continues to be independent; and
- the establishment of a remuneration committee (provision 37): for the reasons set out in the AIC Code the Board considers that this provision is not relevant to the position of the Company, being an externally managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations. The Company has therefore not reported further in respect of this provision.

The full text of the Company's Statement of Corporate Governance can be found on its website: aberdeen-newindia.co.uk.

Directors

The Board consists of a non-executive Chairman and three non-executive Directors who served throughout the year under review. The Senior Independent Director is Rachel Beagles.

The Chairman is responsible for providing effective leadership to the Board, by setting the tone of the Company, demonstrating objective judgement and promoting a culture of openness and debate. The Chairman facilitates the effective contribution and encourages active engagement by each Director. In conjunction with the Company Secretary, the Chairman ensures that Directors receive accurate, timely and clear information to assist them with effective decision-making. The Chairman acts upon the results of the Board evaluation process by recognising strengths and addressing any weaknesses and also ensures that

the Board engages with major shareholders and that all Directors understand shareholder views.

The Senior Independent Director acts as a sounding board for the Chairman and acts as an intermediary for other directors, when necessary. Working closely with the Nomination Committee, the Senior Independent Director takes responsibility for an orderly succession process for the Chairman, and leads the annual appraisal of the Chairman's performance. The Senior Independent Director is also available to shareholders to discuss any concerns they may have.

The Directors attended scheduled Board and Committee meetings during the year ended 31 March 2020 as follows (with their eligibility to attend the relevant meeting in brackets):

Director	Board Meetings	Audit	Management
		Committee Meetings	Engagement Committee Meetings
Hasan Askari	5 (5)	3 (3)	1 (1)
Stephen White	5 (5)	3 (3)	1 (1)
Rachel Beagles	5 (5)	3 (3)	1 (1)
Michael Hughes	5 (5)	3 (3)	1 (1)

The names and biographies of each of the Directors are shown on pages 38 and 39 and indicate their range of experience as well as length of service. Each Director has the requisite high level and range of business and financial experience which enables the Board to provide clear and effective leadership and proper stewardship of the Company.

The Board has adopted a policy that all Directors will retire at each AGM and stand for re-election and, accordingly, all of the Directors will retire at the AGM. The Board has also agreed that the Chairman shall not serve for more than nine years from the date of their initial date of appointment as a Director of the Company unless in relation to exceptional circumstances around ensuring the orderly refreshment of the Board.

The Board has announced that, following a formal process involving an independent search consultancy, Rebecca Donaldson will be appointed as an independent non-executive Director with effect from 1 September 2020. Over the last twenty-eight years Rebecca Donaldson has led the development of global marketing, communications and investor relations solutions for a broad range of investment companies, most recently as Head of Channel Marketing, EMEA at BMO Global Asset Management, and previously with Fidelity Worldwide

Directors' Report continued

Investments, Dexion Capital plc (now Fidante Partners), International Asset Management Limited and UBS Global Asset Management AG. The Board considers Rebecca Donaldson to possess the range of skills and experience to complement those of the other Directors and the Board therefore recommends her election as a Director at the AGM.

Hasan Askari, Stephen White and Michael Hughes, each being eligible, offer themselves for re-election as Directors of the Company. Rachel Beagles is not seeking re-election as a Director and will therefore retire as a Director at the conclusion of the AGM. Michael Hughes will become Senior Independent Director at the conclusion of the Company's AGM on 23 September 2020. The Board as a whole believes that each Director remains independent of the AIFM and free of any relationship which could materially interfere with the exercise of his or her independent judgement on issues of strategy, performance, resources and standards of conduct and confirms that, following formal performance evaluations, the individuals' performance continues to be effective and demonstrates commitment to the role. The individual contribution of each Director is set out on pages 38 and 39. The Board therefore has no hesitation in recommending, at the AGM, the individual re-elections of Hasan Askari, Stephen White and Michael Hughes as Directors of the Company.

All appointments to the Board of Directors are considered by the Board as a whole. The Board's overriding priority in appointing new Directors is to identify the candidate with the optimal range of skills and experience to complement the existing Directors. The Board also recognises the benefits, and is supportive, of the principle of diversity in its recruitment of new Directors.

Directors' Insurances and Indemnities

The Company maintains insurance in respect of Directors' and Officers' liabilities in relation to their acts on behalf of the Company. Furthermore, each Director of the Company is entitled to be indemnified out of the assets of the Company to the extent permitted by law against all costs, charges, losses, expenses and liabilities incurred by them in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and/or otherwise in relation to or in connection with their duties, powers or office. These rights are included in the Articles of Association of the Company and the Company has granted deeds of indemnities to each Director on this basis.

Management of Conflicts of Interest and Anti-Bribery Policy

The Board has a procedure in place to deal with a situation where a Director has a conflict of interest. As part of this process,

the Directors prepare a list of other positions held and all other conflict situations that may need to be authorised either in relation to the Director concerned or his/her connected persons. The Board considers each Director's situation and decides whether to approve any conflict, taking into consideration what is in the best interests of the Company and whether the Director's ability to act in accordance with his/her wider duties is affected. Each Director is required to notify the Company Secretaries of any potential, or actual, conflict situations which will need authorising by the Board. Authorisations given by the Board are reviewed at each Board meeting.

No Director has a service contract with the Company although Directors are issued with letters of appointment upon taking up office. Other than the deeds of indemnity referred to above, there were no contracts with the Company during, or at the end of the year, in which any Director was interested.

The Board takes a zero tolerance approach to bribery and has adopted appropriate procedures designed to prevent bribery. The Standard Life Aberdeen Group also takes a zero tolerance approach and has its own detailed policy and procedures in place to prevent bribery and corruption.

In relation to the corporate offence of failing to prevent tax evasion, it is the Company's policy to conduct all business in an honest and ethical manner. The Company takes a zero-tolerance approach to facilitation of tax evasion whether under UK law or under the law of any foreign country and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships.

Substantial Interests

The Company had been notified of the following share interests above 3% in the Company as at 31 March 2020:

Shareholder	Number of shares held	% held
Clients of the Standard Life Aberdeen Group	12,710,034	21.6
Lazard Asset Management	8,450,747	14.3
City of London Investment Management	5,711,617	9.7
Clients of Hargreaves Lansdown	4,824,492	8.2
Interactive Investor	2,664,876	4.5
Standard Life Aberdeen Group retail plans	2,607,310	4.4

The above holdings were unchanged as at the date of approval of this Report other than notifications to the Company by City of London Investment Management on 30 June 2020 of a holding of 5,871,592 shares, equivalent to 10.0% of the Company's issued share capital (excluding treasury shares), and by Standard Life Aberdeen Group on 10 August 2020 of a holding of 13,488,929 shares, equivalent to 23.0% of the Company's issued share capital (excluding treasury shares).

Board Committees

The Directors have appointed a number of Committees as set out below. Copies of each Committee's terms of reference, which define its responsibilities and duties, are available on the Company's website or from the Company Secretaries, on request.

Audit Committee

The Audit Committee's Report is on pages 47 to 49.

Management Engagement Committee

The Board has established a Management Engagement Committee, comprising all of the Directors, with Rachel Beagles as Chairman, which is responsible for reviewing matters concerning the MA which exists between the Company and ASFML together with the promotional activities programme operated by the Manager to which the Company contributes. The terms and conditions of the Manager's appointment, including an evaluation of performance and fees, are reviewed annually and were last considered at the meeting of the Committee in November 2019.

In monitoring the performance of the Manager, the Committee considers the investment approach and investment record of the Manager over shorter and longer-term periods, taking into account the Company's performance against the benchmark index and peer group funds. The Committee also reviews the management processes, risk control mechanisms and promotional activities of the Manager.

The Committee considers the continuing appointment of the Manager, on the terms agreed, to be in the interests of the shareholders because it believes that the Standard Life Aberdeen Group has the investment management, promotional and associated secretarial and administrative skills required for the effective and successful operation of the Company.

Nomination Committee

On 5 June 2019, the Board established a Nomination Committee, comprising all of the Directors, with Hasan Askari as Chairman. The Committee is responsible for undertaking an annual evaluation of the Board as well as longer term succession

planning and, when appropriate, oversight of appointments to the Board.

As the Company has no employees and the Board is comprised wholly of non-executive directors and, given the size and nature of the Company, the Board has not established a separate remuneration committee and Directors' fees are determined by the Nomination Committee. Prior to 5 June 2019, these duties were conducted by the Board.

Accountability and Audit

The responsibilities of the Directors and the Auditor, in connection with the financial statements, appear on pages 53, 56 and 57.

The Directors who held office at the date of this Report each confirm that, so far as he or she is aware, there is no relevant audit information of which the Company's Auditor is unaware, and that he or she has taken all the steps that he or she could reasonably be expected to have taken as a Director in order to make him or her aware of any relevant audit information and to establish that the Company's Auditor is aware of that information. Additionally, there have been no important events since the year end which warrant disclosure.

The Directors have reviewed the level of non-audit services provided by the Auditor during the year, together with the Auditor's procedures in connection with the provision of such services, and remain satisfied that the Auditor's objectivity and independence is being safeguarded. No non-audit services were provided by the Auditor during the year.

Going Concern

In accordance with the Financial Reporting Council's guidance on Going Concern and Liquidity Risk, the Directors have reviewed the Company's ability to continue as a going concern. The Company's assets consist substantially of a portfolio of quoted securities which in most circumstances are realisable within a short timescale. The Directors are mindful of the principal risks and uncertainties disclosed on pages 14 to 16 and in Note 16 to the financial statements and have reviewed income forecasts detailing revenue and expenses; accordingly, the Directors believe that, including their assessment of Covid-19 in particular, the Company has adequate financial resources to continue in operational existence for the foreseeable future and for at least 12 months from the date of this Report.

This is also based on the assumption that ordinary resolution 10, that the Company continues as an investment trust, which will be proposed at the AGM of the Company on 23 September 2020, is passed by shareholders as it has been in the years since it was

Directors' Report continued

put in place. The Directors consult annually with major shareholders and, as at the date of approval of this Report, had no reason to believe that this assumption was incorrect.

In July 2018, the Company entered into a two year, £30 million revolving credit facility (the "Facility") with Natwest Markets Plc, part of The Royal Bank of Scotland Group plc, which was fully drawn down at 31 March 2020 (2019 - £15m). The Board has set limits for borrowing and regularly reviews the level of any gearing and compliance with banking covenants.

On 6 July 2020, the Company announced that it had entered into a new two year, £30 million revolving credit facility (the "New Facility") with Natwest Markets Plc for a further two years to July 2022. In advance of expiry of the New Facility, the Company will enter into negotiations with its bankers. If acceptable terms are available from the existing bankers, or any alternative, the Company would expect to continue to access a facility. However, should these terms not be forthcoming, any outstanding borrowing would be repaid through the proceeds of equity sales.

The Board has considered the impact of Covid-19 and believes that this will have a limited financial impact on the Company's operational resources and existence. The results of stress testing prepared by the Manager, which models a sharp decline in market levels and income, demonstrated that the Company had the ability to raise sufficient funds so as to both pay expenses and remain within its debt covenants.

The UK Stewardship Code and Proxy Voting

Responsibility for actively monitoring the activities of portfolio companies has been delegated by the Board to the AIFM which has sub-delegated that authority to the Manager. The full text of the Company's response to the Stewardship Code may be found on its website at: www.aberdeenstandard.com/en/responsible-investing

Responsible Investment

The Board is aware of its duty to act in the interests of the Company. The Board acknowledges that there are risks associated with investment in companies which fail to conduct business in a socially responsible manner. The Investment Manager considers social, environmental and ethical factors which may affect the performance or value of the Company's investments. The Directors, through the Company's Investment Manager, encourage companies in which investments are made to adhere to best practice in the areas of Environmental, Social and Corporate Governance stewardship. They believe that this can best be achieved by entering into a dialogue with company

management to encourage them, where necessary, to improve their policies in this area.

Relations with Shareholders

The Directors place great importance on communication with shareholders. The Annual Report is widely distributed to other parties who have an interest in the Company's performance. Shareholders and investors may obtain up-to-date information on the Company through its website, aberdeen-newindia.co.uk, or via the Standard Life Aberdeen Group's Customer Services Department. The Company responds to letters from shareholders on a wide range of issues (see Contact Information on page 101 for details).

The Board's policy is to communicate directly with shareholders and their representative bodies without the involvement of the management group (either the Company Secretaries or the Standard Life Aberdeen Group) in situations where direct communication is required and representatives from the Board offer to meet with major shareholders on an annual basis in order to gauge their views.

In addition, members of the Board may accompany the Manager when undertaking meetings with institutional shareholders.

The Company Secretaries only act on behalf of the Board, not the Manager, and there is no filtering of communication. At each Board meeting the Board receives full details of any communication from shareholders to which the Chairman responds, as appropriate, on behalf of the Board.

The Notice of AGM included within the Annual Report is normally sent out at least 20 working days in advance of the meeting. All shareholders have the opportunity to put questions to the Board and Manager prior to the Company's AGM.

Annual General Meeting

The AGM will be held on 23 September 2020 and the AGM Notice and related notes may be found on pages 89 to 94. Resolutions relating to the following items will be proposed at the AGM:

Dividend Policy (Resolution 4)

Historically, the Company has not paid a dividend as its net earnings per share were not sufficient. Relevant tax legislation, may require a distribution to shareholders. Due to timing issues of dividend receipts the Company received a larger gross income this year than previously and its net revenue turned positive which had not been the case for some years. Accordingly, the Board expects to declare an interim dividend per Ordinary share, in respect of the year ended 31 March 2020, after the AGM. In accordance with best practice under corporate governance, the

Board is seeking approval from shareholders for a dividend policy which permits the payment of interim dividends.

Continuance of the Company (Resolution 10)

In accordance with Article 160 of the Articles of Association of the Company adopted on 22 September 2011, the Directors are required to propose an Ordinary resolution at each AGM that the Company continue as an investment trust. Accordingly, the Directors are proposing, as ordinary resolution 10, that the Company continues as an investment trust and recommend that shareholders support the continuance of the Company.

Share Repurchases (Resolution 11)

At the AGM held on 5 September 2019, shareholders approved the renewal of the authority for the Company to repurchase its Ordinary shares.

The principal aim of a share buy-back facility is to enhance shareholder value by acquiring shares at a discount to NAV as and when the Directors consider this to be appropriate. The purchase of shares, when they are trading at a discount to NAV, should result in an increase in the NAV per share for the remaining shareholders. This authority, if conferred, will only be exercised if to do so would result in an increase in the NAV per share for the remaining shareholders, and if it is in the best interests of shareholders generally. Any purchase of shares will be made within guidelines established from time to time by the Board. It is proposed to seek shareholder authority to renew this facility for another year at the AGM. Under the Listing Rules, the maximum price that may be paid on the exercise of this authority must not exceed the higher of: (i) 105% of the average of the middle market quotations for the shares over the five business days immediately preceding the date of purchase; and (ii) the higher of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out. The minimum price which may be paid is 25p per share. Shares which are purchased under this authority will either be cancelled or held as treasury shares.

Renewal of the authority to buy back shares is sought at the AGM as the Board considers, particularly in light of the initiation of share buybacks in August 2019 after several years, that this mechanism has assisted in lowering the volatility of the discount reflected in the Company's share price and is also accretive, in NAV terms, for continuing shareholders. Special resolution 11 in the Notice of AGM will, if passed, renew the authority to purchase in the market a maximum of 14.99% of shares in issue as at 14 August 2020, being the nearest practicable date to the approval of this Report (equivalent to approximately 8.8 million Ordinary shares). Such authority will expire on the date of the AGM in 2021

or on 30 September 2021, whichever is earlier. This means in effect that the authority will have to be renewed at the next AGM, or earlier, if the authority has been exhausted.

