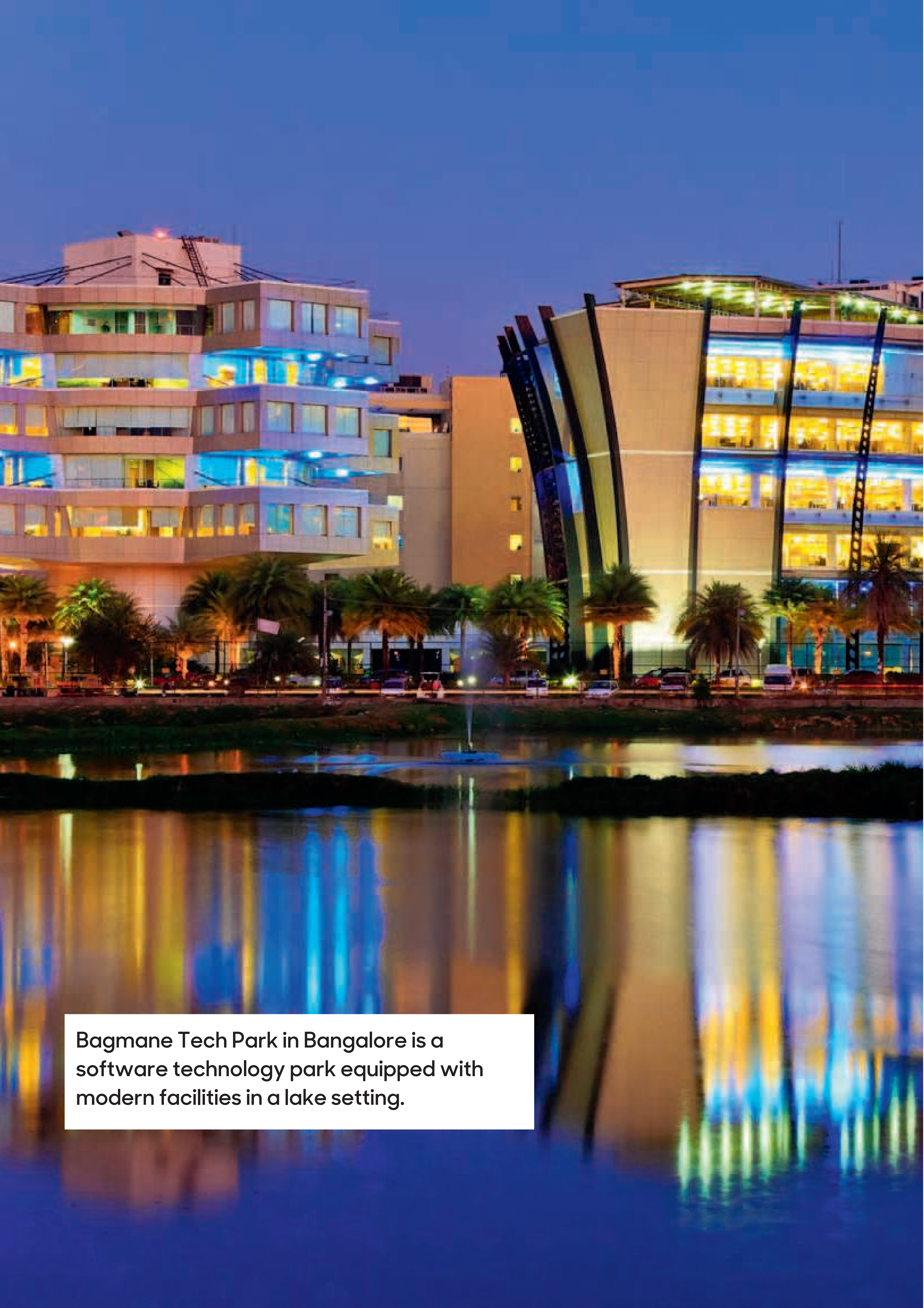
Aberdeen New India Investment Trust PLC

Annual Report 31 March 2022

Seeking world-class, well governed companies at the heart of India's growth

aberdeen-newindia.co.uk



Bagmane Tech Park in Bangalore is a software technology park equipped with modern facilities in a lake setting.

"There are plenty of reasons to be upbeat about India's long-term outlook."

Hasan Askari, Chairman

"We have taken steps to reposition and refresh the portfolio with a focus on improving near-term performance"

Kristy Fong and James Thom
Investment Manager

Why Aberdeen New India Investment Trust PLC ?

Diversification

Single country funds offer diversification benefits at times when alternative investments are highly sought after.

Aspiration

India has a young, aspirational population, which is expected to become the largest in the world by the 2030s.

Solar power

India has committed to meeting half of its energy needs from renewable sources by 2030 and is the world's leading supplier of solar power equipment.

Global reach

India has a growing number of international companies.

India is highly rated in the World Bank's ranking by "ease of doing business".

Building India

Urbanisation and an infrastructure boom is set to benefit property developers and producers of materials such as cement.

Exporting talent

India's giant tech services sector is helping global companies go digital and cloud-ready.

Why abrdn?

Experience

abrdn has been investing in India since 1990 and is one of the largest foreign investors in the country.

Engagement

abrdn's investment team regularly engages with current and potential investments.

Commitment

abrdn emphasises Environmental, Social and Governance (ESG) principles in its investment process.

Performance Highlights

Share price total return[A]	
+3.7%	
2021	+65.6%

Net asset value total return[A]	
+11.2%	
2021	+52.7%

Ongoing charges ratio[A]	
1.06%	
2021	1.16%

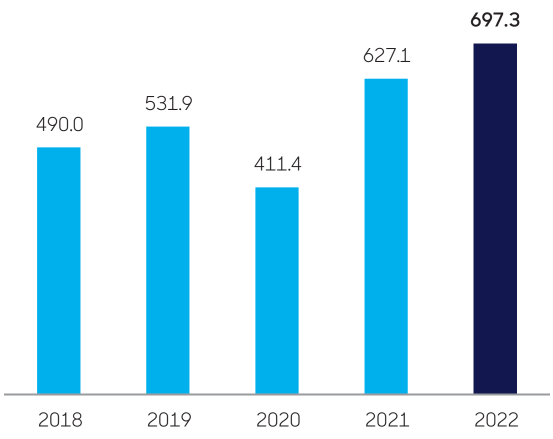
MSCI India Index total return[B]	
+23.9%	
2021	+59.1%

Discount to net asset value[A]	
19.4%	
2021	13.6%

[A] Alternative Performance Measure (see pages 87 and 88).
[B] Sterling adjusted.

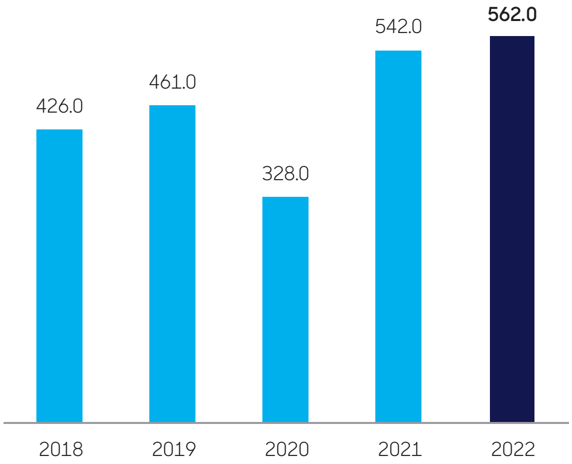
Net asset value per Ordinary share

At 31 March – pence



Mid-market price per Ordinary share

At 31 March – pence



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Financial Highlights and Financial Calendar

Financial Highlights

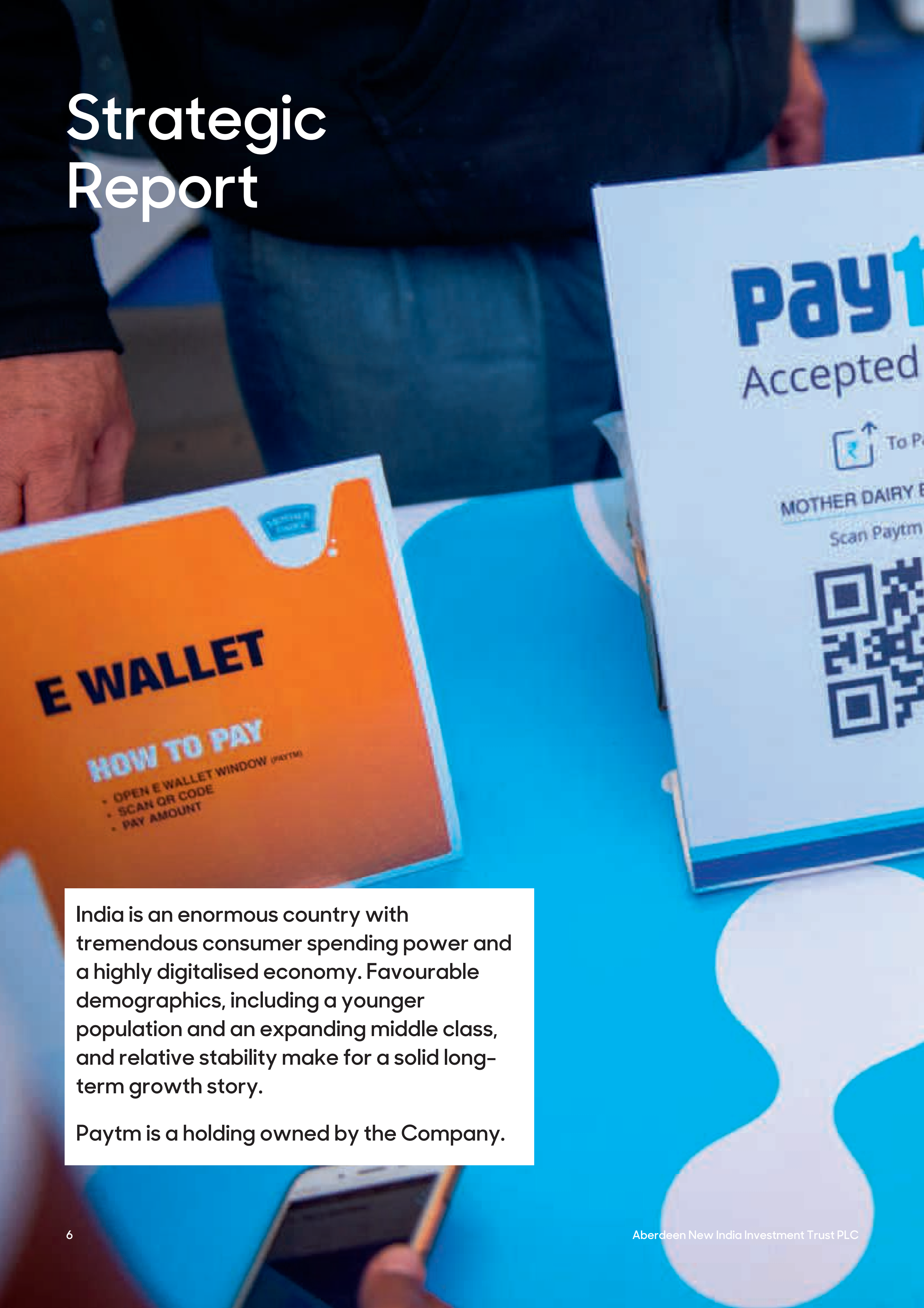
	31 March 2022	31 March 2021	% change
Equity shareholders' funds (net assets)	**£403,995,000**	£366,106,000	+10.3
Market capitalisation	**£325,607,000**	£316,448,000	+2.9
Share price (mid market)	**562.00p**	542.00p	+3.7
Net asset value per Ordinary share	**697.30p**	627.05p	+11.2
Discount to net asset value[A]	**19.4%**	13.6%	
Net gearing[A]	**5.5%**	5.8%	
Total return per share	**69.64p**	216.25p	
Operating costs			
Ongoing charges ratio[A]	**1.06%**	1.16%	

[A] Considered to be an Alternative Performance Measure. See pages 87 and 88 for further information.

