Aberdeen New India Investment Trust PLC
Statement of Corporate Governance for the year ended 31 March 2019
12 June 2019

Aberdeen New India Investment Trust PLC (the "Company") is committed to high 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 UK Listing Authority, this statement describes how the Company has applied the principles identified in the UK Corporate Governance Code published in April 2016 (the "UK Code") during the year ended 31 March 2019. The UK Code is available on the Financial Reporting Council's website: frc.gov.uk.

The Board has also considered the principles and recommendations of the AIC Code of Corporate Governance as published in July 2016 (the "AIC Code") by reference to the AIC Corporate Governance Guide for Investment Companies (the "AIC Guide"). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Code, as well as setting out additional principles and recommendations on issues which are of specific relevance to investment trusts. Both the AIC Code and the AIC Guide are 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 for shareholders.

The Board confirms that, during the year ended 31 March 2019, the Company complied with the recommendations of the AIC Code and the relevant provisions of the UK Code except as set out below:

The UK Code includes provisions relating to:

- the role of the chief executive (A.1.2);
- executive directors' remuneration (D.1.1 and D.1.2);
- and the need for an internal audit function (C.3.6).

For the reasons set out in the AIC Guide, and as explained in the UK Code, the Board considers that these provisions are 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 these provisions.

	AIC Code Principle	How the Principles are Applied
THE BOARD		
1	**The Chairman should be independent**	Mr Hasan Askari has served as a Director since 21 September 2012 and as Chairman since 11 September 2014. The Board formally reviews the performance of the Chairman each year and takes the view that independence is not compromised by length of tenure and that experience can add significantly to the Board's strength. The Board is satisfied that Mr Askari who, having served on the Board for less than nine years, remains independent of the Manager and free of any relationship which could materially interfere with the exercise of his judgement on issues of strategy, performance, resources and standards of conduct and confirms that, following a formal performance evaluation led by the Senior Independent Director, the Chairman's performance continues to be

		effective and demonstrates commitment to the role. The Board therefore recommends the re-election of Hasan Askari at the Annual General Meeting.
2	**A majority of the Board should be independent of the Manager**	During the year, the Board comprised four non-executive Directors. The independence of the Directors is reviewed annually. All the current Directors are considered by the Board to be independent of the Manager and free of any material relationship which could interfere with the exercise of their independent judgement on issues of strategy, performance, resources and standards of conduct. The names and biographies of each of the Directors are shown in the Governance section of the Annual Report. There is a procedure for Directors to take independent professional advice, if necessary, at the Company's expense.
3	**Directors should be submitted for re-election at regular intervals. Nomination for re-election should not be assumed but be based on disclosed procedures and continued satisfactory performance**	Under the Company's Articles of Association new Directors stand for election at the first AGM following their appointment and thereafter all Directors submit themselves for re-election at the third AGM after the AGM at which he/she was last elected. Directors with more than nine years' service, or Directors considered by the UK Listing rules to be non-independent, are required to submit themselves for annual re-election. Notwithstanding the above, the Board has determined that all Directors retire at each AGM and, where appropriate, seek election or re-election. Recommendation for election or re-election is based on the continuing effectiveness of each Director established through an annual performance evaluation.
4	**The Board should have a policy on tenure, which is disclosed in the Annual Report**	The Board as a whole discharges the responsibilities of a nomination committee including an annual review of the composition of the Board. There are no pre-set criteria for retirement based on length of service as the Board takes the view that independence of individual Directors is not compromised by length of tenure and that experience can add significantly to the Board's strength. The Board believes that recommendation for re-election should be on an individual basis following a rigorous review which assesses the contribution made by the Director concerned.
5	**There should be full disclosure of information about the Board**	The names and biographies of each of the Directors are shown in the Governance section of the Annual Report and indicate their range of skills and experience as well as length of service. The terms of reference of the Audit Committee, Management Engagement Committee ("MEC") and Nomination Committee which clearly define the responsibilities and duties of each Committee, are available on the Company's website, or upon request from the Company Secretary. The terms of reference of each of the Committees are reviewed and re-assessed by the Board for their adequacy on an ongoing basis.