Issue of Shares (Resolutions 12 and 13)

Ordinary resolution 12 in the Notice of AGM will, if passed, renew the authority to allot unissued share capital up to an aggregate nominal amount of £732,782 (equivalent to approximately 2.9 million Ordinary shares, or 5% of the Company's existing issued share capital, excluding treasury shares, as at 14 August 2020, being the nearest practicable date to the approval of this Report). Such authority will expire on the date of the AGM in 2021 or on 30 September 2021, whichever is earlier, which means that the authority will have to be renewed at the next AGM or, earlier, if the authority has been exhausted.

When shares are to be allotted for cash, the Companies Act 2006 (the "Act") provides that existing shareholders have pre-emption rights and that the new shares must be offered first to such shareholders in proportion to their existing holding of shares. However, shareholders can, by Special resolution, authorise the Directors to allot shares otherwise than by a pro rata issue to existing shareholders. Special resolution 13 will, if passed, give the Directors power to allot for cash equity securities up to an aggregate nominal amount of £732,782 (equivalent to approximately 2.9 million Ordinary shares, or 5% of the Company's existing issued share capital as at 14 August 2020, being the nearest practicable date to the approval of this Report), as if Section 561(1) of the Act did not apply. This is the same nominal amount of share capital which the Directors are seeking the authority to allot pursuant to resolution 12. This authority will expire on the date of the AGM in 2021 or on 30 September 2021, whichever is earlier, which means that the authority will have to be renewed at the next AGM or, earlier, if the authority has been exhausted. This authority will not be used in connection with a rights issue by the Company.

The Directors intend to use the authorities given by resolutions 12 and 13 to allot shares, or sell shares from treasury, and disapply pre-emption rights only in circumstances where this will be clearly beneficial to shareholders as a whole. The issue proceeds would be available for investment in line with the Company's investment policy.

The Company is permitted to buy back and hold shares in treasury and then sell them at a later date for cash, rather than cancelling them. The Treasury Share Regulations require such sale to be on a pre-emptive, pro rata, basis to existing shareholders unless shareholders agree by Special resolution to disapply such pre-emption rights. Accordingly, in addition to

Directors' Report continued

giving the Directors power to allot unissued Ordinary share capital on a non pre-emptive basis, resolution 13, if passed, will give the Directors authority to sell Ordinary shares from treasury on a non pre-emptive basis. No dividends may be paid on any shares held in treasury and no voting rights will attach to such shares. The benefit of the ability to hold treasury shares is that such shares may be resold. This should give the Company greater flexibility in managing its share capital, and improve liquidity in its shares. The Board would only expect to issue new Ordinary shares or sell Ordinary shares from treasury at a price per Ordinary share which represented a premium to the NAV per share. It is also the intention of the Board that sales from treasury would only take place when the Board believes that to do so would assist in the provision of liquidity to the market.

Adoption of new Articles of Association (Resolution 14)

Resolution 14, which will be proposed as a special resolution, seeks shareholder approval to adopt new Articles of Association (the "New Articles") in order to update the Company's current Articles of Association (the "Existing Articles"). The changes include (i) allowing the Company to pay dividends from the Company's realised capital profits, (ii) enabling the Company to hold virtual and hybrid general meetings (including annual general meetings) in the future, (iii) enabling the Company to postpone annual and general meetings where it becomes impossible or impractical to hold any meeting on the scheduled date, (iv) explicitly stating the Board's powers in relation to controlling the conduct of any annual or general meeting, (v) changes in response to the requirements of the Alternative Investment Fund Managers Directive (2011/61/EU) ("AIFMD"), (vi) changes in response to the introduction of international tax regimes requiring the exchange of information and (vii) in response to developments in mental health legislation and to reflect the position in the model articles for public companies as set out in the Companies (Model Articles) Regulations 2008/3229, updating the provision relating to termination of a director's appointment on mental health grounds.

Nothing in the New Articles will prevent the Company from holding physical general meetings. The changes under (ii) are being sought in response to challenges posed by government restrictions on social interactions as a result of Covid-19, which have made it impossible for shareholders to attend physical general meetings. In the Chairman's Statement, the Board recognised that the AGM is an important occasion where shareholders can meet and question the Manager and the Board.

The Board is committed to ensuring that future general meetings (including AGMs) incorporate a physical meeting where shareholders can meet with the Board, face to face, and where law and regulation permits. The potential to hold a general meeting through wholly electronic means is intended as a

solution to be adopted as a last resort to ensure the continued smooth operation of the Company in extreme operating circumstances where physical meetings are prohibited. The Company has no present intention of holding a wholly electronic general meeting but wants to be prepared for the future.

While the New Articles will permit the Company to pay dividends from realised capital profits, the Investment Manager remains positive about the dividend generation from the investments and the Board does not presently intend to change its approach to the payment of regular dividends by utilising this new power to pay dividends out of capital. However, the Board may seek to use this power in the future where it considers it is in the best interests of shareholders to do so. The material changes introduced in the New Articles are summarised in the appendix to the Notice of AGM on pages 93 and 94. Other changes, which are of a minor, technical or clarifying nature, have not been noted in the appendix.

Recommendation

The Board considers Resolutions 10, 11, 12, 13 and 14 to be in the best interests of the Company and its members as a whole and are likely to promote the success of the Company for the benefit of its members as a whole. Accordingly, the Board unanimously recommends that shareholders should vote in favour of the resolutions to be proposed at the Annual General Meeting, as they intend to do in respect of their own shareholdings, amounting to 34,915 Ordinary shares.

Additional Information

Where not provided elsewhere in the Directors' Report, the following provides the additional information required to be disclosed by The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The Company is not aware of any significant agreements to which it is a party, apart from the Management Agreement ("MA"), that take effect, alter or terminate upon a change of control of the Company following a takeover. Other than the MA with the Manager, further details of which are set out on page 40, the Company is not aware of any contractual or other agreements which are essential to its business which might reasonably be expected to have to been disclosed in the Directors' Report.

The financial risk management objectives and policies arising from its financial instruments and the exposure of the Company to risk are disclosed in Note 16 to the Financial Statements.

**Hasan Askari,
Chairman**

17 August 2020

Audit Committee's Report

The Audit Committee presents its Report for the year ended 31 March 2020.

Committee Composition

The Directors have appointed an Audit Committee (the "Committee") consisting of the whole Board, which was chaired throughout the year by Stephen White. The other Directors consider that it is appropriate for Hasan Askari (as Chairman of the Board) to be a member of, but not chair, the Committee, due to the Board's small size, the lack of any perceived conflict of interest, and because the other Directors believe that Hasan Askari continues to be independent.

The Directors have satisfied themselves both that at least one of the Committee's members has recent and relevant financial experience, Stephen White is a member of the Institute of Chartered Accountants in England and Wales, and that the Committee as a whole possesses competence relevant to the investment trust sector.

Role of the Audit Committee

The principal function of the Committee is to assist the Board in relation to the reporting of financial information, the review of financial controls and the management of risk.

The Committee meets not less than twice each year, in line with the cycle of annual and half-yearly reports, which is considered by the Directors to be a frequency appropriate to the size and complexity of the Company. The Committee has defined terms of reference which are reviewed and re-assessed for their adequacy on an annual basis. Copies of the terms of reference are available from the Company's website or from the Company Secretaries, on request.

In summary, the Committee's main functions are:

- to review and monitor the internal control systems and risk management systems (including review of non-financial risks) on which the Company is reliant;
- to consider annually whether there is a need for the Company to have its own internal audit function;
- to review and monitor the integrity of the half-yearly report and annual financial statements of the Company;
- to review, and report to the Board on, the significant financial reporting issues and judgements made in connection with the preparation of the Company's financial statements, half-yearly reports, announcements and related formal statements;
- to review the content of the Annual Report and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for

shareholders to assess the Company's position and performance, business model and strategy;

- to meet with the Auditor to review their proposed audit programme of work and the findings of the Auditor. The Committee shall also use this as an opportunity to assess the effectiveness of the audit process;
- to develop and implement policy on the engagement of the Auditor to supply non-audit services. During the year under review, no non-audit services were provided to the Company by KPMG LLP. All non-audit services must be approved in advance by the Committee and will be reviewed in light of statutory requirements to maintain the Auditor's independence;
- to review a statement from the AIFM detailing the arrangements in place within the Standard Life Aberdeen Group whereby its staff may, in confidence, escalate concerns about possible improprieties in matters of financial reporting or other matters (whistleblowing);
- to review and approve the remuneration and terms of engagement of the Auditor;
- to monitor and review annually the Auditor's independence, objectivity, effectiveness, resources and qualification;
- to monitor the requirement for rotation of the Auditor and to oversee any tender for the external audit of the Company;
- to keep under review the appointment of the Auditor and to recommend to the Board and shareholders the reappointment of the existing auditor or, if appropriate, the appointment of a new Auditor; and
- to evaluate its own performance each year, in relation to discharging its main functions, by means of a section devoted to the Committee within the Directors' annual self-evaluation.

Activities during the Year

The Committee met on three occasions during the year to consider the Annual Report, the Half-Yearly Report and the Company's system of risk management and internal control. Reports from the Standard Life Aberdeen Group's internal audit, business risk and compliance departments were considered by the Committee at these meetings.

Review of Internal Controls Systems and Risk Management

The Board is ultimately responsible for the Company's system of internal control and risk management and for reviewing its effectiveness. The Committee confirms that there is a robust process for identifying, evaluating and managing the Company's significant business and operational risks, that it was in place for the year ended 31 March 2020 and up to the date of approval of this Annual Report, that it is regularly reviewed by the Board and accords with the FRC guidance on internal controls.

Audit Committee's Report continued

The principal risks and uncertainties facing the Company are identified on pages 14 to 16 of this Report.

The design, implementation and maintenance of controls and procedures to safeguard the assets of the Company and, to manage its affairs properly, extends to operational and compliance controls and risk management. This includes controls over financial reporting risks related to the preparation of the Annual Report, which are delegated to the Manager as part of the Management Agreement ("MA") and the Committee receives regular reports from the Manager as to how these controls are operating.

Internal control and risk management systems are monitored and supported by the Manager's business risk and compliance functions which undertake periodic examination of business processes, including compliance with the terms of the MA, and ensures that any recommendations to improve controls are implemented.

Risk is considered in the context of the FRC and the UK Code guidance and includes financial, regulatory, market, operational and reputational risk. Risks are identified and documented through a risk heat-map, which is a pictorial representation of the risks faced by the Company, after taking account of any mitigating controls to minimise the risk, ranked in order of likelihood and impact on the Company.

The key components designed to provide effective risk management and internal control are outlined below:

- the Manager prepares forecasts and management accounts which allow the Board to assess the Company's activities and review its performance; the emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception;
- the Board and Manager have agreed clearly-defined investment criteria, specified levels of authority and exposure limits. Reports on these issues, including performance statistics and investment valuations, are regularly submitted to the Board, and there are meetings with the AIFM and Investment Manager as appropriate;
- as a matter of course, the AIFM's compliance department continually reviews the AIFM's operations; and
- written agreements are in place which specifically define the roles and responsibilities of the AIFM and other third-party service providers.

The Committee has considered the need for an internal audit function but, due to the delegation of certain business functions to the Manager, has decided to place reliance on the Standard Life Aberdeen Group's systems and internal audit procedures, including the ISAE3402 Report, a global assurance standard for reporting on internal controls for service organisations, commissioned by the AIFM's immediate parent company, Standard Life Aberdeen plc. At its June 2020 meeting, the Committee carried out an annual assessment of risk management and internal controls for the year ended 31 March 2020 by considering documentation from the AIFM, including the internal audit and compliance functions, and taking account of events since 31 March 2020.

The system of internal control and risk management is designed to meet the Company's particular needs and the risks to which it is exposed. Accordingly, this system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and, by its nature, can only provide reasonable, and not absolute, assurance against misstatement and loss.

External Agencies

The Board has contractually delegated to external agencies, including the Manager and other service providers, certain services: the management of the investment portfolio, the depositary services (which include the custody and safeguarding of the assets), the share registration services and the day-to-day accounting and company secretarial requirements. Each of these contracts was entered into after full and proper consideration by the Board of the quality and cost of services offered in so far as they relate to the affairs of the Company. The Board receives and considers reports from each service provider, including the Manager, on a regular basis. In addition, ad hoc reports and information are supplied to the Board as requested

Financial Reporting and Significant Issues

During its review of the Company's financial statements for the year ended 31 March 2020, the Committee identified one potentially significant financial reporting risk facing the Company, namely valuation and existence of investments, as well as several additional risks, which also reflected the Auditor's assessment of the principal financial statement risks affecting the Company as part of the Auditor's planning and reporting of the year end audit:

Valuation and Existence of Investments

The valuation of investments is undertaken in accordance with the accounting policies, disclosed in Notes 2(a) and 2(g) to the financial statements. With reference to the IFRS 13 fair value hierarchy, other than one investment categorised as Level 2, all of the Company's investments at 31 March 2020 were categorised as Level 1 as they are considered liquid and quoted in active markets. The portfolio is reviewed and verified by the Manager on a regular basis and management accounts including a full portfolio listing are prepared each month and circulated to the Board. BNP Paribas Securities Services, London Branch (the "Depository") has been appointed as depository to safeguard the assets of the Company. The Depository checks the consistency and accuracy of its records on a monthly basis and reports its findings to ASFML. Separately, the investment portfolio is reconciled regularly by the Manager.

Other Financial Reporting Issues

As well as fraud risk and corporate governance and disclosures, the other accounting area of financial reporting particularly considered by the Committee was compliance with Sections 1158 and 1159 of the Corporation Tax Act 2010. Approval of the Company as an investment trust under those sections for financial years commencing on or after 1 April 2012 has been obtained and ongoing compliance with the eligibility criteria is monitored on a regular basis by the Manager and reported to the Directors.

Review of Auditor

The Committee has reviewed, and considered appropriate, the effectiveness of the Auditor including:

- Independence - the Auditor discusses with the Committee, at least annually, the steps it takes to ensure its independence and objectivity and makes the Committee aware of any potential issues, explaining all relevant safeguards;
- Quality of audit work - including the ability to resolve issues in a timely manner (identified issues are satisfactorily and promptly resolved), its communications/presentation of outputs (the explanation of the audit plan, any deviations from it and the subsequent audit findings are comprehensive and comprehensible), and working relationship with management (the Auditor has an effective working relationship with the Manager); and

- Quality of people and service - including continuity and succession plans (the audit team is made up of sufficient, suitably experienced staff with provision made for knowledge of the investment trust sector and retention on rotation of the senior statutory auditor).

Tenure and Reappointment of KPMG LLP as Auditor

KPMG has expressed its willingness to be reappointed auditor to the Company. Resolution 9, which is to be put to shareholders at the forthcoming AGM, proposes the reappointment of KPMG as Independent Auditor of the Company, and also seeks authorisation for the Directors to fix KPMG's remuneration, for the year to 31 March 2021.

Listed companies are required to tender the external audit at least every ten years, and change auditor at least every twenty years. The Committee last undertook an audit tender process in 2016 when KPMG LLP was appointed as auditor in respect of the financial year ended 31 March 2017. The Company is required to tender the external audit no later than for the year ending 31 March 2027. In accordance with professional and regulatory standards, the audit director responsible for the audit is rotated at least every five years in order to protect independence and objectivity and to provide fresh challenge to the business. The year ended 31 March 2020 is the second year for which the present audit director from KPMG, Gary Fensom, has served as the senior statutory auditor.