Financial Calendar

Financial year end	**31 March 2022**
Annual General Meeting	**28 September 2022**
Expected announcement of results for year ended 31 March 2023	**June 2023**

Strategic Report



India is an enormous country with tremendous consumer spending power and a highly digitalised economy. Favourable demographics, including a younger population and an expanding middle class, and relative stability make for a solid long-term growth story.

Paytm is a holding owned by the Company.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Chairman's Statement

Dear Shareholder,

Overview

For the year ended 31 March 2022 (the "Year"), your Company's net asset value ("NAV") increased by 11.2% in total return terms. By comparison, the Company's Benchmark (see Glossary on page 102) rose by 23.9% in sterling total return terms. Accompanied by a widening of the Company's discount from 13.6% to 19.4% as at 31 March 2022, the Company's share price total return was only 3.7% for the Year.

The positive performance of Indian equities masked the challenging conditions that the country endured over the Year. At the start, India was facing a devastating health crisis due to Covid-19, before signs of recovery emerged in the economy as large swathes of the country re-opened. Unfortunately, market volatility held back the portfolio's absolute return in the second half as the conflict in Ukraine sent energy and commodity prices surging. Not only did this hurt India, as a net energy importer, but it also meant that positive stock fundamentals were largely ignored.

Against this backdrop, cyclical and value stocks outperformed their quality peers that are favoured by your Manager. The portfolio's financial holdings, including **HDFC Bank** and **Kotak Mahindra Bank**, had a disappointing run, as they lagged the higher-growth companies in the broader market. Not holding energy as well as metals and mining companies negatively affected performance in the second half of the Year. It is worthwhile highlighting that your Manager's investment style, which focuses on quality companies, often lags in bull markets and outperforms in down markets, which has held back the Company's performance over the past two years.

Nonetheless, your Manager has taken steps to reposition and refresh the portfolio with a focus on improving near-term performance. The Manager's Report on pages 12 to 14 provides further details on how the portfolio performed and how the Manager is adapting to changing market dynamics and finding opportunities where valuations appear to have been overly downgraded.

At the start of the Year, India struggled with a Covid-19 wave resulting in daily cases reportedly exceeding 400,000 at the peak. The nation's healthcare system was pushed to the brink and, unfortunately, the crisis extracted a heavy human toll. Thankfully more than 60% of the population has some protection against the disease now while medical facilities now have an adequate supply of beds and oxygen. When the third wave of infection arrived in January 2022, associated with the Omicron variant, economic activity in India continued without any significant hindrance. A rebound in factory activity, industrial production growth and higher levels of goods and services tax collections pointed to a path of recovery to pre-Covid levels.

One encouraging development emerged in the real estate sector. Following a lengthy downturn, India's housing market has been signalling a recovery, with homes becoming more affordable, which resulted in gains for the Company's holdings in **Prestige Estates** and **Godrej Properties**.

Other sectors contributing to the Company's solid absolute performance included information technology and healthcare, with the former represented by **Mphasis** and **Infosys** and the latter by **Fortis Healthcare** which profited from the vaccine roll-out (see the case studies on pages 38 and 39).

The major development during the second half of the Year was Russia's invasion of Ukraine: the two countries supply a host of vital commodities to the world, ranging from wheat to barley and copper to nickel. Fears of disruption sent prices of those commodities and associated products soaring, alongside oil, stoking global inflation fears. While India is almost self-sufficient in its food supply, it is a net importer of oil and elevated energy prices are gradually adding to the country's import bills. Higher input costs, related to rising commodity prices, are affecting margins for the portfolio's quality holdings in the consumer sector such as **Hindustan Unilever**. Several of these consumer companies have turned cautious in their outlook, flagging expected slowdowns in the volume of fast-moving consumer goods as Indian households prioritise essentials. In light of higher-for-longer commodity prices, your Manager has taken another look at the energy and metals and mining sectors, and towards the end of the Year, purchased a low-cost aluminium and copper stock, **Hindalco Industries**.

The Year also saw the Company investing in several e-commerce stocks, including **FSM E-Commerce ("Nykaa")** and **Zomato**, as well as diversifying into smaller cap opportunities such as leading health insurer **Star Health** and **Allied Insurance** and affordable housing provider **Aptus Value Housing Finance**.

Another notable event during the Year was a shift in India's stance in its climate goal commitments. After years of avoiding making a firm commitment in terms of carbon reduction targets, India has publicly pledged to achieve net zero emissions by 2070. It plans to source 50% of its energy requirements from renewable sources by 2030, which bodes well for the further development of alternative sources of power. The portfolio already has exposure to quality names that are destined to play an integral role in India's shift towards green energy in the coming decades. One example is the **Power Grid Corporation of India**, the country's largest electric power transmission utility.

Proposed introduction of conditional tender offer

The Board announced on 24 March 2022 its intended introduction of a five-yearly performance-related conditional tender offer (the "Conditional Tender Offer").

The Board remains concerned about the relative underperformance of the Company's net asset value ("NAV") recently, as compared to its Benchmark. Following discussions with the Manager, the Board has decided that, should the adjusted NAV total return underperform the Company's Benchmark over the five year period from 1 April 2022 (the "Assessment Period"), then shareholders will be offered the opportunity to realise up to 25 per cent of their investment for cash at a level close to NAV. Five years has been chosen as this best corresponds with the Manager's typical investment time horizon.

In order to align the Company's continuation vote with the Assessment Period for the Conditional Tender Offer, the Board proposes to move from the Company's current cycle of annual continuation votes to five-yearly continuation votes (together with the Conditional Tender Offer, the "Proposals"). While there is no formal requirement for shareholders to vote on the introduction of the five-yearly Conditional Tender Offer, shareholders' approval is required to amend the Company's articles of association in order to replace the annual continuation vote with a continuation vote at least every five years and, accordingly a resolution will be put to shareholders at the next AGM. The Proposals are subject to the passing, at the AGM on 28 September 2022, of ordinary Resolution 8, as the Company's annual continuation vote, and special Resolution 12, in connection with the change to the articles of association. In addition, any Conditional Tender Offer will be subject to the passing of the five-yearly continuation vote.

Board

The Board was pleased to announce the appointment of David Simpson as a Director of the Company with effect from 1 November 2021 following a search conducted by an independent recruitment consultancy. David is involved in India in his capacity as a non-executive director of ITC Limited ("ITC"), a major listed Indian company. ITC has a diversified presence in FMCG, hotels, packaging, specialty paper and agri-business. ITC represented 2.3% of the Company's net assets at 31 March 2022. David has agreed that he will recuse himself from all discussions regarding ITC to avoid any potential conflict of interest.

The Company also announced, with effect from 1 August 2022, the appointment of Andrew Robson as a Director of the Company, also undertaken by an independent recruitment consultancy. Andrew is a Chartered Accountant with expertise in investment banking, as a finance director, and brings to the Company considerable investment trust experience. The other Directors are delighted to welcome Andrew to the Board and very much look forward to working with him.

Stephen White will be retiring from the Board at the conclusion of the AGM after serving nine years as a Director, including nearly all of his tenure as Chairman of the Audit Committee. The other Directors would like to thank Stephen for his considerable contribution to the Company, including the particular experience he brought as an investment professional to the Board's deliberations. Andrew will succeed Stephen as Audit Committee Chairman following the AGM.

After serving as a Director of the Company since 2012 and as Chairman for eight years, I shall also be stepping down from the Board of the Company at the AGM. My successor as Chairman is Michael Hughes while David Simpson replaces Michael as Senior Independent Director.

Gearing

As at 31 March 2022, the full £30 million had been drawn of the total available bank loan facility provided by Royal Bank of Scotland International (London Branch) (31 March 2021 - £24m), which resulted in net gearing of 5.5%, as compared to 5.8% at 31 March 2021. The ability to gear is one of the advantages of the closed ended company structure and your Manager continues to seek opportunities to deploy this facility for the benefit of shareholders.

Chairman's Statement

Continued

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, while also having regard to the overall size of the Company. Over the year, as global markets became more unsettled, the discount to NAV widened from 13.6% to 19.4% as at 31 March 2022.

The Company bought back into treasury 448,201 (2021 - 335,653) Ordinary shares, resulting in 57,937,127 shares in issue with voting shares and an additional 1,133,013 shares held in treasury at 31 March 2022. Between the year end and the date of this Report a further 360,030 shares were bought back into treasury resulting in 57,577,097 shares in issue with voting shares and 1,493,043 shares held in treasury.

The Board believes that a combination of stronger long-term investment performance and effective marketing should increase demand for the Company's shares and reduce the discount to NAV at which they trade, over time.

Indian Capital Gains Tax

The Company, along with other investment vehicles, is subject to both short and long term capital gains taxes in India on the growth in value of its investment portfolio, which become payable when underlying investments are sold and profits crystallised. Where investments are valued at a profit, but not yet sold, the Company must accrue for the potential capital gains tax payable, which amounted to £14.5m (2021 - £13.6m) at 31 March 2022, equivalent to a reduction in the NAV per share of 25.1p or 3.5%.

Continuation of the Company

Your Board considers that the Company's investment objective remains relevant and appropriate and, in view of its longer term performance record, recommends that Shareholders vote in favour of Ordinary resolution 8 at the AGM, to allow the Company to continue as an investment trust.

Annual General Meeting

In a return to the familiar format before the onset of Covid-19, the AGM will be held in person at 12.30pm in Bow Bells House, 1 Bread Street, London EC4M 9HH on Wednesday 28 September 2022. The AGM provides shareholders with an opportunity to ask any questions that they may have of either the Board or the Manager. I look forward to meeting as many of you as possible over refreshments which will follow the AGM. Shareholders, whether attending the AGM or not, are encouraged to submit questions for the Board and/or Manager, in advance, by email to **new.india@abrdn.com**.

Outlook

Even before Covid-19 reached its borders, India's growth outlook had been muted as the country slowly adapted to new structural reforms. At the moment, I am encouraged by India's ability to bring the pandemic under control and the government's longer term commitment to guide the country towards a US$5 trillion economy, making it an economic powerhouse of the future.