		Further information on the MEC and Nomination Committee may be found in the relevant section of the Directors' Report while details of the Audit Committee are set out within the separate report forming part of the Annual Report. The Board established the Nomination Committee on 5 June 2019.
6	**The Board should aim to have a balance of skills, experience, length of service and knowledge of the Company**	A list of skills and expertise required by the Board has been agreed by the Board and is kept under review by the Nomination Committee. Potential new Directors are identified against the requirements of the Company's business and the need to have a balance of skills, experience, independence, diversity, including gender, and knowledge of the Company within the Board. Appointments are made on merit, taking into account the benefits of diversity, including gender. However, the Board's overriding priority is to appoint the most appropriate candidates, regardless of gender or other forms of diversity. The Board has therefore not set any measurable targets in relation to the diversity of the Board.
7	**The Board should undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual Directors**	During the year, the Board completed a performance evaluation questionnaire comprising three sections covering the Directors' assessment of (1) their individual performance, (2) the performance of the Board as a whole; and (3) the effectiveness of the Chairman. Responses to the questionnaire were collated by the Secretaries and sections (1) and (2) discussed by the Chairman with each Director while the Senior Independent Director discusses section (2) with the Chairman.
8	**Director remuneration should reflect their duties, responsibilities and the value of their time spent**	Directors' remuneration is determined by the Nomination Committee. The Board's policy is that the remuneration of non-executive Directors should be sufficient to attract Directors of the quality required to run the Company successfully. Remuneration should also reflect the nature of the Directors' duties, responsibilities, the value of their time spent and be fair and comparable to that of other investment trusts that are similar in size, and have a similar capital structure and similar investment objective. Detailed information on the remuneration arrangements for the Directors of the Company, including the Remuneration Policy, can be found in the Directors' Remuneration Report in the Governance section of the Annual Report. The Directors' Remuneration Policy, effective for three years, was approved by shareholders at the AGM on 5 September 2017 and will next be put to shareholders at the AGM in 2020.
9	**The independent Directors should take the lead in the appointment of new Directors and the process should be disclosed in the Annual Report**	The Nomination Committee is responsible for succession planning and Board appointments including considering the criteria for future Board appointments and the methods of recruitment, selection and appointment, including whether to engage the services of an external recruitment provider.

10	**Directors should be offered relevant training and induction**	Newly appointed Directors are provided with a full induction programme by the Manager. This includes the provision of information on the Company's investment strategy together with policies and practices. On an ongoing basis, Directors are given key information on the Company's regulatory and statutory requirements as they arise, and every Director is entitled to receive appropriate training as deemed necessary.
11	**The Chairman (and the Board) should be brought into the process of structuring a new launch at an early stage**	This principle does not apply to the Company as it is a long-established investment company.
BOARD MEETINGS AND RELATIONS WITH THE MANAGER		
12	**Boards and Managers should operate in a supportive, co-operative and open environment**	There were four scheduled Board meetings during the year, when representatives of the Manager formally reported to the Board. The Board meets more frequently when business needs require. Representatives of the Manager and the Company Secretary attended each Board meeting as well as certain committee meetings. The Board maintains regular contact with the Company Secretary and Manager between meetings. The Chairman encourages open and constructive debate to foster a supportive and co-operative approach for its own meetings and for those with its Manager. There is a clear division of responsibility between the Chairman, the Directors, the Manager and the Company's other third party service providers. No one individual has unfettered powers of decision.
13	**The primary focus at regular Board meetings should be a review of investment performance and associated matters, such as gearing, asset allocation, investor relations, peer group information and industry issues**	The Chairman is responsible for leading the Board, ensuring its effectiveness on all aspects of its role and is responsible for ensuring that all Directors receive accurate, timely and clear information. The Board sets the investment guidelines within which the Manager operates. Investment performance and associated matters, such as gearing, asset allocation, investor relations, peer group information and industry issues are agenda items at each Board meeting. The Manager ensures that the Board receives all relevant management and financial information in a timely manner. Representatives of the Manager attend Board meetings where performance against the Company's investment objectives, portfolio risk and attribution analysis is reviewed. Directors are provided with a comprehensive set of papers giving detailed information on the Company's transactions and financial position prior to each meeting and all Directors have timely access to all relevant management, financial and regulatory information.
14	**Boards should give sufficient attention to overall strategy**	The Board regularly reviews the objectives and strategy for the Company, including the management and investment objectives together with the promotional and shareholder communication strategies implemented by the Manager.