Stephen White,
Chairman of the Audit Committee
 17 August 2020

Directors' Remuneration Report

This Directors' Remuneration Report comprises three parts:

- (i) a Remuneration Policy, which is subject to a binding shareholder vote every three years - most recently voted on at the AGM on 5 September 2017 where the proxy votes for the relevant resolution were: For - 29.8m votes (99.7%); Discretionary - 37,001 votes (0.1%); Against - 44,601 votes (0.2%); and Withheld - 43,387 votes. The Remuneration Policy will be put to shareholders again at the AGM on 23 September 2020;
- (ii) an annual Implementation Report, which is subject to an advisory vote; and
- (iii) an Annual Statement.

The law requires the Company's Auditor to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such. The Auditor's opinion is included in their report on pages 54 to 57.

Remuneration Policy

The fact that the Remuneration Policy is subject to a binding vote at every third AGM does not imply any change on the part of the Company. The principles remain the same as for previous years. There have been no changes to the Directors' Remuneration Policy during the period of this Report nor are there any proposals for the foreseeable future.

This part of the Remuneration Report provides details of the Company's Remuneration Policy for Directors of the Company. This policy takes into consideration the principles of the UK Corporate Governance Code. No shareholder views were sought in setting the Remuneration Policy although any comments received from shareholders would be considered on an ongoing basis. As the Company has no employees and the Board is comprised wholly of non-executive Directors and, given the size and nature of the Company, the Board has not established a separate Remuneration Committee during the year under review. With effect from 5 June 2019, the Nomination Committee assumed responsibility for determining Directors' remuneration.

Year ended	31 March 2020 £	31 March 2019 £
Chairman	35,500	35,000
Chairman of Audit Committee	29,500	29,000
Director	26,500	26,000

The Board's policy is that the remuneration of non-executive Directors should reflect the nature of their duties, responsibilities and the value of their time spent and is fair and comparable to that of other investment trusts that are similar in size, have a similar capital structure and have a similar investment objective.

Resolution 3 at the AGM on 23 September 2020 will seek approval from shareholders for the Directors' Remuneration Policy.

Aggregate Limit on Annual Directors' Fees

The Directors are non-executive and the limit on their aggregate annual fees is set at £200,000 within the Company's Articles of Association. This limit may only be amended by shareholder resolution and a resolution to increase the limit from £150,000 was approved by shareholders at the AGM on 6 September 2018.

Appointment

- The Company only intends to appoint non-executive Directors.
- All the Directors are non-executive appointed under the terms of Letters of Appointment.
- Directors must retire and be subject to election, at the first AGM after their appointment, and re-election at least every three years thereafter, although the Board has approved a policy of annual re-election.
- New appointments to the Board will be placed on the fee applicable to all Directors at the time of appointment.
- No incentive or introductory fees will be paid to encourage a Directorship.
- The Directors are not eligible for bonuses, pension benefits, share options, long term incentive schemes or other benefits.
- Directors are entitled to re-imbursment of out-of-pocket expenses incurred in connection with the performance of their duties, including travel expenses.
- The Company indemnifies its Directors for all costs, charges, losses, expenses and liabilities which may be incurred in the discharge of their duties.

Performance, Service Contracts, Compensation and Loss of Office

- The Directors' remuneration is not subject to any performance-related fee.
- No Director has a service contract.
- No Director was interested in contracts with the Company during the period or subsequently.
- The terms of appointment provide that a Director may be removed without notice.

- Compensation will not be due upon leaving office.
- No Director is entitled to any other monetary payment or to any assets of the Company.

Directors' & Officers' liability insurance cover is maintained by the Company on behalf of the Directors.

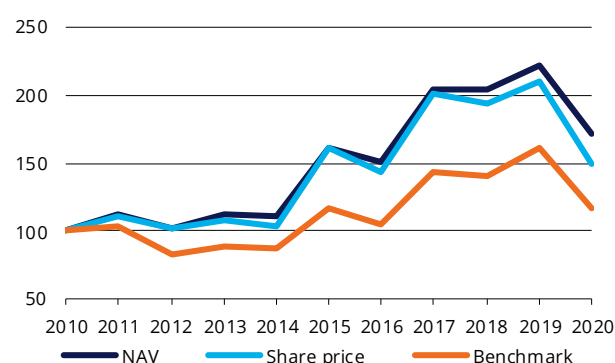
Implementation Report

Directors' Fees

The Board carried out a review of Directors' annual fees during the year, including assessing the prevailing inflation rate, and concluded that these should change, with effect from 1 April 2020, to the following fees per annum: £36,000 (Chairman), £30,000 (Audit Committee Chairman) and £27,000 for each other Director. There are no further fees to disclose as the Company has no employees, chief executive or executive directors.

Company Performance

During the year the Board carried out a review of investment performance. The graph below shows the share price and NAV total return (assuming all dividends are reinvested) to Ordinary shareholders compared to the total return from the MSCI India Index (Sterling-adjusted) for the ten-year period to 31 March 2020 (rebased to 100 at 31 March 2010). This index was chosen for comparison purposes, as it is the benchmark used for investment performance measurement purposes.



Statement of Voting at General Meeting

At the Company's last AGM, held on 5 September 2019, shareholders approved the Directors' Remuneration Report (other than the Directors' Remuneration Policy) in respect of the year ended 31 March 2019 and the following proxy votes were received on the Resolution: For – 31.1m votes (99.7%); Discretionary – 24,941 votes (0.1%); Against – 71,640 votes (0.2%); and Withheld – 58,593 votes.

Spend on Pay

As the Company has no employees, the Directors do not consider it appropriate to present a table comparing remuneration paid to employees with distributions to shareholders. The total fees paid to Directors are shown in the table below.

Audited Information

Fees Payable

The Directors who served in the year received the fees, as set out in the table below, which exclude employers' National Insurance contributions.

Director	Year ended	Year ended
	31 March 2020	31 March 2019
	£	£
Hasan Askari	35,500	35,000
Stephen White	29,500	29,000
Rachel Beagles	26,500	26,000
Michael Hughes	26,500	26,000
Total	118,000	116,000

Fees are pro-rated where a change takes place during a financial year. There were no payments to third parties from the fees referred to in the table. All fees are at a fixed rate and there is no variable remuneration.

Directors' Interests in the Company

The Directors are not required to have a shareholding in the Company. The Directors (including connected persons) at 31 March 2020, and 31 March 2019, had no interest in the share capital of the Company other than those interests, all of which are beneficial interests, shown in the table below, which were unchanged as at the date of this Report:

	31 March 2020	31 March 2019
	Ord. 25p	Ord. 25p
Hasan Askari	4,300	4,300
Stephen White	12,500	12,500
Rachel Beagles	10,000	10,000
Michael Hughes	8,115	8,115

Directors' Remuneration Report Continued

Annual Statement

On behalf of the Board and in accordance with Part 2 of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, the Board confirms that the above Report on Remuneration Policy and Remuneration Implementation summarises, as applicable, for the year ended 31 March 2020:

- the major decisions on Directors' remuneration;
- any substantial changes relating to Directors' remuneration made during the year; and
- the context in which the changes occurred and in which decisions have been taken.

Hasan Askari,
Chairman
17 August 2020

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and applicable law.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or to have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website but not for the content of any information included on the website that has been prepared or issued by third parties. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility Statement of the Directors in respect of the Annual Financial Report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the strategic report includes a fair review of the development and performance of the business and the position of the issuer, together with a description of the principal risks and uncertainties that they face.

We consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

For and on behalf of the Board

**Hasan Askari,
Chairman**

17 August 2020

Independent Auditor's Report to the Members of Aberdeen New India Investment Trust PLC

1 Our opinion is unmodified

We have audited the financial statements of Aberdeen New India Investment Trust PLC ("the Company") for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement, and the related Notes, including the accounting policies in Note 2.

In our opinion the financial statements:

- give a true and fair view of the state of Company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the Audit Committee.

We were first appointed as auditor by the shareholders on 6 September 2016. The period of total uninterrupted engagement is for the four financial years ended 31 March 2020. We have fulfilled our ethical responsibilities under, and we remain independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

2 Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matter (unchanged from 2019), in arriving at our audit opinion above, together with our key audit procedures to address this matter and, as required for public interest entities, our results from those procedures. This matter was addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on this matter.

Carrying amount of quoted investments (£264.2m; 2019: £321.2m)

Refer to page 49 (Audit Committee Report), page 66 (accounting policy) and pages 70 and 71 (financial disclosures).

Low risk, high value

The Company's portfolio of quoted investments makes up 96.7% of the company's total assets (by value) and is considered to be the key driver of results.

We do not consider these investments to be at a high risk of significant misstatement, or to be subject to a significant level of judgement because they comprise liquid, quoted investments.

However, due to their materiality in the context of the financial statements as a whole, they are considered to be the area which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.

Our procedures included:

- **Tests of detail:** Agreeing the valuation of 100 per cent of investments in the portfolio to externally quoted prices; and
- **Enquiry of depositary:** Agreeing 100 per cent of investment holdings in the portfolio to independently received third party confirmations from the depositary.

Our results: We found the carrying amount of quoted investments to be acceptable (2019: acceptable).

3 Our application of materiality and an overview of the scope of our audit

Materiality for the financial statements as a whole was set at £2.7m (2019: £3.3m), determined with reference to a benchmark of total assets, of which it represents 1% (2019: 1%).

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £135,000 (2019: £150,000), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Company was undertaken to the materiality level specified above and was performed by a single audit team.

4 We have nothing to report on going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

Our responsibility is to conclude on the appropriateness of the Directors' conclusions and, had there been a material uncertainty related to going concern, to make reference to that in this audit report. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. We evaluated those risks and concluded that they were not significant enough to require us to perform additional procedures.

Based on this work, we are required to report to you if:

- we have anything material to add or draw attention to in relation to the Directors' statement in Note 2 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Company's use of that basis for a period of at least twelve months from the date of approval of the financial statements; or
- the related statement under the Listing Rules set out on pages 43 and 44 is materially inconsistent with our audit knowledge.

We have nothing to report in these respects and we did not identify going concern as a key audit matter.

5 We have nothing to report on the other information in the Annual Report

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and Directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the Strategic Report and the Directors' Report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Independent Auditor's Report of Aberdeen New India Investment Trust PLC *Continued*

Disclosures of emerging and principal risks and longer-term viability

Based on the knowledge we acquired during our financial statements audit, we have nothing material to add or draw attention to in relation to:

- the Directors' confirmation within the Viability Statement (on pages 17 and 18) that they have carried out a robust assessment of the emerging and principal risks facing the Company, including those that would threaten its business model, future performance, solvency and liquidity;
- the Principal Risks disclosures describing these risks and explaining how they are being managed and mitigated; and
- the Directors' explanation in the Viability Statement of how they have assessed the prospects of the Company, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Under the Listing Rules we are required to review the Viability Statement. We have nothing to report in this respect.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgments that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Company's longer-term viability.

Corporate governance disclosures

We are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the Directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy; or
- the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.

We are required to report to you if the Corporate Governance Statement does not properly disclose a departure from the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review.

We have nothing to report in these respects.

6 We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

7 Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 53, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or other irregularities (see below), or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud, other irregularities or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at: www.frc.org.uk/auditorsresponsibilities

Irregularities – ability to detect

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the Directors, the manager and the administrator (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the Directors, the Manager and the administrator the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation) and its qualification as an Investment Trust under UK tax legislation, any breach of which could lead to the Company losing various deductions and exemptions from UK corporation tax, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: the Listing Rules and certain aspects of company legislation recognising the financial and regulated

nature of the Company's activities legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

8. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Gary Fensom (Senior Statutory Auditor) for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
Saltire Court
20 Castle Terrace
Edinburgh EH1 2EG

17 August 2020

Financial Statements

For the year ended 31 March 2020, your Company's net asset value ("NAV") fell 22.7%, as compared to the MSCI India Index which dropped by 27.3%, both in sterling total return terms.



Bandra Worli Sealink, Mumbai

Statement of Comprehensive Income

	Notes	Year ended 31 March 2020			Year ended 31 March 2019		
		Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Income							
Income from investments and other income	3	5,185	-	5,185	3,602	-	3,602
(Losses)/gains on investments held at fair value through profit or loss	9(a)	-	(74,343)	(74,343)	-	27,826	27,826
Currency losses		-	(133)	(133)	-	(349)	(349)
		5,185	(74,476)	(69,291)	3,602	27,477	31,079
Expenses							
Investment management fees	4	(2,866)	-	(2,866)	(2,774)	-	(2,774)
Administrative expenses	5	(787)	-	(787)	(805)	-	(805)
		(3,653)	-	(3,653)	(3,579)	-	(3,579)
Profit/(loss) before finance costs and taxation		1,532	(74,476)	(72,944)	23	27,477	27,500
Finance costs	6	(304)	-	(304)	(223)	-	(223)
Profit/(loss) before taxation		1,228	(74,476)	(73,248)	(200)	27,477	27,277
Taxation	7	(2)	2,276	2,274	(8)	(2,517)	(2,525)
Profit/(loss) for the year		1,226	(72,200)	(70,974)	(208)	24,960	24,752
Return/(loss) per Ordinary share (pence)	8	2.08	(122.42)	(120.34)	(0.35)	42.25	41.90

The Company does not have any income or expense that is not included in "Profit/(loss) for the year", and therefore this represents the "Total comprehensive income for the year", as defined in IAS 1 (revised).

All of the (loss)/profit and total comprehensive income is attributable to the equity holders of the parent company. There are no minority interests.

The total column of this statement represents the Statement of Comprehensive Income of the Company, prepared in accordance with IFRS. The revenue and capital columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies (see Note 2 to the Financial Statements).

All items in the above statement derive from continuing operations.

The accompanying notes are an integral part of these financial statements.

Statement of Financial Position

	Notes	As at 31 March 2020 £'000	As at 31 March 2019 £'000
Non-current assets			
Investments held at fair value through profit or loss		264,644	326,626
Subsidiary held at fair value through profit or loss		-	43
	9	264,644	326,669
Current assets			
Cash at bank		8,578	4,227
Other receivables	10	33	2,583
		8,611	6,810
Current liabilities			
Bank loan	11(a)	(30,000)	(15,000)
Other payables	11(b)	(1,672)	(1,933)
		(31,672)	(16,933)
Net current liabilities		(23,061)	(10,123)
Non-current liabilities			
Deferred tax liability on Indian capital gains	12	-	(2,350)
Net assets		241,583	314,196
Share capital and reserves			
Ordinary share capital	13	14,768	14,768
Share premium account	2(l)	25,406	25,406
Special reserve	2(l)	14,139	15,778
Capital redemption reserve	2(l)	4,484	4,484
Capital reserve	2(l)	182,656	254,856
Revenue reserve	2(l)	130	(1,096)
Equity shareholders' funds		241,583	314,196
Net asset value per Ordinary share (pence)	15	411.41	531.90

The financial statements were approved by the Board of Directors and authorised for issue on 17 August 2020 and were signed on its behalf by:

Hasan Askari
Chairman

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Equity

Year ended 31 March 2020

	Share capital £'000	Share premium account £'000	Special reserve £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 April 2019	14,768	25,406	15,778	4,484	254,856	(1,096)	314,196
Net (loss)/profit after taxation	-	-	-	-	(72,200)	1,226	(70,974)
Buyback of share capital to treasury	-	-	(1,639)	-	-	-	(1,639)
Balance at 31 March 2020	14,768	25,406	14,139	4,484	182,656	130	241,583

Year ended 31 March 2019

	Share capital £'000	Share premium account £'000	Special reserve £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 April 2018	14,768	25,406	15,778	4,484	229,896	(888)	289,444
Net profit/(loss) after taxation	-	-	-	-	24,960	(208)	24,752
Balance at 31 March 2019	14,768	25,406	15,778	4,484	254,856	(1,096)	314,196

The accompanying notes are an integral part of these financial statements.