There are some areas that still merit caution. Firstly, India's large informal economy, which has borne the brunt of the Covid-19 and economic crises since 2020, is taking longer to rebound and secondly, overall unemployment remains high. I am confident that the situation will improve from hereon as the Indian economy continues to enjoy broad policy support from the government. Economists are expecting the country's growth trajectory to remain one of the fastest among major economies in the coming years.

Importantly, in May 2022, for the first time in two years, the Reserve Bank of India increased interest rates to combat soaring consumer prices, particularly for food and fuel, with inflation at an 18 month high and India no longer as isolated as it was from the effects of higher global prices. Indian households face a challenge to stretch their budgets further as food price inflation is expected to persist due to higher transportation costs, supply-side bottlenecks and weakness in the jobs market.

However, there are plenty of reasons to be upbeat about India's long-term outlook. It is an enormous country with tremendous consumer spending power and a highly digitalised economy. Favourable demographics, including a younger population and an expanding middle class, and relative stability make for a solid long-term growth story. Your Manager continues to look for good quality, well-managed companies that are going to benefit from India's economic expansion and prosperity.

India remains a magnet for international companies stuck in low-growth markets of their own. A considerable degree of India's economic growth is a consequence of the commitment by these companies to the country. The list is long and illustrious but in recent years, all has not been sweetness and light. The shifting regulatory landscape is a constant reminder of the quixotic approach to regulation that Indian administrations have engaged in. But of greater concern is growing evidence of bias on the part of the current administration to support domestic players to the exclusion of international investors. The current takeover of Holcim's Indian operations by JSW Steel is billed as 'Modi's bias towards nationalistic companies'. Nationalism may be part of Mr Modi's domestic playbook but has no place in a world of free trade and investment and has to be contrary to India's hopes of becoming a credible player in a global context.

Envoi

It has been a great privilege for me to serve on the Board of this Company for ten years, and as Chairman for eight. It is universally accepted that the directors of a public company are there to act in the best interests of the shareholders. It is also true that this is easier said than done. But it is my hope that shareholders will look back over the past decade and recognise that the Board has sought consistently to promote and protect the interests of its shareholders. A complete recital of the measures instituted is not necessary but it is worth recording that a performance linked incentive fee was removed as early as 2014 on the basis that the Manager was paid adequately enough to outperform. Two reductions in management fee followed, a scheme of share buybacks was begun and as reported above, a periodic performance-related tender has been negotiated.

It is my hope that shareholders will take comfort from these developments; safeguarding their interests is, and will remain, a priority for this Board.

Hasan Askari
Chairman
30 June 2022

Investment Manager's Review

The Company's net asset value ("NAV") total return was 11.2% in sterling terms over the year ended 31 March 2022 (the "Year"), compared with the Benchmark's total return of 23.9%. In absolute terms, both the Benchmark and your Company finished ahead of the wider emerging markets asset class over the Year as Indian shares demonstrated resilience in an increasingly volatile environment.

However, although your Company's NAV gained over the Year, the underperformance relative to the Benchmark is disappointing. Such performance reflects the Company's long-term quality focus. Unlike the broader Indian market, our portfolio companies, in aggregate, have historically delivered consistent double-digit earnings growth. Their environmental, social and governance (ESG) metrics are also superior versus those comprising the Benchmark. However, quality investing, as a style, often lags in bull market conditions and outperforms in down markets. This was evident from your Company's performance over the pandemic-hit period. The Company demonstrated resilience during the down market in the year ending March 2020. However, it lagged in the subsequent two double-digit bull markets in the years ending March 2021 and March 2022, as quality fell out of favour amid bullish market conditions and investors rotated into value stocks and commodities. With market conditions becoming more volatile this year, we believe quality stocks will return to favour and our companies will deliver attractive risk-adjusted returns over time.

Market and Performance review

It was a Year of two halves for Indian equities. Over the first six months, Indian equities displayed remarkable resilience despite a massive surge in Covid-19 cases due to the emergence of the Delta variant. The outbreak slowed the momentum of the country's economic recovery and dampened consumer sentiment severely, but the Indian government resisted another countrywide lockdown such as the one in 2020. Instead, it implemented targeted mobility restrictions, which helped to cushion the impact of the second wave. In this environment, the Indian stock market outpaced most of its emerging and developed market peers, building on the steep rally in 2020. Steady corporate earnings further supported sentiment as companies adapted to the resurgence of Covid-19 cases.

The Company's NAV gained 20.3% during this first-half period. Real estate was the best-performing sector thanks to the housing turnaround, and your Company benefited from the positions in property developers **Godrej Properties**, **Prestige Estates** and, indirectly, for **Piramal Enterprises**, which has a housing finance business. India has experienced a sharp decline in home sales and residential construction over the past few years, but a combination of affordable home prices, favourable mortgage rates, rising incomes and stamp duty rebates in some states propelled a wider housing recovery. Elsewhere, technology company **Mphasis** did well on the back of record deal wins and bumper earnings, as the sector benefited from healthy demand for cloud migration and business transformation needs. Mphasis carried that momentum into the second half and was the top contributor to performance for the Year. We hold these companies because their businesses are closely aligned with India's growth story, and we expect them to outperform in the longer term.

Your Company's total return, however, did not keep pace with the Benchmark's total return of 23.9% over the Year. We held a more cautious view on the devastating pandemic effects on the Indian economy and maintained our bias towards defensive quality names in the consumer staples sector, namely **Hindustan Unilever**, which we hold in high regard given its solid balance sheet, distribution scale and unrivalled portfolio of brands. Instead, cyclical steel stocks, which we do not hold, outperformed on the back of China's removal of steel export rebates and price hikes. Likewise in the financials sector, your Company's core bank holdings – **HDFC**, **HDFC Bank** and **Kotak Mahindra** – lagged lenders that delivered faster growth. We prefer banks that have a proven track record in lending. With their strong, low-cost deposit franchise and digital capabilities, we believe that our bank holdings will continue to deliver steady growth and returns over different cycles.

The largest stock detractor over the first half was **Aegis Logistics**. Following a good run, shares of the oil and gas logistics provider retreated when its liquefied petroleum gas terminal business was hampered by cyclones and Covid-19 disruptions delayed its growth projects. That said, these one-off events should not affect longer-term demand trends.

In the latter half of the Year, markets turned volatile on inflation worries, which were exacerbated in the final months by spiralling commodity prices due to the Russia-Ukraine conflict. Earlier gains in the domestic equity market were pared by uncertainties over India's heavy reliance on oil and certain commodities. Indian equities ended the second half of the Year flat as beneficiaries of energy and commodity inflation mitigated share price corrections elsewhere. Against this backdrop, your Company recorded negative returns for the period, and this contributed to the bulk of the underperformance over the Year. We outline the reasons for the underperformance in the second half below.

First, your Company has always preferred businesses that are underpinned by long-term structural growth over those that are subject to boom-bust cycles and/or are beholden to government policies. As such, the Company has an underweight to energy as well as metals and mining stocks, which performed well in the commodity-led inflationary environment. On the flip side, companies such as **Hindustan Unilever** and **UltraTech Cement** corrected on the back of margin concerns. However, we note that both companies have demonstrated pricing power and reported better-than-expected earnings after the review period.

Second, your Company believes in investing in companies backed by reputable promoter groups with a track record of delivering value to all shareholders. The Company does not hold energy and telecommunications conglomerate Reliance Industries and the Adani group of companies. We have been monitoring Reliance Industries' efforts in deleveraging and transformation towards building a digital ecosystem and a clean energy play. However, we continue to prefer **Bharti Airtel** and **Power Grid Corporation of India**, which share similar growth drivers, and delivered higher shareholder returns of 10% and 22%, respectively, in the second half, outperforming Reliance Industries' gain of 5%. The telecommunications industry in India is today effectively a duopoly between Reliance Jio and Bharti Airtel, with a weak third player, Vodafone India. Bharti Airtel, in our view, has a superior franchise and has been delivering better earnings and returns on the back of market share gains and tariff hikes. Power Grid, which operates the country's national electricity grid and transmits about half of the electricity that is used domestically, is poised to play a key role in the growth of renewable energy delivery to the grid over the next few decades as the government plans ambitious transition targets for the electricity sector.

Also hurting relative performance was the lack of exposure to the Adani group of companies, including solar power developer Adani Green Energy, whose share price surged due to the company's small free float – and not, we believe, because of its fundamentals. We have not seen such a meteoric rise in the share prices of our renewable names, but we believe shareholders will be rewarded in time. **ReNew Energy**, our newly added holding, generates electricity from a mix of wind, solar and, more recently, hydro power. We believe that ReNew has both scale and clarity around its pipeline and is fully funded for its capacity build-out. Management has also shown discipline in bidding at renewable energy auctions.

Third, India was not immune to the rotation from growth to value stocks amid growing expectations for central banks to raise interest rates. We participated in a number of initial public offerings (IPOs) last year as these are attractive and differentiated business models that have a long growth runway, given that internet penetration is still at a nascent stage in India. We were mindful about valuations and took initial toehold positions with a view of adding on weakness. There were initial successes such as **Zomato** and **FSN E-Commerce (Nykaa)**, while fintech players like **Paytm** and online insurance platform **PB Fintech (Policybazaar)** have been under pressure since listing. With the subsequent market volatility, we took the opportunity to build up our position in Nykaa where we have higher conviction. On the other hand, we exited Paytm shortly due to rising regulatory concerns and continued executive turnover that weakened the investment thesis underpinning our purchase.

Separately, on the ESG front, we continued to regularly engage with the companies held within your Company's portfolio to drive improvements on various issues. Over the Year, we engaged with Godrej Properties and Prestige Estates and were impressed by the quality of management. We spoke with Godrej Properties about improving its board independence and discussed how the company could improve its MSCI ESG score. Similarly, we encouraged Prestige Estates to improve its annual ESG disclosures by aligning management incentives with the company's performance.

Finally, a noteworthy event subsequent to the end of the Year was the announcement of a merger of HDFC Bank with HDFC through a share swap. The merged bank will be more than twice the size of India's next largest private bank, creating a financial giant in one of Asia's fastest-growing countries. This transformational event comes at a time when their share prices have lagged the market despite the companies delivering consistent results. The merger is earnings, book value and capital accretive, and has minimal integration risks. As shareholders of both HDFC and HDFC Bank, we are highly supportive of the merger and are pleased that the boards and management teams have taken such a significant step that should boost shareholder value.

Investment Manager's Review

Continued

Strategy and Outlook

Looking ahead, we remain confident in our long-term quality approach. The core of the portfolio continues to be built around the highest quality stocks. That said, we have taken steps to reposition the portfolio to reflect the changing macro environment and where we see attractive future opportunities such as renewable energy and technology/internet as discussed above.