15	**The Board should regularly review both the performance of, and contractual arrangements with, the Manager.**	The MEC is responsible for reviewing, on an annual basis, the terms and conditions of the Manager's appointment, including an evaluation of performance and fees. The MEC also keeps the resources of the Manager under review, together with the commitment of the Manager to the Company and its wider investment trust business. Further to a recommendation to the Board by the MEC, the Manager and Company agreed a revised management fee and notice period with effect from 1 April 2018, the details of which may be found in the Directors' Report under "Manager and Company Secretaries". The Management Agreement ("MA") was entered into after full and proper consideration by the Board of the quality and cost of services offered including the financial control systems in operation in so far as they relate to the affairs of the Company.
16	**The Board should agree policies with the Manager covering key operational issues**	The Board has formally adopted a schedule of matters reserved to it for decision and the requirement for Board approval on these matters is communicated directly to the senior staff of the Manager. Such matters include strategy, Company structure, risk, borrowings, treasury, dividend and corporate governance policy. Full and timely information is provided to the Board to enable it to function effectively and to allow Directors to discharge their responsibilities. The Board also reviews the financial statements, performance and revenue budgets. The MA includes investment guidelines and sets policies to cover key operational issues. The Board discusses operational matters regularly with the Manager, including corporate governance and voting in respect of portfolio holdings, and performance reporting terminology. The Board has delegated discretion to the Manager to exercise voting powers on its behalf but reviews the Manager's policy in this respect.
17	**Boards should monitor the level of the share price discount or premium (if any) and, if desirable, take action to reduce it**	The share price and NAV per share are reported to the London Stock Exchange on each business day and monitored on the Board's behalf. The Board considers the discount to NAV of the Company's share price at every Board meeting and more frequently if circumstances demand. The Board may use share repurchases to help address imbalances in the demand for the Company's shares. The Company has taken powers to issue new shares and repurchase shares so that it may take action where necessary. Any issue or repurchase programme is considered by the Board in consultation with the Manager, taking account of: • the investment mandate and objective; • the effectiveness of promotion and shareholder communication strategies; • measures of investor sentiment; and • the number and position of comparable trusts in the Company's peer group.
18	**The Board should monitor and evaluate other service providers**	The Audit Committee conducts an annual review of the performance, terms and conditions of the Company's main third party suppliers, including the level and structure of fees payable and the length of notice periods, to ensure that they remain competitive and in the best interests of shareholders. The Board assesses their

		performance based on reports by such third party providers to the Board. The Manager also reports regularly on its evaluation and monitoring of third party service providers. The Audit Committee monitors and reviews the auditor's independence, objectivity, effectiveness, resources and qualification. All members of the Audit Committee are independent.
SHAREHOLDER COMMUNICATIONS		
19	**The Board should regularly monitor the shareholder profile of the Company and put in place a system for canvassing shareholder views and for communicating the Board's views to shareholders**	The Directors place a great deal of importance on communication with shareholders. Regular reports are submitted to the Board by the Manager and the Company's broker. A regular dialogue is maintained with the Company's institutional shareholders and private client asset managers. The Chairman together with the Senior Independent Director and/or other members of the Board are available to meet with major shareholders to discuss governance and strategy and to understand their issues and concerns which are then discussed at Board meetings. The Board, together with the Manager's investor relations team, seeks to meet with the Company's major shareholders at least annually as part of a road show initiative. All shareholders are encouraged to attend the AGM, where they are given the opportunity to question the Chairman and the Board.
20	**The Board should normally take responsibility for, and have direct involvement in, the content of communications regarding major corporate issues even if the Manager is asked to act as spokesman**	The Board's policy is to communicate directly with shareholders and their representative bodies without the involvement of the management group (either the Company Secretary or the Manager) in situations where direct communication is required, and representatives from the Board meet with major shareholders on an annual basis in order to gauge their views. In addition, the Company Secretary only acts 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.
21	**The Board should ensure that shareholders are provided with sufficient information for them to understand the risk/ reward balance to which they are exposed by holding the shares**	The Company's investment objective and investment policy are published in the Annual Report and on its website. The Board agrees a budget with the Manager every year for the Company's participation in the Aberdeen investment trust promotional programme. The Company aims to provide shareholders with a full understanding of the Company's activities and performance by means of informative Annual and Half-Yearly Financial reports. This is supplemented by the daily publication, through the London Stock Exchange, of the Net Asset Value of the Company's shares. The Company's website, aberdeen-newindia.co.uk, includes up-to-date information on the Company. It is regularly monthly with a factsheet, performance and portfolio listings as well as providing the Company's Annual and Half-Yearly Financial reports.

		Further details on the Company's principal risks and uncertainties are set out in the Strategic Report in the Annual Report. The full portfolio listing is listed in the Annual Report and is also published monthly on the Company's website.

Disclosure & Transparency Rules (DTRs)

The following further information is disclosed in this statement in accordance with the Companies Act and DTR 7.2.6:

- The Company's capital structure and voting rights are summarised in the Directors' Report within the Annual Report;
- Details of the substantial shareholders in the Company are listed in the Directors' Report in the Annual Report;
- The rules concerning the appointment and replacement of Directors are contained in the Company's Articles of Association and are summarised above;
- Amendment of the Company's Articles of Association and powers to issue or buy back the Company's shares require a special resolution to be passed by shareholders;
- There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no agreements between holders of securities regarding their transfer known to the Company; no agreements which the Company is party to that might affect its control following a takeover bid; and,
- There are no agreements between the Company and its Directors concerning compensation for loss of office.

By order of the Board

Hasan Askari
Chairman

12 June 2019