Cash Flow Statement

	Notes	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Cash flows from operating activities			
Dividend income received		5,199	3,559
Interest income received		15	15
Investment management fee paid		(2,704)	(2,780)
Overseas withholding tax		(2)	(8)
Other cash expenses		(773)	(774)
Cash inflow from operations		1,735	12
Interest paid		(315)	(212)
Net cash inflow/(outflow) from operating activities		1,420	(200)
Cash flows from investing activities			
Purchases of investments		(65,653)	(67,814)
Sales of investments		55,430	53,321
Indian Capital Gains Tax on sales		(74)	(167)
Net cash outflow from investing activities		(10,297)	(14,660)
Cash flows from financing activities			
Buyback of shares		(1,639)	-
Drawdown of loan		15,000	15,000
Net cash inflow from financing activities		13,361	15,000
Net increase in cash and cash equivalents		4,484	140
Cash and cash equivalents at the start of the year		4,227	4,436
Effect of foreign exchange rate changes		(133)	(349)
Cash and cash equivalents at the end of the year	2(h),16	8,578	4,227

There were no non-cash transactions during the year (2019 – £nil).

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2020

1. **Principal activity.** The principal activity of the Company is that of an investment trust company within the meaning of Section 1158 of the Corporation Tax Act 2010 ("s1158").
2. **Accounting policies**
 - (a) **Basis of preparation.** The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the International Accounting Standards Board ("IASB"), and interpretations issued by the International Reporting Interpretations Committee of the IASB ("IFRIC"). The Company adopted all of the IFRS which took effect during the year including amendments to IAS 7 which requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The financial statements have also been prepared in accordance with the Statement of Recommended Practice (SORP), "Financial Statements of Investment Trust Companies and Venture Capital Trusts," issued in October 2019.

The Company's assets consist mainly of equity shares in companies listed on a recognised stock exchange and in most circumstances, including in the current market environment, are considered to be realisable within a short timescale. The Board has set limits for borrowing and regularly reviews actual exposures, cash flow projections and compliance with banking covenants, including the headroom available. The Company had a £30 million loan facility which had been due to mature on 24 July 2020. On 6 July 2020, the Company entered into a new two year £30 million loan facility. £24 million of this amount is drawn down on a short-term basis through a revolving credit facility and can be repaid without incurring any financial penalties. In advance of expiry of the facility in July 2022, the Company will enter into negotiations with its bankers. If acceptable terms are available from the existing bankers, or any alternative, the Company would expect to continue to access a facility. However, should these terms not be forthcoming, any outstanding borrowing would be repaid through the proceeds of equity sales. Having taken these factors into account, as well as the impact on the Company of the spread of the Covid-19 virus, the Directors believe that the Company has adequate resources to continue in operational existence for the foreseeable future and has the ability to meet its financial obligations as they fall due for a period of at least twelve months from the date of approval of this Report. For these reasons, they continue to adopt the going concern basis of accounting in preparing the financial statements. This is also based on the assumption that ordinary resolution 10, that the Company continues as an investment trust, which will be proposed at the AGM of the Company on 23 September 2020, is passed by shareholders as it has been in the years since it was put in place. The Directors consult annually with major shareholders and, as at the date of approval of this Report, had no reason to believe that this assumption was incorrect.

Significant estimates and judgements. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates which requires management to exercise its judgement in the process of applying the accounting policies. The Directors do not believe that any accounting judgements or estimates have been applied to these financial statements that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year. The Company considers the selection of Sterling as its functional currency to be a key judgement.

Functional currency. The Company's investments are made in Indian Rupee and US Dollar, however the Board considers the Company's functional currency to be Sterling. In arriving at this conclusion, the Board considered that the shares of the Company are listed on the London Stock Exchange, it is regulated in the United Kingdom, principally having its shareholder base in the United Kingdom and also pays expenses in Sterling, as it would dividends, if declared by the Company.

New and amended accounting standards and interpretations. The Company applied, for the first time, certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2019. The nature and impact is described below:

Annual Improvements to IFRS Standards 2015-2017 Cycle. Amendments are made to either clarify wording in an IFRS Standard or correct relatively minor oversights or conflicts between existing IFRS Standards, therefore, there were no significant impact of adopting the following relevant annual improvements:

- (i) IAS 12 Income Taxes
- (ii) IAS 23 Borrowing Costs

IFRS 9 Amendment 'Prepayment Features with Negative Compensation. IFRS 9 replaced IAS 39 'Financial Instruments: Recognition and Measurement' and this amendment provided relief to certain financial instruments at amortised cost with negative compensation to be measured at fair value through other comprehensive income. The adoption of the IFRS 9 amendment has had no significant impact on the financial statements of the Company.

IFRIC 23 – Uncertainty over Income Tax Treatments. The Company adopted IFRIC 23 'Uncertainty over Income Tax Treatments' which was developed to address how to reflect uncertainty in accounting for income taxes. Therefore, there was no significant impact of adopting IFRIC 23 for the Company.

At the date of authorisation of these financial statements, the following amendments to Standards and Interpretations were assessed to be relevant and are all effective for annual periods beginning on or after 1 January 2020:

- (i) IAS 1 Amendments Classification of Liabilities as current or non-current
- (ii) IAS 1 and IAS 8 Amendments Definition of Material
- (iii) IFRS 9, IAS 39 and IFRS 7 Amendments Interest Rate Benchmark Reform

The Company intends to adopt the Standards and Interpretations in the reporting period when they become effective and the Board does not anticipate that the adoption of these Standards and Interpretations in future periods will materially impact the Company's financial results in the period of initial application although there may be revised presentations to the Financial Statements and additional disclosures.

- (b) **Presentation of Statement of Comprehensive Income.** In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the Statement of Comprehensive Income between items of revenue and capital nature has been presented in the Statement of Comprehensive Income.
- (c) **Segmental reporting.** The Board has considered the requirements of IFRS 8 'Operating Segments' and is of the view that the Company is engaged in a single segment business, of investing in Indian quoted equities and that therefore the Company has only a single operating segment. The Board of Directors, as a whole, has been identified as constituting the chief operating decision maker of the Company. The key measure of performance used by the Board to assess the Company's performance is the total return on the Company's net asset value, as calculated under IFRS, and therefore no reconciliation is required between the measure of profit or loss used by the Board and that contained in the financial statements.
- (d) **Income.** Dividends receivable on equity shares are recognised in the Statement of Comprehensive Income on the ex-dividend date, and gross of any applicable withholding tax. Dividends receivable on equity shares where no ex-dividend date is quoted are brought into account when the Company's right to receive payment is established. Special dividends are credited to capital or revenue, according to their circumstances. Where a company has elected to receive dividends in the form of additional shares rather than in cash, the amount of the cash dividend foregone is recognised in the Statement of Comprehensive Income. Provision is made for any dividends not expected to be received. Interest receivable from cash and short-term deposits is accrued to the end of the financial year.
- (e) **Expenses and interest payable.** All expenses, with the exception of interest expenses, which are recognised using the effective interest method, are accounted for on an accruals basis. Expenses are charged to the revenue column of the Statement of Comprehensive Income except as follows:
 - expenses which are incidental to the acquisition or disposal of an investment are charged to the capital column of the Statement of Comprehensive Income and separately identified and disclosed in note 9 (b); and
 - expenses are charged to the capital column of the Statement of Comprehensive Income where a connection with the maintenance or enhancement of the value of the investments can be demonstrated.

Notes to the Financial Statements Continued

- (f) **Taxation.** The tax expense represents the sum of the tax currently payable and deferred tax. Tax payable is based on the taxable profit for the year. Taxable profit differs from profit before tax as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax. Deferred tax is recognised in respect of all temporary differences at the Balance Sheet date, where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the Balance Sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the temporary differences can be deducted. Deferred tax assets and liabilities are measured at the rates applicable to the legal jurisdictions in which they arise, using enacted tax rates that are expected to apply at the date the deferred tax position is unwound.

- (g) **Investments.** Investments have been designated upon initial recognition as fair value through profit or loss. Investments are recognised and de-recognised at trade date where a purchase or sale is under a contract whose terms require delivery within the timeframe established by the market concerned, and are measured initially at fair value. Subsequent to initial recognition, investments are recognised at fair value through profit or loss.

The Company classifies its investments based on their contractual cash flow characteristics and the Company's business model for managing the assets. The business model, which is the determining feature, is such that the portfolio of investments is managed, performance and risk is evaluated, on a fair value basis. The Manager is also compensated based on the fair value of the Company's assets. Consequently, all investments are measured at fair value through profit or loss.

Investments are recognised and de-recognised at trade date where a purchase or sale is under a contract whose terms require delivery within the timeframe established by the market concerned, and are measured at fair value. For listed investments, this is deemed to be bid market prices or closing prices on a recognised stock exchange.

Gains and losses arising from the changes in fair value are included in net profit or loss for the period as a capital item. Transaction costs are treated as a capital cost.

- (h) **Cash and cash equivalents.** Cash comprises cash in hand and at banks and short-term deposits. Cash equivalents are short-term, highly-liquid investments that are readily convertible to known amounts of cash, and that are subject to an insignificant risk of changes in value.
- (i) **Other receivables.** The Company has adopted the classification and measurement provisions of IFRS 9 'Financial Instruments' which replaces IAS 39 'Financial Instruments: Recognition and Measurement'. Financial assets previously classified as other receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. As such they are measured at amortised cost. Other receivables held by the Company do not carry any interest, they have been assessed as not having any expected credit losses over their lifetime due to their short-term nature.
- (j) **Other payables.** The Company has adopted the classification and measurement provisions of IFRS 9 'Financial Instruments' which replaces IAS 39 'Financial Instruments: Recognition and Measurement'. Other payables are non-interest bearing and are stated at amortised cost.
- (k) **Borrowings.** Bank loans are initially recognised at cost, being the fair value of the consideration received, net of any issue expenses. Subsequently, they are measured at amortised cost using the effective interest method. Finance charges are accounted for on an accruals basis using the effective interest rate method and are charged 100% to revenue.
-

(l) Nature and purpose of reserves

Called-up share capital. The Ordinary share capital on the Balance Sheet relates to the number of shares in issue and in treasury. Only when the shares are cancelled, either from treasury or directly, is a transfer made to the capital redemption reserve. This reserve is not distributable.

Share premium account. The balance classified as share premium includes the premium above nominal value from the proceeds on issue of any equity share capital comprising Ordinary shares of 25p. This reserve is not distributable.

Special reserve. The special reserve arose following Court approval in 1998 to transfer £30 million from the share premium account. This reserve is distributable for the purpose of funding share buy-backs by the Company.

Capital redemption reserve. The capital redemption reserve arose when Ordinary shares were redeemed, and subsequently cancelled by the Company, at which point an amount equal to the par value of the Ordinary share capital was transferred from the Ordinary share capital to the capital redemption reserve. This reserve is not distributable.

Capital reserve. This reserve reflects any gains or losses on investments realised in the period along with any increases and decreases in the fair value of investments held that have been recognised in the Statement of Comprehensive Income. This reserve is not distributable except for the purpose of funding share buybacks to the extent that gains are deemed realised. However, Resolution 14 to be proposed at the forthcoming Annual General Meeting would, if approved, enable the Company to pay dividend distributions out of capital profits, if required.

Revenue reserve. This reserve reflects all income and costs which are recognised in the revenue column of the Statement of Comprehensive Income. The revenue reserve represents the amount of the Company's reserves distributable by way of dividend.

(m) Foreign currency. Overseas monetary assets and liabilities are converted into Sterling at the rate of exchange ruling at the Balance Sheet date. Transactions during the year involving foreign currencies are converted at the rate of exchange ruling at the transaction date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss and recognised in the Statement of Comprehensive Income.

3. Income

	2020 £'000	2019 £'000
Income from investments		
Overseas dividends	5,171	3,587
Other operating income		
Deposit interest	14	15
	5,185	3,602

Notes to the Financial Statements continued

4. Investment management fees

	2020 £'000	2019 £'000
Investment management fees	2,866	2,774

The Company has an agreement with Aberdeen Standard Fund Managers Limited ("ASFML") (formerly Aberdeen Asset Managers Limited ("AAML")) for the provision of management and secretarial services.

During the year, the management fee was payable monthly in arrears and was based on an annual amount of 0.9% up to £350 million and 0.75% thereafter of the net assets of the Company, valued monthly. The management agreement is terminable by either the Company or ASFML on six months' notice. The amount payable in respect of the Company for the year was £2,866,000 (2019 – £2,774,000) and the balance due to ASFML at the year end was £403,000 (2019 – £240,000). All investment management fees are charged 100% to the revenue column of the Statement of Comprehensive Income.

5. Administrative expenses

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Directors' fees	118	116
Promotional activities	161	156
Auditor's remuneration:		
– fees payable for the audit of the Company's annual financial statements	24	24
Legal and advisory fees	54	61
Custodian and overseas agents' charges	298	294
Other	132	154
	787	805

ASFML supports the Company with promotional activities through its participation in the Aberdeen Standard Investment Trust Share Plan and ISA. The total fees paid and payable under the agreement during the year were £161,000 (2019 – £156,000) and £42,000 (2019 – £39,000) was due to ASFML at the year end.

The only fees paid to KPMG LLP by the Company are the audit fees of £23,500 (2019 – £23,500). The amounts disclosed above for Auditor's remuneration are all shown net of VAT.

6. Finance costs

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Interest on bank loans	304	223

Finance costs are charged 100% to revenue as disclosed in the accounting policies.

7. Taxation

	2020			2019		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(a) Analysis of charge for the year						
Indian capital gains tax charge on sales	-	74	74	-	167	167
Overseas taxation	2	-	2	8	-	8
Total current tax charge for the year	2	74	76	8	167	175
Movement in deferred tax liability on Indian capital gains	-	(2,350)	(2,350)	-	2,350	2,350
Total tax charge for the year	2	(2,276)	(2,274)	8	2,517	2,525

The Company is liable to Indian capital gains tax under Section 115 AD of the Indian Income Tax Act 1961.

On 1 April 2018, the Indian Government withdrew an exemption from capital gains tax on investments held for twelve months or longer. The Company has recognised a deferred tax liability of £nil (2019 – £2,350,000) on capital gains which may arise if Indian investments are sold.

(b) Factors affecting the tax charge for the year. The tax charged for the year can be reconciled to the profit/(loss) per the Statement of Comprehensive Income as follows:

	2020			2019		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Profit/(loss) before tax	1,228	(74,476)	(73,248)	(200)	27,477	27,277
UK corporation tax on (loss)/profit at the standard rate of 19% (2019 – 19%)	233	(14,150)	(13,917)	(38)	5,221	5,183
Effects of:						
Losses/(gains) on investments held at fair value through profit or loss not taxable	-	14,125	14,125	-	(5,287)	(5,287)
Currency losses not taxable	-	25	25	-	66	66
Deferred tax not recognised in respect of tax losses	747	-	747	720	-	720
Expenses not deductible for tax purposes	3	-	3	-	-	-
Indian capital gains tax charge on sales	-	74	74	-	167	167
Movement in deferred tax liability on Indian capital gains	-	(2,350)	(2,350)	-	2,350	2,350
Irrecoverable overseas withholding tax	2	-	2	8	-	8
Non-taxable dividend income	(983)	-	(983)	(682)	-	(682)
Total tax charge	2	(2,276)	(2,274)	8	2,517	2,525

(c) At 31 March 2020, the Company has surplus management expenses and loan relationship debits with a tax value of £3,673,000 (2019 – £2,618,000) based on enacted tax rates, in respect of which a deferred tax asset has not been recognised. No deferred tax asset has been recognised because the Company is not expected to generate taxable income in the future in excess of the deductible expenses of those future periods. Therefore, it is unlikely that the Company will generate future taxable revenue that would enable the existing tax losses to be utilised.