Over the past 12 months, we reduced our exposure to the consumer staples sector by exiting lower conviction holdings such as Jyothy Labs and Godrej Consumer. In addition, we divested Gujarat Gas as rising input costs, most notably in liquefied natural gas, will likely put significant pressure on the company's margins. Conversely, we introduced **Hindalco Industries**, a vertically integrated, low-cost aluminium and copper play. As a global leader in automotive and can-aluminium sheets, Hindalco is a clear beneficiary of the rising trend towards lighter automotive weights for electric vehicles and can better support lower emissions. It also stands to benefit from a greater push for the use of recyclable materials.

At the same time, we adjusted the mix of holdings within the financials sector to include **ICICI Bank**. In our view, the lender has proven, on a fundamental basis, that it is firmly back on a growth footing with its new management team, sensible risk management and innovative digital capability. This was funded with the sale of Axis Bank. Within the insurance sector, we exited ICICI Prudential and participated in the IPOs of leading health insurer **Star Health and Allied Insurance** and South India-based affordable housing company **Aptus Value Housing Finance.**

Elsewhere, we initiated **Vijaya Diagnostic Centre,** a dominant player in the south of India that operates in a highly fragmented market. Against this, we tidied up lower conviction holdings Biocon, Bosch and Shree Cement.

Market conditions globally have become more volatile this year. India is not immune to the turmoil. Policymakers have the unenviable task of managing commodity-led inflation without compromising the country's economic recovery from the Covid-19 crisis. The Reserve Bank of India revised its initial dovish stance after the end of the Year and, in May, raised its policy repo rate by 40 basis points to 4.4%. Rising commodity prices and higher interest rates may hinder earnings growth momentum, which could lead to market wobbles, given that Indian equities are trading at a premium. In these times of uncertainties, we expect our portfolio holdings to demonstrate earnings and balance sheet resilience relative to their peers. We remain confident that our companies will deliver attractive risk-adjusted returns over the long term.

Kristy Fong and James Thom
Investment Manager
30 June 2022

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 2022.

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 Benchmark	The Board considers the Company's NAV return and share price return, relative to the Benchmark, to be the best indicator of performance over time. The figures for this year and for the past three, five and ten years are set out on page 23 and a graph showing NAV and share price total return performance against the Benchmark over the past five years is shown on page 25.
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 24.
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 Financial Highlights on page 5.

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 which is 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. In addition the Board has identified, as an emerging risk which it considers is likely to become more relevant for the Company in the future, the implications for the Company's investment portfolio of a changing climate. The Board assesses this emerging risk as it develops, including how investor sentiment is evolving towards climate risk within investment portfolios, and will consider how the Company may mitigate this risk, any other emerging risks, if and when they become material.

In all other respects, the Company's principal risks and uncertainties have not changed materially since the date of the previous 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 17 to the financial statements.

Description	Mitigating Action
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.	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. The Investment Manager believes that diversification should be looked at in absolute terms rather than relative to the Benchmark. The performance of the portfolio relative to the Benchmark and the underlying stock and sector weightings in the portfolio against their Benchmark 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 does consider the 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 are held in treasury.
Depositary - insolvency of the depositary or custodian or sub-custodian, or a shortfall in the assets held by that depositary, custodian or sub-custodian arising from fraud, operational errors or settlement difficulties resulting in a loss of assets owned by the Company.	The depositary, 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 depositary 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 17 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	Mitigating Action
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.	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.
Gearing – while 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.	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.

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 seeks to achieve this through subscription to, and participation in, the promotional programme run by abrdn on behalf of all the investment companies under its management. The Company's financial contribution to the programme is matched by abrdn. abrdn's 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 abrdn 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 committed to, 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 2022, there were four male Directors and one female Director on the Board.

The Board has agreed a policy whereby no Director, including the Chairman, shall serve for longer than the ninth AGM after the date of their initial date of appointment as a Director unless in relation to exceptional circumstances

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 49 while the Manager's ESG engagement is set out on pages 33 to 37.

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 and Streamlined Energy and Carbon Reporting ("SECR")

All of the Company's activities are outsourced to third parties. The Company therefore has no greenhouse gas emissions to report from the operations of its business, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. For the same reason as set out above, the Company considers itself to be a low energy user under the SECR regulations and therefore is not required to disclose energy and carbon information.

Duration

The Company does not have a fixed life but ordinary resolution 8, to continue the Company, will be put to shareholders at the AGM. If special resolution 12, to change the Company's Articles of Association, is approved, the continuation vote will be put to shareholders next at the AGM in 2027 and at every fifth AGM thereafter.

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.

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;
- the principal risks and uncertainties detailed on pages 16 to 18 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;
- the Company's third party suppliers continuing to deliver services to the Company in accordance with the underlying agreements and not experiencing significant operational difficulties in respect of the services provided to the Company, although, if required, alternative suppliers could be engaged to provide these services at limited notice; and
- in advance of expiry in August 2022 of the Company's £30m loan the Company has entered 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 resolution 8, to continue the Company, is passed at the AGM on 28 September 2022 as it has been previously. If special resolution 12, to change the Company's Articles of Association, is approved at the AGM, the continuation vote will be put to shareholders next at the AGM in 2027.

Overview of Strategy

Continued

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 risk of a large economic shock, a continuing 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.

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 8 to 11 and in the Investment Manager's Report on pages 12 to 14.

Hasan Askari,
Chairman
30 June 2022

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.

During the year, the Board was comprised of either four of five independent non-executive Directors with a broad range of skills and experience across all major functions that affect the Company. The Board 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 37 for further information). The Manager's approach to responsible investing may be found at **https://www.abrdn.com/en/responsible-investing**

How the Board Engages with Stakeholders

The Company's main stakeholders are its 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	Its 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. 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. In normal years, 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.
Manager	The Investment Manager's Report on pages 12 to 14 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. 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 Management Engagement Committee, formally reviews the performance of the Manager at least annually and further details are provided on page 48.

Promoting the Success of the Company

Continued

Stakeholder	How the Board Engages
Investee Companies	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. 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. Through engagement and exercising voting rights, the Investment Manager actively works with companies to improve corporate standards, transparency and accountability.
Service Providers	The Board seeks to maintain constructive relationships with the Company's suppliers either directly or through the Manager with regular communications and meetings. 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.
Debt Providers	On behalf of the Board, the Manager maintains a constructive working relationship with Royal Bank of Scotland International Limited (London Branch), part of NatWest 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.
Environment and Community	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 investment portfolio, may be found on pages 33 to 39.

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 2022.

Proposed Conditional Tender Offer

The Board announced on 24 March 2022 its intended introduction of a five-yearly performance-related conditional tender offer; further information may be found in the Chairman's Statement on page 9.

Board

The Board, via the Nomination Committee, considered the need to ensure continuity of governance in view of the retirement of two Directors at the AGM in September 2022. During the year ended 31 March 2022, in order to provide continuity, David Simpson was appointed as a Director while, after the year end, Andrew Robson was appointed a Director. In terms of leadership, Michael Hughes, with six years' experience as a Director, will succeed Hasan Askari as Chairman of the Company.

Share buybacks

During the year the Company bought back into treasury 448,201 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 unusually. It is the view of the Board that this policy is in the interest of all shareholders. The Board reached this decision following its strategic review and decided that continuing with limited share buybacks would be in shareholders' best interests.

Performance

Performance (total return, in Sterling terms)

	1 year % return	3 year % return	5 year % return	10 year % return
Share price[A]	+3.7	+22.2	+27.6	+153.7
Net asset value per Ordinary share[A]	+11.2	+31.3	+43.2	+186.4
MSCI India Index (sterling adjusted)	+23.9	+43.2	+61.7	+179.9

[A] Considered to be an Alternative Performance Measure. See page 88 for further information.
Source: abrdn plc, Morningstar & Lipper.

Ten Year Financial Record

Year to 31 March	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total income (£'000)[A]	2,414	376	341	374	3,104	3,318	3,602	5,185	4,517	**5,059**
Per share (p)										
Net revenue return/(loss)	0.20	(0.36)	(0.39)	(1.06)	(0.28)	(0.71)	(0.35)	2.08	0.19	**(0.28)**
Dividends[B]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.00	n/a	**n/a**
Total return/(loss)	24.75	(5.16)	121.94	(23.42)	125.81	2.12	41.90	(120.34)	216.25	**69.64**
Net asset value per share (p)										
Basic	268.71	263.55	385.49	362.07	487.88	490.00	531.90	411.41	627.05	**697.30**
Shareholders' funds (£'000)	158,726	155,680	227,708	213,874	288,190	289,444	314,196	241,583	366,106	**403,995**

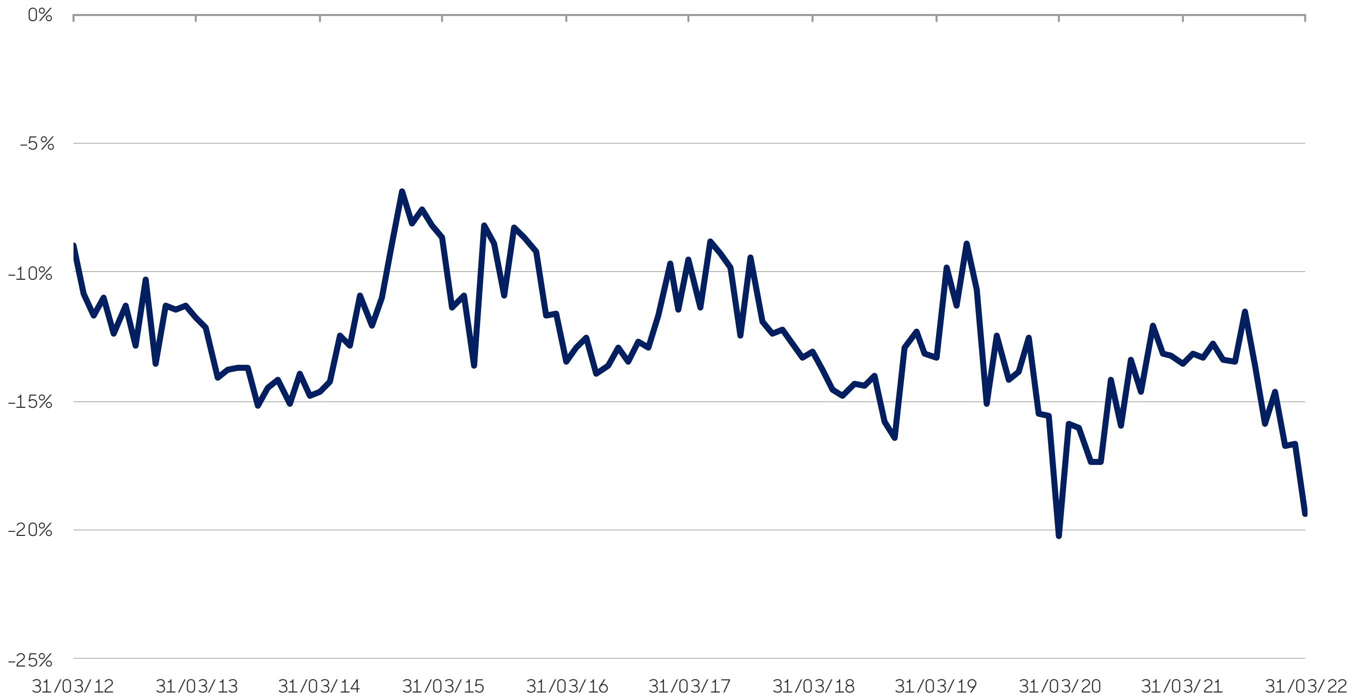
[A] Year 2013 reflects the consolidated amounts of the Company and its Subsidiary, years 2014 to 2022 reflects amounts relating to the Company only following the application of IFRS 10 'Consolidated Financial Statements' including the Amendments, 'Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)(Investment Entity Amendments). 2017 reflects the transfer of securities to the Company from its Subsidiary.
[B] 2020 dividend represents 0.22p per share paid from revenue reserves and 0.78p per share paid from capital reserves.