Notes to the Financial Statements continued

8. Return/(loss) per Ordinary share

	Year ended 31 March 2020			Year ended 31 March 2019		
	Revenue	Capital	Total	Revenue	Capital	Total
Net profit/(loss) (£'000)	1,226	(72,200)	(70,974)	(208)	24,960	24,752
Weighted average number of Ordinary shares in issue	58,978,796			59,070,140		
Return/(loss) per Ordinary share (pence)	2.08	(122.42)	(120.34)	(0.35)	42.25	41.90

9. Investments held at fair value through profit or loss

	Year ended 31 March 2020 Investments			Year ended 31 March 2019 Investments		
	In subsidiary ^A £'000	Parent £'000	Total £'000	In subsidiary ^A £'000	Parent £'000	Total £'000
(a) Company						
Opening book cost	20,564	224,239	244,803	20,564	203,625	224,189
Opening investment holdings fair value gains/(losses)	(20,521)	102,387	81,866	(20,537)	81,732	61,195
Opening valuation	43	326,626	326,669	27	285,357	285,384
Movements in the year:						
Purchases	-	65,232	65,232	-	69,306	69,306
Sales - proceeds	(45)	(52,869)	(52,914)	-	(55,847)	(55,847)
Gains/(losses) on investments	2	(74,345)	(74,343)	16	27,810	27,826
Closing valuation	-	264,644	264,644	43	326,626	326,669

^A In solvent liquidation from 15 November 2017 until formally dissolved on 28 February 2020.

	Year ended 31 March 2020 Investments			Year ended 31 March 2019 Investments		
	In subsidiary ^A £'000	Parent £'000	Total £'000	In subsidiary ^A £'000	Parent £'000	Total £'000
Closing book cost	-	246,479	246,479	20,564	224,239	244,803
Closing investment holdings fair value gains/(losses)	-	18,165	18,165	(20,521)	102,387	81,866
Closing valuation	-	264,644	264,644	43	326,626	326,669

^A In solvent liquidation from 15 November 2017 until formally dissolved on 28 February 2020.

The Company received £52,914,000 (2019 – £55,847,000) from investments sold in the period. The book cost of these investments when they were purchased was £63,556,000 (2019 – £48,692,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

The Company owned 100% of the Ordinary share capital of its subsidiary, New India Investment Company (Mauritius) Limited (in liquidation), an investment holding company registered in Mauritius which was placed into solvent liquidation on 15 November 2017. A final payment of £45,000 was received from the liquidator on 28 November 2019 prior to the formal dissolution of the Company on 28 February 2020.

(b) Transaction costs. During the year, expenses were incurred in acquiring or disposing of investments classified as fair value through profit or loss. These have been expensed through the capital column of the Statement of Comprehensive Income, and are included within (losses)/gains on investments at fair value through profit or loss in the Statement of Comprehensive Income. The total costs were as follows:

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Purchases	127	129
Sales	86	105
	213	234

The above transaction costs are calculated in line with the AIC SORP. The transaction costs in the Company's Key Information Document provided by the Manager are calculated on a different basis and in line with the PRIIPs regulations.

10. Other receivables

	2020 £'000	2019 £'000
Amounts due from brokers	10	2,526
Prepayments and accrued income	23	57
	33	2,583

None of the above amounts are past their due date or impaired (2019 - nil).

11. Current liabilities

	2020 £'000	2019 £'000
(a) Bank loan		
Loans repayable within one year	30,000	15,000

On 6 July 2020, the Company agreed a £30 million two year uncommitted multicurrency revolving loan facility with NatWest Markets Plc, which replaced the previous facility, also with NatWest Markets Plc which had been due to expire on 24 July 2020. £30 million was drawn down at 31 March 2020 (31 March 2019 - £15 million) at an all-in interest rate of 1.18% until 29 May 2020. At the date of this Report the Company had drawn down £24,000,000 at an all-in interest rate of 0.95963% until 14 September 2020.

The terms of the loan facility contain covenants that consolidated gross borrowings should not exceed 20% of adjusted investment portfolio value, the net asset value shall not at any time be less than £150 million and the investment portfolio contains a minimum of 25 eligible investments.

	2020 £'000	2019 £'000
(b) Other payables		
Amounts due to brokers	1,071	1,492
Other creditors	601	441
	1,672	1,933

Notes to the Financial Statements continued

12. Non-current liabilities

	2020 £'000	2019 £'000
Deferred tax liability on Indian capital gains	-	2,350

13. Ordinary share capital

	2020 Number	£'000	2019 Number	£'000
Authorised	200,000,000	50,000	200,000,000	50,000
Issued and fully paid				
Ordinary shares of 25p each	58,720,981	14,681	59,070,140	14,768
Held in treasury:				
Ordinary shares of 25p each	349,159	87	-	-
	59,070,140	14,768	59,070,140	14,768

The Ordinary shares give shareholders voting rights, the entitlement to all of the capital growth in the Company's assets, and to all the income from the Company that is resolved to be distributed.

During the year 349,159 (2019 – nil) Ordinary shares of 25p each were repurchased by the Company at a total cost, including transaction costs, of £1,639,000 (2019 – £nil). All of the shares were placed in treasury. Shares held in treasury represent 0.59% of the Company's total issued share capital at 31 March 2020. Shares held in treasury do not carry a right to receive dividends.

Subsequent to the year end the Company bought back for treasury a further 98,351 Ordinary shares for a total consideration of £391,000.

14. Analysis of changes in net debt

	At 31 March 2019 £'000	Currency differences £'000	Cash flows £'000	At 31 March 2020 £'000
Cash and short term deposits	4,227	(133)	4,484	8,578
Debt due within one year	(15,000)	-	(15,000)	(30,000)
	(10,773)	(133)	(10,516)	(21,422)

	At 31 March 2018 £'000	Currency differences £'000	Cash flows £'000	At 31 March 2019 £'000
Cash and short term deposits	4,436	(349)	140	4,227
Debt due within one year	-	-	(15,000)	(15,000)
	4,436	(349)	(14,860)	(10,773)

A statement reconciling the movement in net funds to the net cash flow has not been presented as there are no differences from the above analysis.

15. **Net asset value per Ordinary share.** The net asset value per Ordinary share is based on a net asset value of £241,583,000 (2019 – £314,196,000) and on 58,720,981 (2019 – 59,070,140) Ordinary shares, being the number of Ordinary shares in issue at the year end excluding shares held in treasury.

16. Financial instruments

Risk Management. The Company's investment activities expose it to various types of financial risk associated with the financial instruments and markets in which it invests. The Company's financial instruments comprise securities and other investments, cash balances and debtors and creditors that arise directly from its operations; for example, in respect of sales and purchases awaiting settlement, and debtors for accrued income.

The Board has delegated the risk management function to ASFML under the terms of its management agreement with ASFML (further details of which are included under note 4). The Board regularly reviews and agrees policies for managing each of the key financial risks identified with the Manager. The types of risk and the Manager's approach to the management of each type of risk, are summarised below. Such approach has been applied throughout the year and has not changed since the previous accounting period. The numerical disclosures exclude short-term debtors and creditors on the grounds of their materiality.

Risk management framework. The directors of Aberdeen Standard Fund Managers Limited collectively assume responsibility for ASFML's obligations under the AIFMD including reviewing investment performance and monitoring the Company's risk profile during the year.

ASFML is a fully integrated member of the Standard Life Aberdeen Group ("the Group"), which provides a variety of services and support to ASFML in the conduct of its business activities, including in the oversight of the risk management framework for the Company. The AIFM has delegated the day to day administration of the investment policy to Aberdeen Asset Management Asia Limited, which is responsible for ensuring that the Company is managed within the terms of its investment guidelines and the limits set out in its pre-investment disclosures to investors (details of which can be found on the Company's website). The AIFM has retained responsibility for monitoring and oversight of investment performance, product risk and regulatory and operational risk for the Company.

The Manager conducts its risk oversight function through the operation of the Group's risk management processes and systems which are embedded within the Group's operations. The Group's Risk Division supports management in the identification and mitigation of risks and provides independent monitoring of the business. The Division includes Compliance, Business Risk, Market Risk and Risk Management. The team is headed up by the Group's Head of Risk, who reports to the CEO of the Group. The Risk Division achieves its objective through embedding the Risk Management Framework throughout the organisation using the Group's operational risk management system ("SHIELD").

The Group's Internal Audit Department is independent of the Risk Division and reports directly to the Audit Chair and the Group's CFO. The Internal Audit Department is responsible for providing an independent assessment of the Group's control environment.

The Group's corporate governance structure is supported by several committees to assist the board of directors of the Group, its subsidiaries and the Company to fulfil their roles and responsibilities. The Group's Risk Division is represented on all committees, with the exception of those committees that deal with investment recommendations. The specific goals and guidelines on the functioning of those committees are described on the committees' terms of reference.

Risk management. The main risks the Company faces from its financial instruments are (i) market risk (comprising interest rate risk, currency risk and price risk), (ii) liquidity risk and (iii) credit risk.

(i) **Market risk.** The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – interest rate risk, foreign currency risk and other price risk.

Notes to the Financial Statements continued

Interest rate risk. The interest rate risk profile of the portfolio of the Company's financial assets and liabilities, excluding equity holdings which are all non-interest bearing, at the Statement of Financial Position date was as follows:

	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
At 31 March 2020				
Assets				
Sterling	-	-	-	7,898
US Dollars	-	-	-	8
Indian Rupee	-	-	-	672
			-	8,578

	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Liabilities				
Bank loan – £30,000,000	0.08	1.18	30,000,000	-
			30,000,000	-

	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
At 31 March 2019				
Assets				
Sterling	-	-	-	3,116
US Dollars	-	-	-	12
Indian Rupee	-	-	-	1,099
			-	4,227

	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Liabilities				
Bank loan – £15,000,000	0.08	1.52	15,000,000	-
			15,000,000	-

The weighted average interest rate is based on the current yield of each asset, weighted by its market value. The weighted average interest rate on bank loans is based on the interest rate payable, weighted by the total value of the loans. The maturity date of the Company's loans is shown in note 11.

The floating rate assets consist of cash deposits on call earning interest at prevailing market rates.

The Company's equity portfolio and short-term debtors and creditors (excluding bank loans) have been excluded from the above tables.

Management of the risk. The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment and borrowing decisions.

Interest rate sensitivity. The sensitivity analyses below have been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the Statement of Financial Position date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates.

The rate of interest on the loan is the percentage rate per annum which is the aggregate of the applicable margin, adjusted LIBOR Offered Rate and mandatory cost if any.

If interest rates had been 100 basis points higher or lower (based on current parameter used by Manager's Investment Risk Department on risk assessment) and all other variables were held constant, the Company's revenue return for the year ended 31 March 2020 would decrease/increase by £178,000 (2019 – increase/decrease £60,000). This is mainly attributable to the Company's exposure to interest rates on its floating rate cash balances and bank loans. These figures have been calculated based on cash positions and bank loans at each year end.

In the opinion of the Directors, the above sensitivity analyses are not representative of the year as a whole, since the level of exposure changes frequently as part of the interest rate risk management process used to meet the Company's objectives. The risk parameters used will also fluctuate depending on the current market perception.

Foreign currency risk. The Company's total return and net assets can be significantly affected by currency translation movements as the majority of the Company's assets and income are denominated in currencies other than Sterling, which is the Company's functional currency.

Management of the risk. It is not the Company's policy to hedge this risk but it reserves the right to do so, to the extent possible.

The revenue account is subject to currency fluctuation arising on dividends paid in foreign currencies. The Company does not hedge this currency risk.

Foreign currency exposure by currency of denomination:

	31 March 2020			31 March 2019		
	Overseas investments	Net monetary assets	Total currency exposure	Overseas investments	Net monetary assets	Total currency exposure
	£'000	£'000	£'000	£'000	£'000	£'000
US Dollar	488	8	496	9,741	12	9,753
Indian Rupee	264,156	672	264,828	316,928	1,099	318,027
	264,644	680	265,324	326,669	1,111	327,780

Foreign currency sensitivity. The following table details the positive impact to a 10% decrease in Sterling against the foreign currency in which the Company has exposure. The sensitivity analysis includes foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in foreign currency rates. In the event of a 10% increase in Sterling then there would be a negative impact on the Company's returns.

Notes to the Financial Statements Continued

	2020	2020	2019	2019
	Revenue £'000	Equity ^A £'000	Revenue £'000	Equity ^A £'000
US Dollar	2	50	14	975
Indian Rupee	516	26,483	345	31,803
	518	26,533	359	32,778

^A Represents equity exposure to relevant currencies.

Price risk. Price risks (ie, changes in market prices other than those arising from interest rate or currency risk) may affect the value of the quoted investments.

Management of the risk. It is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a sector. Both the allocation of assets and the stock selection process, as detailed on page 84, act to reduce market risk. The Manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review investment strategy. The investments held by the Company are all listed on the Bombay (Mumbai) Stock Exchange and/or The Indian National Stock Exchange, with the exception of Ultratech Cement GDR, whose primary exchange is Luxembourg.

Price risk sensitivity. If market prices at the Balance Sheet date had been 15% higher or lower while all other variables remained constant, the return attributable to Ordinary shareholders for the year ended 31 March 2020 would have increased /(decreased) by £39,697,000 (2019 – increased/(decreased) by £49,000,000) and capital reserves would have increased /(decreased) by the same amount.

- (ii) **Liquidity risk.** This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Management of the risk. The Board imposes borrowing limits to ensure gearing levels are appropriate to market conditions and reviews these on a regular basis. Borrowings comprise a £30 million revolving multi-currency credit facility, which expires on 6 July 2022. Details of borrowings at 31 March 2020 are shown in note 11.

Liquidity risk is not considered to be significant as the Company's assets comprise mainly readily realisable securities, which can be sold to meet funding commitments if necessary. Short-term flexibility is achieved through the use of the loan facility, details of which can be found in note 11. Details of the Board's policy on gearing are shown in the interest rate risk section of this note.

Liquidity risk exposure. The Company has a £30 million two year uncommitted multicurrency revolving loan facility, of which £30,000,000 (2019 – £15,000,000) was drawn down at the year end.

- (iii) **Credit risk.** This is failure of the counterparty to a transaction to discharge its obligations under that transaction, which could result in the Company suffering a loss.

Management of the risk. The risk is actively managed as follows:

- investment transactions are carried out with a number of brokers, whose credit standing is reviewed periodically by the Manager, and limits are set on the amount that may be due from any one broker;
- the risk of counterparty exposure due to failed trades causing a loss to the Company is mitigated by the review of failed trade reports by the Manager on a daily basis. In addition, both stock and cash reconciliations to custodians' records are performed on a daily basis by the Manager to ensure discrepancies are investigated on a timely basis. The Manager's Compliance department carries out periodic reviews of the Custodian's operations and reports its findings to the Manager's Risk Management Committee and to the Board of the Company. This review will also include checks on the maintenance and security of investments held; and
- cash is held only with reputable banks whose credit ratings are monitored on a regular basis.

None of the Company's financial assets are secured by collateral or other credit enhancements (2019 – same).