Performance

Continued

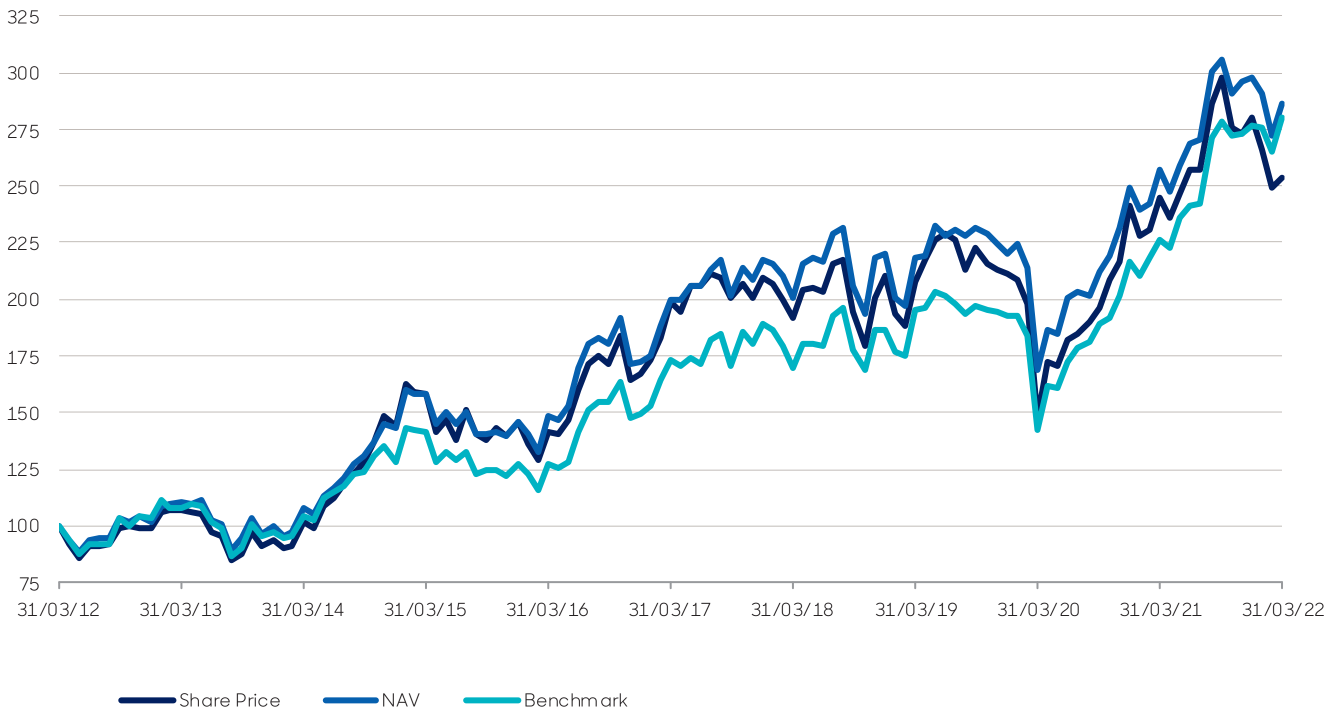
Share Price Discount to NAV

Ten years ended 31 March 2022



Total Returns of NAV and Share Price versus Benchmark total return

Ten years ended 31 March 2022 (rebased to 100 at 31 March 2012)



Portfolio

While 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 ("ESG") considerations into the research of each investee company as part of the investment process.

Ten Largest Investments

As at 31 March 2022

Infosys

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

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 top-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.

ICICI Bank

Delivering superior growth and returns improvement without compromising on asset quality. It has leveraged on its scale as well as retail and digital franchise to grow in mortgages and also growing off a low base in business banking and SMEs.

Bharti Airtel

The leading telecom service provider with a pan-India reach and sophisticated customer base with higher average mobile spending.

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.

Power Grid Corporation of India

Forming the backbone of India's electricity infrastructure. It plans and manages the national grid network, along with several regional ones, and transmits about half of the electricity that is used domestically.

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.

HDFC Bank

Known to have the best retail banking franchise in India, with a high quality wholesale portfolio, solid underwriting standards and a progressive digital stance further strengthening its competitive edge.

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.

Portfolio

As at 31 March 2022

Company	Industry	Valuation 2022 £'000	Total assets 2022 %
Infosys	Information Technology	48,301	11.1
Housing Development Finance Corporation	Financials	38,570	8.9
Tata Consultancy Services	Information Technology	32,056	7.4
ICICI Bank	Financials	28,179	6.5
Bharti Airtel[A]	Communication Services	21,758	5.0
Hindustan Unilever	Consumer Staples	20,965	4.8
Power Grid Corporation of India	Utilities	16,062	3.7
Ultratech Cement	Materials	14,452	3.3
HDFC Bank	Financials	13,319	3.1
Kotak Mahindra Bank	Financials	12,815	3.0
Ten largest investments		**246,477**	**56.8**
MphasiS	Information Technology	12,806	2.9
SBI Life Insurance	Financials	12,131	2.8
Maruti Suzuki India	Consumer Discretionary	11,966	2.8
Piramal Enterprises	Financials	11,580	2.7
Container Corporation of India	Industrials	11,353	2.6
Asian Paints	Materials	11,253	2.6
Larsen & Toubro	Industrials	11,229	2.6
ITC	Consumer Staples	10,007	2.3
Fortis Healthcare	Healthcare	9,490	2.2
Prestige Estates Projects	Real Estate	8,011	1.8
Top twenty investments		**356,303**	**82.1**
Affle India	Communication Services	8,003	1.8
Nestlé India	Consumer Staples	6,410	1.5
Aegis Logistics	Energy	6,392	1.5
Syngene International	Healthcare	6,364	1.5
Crompton Greaves Consumer Electricals	Consumer Discretionary	6,326	1.5
Godrej Properties	Real Estate	5,871	1.4
Vijaya Diagnostic Centre	Healthcare	5,686	1.3
FSN E-Commerce Ventures	Consumer Discretionary	5,149	1.2
Renew Energy	Energy	4,637	1.1
PB Fintech	Financials	4,556	1.0
Top thirty investments		**415,697**	**95.9**

Portfolio

Continued

As at 31 March 2022

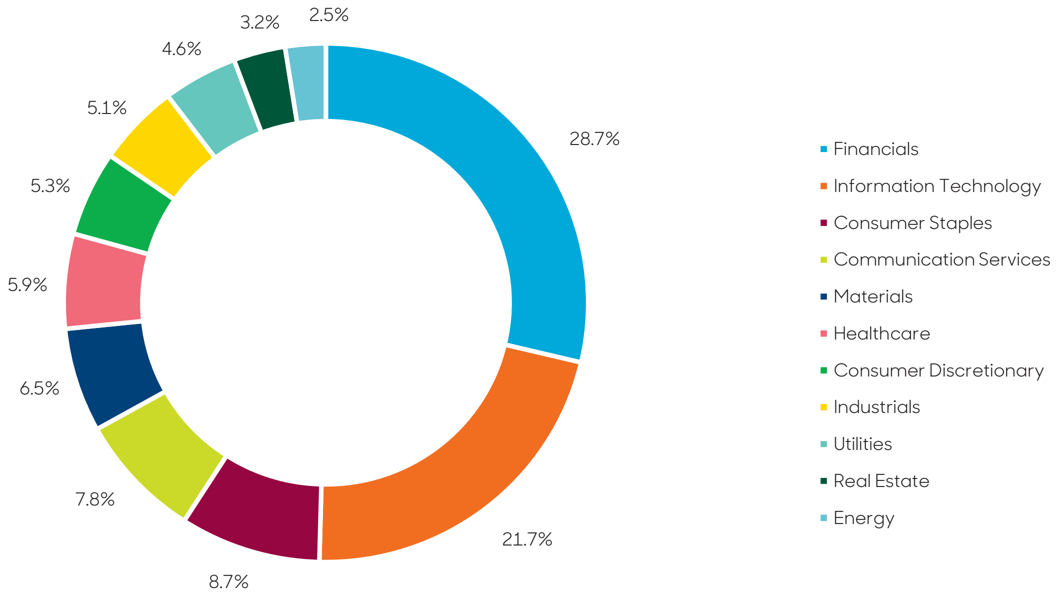
Company	Industry	Valuation 2022 £'000	Total assets 2022 %
Sanofi India	Healthcare	**4,434**	1.0
Info Edge	Communication Services	**4,361**	1.0
Azure Power	Utilities	**4,094**	0.9
Hindalco Industries	Materials	**3,035**	0.7
Star Health & Allied Insurance	Financials	**2,865**	0.7
Aptus Value Housing Finance	Financials	**2,323**	0.5
Zomato	Information Technology	**2,178**	0.5
Godrej Agrovet	Consumer Staples	**894**	0.2
Total investments		**439,881**	101.4
Net current liabilities (before deducting prior charges)[B]		**(5,886)**	(1.4)
Total assets[B]		**433,995**	100.0

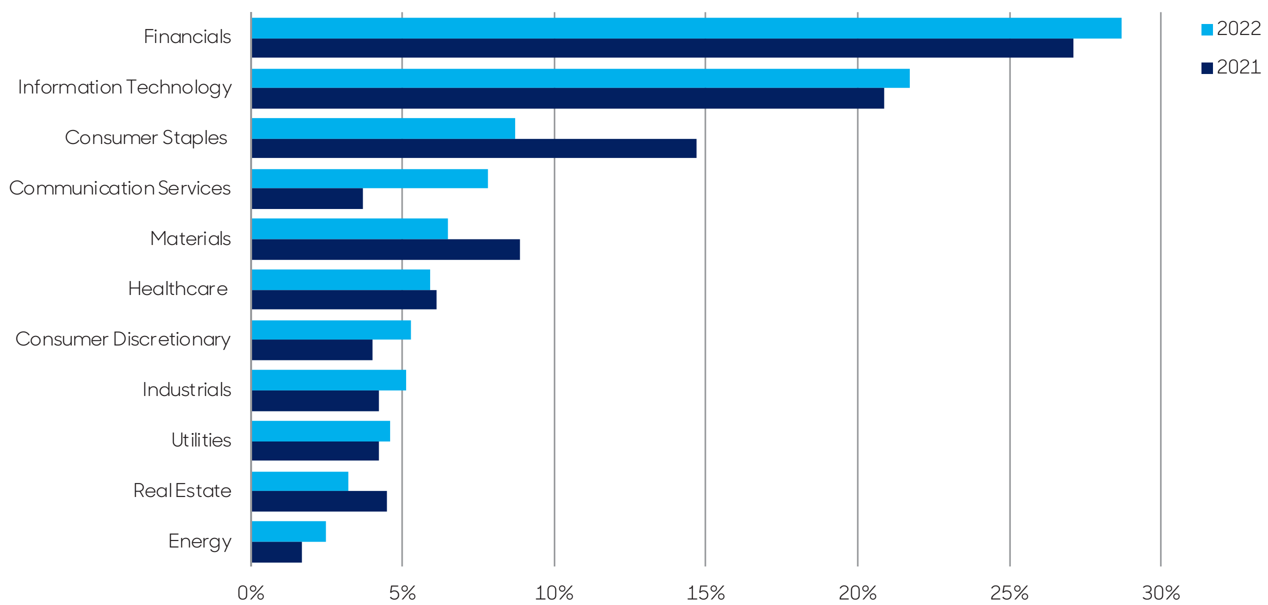
[A] Current year represents equity holding both fully paid and partly paid
[B] Excluding loan balances.
Unless otherwise stated, investments are in common stock.