Credit risk exposure. In summary, compared to the amounts included in the Balance Sheet, the maximum exposure to credit risk at 31 March was as follows:

	2020		2019	
	Statement Financial Position £'000	Maximum Exposure £'000	Statement Financial Position £'000	Maximum Exposure £'000
Current assets				
Loans and receivables	33	33	2,583	2,583
Cash at bank and in hand	8,578	8,578	4,227	4,227
	8,611	8,611	6,810	6,810

The exposure noted in the above table is not representative of the exposure across the year as a whole.

None of the Company's financial assets are past due or impaired (2019 – same).

Fair values of financial assets and financial liabilities. The fair value of bank loans are represented in the table below;

	2020 £'000	2019 £'000
Bank loan	30,000	15,000

Investments held at fair value through profit or loss are valued at their quoted bid prices which equate to their fair values.

For the fixed rate GBP loan, the fair value of borrowings has been calculated at £30,000,000 as at 31 March 2020 (2019 – £15,000,000) compared to an accounts value in the financial statements £30,000,000 (2019 – £15,000,000) (note 11).

The Directors are of the opinion that the other financial assets and liabilities carried at amortised cost equates to their fair value.

Notes to the Financial Statements continued

17. Capital management policies and procedures.

The Company's capital management objectives are:

- to ensure that the Company will be able to continue as a going concern; and
- to maximise the income and capital return to its equity shareholders through an appropriate balance of equity capital and debt. The policy is that debt should not exceed 25% of net assets.

The Board, with the assistance of the Manager monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

- the planned level of gearing, which takes account of the Manager's views on the market;
- the need to buy back equity shares for cancellation, which takes account of the difference between the net asset value per share and the share price (ie the level of share price discount or premium);
- the need for new issues of equity shares; and
- the extent to which revenue in excess of that which is required to be distributed should be retained.

The Company's objectives, policies and processes for managing capital are unchanged from the preceding accounting period.

18. Fair value hierarchy.

IFRS 13 'Fair Value Measurement' requires an entity to classify fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making measurements. The fair value hierarchy has the following levels:

Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2: valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3: valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The financial assets and liabilities measured at fair value in the Balance Sheet are grouped into the fair value hierarchy at the Balance Sheet date as follows:

	Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
As at 31 March 2020					
Financial assets at fair value through profit or loss					
Quoted equities	a)	264,156	488	-	264,644
Net fair value		264,156	488	-	264,644
As at 31 March 2019					
Financial assets at fair value through profit or loss					
Quoted equities	a)	321,165	5,461	-	326,626
Investment in Subsidiary	b)	-	43	-	43
Net fair value		321,165	5,504	-	326,669

- a) **Quoted equities.** The fair value of the Group's investments in quoted equities has been determined by reference to their quoted bid prices at the reporting date. Quoted equities included in Fair Value Level 1 are actively traded on recognised stock exchanges. Quoted equities included in Fair Value Level 2 are GDR holdings in Ultratech Cement, which are not considered to trade actively on recognised stock exchanges.

b) Investment in Subsidiary. The Company's investment in its Subsidiary was categorised in Fair Value Level 2 as its fair value was determined by reference to the liquidator's reporting in respect of the Subsidiary Company's liquidation. The net asset value in the prior year was predominantly made up of cash and receivables. A final payment of £45,000 was made from the liquidator during the year ended 31 March 2020.

19. Controlling party. In the opinion of the Directors on the basis of shareholdings advised to them, the Company has no immediate or ultimate controlling party.

20. Related party transactions and transactions with the Manager

Directors' fees and interests. Fees payable during the year to the Directors and their interests in shares of the Company are disclosed within the Directors' Remuneration Report on page 51.

Investment in Subsidiary. Details of the Company's interest in its subsidiary, New India Investment Company (Mauritius) Limited (in liquidation) are set out in note 9 on page 70.

Transactions with the Manager. The Company has an agreement with Aberdeen Standard Fund Managers Limited for the provision of management, secretarial, accounting and administration services and for the carrying out of promotional activities in relation to the Company. Details of transactions during the year and balances outstanding at the year end disclosed in notes 4 and 5.

21. Subsequent events. Subsequent to the period end, the Company's NAV has increased following a recovery in stockmarket values from lows caused by Covid-19. At the date of this Report the latest NAV per share was 492.36p as at the close of business on 14 August 2020, representing an increase of 19.7%, compared with the NAV per share of 411.41p at the year end.

Corporate Information

Standard Life Aberdeen plc managed or administered over £511 billion (as at 30 June 2020) in assets for a range of clients, including individuals and institutions, through mutual and segregated funds.

Alternative Performance Measures

Alternative performance measures are numerical measures of the Company's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The Company's applicable financial framework includes IFRS and the AIC SORP. The Directors assess the Company's performance against a range of criteria which are viewed as particularly relevant for closed-end investment companies.

Total return. Total return is considered to be an alternative performance measure. NAV and share price total returns show how the NAV and share price has performed over a period of time in percentage terms, taking into account both capital returns and dividends paid to shareholders. NAV total return involves investing the net dividend in the NAV of the Company with debt at fair value on the date on which that dividend goes ex-dividend. Share price total return involves reinvesting the net dividend in the share price of the Company on the date on which that dividend goes ex-dividend.

The tables below provide information relating to the NAVs and share prices of the Company on the dividend reinvestment dates during the years ended 31 March 2020 and 31 March 2019. No dividends were declared during these years.

2020	NAV	Share price
31 March 2019	531.90p	461.00p
31 March 2020	411.41p	328.00p
Total return	-22.7%	-28.9%

2019	NAV	Share price
31 March 2018	490.00p	426.00p
31 March 2019	531.90p	461.00p
Total return	+8.6%	+8.2%

Discount to net asset value. The discount is the amount by which the share price of 328.00p (2019 – 461.00p) is lower than the net asset value per share of 411.41p (2019 – 531.90p), expressed as a percentage of the net asset value.

Net gearing. Net gearing measures the total borrowings of £30,000,000 (31 March 2019 – £15,000,000) less cash and cash equivalents of £7,517,000 (31 March 2019 – £5,261,000) divided by shareholders' funds of £241,583,000 (31 March 2019 – £314,196,000), expressed as a percentage. Under AIC reporting guidance cash and cash equivalents includes net amounts due to brokers at the year end of £1,061,000 (2019 – due from brokers of £1,034,000) as well as cash at bank of £8,578,000 (2019 – £4,227,000).

Ongoing charges. Ongoing charges is considered to be an alternative performance measure. The ongoing charges ratio has been calculated in accordance with guidance issued by the AIC as the total of investment management fees and administrative expenses and expressed as a percentage of the average net asset values with debt at fair value throughout the year.

	2020	2019
Investment management fees (£'000)	2,866	2,774
Administrative expenses (£'000)	787	805
Less: non-recurring charges (£'000)	-	(9)
Ongoing charges (£'000)	3,653	3,570
Average net assets (£'000)	319,144	305,133
Ongoing charges ratio	1.14%	1.17%

The ongoing charges ratio provided in the Company's Key Information Document is calculated in line with the PRIIPs regulations which includes amongst other things, the cost of borrowings and transaction costs.

Alternative Investment Fund Managers Directive Disclosures (unaudited)

Aberdeen Standard Fund Managers Limited and the Company are required to make certain disclosures available to investors in accordance with the Alternative Investment Fund Managers Directive ("AIFMD"). Those disclosures that are required to be made pre-investment are included within a pre-investment disclosure document ("PIDD") which can be found on the Company's website: aberdeen-newindia.co.uk.

There have been no material changes to the disclosures contained within the PIDD since its publication in August 2020.

The periodic disclosures as required under the AIFMD to investors are made below:

- information on the investment strategy, geographic and sector investment focus and principal stock exposures is included in the Strategic Report;
- none of the Company's assets are subject to special arrangements arising from their illiquid nature;
- the Strategic Report on pages 5 to 23, Note 16 to the Financial Statements and the PIDD, together set out the risk profile and risk management systems in place. There have been no changes to the risk management systems in place in the period under review and no breaches of any of the risk limits set, with no breach expected;
- there are no new arrangements for managing the liquidity of the Company or any material changes to the liquidity management systems and procedures employed by Aberdeen Standard Fund Managers Limited (the "AIFM");
- all authorised Alternative Investment Fund Managers are required to comply with the AIFMD Remuneration Code. In accordance with the Remuneration Code, the AIFM's remuneration policy is available from the Company Secretaries on request (see contact details on page 101) and the remuneration disclosures in respect of the AIFM's reporting period ended 31 December 2019, are available on the Company's website.

Leverage

The table below sets out the current maximum permitted limit and actual level of leverage for the Company

	Gross Method	Commitment Method
Maximum level of leverage	2.50:1	2.00:1
Actual level at 31 March 2020	1.22:1	1.26:1

There have been no breaches of the maximum level during the period and no changes to the maximum level of leverage employed by the Company. There is no right of re-use of collateral or any guarantees granted under the leveraging arrangement. Changes to the information contained either within this Annual Report or the PIDD in relation to any special arrangements in place, the maximum level of leverage which the AIFM may employ on behalf of the Company; the right of use of collateral or any guarantee granted under any leveraging arrangement; or any change to the position in relation to any discharge of liability by the Depositary will be notified via a regulatory news service without undue delay in accordance with the AIFMD.

The information on this page has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by Aberdeen Standard Fund Managers Limited which is authorised and regulated by the Financial Conduct Authority in the United Kingdom.

Information about the Investment Manager

Aberdeen Standard Fund Managers Limited

Aberdeen Standard Fund Managers Limited ("ASFML"), authorised and regulated by the Financial Conduct Authority, has been appointed as alternative investment fund manager to the Company. ASFML has in turn delegated portfolio management to Aberdeen Standard Investments (Asia) Limited ("ASIAL").

ASFML and ASIAL are subsidiaries of Standard Life Aberdeen plc which is headquartered in Edinburgh with principal offices in

Aberdeen, London, Singapore, Philadelphia, Bangkok, Edinburgh, Hong Kong, Luxembourg, Kuala Lumpur, Jersey, Sao Paulo, Stockholm, Sydney, Taipei, and Tokyo.

Aberdeen Standard Investments

Standard Life Aberdeen plc managed or administered over £511 billion (as at 30 June 2020) in assets for a range of clients, including individuals and institutions, through mutual and segregated funds.

The Investment Team

Kristy Fong
Investment Director



Chartered Financial Analyst, B.Acc from Nanyang Technological University (Singapore). Before joining ASIAL in 2004 Kristy worked as an analyst at UOB KayHian Pte Ltd.

James Thom
Investment Director



MBA, Insead; MA, Johns Hopkins University; BSc, University College, London. Previously with Actis, the emerging markets private equity firm. Joined ASIAL in 2010.

Flavia Cheong
Head of Equities - Asia Pacific ex Japan



Masters in Economics from University of Auckland. Previously with Investment Company of the People's Republic of China and Development Bank of Singapore. Started investment career in 1987. Joined ASIAL in 1996.

Adrian Lim
Investment Director



CFA® charterholder, B.Acc from Nanyang Technological University (Singapore). Joined ASIAL in 2000. Previously he was an associate director at Arthur Andersen advising on mergers & acquisitions in South East Asia.

Pruksa Iamthongthong
Investment Director



CFA® charterholder, BA in Business Administration, Chulalongkorn University, Thailand. Joined ASIAL in 2007.

Information about the Investment Manager Continued

The Investment Process

Philosophy and Style

The Investment Manager will not invest in a company without first having met its management team. Having invested in a company, the Investment Manager typically meets the management team twice a year. Over the years, the Investment Manager's fund managers have visited many thousands of companies, and more than 1,000 meetings are held annually with companies' management teams.

Portfolios are managed by the Investment Manager on a team basis, with individual fund managers doing their own research and analysis. Each asset class has a model portfolio that contains the team's best ideas for that asset class and forms the basis for constructing individual portfolios focused on that asset class.

The Investment Manager's investment process concentrates on a company's business strategy, management, financial strength, ownership structure and corporate governance seeking companies that it can invest in for the long term. This quality test means that there are stocks in the index universe that will not be considered for investment due to a lack of transparency or poor corporate governance.

Risk Controls

The Investment Manager seeks to minimise risk by its in depth research. Divergence from an index is not seen as risk – the Investment Manager views investment in poorly run, expensive companies that are not fully understood as risk. In fact where risk parameters are expressed in index relative terms, asset – including sector – allocation constitutes a significant constraint on stock selection. Hence diversification of stocks provides the Investment Manager's main control.

The Standard Life Aberdeen Group's performance and investment risk unit independently monitors portfolio positions, and reports monthly. As well as attributing performance it also produces statistical analysis, which is used by the Investment Manager primarily to check the portfolio is behaving as expected, not as a predictive tool.

Investor Information

Pre-Investment Disclosure Document (“PIDD”)

The Company has appointed Aberdeen Standard Fund Managers Limited as its alternative investment fund manager and BNP Paribas Securities Services, London Branch as its depository, under the Alternative Investment Fund Managers Directive (“AIFMD”).

The AIFMD requires Aberdeen Standard Fund Managers Limited, as the alternative investment fund manager (“AIFM”) of Aberdeen New India Investment Trust PLC, to make available to investors certain information prior to such investors’ investment in the Company. Details of the leverage and risk policies which the Company is required to have in place under AIFMD are published in the Company’s Pre-Investment Disclosure Document (“PIDD”) which can be found on its website: aberdeen-newindia.co.uk. The periodic disclosures required to be made by the AIFM under the AIFMD are set out on page 82.

Benchmark

The Company’s benchmark is the MSCI India Index (Sterling-adjusted).

Investor Warning: Be alert to share fraud and boiler room scams

Aberdeen Standard Investments has been contacted by investors informing us that they have received telephone calls and emails from people who have offered to buy their investment company shares, purporting to work for Aberdeen Standard Investments or for third party firms. Aberdeen Standard Investments has also been notified of emails claiming that certain investment companies under our management have issued claims in the courts against individuals. These may be scams which attempt to gain your personal information with which to commit identity fraud or could be ‘boiler room’ scams where a payment from you is required to release the supposed payment for your shares. These callers/senders do not work for Aberdeen Standard Investments and any third party making such offers/claims has no link with Aberdeen Standard Investments.

Aberdeen Standard Investments does not ‘cold-call’ investors in this way. If you have any doubt over the veracity of a caller, do not offer any personal information, end the call and contact our Customer Services Department using the details on page 101.

The Financial Conduct Authority provides advice with respect to share fraud and boiler room scams: fca.org.uk/consumers/scams

Shareholder Enquiries

For queries regarding shareholdings, lost certificates dividend payments, registered details and related matters, shareholders holding their shares directly in the Company are advised to contact the registrar, Computershare Investor Services plc (see Contact Information on page 101). Changes of address must be notified to the registrar in writing.

If you have any general questions about your Company, the Manager or performance, please contact Aberdeen Standard Investments Customer Services Department by calling 0808 500 0040, sending an email to inv.trusts@aberdeenstandard.com or by writing to: Aberdeen Standard Investments, PO Box 11020, Chelmsford, Essex CM99 2DB.

How to Invest

Investors can buy and sell shares in the Company directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively, for retail clients, shares can be bought directly through Aberdeen Standard Investments Plan for Children, Investment Trust Share Plan or Investment Trust ISA.

Aberdeen Standard Investments Plan for Children

Aberdeen Standard Investments operates an Investment Plan for Children (the “Children’s Plan”) which covers a number of investment companies under its management including Aberdeen New India Investment Trust PLC. Anyone can invest in the Children’s Plan, including parents, grandparents and family friends (subject to the eligibility criteria as stated within terms and conditions). All investments are free of dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £150 per trust, while regular savers may invest from £30 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on purchases, where applicable. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in the Children’s Plan, and regular savers can stop or suspend participation by instructing Aberdeen Standard Investments in writing at any time.

Aberdeen Standard Investments Share Plan

Aberdeen Standard Investments operates a Share Plan (the “Plan”) through which shares in the Company can be purchased. There are no dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £250, while regular savers may invest from £100 per month. Investors only pay Government Stamp Duty (currently 0.5%) on purchases, where applicable. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in a Plan, and regular savers can stop or suspend participation by instructing Aberdeen Standard Investments in writing at any time.

Aberdeen Standard Investments ISA

Aberdeen Standard Investments offers an Investment Trust ISA (“ISA”) through which an investment may be made of up to £20,000 in tax year 2020/2021.

Investor Information Continued

There are no brokerage or initial charges for the ISA, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Investors only pay Government Stamp Duty (currently 0.5%) on purchases, where applicable. Selling costs are £15 + VAT. The annual ISA administration charge is £24 + VAT, calculated annually and applied on 31 March (or the last business day in March) and collected soon thereafter either by direct debit or, if there is no valid direct debit mandate in place, from the available cash in the ISA prior to the distribution or reinvestment of any income, or, where there is insufficient cash in the ISA, from the sale of investments held under the ISA. Under current legislation, investments in ISAs can grow free of capital gains tax.

ISA Transfer

You can choose to transfer previous tax year investments to us which can be invested in Aberdeen New India Investment Trust PLC while retaining your ISA wrapper. The minimum lump sum for an ISA transfer is £1,000 and is subject to a minimum per investment trust of £250.

Nominee Accounts and Voting Rights

In common with other schemes of this type, all investments in the Aberdeen Standard Investments Investment Plan for Children, Investment Trust Share Plan and Investment Trust ISA are held in nominee accounts and investors are provided with the equivalent of full voting and other rights of share ownership.

Keeping You Informed

Further information on the Company can be found on its own dedicated website: aberdeen-newindia.co.uk. This provides access to information on the Company's share price performance, capital structure, stock exchange announcements and a Manager's monthly factsheet. Alternatively you can call 0808 500 0040 (free when dialling from a UK landline) for trust information.

If private investors have any questions about the Company, the Manager or performance, please contact Aberdeen Standard Investments' Customer Services Department using the details on page 101.

Key Information Document ("KID")

The KID relating to the Company, for which the Manager is responsible, may be found on the Company's website.

Literature Request Service

For literature and application forms for Aberdeen Standard Investments Plan for Children, Share Plan, ISA or ISA Transfer please contact:

Aberdeen Standard Investments
PO Box 11020
Chelmsford
Essex CM99 2DB

Telephone: 0808 500 4000
(free when dialling from a UK landline)

Terms and conditions for Aberdeen Standard Investments managed savings products can also be found under the 'Literature' section of invtrusts.co.uk

Suitability for Retail/NMPI Status

The Company's securities are intended for investors primarily in the UK (including retail investors), professionally-advised private clients and institutional investors who are seeking long term capital appreciation from investment in companies which are incorporated in India or which derive significant revenue or profit from India, with dividend yield being of secondary importance, via an investment company, and who understand and are willing to accept the risks of exposure to equities within a single emerging country fund. Investors should consider consulting a financial adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result.

The Company currently conducts its affairs so that the securities issued by the Company can be recommended by a financial adviser to ordinary retail investors in accordance with the Financial Conduct Authority's rules in relation to non-mainstream pooled investments ("NMPIs") and intends to continue to do so for the foreseeable future. The Company's securities are excluded from the Financial Conduct Authority's restrictions which apply to NMPIs because they are securities issued by an investment trust.

Online Dealing

There are a number of online dealing platforms for private investors that offer share dealing, ISAs and other means to invest in the company. Real-time execution-only stockbroking services allow you to trade online, manage your portfolio and buy UK listed shares. These sites do not give advice. Some comparison websites also look at dealing rates and terms. Some well-known online providers, which can be found through internet search engines, include:

- AJ Bell Youinvest
- Barclays Stockbrokers / Smart Investor
- Charles Stanley Direct
- EQi (formerly Equiniti and Shareview)
- Halifax Share Dealing
- Hargreave Hale
- Hargreaves Lansdown
- iDealing
- Interactive Investor
- The Share Centre
- Stocktrade

Discretionary Private Client Stockbrokers

If you have a large sum to invest, you may wish to contact a discretionary private client stockbroker. They can manage your entire portfolio of shares and will advise you on your investments. To find a private client stockbroker visit The Personal Investment Management & Financial Advice Association at: pimfa.co.uk.

Financial Advisers

To find an adviser who recommends on investment trusts, visit: unbiased.co.uk.

Regulation of Stockbrokers

Before approaching a stockbroker, always check that they are regulated by the Financial Conduct Authority:

Tel: 0800 111 6768 or at:

fca.org.uk/firms/financial-services-register

Email: consumerqueries@fca.org.uk

Note

Please remember that past performance is not a guide to the future. Stock market and currency movements may cause the value of shares and the income from them to fall as well as rise and investors may not get back the amount they originally invested.

As with all equity investments, the value of investment trusts purchased will immediately be reduced by the difference between the buying and selling prices of the shares, the market maker's spread.

Investors should further bear in mind that the value of any tax relief will depend on the individual circumstances of the investor and that tax rates and reliefs, as well as the tax treatment of ISAs, may be changed by future legislation.

The information on pages 85 to 87 has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by Aberdeen Asset Managers Limited which is authorised and regulated by the Financial Conduct Authority in the United Kingdom.

General

Notice is hereby given that the Annual General Meeting of Aberdeen New India Investment Trust PLC will be held at Bow Bells House, 1 Bread Street, London EC4M 9HH, at 9.00am on 23 September 2020.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Aberdeen New India Investment Trust PLC will be held at Bow Bells House, 1 Bread Street, London EC4M 9HH, at 9.00 am on 23 September 2020 for the following purposes:

Ordinary Business

As ordinary business to consider and, if thought fit, pass the following Resolutions 1 to 9 inclusive, as Ordinary Resolutions:

1. To receive the Directors' and Auditor's Reports and adopt the Financial Statements for the year ended 31 March 2020.
2. To receive and adopt the Directors' Remuneration Report for the year ended 31 March 2020 (other than the Directors' Remuneration Policy).
3. To approve the Directors' Remuneration Policy.
4. That shareholders approve the Company's dividend policy to pay interim dividends.
5. To elect Rebecca Donaldson as a Director of the Company.
6. To re-elect Hasan Askari as a Director of the Company.
7. To re-elect Stephen White as a Director of the Company.
8. To re-elect Michael Hughes as a Director of the Company.
9. To reappoint KPMG LLP as Independent Auditor of the Company and to authorise the Directors to determine their remuneration for the year to 31 March 2021.

Special Business

As special business to consider and, if thought fit, pass the following Resolutions in the case of Resolution 10 and 12 as Ordinary Resolutions and in the case of Resolutions 11, 13 and 14 as Special Resolutions:

Continuation Vote

10. To approve the continuance of the Company as an investment trust.

Authority to Make Market Purchases of Shares

11. THAT, the Directors of the Company be and are hereby generally and unconditionally authorised in accordance with Section 701 of the Companies Act 2006 (the "Act"), but without prejudice to the exercise of any such authority prior to the date of this resolution, to make market purchases (within the meaning of Section 693(4) of the Act) of Ordinary shares of 25p each in the capital of the Company ("Ordinary shares"), and to cancel or hold these Ordinary shares in treasury provided that:-
 - (i) the maximum aggregate number of Ordinary shares hereby authorised to be purchased shall be an aggregate of 8,787,532 Ordinary shares, being 14.99% of the issued Ordinary share capital of the Company (excluding treasury shares) as at the date of approval of this notice;
 - (ii) the minimum price which may be paid for an Ordinary share is 25p (exclusive of expenses);
 - (iii) the maximum price (exclusive of expenses) which may be paid for an Ordinary share shall be not more than the higher of (i) 5% above the average market values of the shares taken from the Daily Official List of the London Stock Exchange for the 5 business days before the purchase is made or that stipulated by Article 5(1) of the Commission Regulation (EC) No. 2273/2003 and, (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out; and
 - (iv) unless renewed, the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company in 2021 or on 30 September 2021, whichever is earlier, save that the Company may, prior to such expiry, enter into a contract to purchase Ordinary shares which will or may be completed or executed wholly or partly after the expiration of such authority and may make a purchase of Ordinary shares pursuant to any such contract.

Authority to Allot Shares

12. THAT, in substitution for any existing authority under Section 551 of the Companies Act 2006 (the "Act"), but without prejudice to the exercise of any such authority prior to the date of this resolution, the Directors be and they are hereby generally and unconditionally authorised, in accordance with Section 551 of the Companies Act 2006, to allot equity securities (within the meaning of the Section 551 of the Act) up to an aggregate nominal amount of £732,782 (representing approximately 5% of the Company's issued Ordinary share capital as at the date of approval of this notice) during the period commencing on the date of the passing of this resolution and expiring at the conclusion of the Annual General Meeting of the Company in 2021 or on 30 September 2021, whichever is earlier, but so that this authority shall allow the Company to make, before the expiry of this

Notice of Annual General Meeting Continued

authority, offers or agreements which would or might require relevant securities to be allotted after such expiry and notwithstanding such expiry, the Directors may allot relevant securities in pursuance of any such offers or agreements.

Disapplication of Pre-emption Rights

13. THAT, subject to the passing of Resolution 12 above (“the Section 551 resolution”) and in substitution for any existing authority under Sections 570 and 573 of the Companies Act 2006 (the “Act”) but without prejudice to the exercise of any such authority prior to the date of this resolution, the Directors of the Company be and are hereby generally and unconditionally authorised in accordance with Sections 570 and 573 of the Act to allot equity securities (within the meaning of Section 560 of the Act) either pursuant to the Section 551 resolution or by way of a sale of treasury shares, in each case for cash as if Section 561(1) of the Act did not apply to such allotment, provided that this power shall be limited to the allotment of equity securities:

- a) (otherwise than pursuant to sub-paragraph (b) below) up to an aggregate nominal amount of £732,782 (representing approximately 5% of the Company's issued Ordinary share capital, excluding treasury shares, as at the date of approval of this notice);
- b) in connection with or the subject of an offer or invitation, open for acceptance for a period fixed by the Directors, to holders of Ordinary shares and such other equity securities of the Company as the Directors may determine on the register of members on a fixed record date in proportion (as nearly as may be) to their respective holdings of such securities, (but subject to such exclusions, limits or restrictions or other arrangements as the Directors of the Company may consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in or under the laws of, or requirements of, any regulatory body or any stock exchange in any territory or otherwise howsoever); and
- c) at a price per Ordinary share which represents a premium to the prevailing NAV per Ordinary share from time to time (as determined by the Directors and excluding treasury shares).

Such power shall expire at the conclusion of the Annual General Meeting of the Company in 2021 or on 30 September 2021, whichever is earlier, but so that this power shall enable the Company to make an offer or agreement before such expiry which would or might require equity securities to be allotted after such expiry and the Directors of the Company may allot equity securities in pursuance of any such offer or agreement as if such expiry had not occurred.

Adoption of new Articles of Association

14. That the Articles of Association contained in the document produced to the meeting and signed by the Chairman for the purposes of identification, be approved and adopted as the new Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association, with effect from the conclusion of the 2020 Annual General Meeting.

Bow Bells House
1 Bread Street, London EC4M 9HH
17 August 2020

By order of the Board
Aberdeen Asset Management PLC
Secretary

NOTES:

- (i) A shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote instead of him/her or on his/her behalf at the Meeting. A proxy need not be a shareholder. The shareholder may appoint more than one proxy, provided that each proxy is appointed to attend, speak and vote in respect of a different share or shares. If you wish your proxy to speak on your behalf at the meeting, you will need to appoint your own choice of proxy (not the Chairman of the meeting) and give instructions directly to them. However, please note that, in the light of Covid-19 and associated Government guidance, including the rules on physical distancing and limitations on public gatherings, it is unlikely that your vote will be counted where a proxy other than the Chairman of the Meeting is appointed as additional third parties are unlikely to be permitted entry to the meeting. Appointing a proxy will not prevent a shareholder from attending in person and voting at the meeting. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should, or if you would like to appoint more than one proxy, please contact the Company's Registrars, Computershare Investor Services PLC on 0370 707 1153. In the case of joint holders, the vote of the first named in the register of members of the Company who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
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- (ii) To be valid, the appointment of a proxy, and the original or duly certified copy of the power of attorney or other authority, if any, under which it is signed or authenticated, should be sent to the Company's Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY so as to arrive not less than 48 hours (excluding non-working days) before the time fixed for the Meeting.
- (iii) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those shareholders registered in the register of members of the Company not later than 6.30pm on the date two days (excluding non-working days) before the time fixed for the meeting (or, if the meeting is adjourned, registered in the register of members not later than 6.30pm on the date two days (excluding non-working days) before the time fixed for the adjourned meeting) shall be entitled to attend or vote at the meeting in respect of the number of Ordinary shares registered in their name at that time. In each case, changes to entries on the register of members of the Company after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
- (iv) Any shareholder holding 3% or more of the total voting rights of the Company who appoints a person other than the Chairman of the meeting as his or her proxy(ies) will need to ensure that both he or she and his/her proxy(ies) comply with their respective disclosure obligations under the UK Disclosure Guidance and Transparency Rules.
- (v) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- (vi) In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (3RA50) no later than 48 hours before the time of the meeting or any adjournment. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
- (vii) CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- (viii) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- (ix) In order to facilitate voting by corporate representatives at the Meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting then, on a poll, those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated from those corporate representatives who attend, who will vote on a poll, and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (icsa.org.uk), for further details of this procedure. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above.
- (x) A person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statements of the rights of members in

Notice of Annual General Meeting Continued

relation to the appointment of proxies in Notes (i) and (ii) above do not apply to a Nominated Person. The rights described in those Notes can only be exercised by registered members of the Company.