Sector Analysis

Sector Breakdown

As at 31 March 2022





Currency Analysis

Indian Rupee/Sterling Currency Movement

Year to 31 March 2022

Our Investment Manager's ESG Process

The Investment Manager believes that a company's ability to sustainably generate returns for investors depends on the management of its environmental impact, its consideration of the interests of society and stakeholders, and on the way it is governed. By putting ESG factors at the heart of its investment process, the Investment Manager aims to generate better outcomes for the Company's shareholders. The three factors can be considered as follows:

- **Environmental factors** relate to how a company conducts itself with regard to environmental conservation and sustainability. Types of environmental risks and opportunities include a company's energy consumption, waste disposal, land development and carbon footprint, among others.
- **Social factors** pertain to a company's relationship with its employees and vendors. Risks and opportunities can include (but are not limited to) a company's initiatives on employee health and well-being, and how supplier relationships align with corporate values.

Corporate governance factors can include the corporate decision-making structure, independence of board members, the treatment of minority shareholders, executive compensation and political contributions, among others.

At the investment stage, ESG factors and analysis can help to frame where best to invest by considering material risks and opportunities alongside other financial metrics. Due diligence can ascertain whether such risks are being adequately managed, and whether the market has understood and priced them accordingly.

The Investment Manager is an active investor, voting at shareholder meetings in a deliberate manner, working with companies to drive positive change, and engaging with policymakers on ESG and stewardship matters. Furthermore, with respect to the Company, the Board has supported the Investment Manager in actively choosing, in future, not to invest in tobacco companies nor investing in companies directly exposed to controversial weapons.

There are three core principles which underpin the Investment Manager's investment approach (shown below) and the time it dedicates to ESG analysis as part of its overall fundamental equity research process:

ESG factors are financially material, and impact corporate performance.

Understanding ESG risks and opportunities alongside other financial metrics allows us to make better investment decisions.

Informed and constructive engagement helps foster better companies, enhancing the value of our clients' investments.

As part of their company research, our stock analysts evaluate the ownership structures, governance and management quality of the companies they cover. They also assess potential environmental and social risks that the companies may face. These insights are captured in our company research notes.

Our stock analysts work closely with dedicated ESG specialists who sit within each regional investment team and provide industry-leading expertise and insight at the company level. These specialists also mediate the insights developed by our central ESG investment team to the stock analysts, as well as interpret and contextualise sector and company insights.

Our central ESG investment team provides thought leadership, thematic and global sector insights, as well as event-driven research. The team is also heavily involved in the stewardship of our investments and supports company engagement meetings where appropriate.

abrdn's ESG Engagement

How the Investment Manager embeds ESG into its Investment Process

Can we measure it?

There are elements of ESG that can be quantified, for example the diversity of a board, the carbon footprint of a company, and the level of employee turnover. While diversity can be monitored, measuring inclusion is more of a challenge. Although it is possible to measure the level of staff turnover, it is more challenging to quantify corporate culture. Relying on calculable metrics alone would potentially lead to misleading insights. As active managers, quantitative and qualitative assessments are blended to better understand the ESG performance of a company.

The Investment Manager's analysts consider such factors in a systematic and globally-applied approach to assess and compare companies consistently on their ESG credentials, both regionally and against their peer group. Some of the key questions asked of companies include:

- How material are ESG issues for this company, and how are they being addressed?
- What is the quality of this company's governance, ownership structure and management?
- Are incentives and key performance indicators aligned with the company's strategy and the interests of shareholders?

The questions asked differ from company to company; the type of questions poised to a bank would be quite different from those of a semiconductor manufacturing firm.

The ESG Scoring System

Having considered the regional universe and peer group in which a company operates, the Investment Manager allocates it an ESG score between one and five. This is applied across every stock covered globally. Examples of each category and a small sample of the criteria used are detailed below:

1. Best in class	2. Leader	3. Average	4. Below average	5. Laggard
ESG considerations are material part of the company's core business strategy Excellent disclosure Makes opportunities from strong ESG risk management	ESG considerations not market leading Disclosure is good, but not best in class Governance is generally very good	ESG risks are considered as a part of principal business Disclosure in line with regulatory requirements Governance is generally good but some minor concerns	Evidence of some financially material controversies Poor governance or limited oversight of key ESG issues Some issues in treating minority shareholders poorly	Many financially material controversies Severe governance concerns Poor treatment of minority shareholders

At the last review reported to the Board, 47.4% of the companies in the portfolio were rated under the Investment Manager's scoring system as 'Leaders', reflecting the portfolio's focus on quality, while 50.0% of the companies were rated as 'Average'. A generally positive momentum has been witnessed from companies in the portfolio in terms of ESG, in terms of both practices and disclosure, and it was pleasing to note that the second half of the year saw a number of upgrades to company scores following extensive engagement by the Investment Manager. More generally, engagements in India continue to focus on environmental impact and climate change, as well as resource intensity, cybersecurity, board dynamics and independent directors. The portfolio did not hold any companies rated as either 'Below Average' or' Laggard'.

While the Investment Manager seeks to encourage better disclosure and ESG considerations by companies, it will not always necessarily exclude one if improvements are expected. Overall, the Company supports an approach seeking to target:

- an aggregate portfolio ESG rating that is better than, or equal to, the benchmark measured by the MSCI ESG rating (CCC-AAA) based on the weighted average of each company's MSCI ESG rating;
- a Carbon Intensity that is at least 10% lower than the benchmark, as measured by the abrdn Carbon Footprint Tool (which uses Trucost data for Scope 1 & 2 emissions). This tool enables analysis of company, sector, and the overall portfolio's carbon footprint.

The Board receives six monthly updates with regards these metrics which will be published on the Company website when available, and while not guaranteed there is an aim that the Investment Manager's investment process will deliver against these targets at the same time as delivering long term growth.

Climate Change

Climate change is one of the most significant challenges of the 21st century and has big implications for investors. The energy transition is underway in many parts of the world, and policy changes, falling costs of renewable energy, and a change in public perception are happening at a rapid pace. Assessing the risks and opportunities of climate change is a core part of the investment process. In particular, the Investment Manager considers:

Transition risks and opportunities

Governments could take robust climate change mitigation actions to reduce emissions and transition to a low-carbon economy. This is reflected in targets, policies and regulation and can have a considerable impact on high-emitting companies.

Physical risks and opportunities

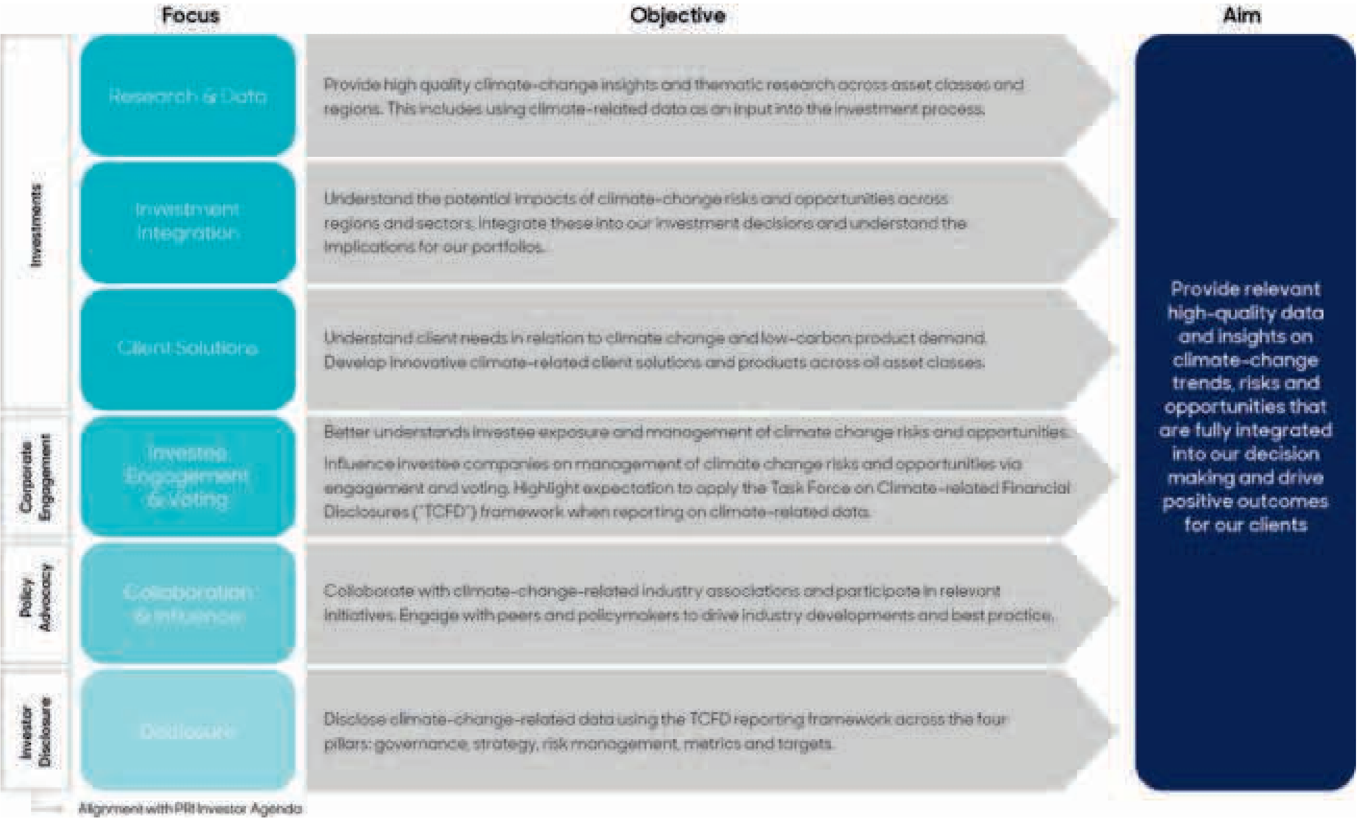
Insufficient climate change mitigation action will lead to more severe and frequent physical damage. This results in financial implications, including damage to crops and infrastructure, and the need for physical adaptation such as flood defences.

The Investment Manager has aligned its approach with that advocated by the investor agenda of the Principles for Responsible Investment (PRI) – a United Nations-supported initiative to promote responsible investment as a way of enhancing returns and better managing risk.

abrdn's ESG Engagement

Continued

PRI provides an intellectual framework to steer the massive transition of financial capital towards low-carbon opportunities. It also encourages fund managers to demonstrate climate action across four areas: investments; corporate engagement; investor disclosure; and policy advocacy, as explained below:



To assist in the analysis, the Investment Manager has developed a proprietary climate scenario analysis tool. Climate scenario analysis involves modelling the impact on financial assets of a range of pathways (for both physical climate change and the transition to a low carbon economy) under plausible assumptions for future policy and technological change. This allows the Investment Manager to explore the impact of climate change on portfolios and to inform investment decisions.

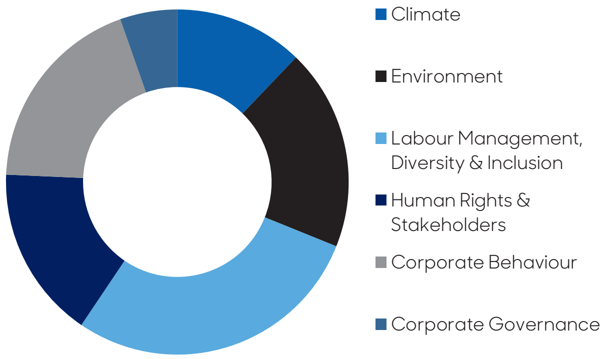
Importance of Engagement

The Investment Manager is committed to regular, ongoing engagement with the companies in which it invests, to help to maintain and enhance their ESG standards into the future.

As part of the investment process, the Investment Manager undertakes a significant number of company meetings each year on behalf of the Company. Your Company is supported by on-desk ESG analysts, as well as a well-resourced specialist ESG Investment team. These meetings provide an opportunity to discuss various relevant ESG issues including board composition, remuneration, audit, climate change, labour issues, human rights, bribery and corruption. Companies are strongly encouraged to set clear targets or key performance indicators on all material ESG risks.

Our Engagement Activity

We regularly engage with companies we invest in. The following chart shows the engagements that have included ESG topics. Over the period we met with 17 portfolio companies on ESG topics and had 32 engagements with them. This does not include positions we have moved out of or are considering. These are the themes that we have engaged on:



Our Voting Activity

Voting Summary	Total
How many meetings were you eligible to vote?	70
How many meetings did you vote at?	68
How many resolutions were you eligible to vote on?	626
What % of resolutions did you vote on for which you were eligible?	98.6%
Of the resolutions on which you voted, what % did you vote with management?	95.9%
Of the resolutions on which you voted, what % did you vote against management?	3.4%
Of the resolutions on which you voted, what % did you abstain from voting?	0.6%
In what % of meetings, for which you did vote, did you vote at least once against management?	22.1%

ESG engagements are conducted with consideration of the 10 principles of the United Nations Global Compact, and companies are expected to meet fundamental responsibilities in the areas of human rights, labour, the environment and anti-corruption.

This engagement is not limited to a company's management team. It can include many other stakeholders such as non-government agencies, industry and regulatory bodies, as well as activists and the company's customers and clients.

While the Investment Manager focuses on investing in quality companies, the investment team is aware that in some cases Asian companies can lag those in Western Europe in terms of ESG. This is perhaps more true of emerging Asia than developed Asia. In investing across Asia, the Investment Manager focuses on companies and management teams exhibiting desirable behavioural traits and characteristics (for example, a track record of fair treatment of minority shareholders, thoughtful capital allocation and return) rather than a strict focus on structures (for example, relating to board composition). Subsequent to an investment, the Investment Manager engages energetically with companies to improve and enhance ESG, aiming to encourage companies to implement processes and practises that will protect and enhance shareholder value. The Investment Manager has a long track record of such constructive engagement, drawing on investment experiences globally to bring these insights to the Company's holdings.

Investment Case Studies

Fortis Healthcare

Creating a world-class healthcare delivery system in India

For years, India's healthcare sector was placed down the pecking order when it came to allocating resources. In recent years, however, it has been expanding significantly due to growing demand for medical services, consultations and medical tourism. The industry has grown at a compound annual growth rate of around 22% in recent years, and in 2022, government estimates project it will reach over $370 billion. In terms of revenue and employment, healthcare is now one of the largest sectors of the Indian economy.

As India's middle class expands, there will be a growing demand for both preventative and premium quality healthcare. Higher proportion of lifestyle-related health issues, such as cholesterol, high blood pressure, obesity, poor diet and alcohol consumption will lead to greater demand for specialised care services. Furthermore, Covid-19 has changed long-term attitudes towards personal health monitoring and medical check-ups.

Such trends augur well for Fortis Healthcare (pictured), one of the country's largest integrated healthcare services providers, operating the second-biggest hospital chain by revenue. The network comprises 36 healthcare facilities with about 4,000 operational beds across India, with a greater presence in North Indian cities. Fortis also has a diagnostics business with labs all over the country. Both operations are positioned as premium services, allowing Fortis to tap into India's widening aspirational demographic.

For a long time, Fortis had failed to meet our corporate governance criteria. Our views changed in 2019 when Malaysian healthcare giant IHH took a 31% stake in the company and injected much-needed capital to shore up the company's balance sheet and overhaul its board of directors. We have been encouraged by how things have progressed under new CEO Ashutosh Raghuvanshi, a cardiac surgeon turned management leader who joined Fortis from Narayana Health, a hospital chain famous for having some of the lowest cost levels in the world and hyper-efficient processes.

Following a tumultuous period of corporate governance crisis involving the company's previous promoters, Raghuvanshi's impressive track record bolsters confidence in his ability to continue turning the business around. Under his leadership, operational efficiency and margins have improved as the new management implemented a dynamic cost-cutting program as a first step to nurse the company back to health. Fortis weathered the Covid crisis relatively well, without needing to undertake drastic measures to manage costs as many non-urgent surgeries were being postponed.

We remain positive on Fortis' long-term prospects. The healthcare sector has ample opportunities for growth in a supportive policy environment where the government continues to strengthen India's healthcare infrastructure. Fortis has a well-established brand reputation in the industry that affords it better bargaining power to procure equipment, drugs and supplies. The company also owns assets in prime locations within India's major cities where the government is releasing fewer plots of lands for new hospitals, which gives Fortis a first-mover advantage in some locations.

Kristy Fong and James Thom
Investment Manager
30 June 2022

Infosys

From humble beginnings to one of India's top IT services names

Infosys was founded in 1981 with a capital of just US$250. Over the past four decades, as India became a hub for tech talent, Infosys grew into one of the country's leading household names, providing technology consulting and software services to corporate clients across the world. Today, it employs over 300,000 people globally and generates over US$16 billion of revenues a year.

Despite its size and scale, Infosys has over the years successfully navigated the ever-changing technology landscape with remarkable nimbleness, benefiting from the trend towards digital transformation and migration to the cloud. In recent years, the company has taken market share from its peers, driven by its investments in digital capabilities, as well as its strength in delivery, recruitment and training. It has been delivering comparatively stronger growth, and beating its own revenue guidance for the past three years.

Today, Infosys is among the top three players in the industry, with attractive margins, deep industry knowledge and expertise in a competitive, fragmented market. The group has solid financials and a superior cash generation ability, and it is led by highly capable and experienced management. In fact, the size of its new contract wins has steadily increased over the past three years.

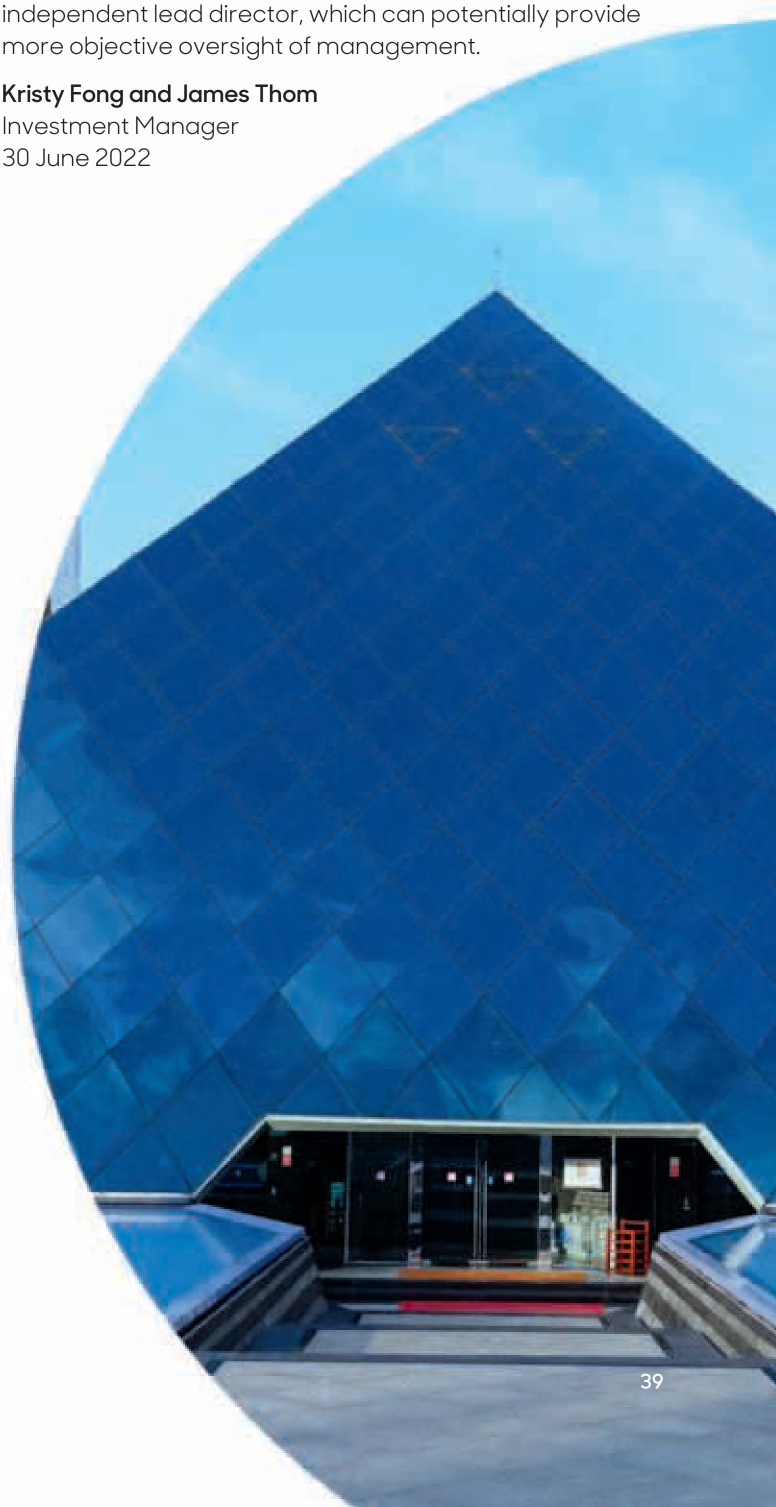
The Covid-19 pandemic accelerated demand for IT services as companies scrambled to implement remote working environments to ensure business continuity, migrating more systems to the cloud and accelerating digital solutions. Infosys was a key beneficiary of this, gaining market share, announcing large new deal wins and expanding its margins, making the stock among the top performers for the Trust over the period. Looking ahead, we expect double-digit earnings growth for Infosys despite an increasingly uncertain environment.