- (xi) The terms of appointment of the Directors of the Company are available for inspection on any day (except Saturdays, Sundays and bank holidays) from the date of this notice of until the date of the meeting during usual business hours at the registered office of the Company and will, on the date of the Meeting, be available for inspection at the venue of the Meeting for 15 minutes prior to, and at, the Meeting.
 - (xii) Shareholders are advised that, unless otherwise stated, any telephone number, website or email address which may be set out in this notice of Annual General Meeting or in any related documents (including the proxy form) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.
 - (xiii) Following the Meeting, the results of the voting at the meeting and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of each of the resolutions will be announced via a Regulatory Information Service and placed on the Company's website: aberdeen-newindia.co.uk
 - (xiv) Further information regarding the meeting is available from: aberdeen-newindia.co.uk
 - (xv) Under Section 338 of the Companies Act 2006, members may require the Company to give, to members of the Company entitled to receive this notice of meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting. Under Section 338A of that Act, members may request the Company to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may properly be included in the business.
 - (xvi) It is possible that, pursuant to requests made by members of the Company under Section 527 of the Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the meeting; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Companies Act 2006. The Company may not require the members requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.
 - (xvii) As at 14 August 2020 (being the last practicable date prior to publication of this notice) the Company's issued share capital comprised 58,622,630 Ordinary shares of 25p each with voting rights and 447,510 shares in treasury. Each Ordinary share carries the right to one vote at a general meeting of the Company. Accordingly, the total number of voting rights in the Company as at 14 August 2020 was 58,622,630.
 - (xviii) There are special arrangements for holders of shares through Aberdeen Standard Investments Investment Plan for Children, Investment Trust Share Plan and Investment Trust Individual Savings Account ("ISA"). These are explained in the separate 'Letter of Direction' which such holders will have received with this Annual Report.
 - (xix) The full terms of the proposed amendments to the Company's articles of association would have been made available for inspection as required under LR 13.8.10R (2) but for the Government restrictions, including the Stay Alert and Safe measures, implemented in response to Covid-19. As an alternative, a copy of the proposed new articles of association of the Company, together with a copy of the existing articles of association of the Company marked to show the changes being proposed, will instead be available for inspection on the Company's website, www.aberdeen-newindia.co.uk, from the date of the Notice of the Annual General Meeting until the close of the meeting. These documents will also be available for inspection at the meeting venue from 15 minutes before and during the Annual General Meeting. In the event that the current restrictions related to Covid-19 are lifted before the Annual General Meeting, a hard copy of the proposed new articles of association of the Company, together with a copy of the existing articles of association of the Company marked to show the changes being proposed, will be available for inspection at Bow Bells House, 1 Bread Street, London EC4M 9HH until the close of the meeting.
 - (xx) Given the risks posed by the spread Covid-19 and in accordance with Government guidance in place at the date of this notice, physical attendance at the Annual General Meeting is unlikely to be possible. If the law or Government guidance so requires at the time of the meeting, the Chairman will limit, in his sole discretion, the number of individuals in physical attendance at the meeting. If the Government guidance in place as at the date of this notice is in place at the time of the meeting, such attendance is likely to be limited to two persons. Should the Government measures be relaxed by the time of the meeting, the Company may still impose entry restrictions on certain persons wishing to attend the Annual General Meeting in order to ensure the safety of those attending the meeting.
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Appendix to Notice of Annual General Meeting

New Articles

Summary of the principal changes to the Company's articles of association

Distribution of capital profits by way of dividend

The Companies Act 2006 (Amendment of Part 23) (Investment Companies) Regulations 2012 removed the requirement that the articles of association of an investment company must prohibit the distribution of capital profits. In compliance with the previous statutory regime, the Company currently has a provision in its articles of association which expressly prohibits the distribution of capital profits.

In the light of the amended statutory rules and in order to provide the Board with increased flexibility in relation to the payment of dividends in the future, the Board no longer considers it appropriate to have such a prohibition in the Company's articles and therefore proposes that it is removed. The proposed new articles of association therefore reflect this change and remove all references to the prohibition of the distribution of capital profits.

The Board does not presently intend to change its approach to the payment of dividends by utilising this new power to pay regular dividends out of capital. However, the Board may seek to use this power in the future where it considers it is in the best interests of shareholders to do so including, but not limited to, retaining the benefits of investment trust status.

Virtual/hybrid general meetings

The New Articles permit the Company to hold general meetings (including annual general meetings) where shareholders are not required to attend in person but may attend and participate virtually. A meeting can be wholly virtual if attendees participate only by way of electronic means or a meeting may be "hybrid", where some attendees are based in a single physical location and others attend electronically. Certain consequential changes to facilitate this amendment have been made throughout the New Articles.

It should be noted that, while the New Articles will allow for meetings to be held and conducted in such a way that persons who are not present together at the same physical location may attend, speak and vote at the meeting by electronic means, the Directors have no present intention of holding wholly virtual meetings. These provisions will only be used where the Directors consider it is in the best interests of shareholders for a virtual or hybrid meeting to be held. Nothing in the New Articles will prevent the Company from continuing to hold physical general meetings.

Postponement of general meetings (including annual general meetings)

In order to give the Directors as much flexibility as possible in exceptional circumstances, the New Articles permit the Company to postpone any general meeting (including any annual general meeting) if the Board, in its absolute discretion, considers that it is impractical or unreasonable for any reason to hold any such meeting on the date or at the time or place and/or through any electronic platform specified in the notice calling the general meeting,

Security arrangements at general meetings (including annual general meetings)

In order to ensure the safety and security of all attendees at shareholder meetings, the New Articles permit the Board to direct that persons wishing to attend any general meeting should submit to such searches or other security arrangements or restrictions as the Board shall consider appropriate in the circumstances and shall be entitled in its absolute discretion to refuse entry to, or to eject from, such general meeting any person who fails to submit to such searches or otherwise to comply with such security arrangements or restrictions.

The Alternative Investment Fund Managers Directive (2011/61/EU) ('AIFMD') and the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) (the 'AIFM Regulations')

The Board is proposing to take this opportunity to make amendments to the Existing Articles in response to the AIFMD and all applicable rules and regulations implementing that Directive. The proposed new provisions are as follows:

- (i) The Existing Articles will be amended to provide that the net asset value per share of the Company shall be calculated at least annually and be disclosed to shareholders from time to time in such manner as may be determined by the Board. The amendment will have no bearing on current practice and simply articulates the minimum requirements of the AIFM Regulations.
- (ii) The AIFM Regulations require that prior to any new or existing investor making an investment in the Company, certain prescribed information is to be made available to them. Therefore, the New Articles will include language with the effect that such information

Appendix to Notice of Annual General Meeting Continued

shall be made available to prospective and existing shareholders in such manner as may be determined by the Board from time to time (including, in certain cases, on the Company's website or by electronic notice).

(iii) The New Articles stipulate that the valuation of the Company's assets will be performed in accordance with prevailing accounting standards, in line with guidance from the Financial Conduct Authority. This reflects best practice and has no bearing on current practice and simply articulates the minimum requirements of the AIFM Regulations.

(iv) The Existing Articles will be amended to provide that the Company's annual report and accounts may be prepared either in accordance with generally accepted accounting principles of the United Kingdom or such other international accounting standards as may be permitted under Scots law. The amendment will have no bearing on current practice and simply articulates the minimum requirements of the AIFM Regulations.

International tax regimes requiring the exchange of information

The Board is proposing to include provisions in the New Articles to provide the Company with the ability to require shareholders to co-operate in respect of the exchange of information in order to comply with the Company's international tax reporting obligations.

The Hiring Incentives to Restore Employment Act 2010 of the United States of America, commonly known as the Foreign Account Tax Compliance Act, and all associated regulations and official guidance ("FATCA") imposes a system of information reporting on certain entities including foreign financial institutions such as the Company following the enactment of the UK International Tax Compliance (United States of America) Regulations 2013 on 1st September 2013. These regulations have now been replaced by the International Tax Compliance Regulations 2015 (the "Regulations").

The Existing Articles are being amended to provide the Company with the ability to require shareholders to co-operate with it in ensuring that the Company is able to comply with its obligations under the Regulations in order to avoid being deemed to be a 'Nonparticipating Financial Institution' for the purposes of FATCA and consequently having to pay withholding tax to the US Internal Revenue Service. The Existing Articles will also be amended to ensure that the Company will not be liable for any monies that become subject to a deduction or withholding relating to FATCA, as such liability would be to the detriment of shareholders as a whole.

The Regulations also include the automatic exchange of information regimes brought in by the tax regulation under the OECD (Organisation for Economic Co-operation and Development) Common Reporting Standard for Automatic Exchange of Financial Account Information (the Common Reporting Standard) which requires investment trust companies to provide personal information to HMRC on certain investors who purchase shares in investment trusts. As a result, the Company is required to provide information annually to the local tax authority on the tax residency of a number of non-UK based certified shareholders and corporate entities.

Therefore, the Existing Articles are being amended in order to provide the Company with the ability to require shareholders to co-operate in respect of these broader obligations including its obligations under the OECD and FATCA.

Termination of a director's appointment

Finally, the Board is proposing to amend the provision in the Existing Articles that provides for automatic termination of a person's appointment as a director in circumstances where, by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have. This is in response to developments in mental health legislation and reflects the position in the model articles for public companies as set out in the Companies (Model Articles) Regulations 2008/3229.

Glossary of Terms

ASIAL or Investment Manager

Aberdeen Standard Investments (Asia) Limited (formerly Aberdeen Asset Management Asia Limited), a wholly owned subsidiary of Standard Life Aberdeen plc

ASFML or Manager or AIFM

Aberdeen Standard Fund Managers Limited ("ASFML"), (formerly Aberdeen Fund Managers Limited), a wholly owned subsidiary of Standard Life Aberdeen plc, which acts as the alternative investment fund manager for the Company. ASFML is authorised and regulated by the Financial Conduct Authority.

AIC

The Association of Investment Companies.

AIFMD or the Directive

The Alternative Investment Fund Managers Directive - the AIFMD is European legislation which created a European-wide framework for regulating managers of 'alternative investment funds' ("AIFs"). It is designed to regulate any fund which is not a UCITS fund and which is managed and/or marketed in the EU. The Company has been designated as an AIF.

Alternative Performance Measures

Alternative performance measures are numerical measures of the Company's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The Company's applicable financial framework includes IFRS and the AIC SORP.

Discount

The amount by which the market price per share of an investment trust is lower than the NAV per share. The discount is normally expressed as a percentage of the NAV per share.

Leverage

For the purposes of the Alternative Investment Fund Managers Directive, leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a ratio between the Company's exposure and its NAV and can be calculated on a gross and a commitment method. Under the gross method, exposure represents the sum of the Company's positions after the deduction of Sterling cash balances, without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated without the deduction of Sterling cash balances and after certain hedging and netting positions are offset against each other.

Net Asset Value/NAV

The value of total assets less liabilities. Liabilities for this purpose include current and long-term liabilities. The net asset value divided by the number of shares presently in issue produces the basic net asset value per share.

Net Gearing/(Cash)

Net gearing/(cash) is calculated by dividing total assets (as defined below) less cash or cash equivalents by shareholders' funds expressed as a percentage. This is in accordance with the AIC guidance "Gearing Disclosures post RDR".

Ongoing Charges

Ratio of expenses as a percentage of average daily shareholders' funds calculated as per the AIC's industry standard method.

Premium

The amount by which the market price per share of an investment trust exceeds the NAV per share. The premium is normally expressed as a percentage of the NAV per share.

Price/Earnings or PE Ratio

The ratio is calculated by dividing the middle-market price per share by the earnings per share. The calculation assumes no change in earnings but in practice the multiple reflects the stock market's view of a company's prospects and profit growth potential.

Prior Charges

The name given to all borrowings including debentures, loan and short term loans and overdrafts that are to be used for investment purposes, reciprocal foreign currency loans, currency facilities to the extent that they are drawn down, index-linked securities, and all types of preference or preferred capital and the income shares of split capital trusts, irrespective of the time until repayment.

Gross portfolio yield

The historic annual income from the underlying investment portfolio, as a proportion of the total value of the investment portfolio as at 31 March.

Prospective portfolio PE ratio

The total value of the investment portfolio as a multiple of the consensus forecast annual aggregate earnings from the investment portfolio.

Glossary of Terms Continued

Standard Life Aberdeen Group

The Standard Life Aberdeen plc group of companies.

Subsidiary

New India Investment Company (Mauritius) Limited, which entered solvent liquidation on 15 November 2017 and was dissolved on 28 February 2020, was a wholly-owned subsidiary of the Company.

Total Assets

Total assets as per the balance sheet less current liabilities (before deducting prior charges as defined above).

Total Return

Total Return involves reinvesting the net dividend in the month that the share price goes ex dividend. The NAV Total Return involves investing the same net dividend in the NAV of the trust on the date to which that dividend was earned, eg quarter end, half year or year end date.

Your Company's Capital History

Issued Share Capital as at 31 March 2020

58,720,981 Ordinary shares of 25p with voting rights
349,159 Ordinary shares of 25p held in treasury

Capital History

Year ended 31 March 2020

349,159 Ordinary shares purchased by Company and held in treasury

Year ended 31 March 2017

Name changed on 3 January 2017 from New India Investment Trust PLC to Aberdeen New India Investment Trust PLC

Year ended 31 March 2011

12,115,997 Ordinary shares issued following the final exercise of Warrants

Year ended 31 March 2010

644,685 Ordinary shares issued following the exercise of Warrants

Year ended 31 March 2009

21,708 Ordinary shares issued following the exercise of Warrants

1,575,000 Ordinary shares purchased by Company for cancellation

Year ended 31 March 2008

22,900 Ordinary shares issued following the exercise of Warrants

Year ended 31 March 2007

9,100 Ordinary shares issued following the exercise of Warrants

Year ended 31 March 2006

18,700 Ordinary shares issued following the exercise of Warrants

Year ended 28 February 2005

Accounting Reference Date changed from 28 February to 31 March

Name changed from Deutsche Latin American Companies Trust PLC to New India Investment Trust PLC

Shareholders voted in favour of a special resolution to transfer investment management services to Aberdeen Asset Management Asia Limited (subsequently transferred to ASFML in July 2014) and pursue a revised investment objective to provide shareholders with long term capital appreciation by investment in companies which are incorporated in India or which derive significant revenue or profit from India, with dividend yield from the Company being of secondary importance.

Year ended 28 February 2002

450,000 Ordinary shares purchased by the Company for cancellation

1,000 Ordinary shares issued following the exercise of Warrants

Year ended 28 February 2001

Name changed from Morgan Grenfell Latin American Companies Trust PLC to Deutsche Latin American Companies Trust PLC

11,915,000 Ordinary shares purchased by the Company for cancellation

Year ended 28 February 2000

3,110,000 Ordinary shares purchased by the Company for cancellation

Year ended 28 February 1999

885,000 Ordinary shares purchased by the Company for cancellation

Year ended 28 February 1996

100 Ordinary shares issued following the exercise of Warrants

31 March 1994

64,170,950 Ordinary shares and 12,834,190 Warrants issued (representing one Warrant for every five Ordinary shares)

21 February 1994

Company incorporated as Morgan Grenfell Latin American Companies Trust PLC

Overview

Strategic Report

Portfolio

Governance

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Corporate Information

Directors

Hasan Askari (Chairman)
Rachel Beagles (Senior Independent Director)
Michael Hughes
Stephen White
Rebecca Donaldson (from 1 September 2020)

Company Secretaries

Aberdeen Asset Management PLC
Registered Office and Company Number
Bow Bells House
1 Bread Street
London EC4M 9HH

Registered in England & Wales under company number 02902424

Website

aberdeen-newindia.co.uk

Points of Contact

The Chairman or Company Secretaries at the Registered Office of the Company.

Legal Entity Identifier

549300D2AW66WYEVKF02

United States Internal Revenue Service FATCA Registration Number ("GIIN")

U2I09D.9999.SL.826

Aberdeen Standard Investments Customer Services Department and Children's Plan, Share Plan/ISA enquiries

Aberdeen Standard Investments
PO Box 11020
Chelmsford
Essex CM99 2DB

Freephone: **0808 500 0040**

(Lines are open Monday to Friday from 9.00am – 5.00pm, excluding public holidays in England & Wales)

Email: inv.trusts@aberdeenstandard.com

<https://twitter.com/AberdeenTrusts>

<https://www.linkedin.com/company/aberdeen-standard-investment-trusts>

Alternative Investment Fund Manager

Aberdeen Standard Fund Managers Limited
Authorised and regulated by the Financial Conduct Authority

Investment Manager

Aberdeen Standard Investments (Asia) Limited

Registrars (for direct shareholders)

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ

Telephone: **0370 707 1153**

(Lines are open Monday to Friday from 8.30am – 5.30pm, excluding public holidays in England & Wales. Charges for '03' numbers are determined by the caller's service provider. Calls may be recorded and monitored randomly for security and training purposes.)

Website: uk.computershare.com/investor

E-mail is available via the website

Independent Auditor

KPMG LLP
20 Castle Terrace
Edinburgh EH1 2EG

Stockbrokers

Winterflood Securities Limited
The Atrium Building
Cannon Bridge
25 Dowgate Hill
London EC4R 2GA

Depository

BNP Paribas Securities Services,
London Branch
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