Infosys also has excellent environmental, social and governance (ESG) credentials in an industry with growth tailwinds, as evidenced by its A rating from MSCI. The group has underlined the importance of ESG as an evaluation criterion for its deal wins.

As part of its ESG Vision 2030 framework, the company has set clear targets around carbon emissions, clean tech opportunities and diversity. For example, Infosys has been carbon neutral since 2020. Focusing on workforce diversity, robust governance practices and human capital development, Infosys plans to extend digital skills to over 10 million people and increase the percentage of women in its workforce to at least 45%.

On corporate governance, due to the fragmented ownership structure of the firm, the lack of a controlling shareholder better aligns management and promoter group to minority investors. Infosys also has more independent representation on its board, including an independent lead director, which can potentially provide more objective oversight of management.

Kristy Fong and James Thom
Investment Manager
30 June 2022



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.

Board of Directors

Hasan Askari

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:

Nine 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 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:

2021

All other public company directorships:

None

Michael Hughes

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

Experience

Currently, an investment consultant to a family office, an asset management company, and a national charity. He was formerly 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:

Five 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:

2021

All other public company directorships:

None

Stephen White
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.

Length of service:
Eight 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 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:
2021

All other public company directorships:
BlackRock Frontiers Investment Trust PLC, Polar Capital Technology Trust plc and Brown Advisory US Smaller Companies PLC (Chairman)

Rebecca Donaldson
Independent Non-Executive Director

Experience
Over the last twenty-eight years, she 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 Investments, Dexion Capital plc (now Fidante Partners) and UBS Global Asset Management AG.

Length of service:
Two years; appointed a Director on 1 September 2020.

Contribution:
The Nomination Committee has reviewed the contribution of Rebecca Donaldson in light of her proposed re-election as a Director at the forthcoming AGM and has concluded that her strong digital marketing expertise continues to underpin the Company's commitment to improve its promotion to both existing and potential shareholders.

Last re-elected to the Board:
2021

All other public company directorships:
None

Board of Directors

Continued

David Simpson

Independent Non-Executive Director

Experience

Initially qualified as a solicitor before following a career in corporate finance, which included seven years with Barclays de Zoete Wedd and 15 years with KPMG, latterly as global head of mergers and acquisitions, he has worked with numerous major corporates, listed companies, private equity, charitable and public bodies. His interest in India derives from his previous career and from his current role as a non-executive director of ITC Limited, a major listed Indian company.

Length of service:

7 months; appointed a Director on 1 November 2021.

Contribution:

The Nomination Committee has reviewed the contribution of David Simpson in light of his proposed election as a Director at the forthcoming AGM and has concluded that his experience of business in India, coupled with his financial expertise, is an asset to the Company.

Last re-elected to the Board:

Not applicable; due for election to the Board by shareholders at the AGM on 28 September 2022.

All other public company directorships:

Ecofin Global Utilities and Infrastructure Trust plc (Chairman) and M&G Credit Income Investment Trust plc (Chairman).

Andrew Robson

Independent Non-Executive Director

Experience

A qualified Chartered Accountant, with a background in investment banking and as a finance director, he was a director of Robert Fleming & Co Limited and SG Hambros and finance director at eFinancialGroup Limited and the National Gallery. He has been a non-executive director of JP Morgan Smaller Companies Investment Trust plc, Shires Income plc, Mobeus Income & Growth 4 PLC and British Empire Securities & General Trust plc.

Length of service:

Appointed a Director with effect from 1 August 2022.

Contribution:

N/A

Last re-elected to the Board:

N/A

All other public company directorships:

BlackRock Energy and Resources Income Trust PLC and Baillie Gifford China Growth Trust PLC (formerly Witan Pacific Investment Trust plc).

Directors' Report

The Directors present their Report and the audited Financial Statements of the Company for the year ended 31 March 2022, 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 16.

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 2022. 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").

Capital Structure

During the year ended 31 March 2022 the Company bought back into treasury 448,201 Ordinary shares (2021– 335,653 Ordinary shares). As at 31 March 2022, the Company's issued share capital consisted of 57,937,127 Ordinary shares (2021 – 58,385,328 Ordinary shares) with voting rights, each share holding one voting right in the event of a poll, and an additional 1,133,013 Ordinary shares in treasury, with no voting rights or entitlement to receive dividends. Between 1 April 2022 and the date of approval of this Report an additional 360,030 Ordinary shares were bought back resulting in the Company's issued share capital consisting of 57,577,097 Ordinary shares and an additional 1,493,043 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 the Manager (see Glossary on page 102) as its alternative investment fund manager, to provide investment management, risk management, promotional activities and administration and company secretarial services to the Company. The Company's portfolio is managed by the Investment Manager (see Glossary on page 102) by way of a group delegation agreement in place between the Manager and Investment Manager. In addition, the Manager 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 2022: a monthly fee, payable in arrears, calculated at an annual rate of 0.85% of the Company's net assets up to £350m and 0.70% above net assets of £350m and is otherwise calculated on the same basis as previously. Prior to 1 April 2021, the fee was calculated on the same basis other than the rate was 0.9% of the Company's net assets up to £350m and 0.75% above net assets of £350m.

There is a rebate for any fees received in respect of any investments by the Company in investment vehicles managed by abrdn. 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 abrdn during the year ended 31 March 2022 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 2022. 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.**

Directors' Report

Continued

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 and UK Code include provisions relating to

- the Board's policy on the tenure of the Chairman (AIC Code provision 24 and UK Code provision 19); further information may be found on page 47 regarding the tenure of Hasan Askari, as the Company's Chairman;
- the composition of the Audit Committee (AIC Code provision 29 and UK Code provision 24): 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 (AIC Code provision 37 and UK Code provision 32): 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 four non-executive Directors who served throughout the year under review, other than David Simpson who joined the Board on 1 November 2021. The Senior Independent Director is Michael Hughes.

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 names and biographies of each of the Directors are shown on pages 42 to 44 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 Directors attended scheduled Board and Committee meetings during the year ended 31 March 2022 as follows (with their eligibility to attend the relevant meeting in brackets):

Director	Board and Committee Meetings	Audit Committee Meetings	Management Engagement Committee Meetings	Nomination Committee Meetings
Hasan Askari	8 (8)	3 (3)	1 (1)	1 (1)
Michael Hughes	8 (8)	3 (3)	1 (1)	2 (2)
Stephen White	9 (9)	3 (3)	1 (1)	2 (2)
Rebecca Donaldson	7 (7)	3 (3)	1 (1)	2 (2)
David Simpson [A]	3 (3)	2 (2)	1 (1)	1 (1)

[A] Appointed as a Director on 1 November 2021.

Hasan Askari and Stephen White are not standing for re-election as Directors and will retire from the Board at the conclusion of the AGM on 28 September 2022. Michael Hughes will succeed Hasan Askari as Chairman of the Company while David Simpson will succeed Michael Hughes as Senior Independent Director. Subsequent to the year end, Andrew Robson was appointed a Director of the Company with effect from 1 August 2022, and will succeed Stephen White as Chairman of the Audit Committee at the conclusion of the AGML

Michael Hughes and Rebecca Donaldson, each being eligible, retire and offer themselves for re-election as Directors of the Company. David Simpson and Andrew Robson, each being eligible, retire and offer themselves for election as a Director.

David Simpson is a non-executive director of ITC Limited ("ITC"), a major listed Indian company. ITC has a diversified presence in FMCG, hotels, packaging, specialty paper and agri-business and represented 2.3% of the Company's total portfolio as at 31 March 2022. David Simpson has agreed that he will recuse himself from all discussions regarding ITC to avoid any potential conflict of interest.

Accordingly, 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 42 to 44.

The Board has adopted a policy that all Directors, including 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.

The ninth anniversary of Hasan Askari's term as a Director was 21 September 2021. As set out in the Annual Report for the year ended 31 March 2022, the other Directors, led by Michael Hughes as Senior Independent Director, determined that it was in the best interests of shareholders that Hasan Askari continue as Chairman until the AGM on 28 September 2022, in order to oversee the recruitment of two new Directors.

The Board therefore has no hesitation in recommending, at the next AGM, the individual elections of David Simpson and Andrew Robson and the individual re-elections of Michael Hughes and Rebecca Donaldson 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 committed to, 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. abrdn 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.

Directors' Report

Continued

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 52 to 54.

Management Engagement Committee
The Board has established a Management Engagement Committee comprising all of the Directors, which was chaired throughout the year by Michael Hughes.

The Committee is responsible for reviewing matters concerning the MA which exists between the Company and the Manager 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 2021.

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 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 abrdn has the investment management, promotional and associated secretarial and administrative skills required for the effective and successful operation of the Company.

Nomination Committee
The Board has established a Nomination Committee, comprising all of the Directors, which was chaired throughout the year by Hasan Askari. 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.

The Company engaged Lintstock Ltd, an independent external service provider which has no other connection to the Company, to undertake a board evaluation in March 2021. Assisted by Lintstock Ltd, the Board assessed that it had in place the appropriate balance of skills, experience, length of service and knowledge of the Company, while also recognising the advantages of diversity. Details of the individual contribution made by each Director may be found on pages 42 to 44.

In April 2022, the Board facilitated a self-assessment evaluation which was collated and discussed by the Chairman with other Directors. The Senior Independent Director provided feedback to the Chairman.

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. In line with best practice in corporate governance, Hasan Askari did not chair the Committee in relation to his own succession. Chaired by Stephen White, the Committee approved the appointment of Michael Hughes as Chairman of the Company with effect from the conclusion of the AGM on 28 September 2022.

Accountability and Audit
The responsibilities of the Directors and the Auditor, in connection with the financial statements, appear on pages 58 and 63.

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware, and each Director has taken all the steps that he or she could reasonably be expected to have taken as a Director in order to make himself or herself 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 review, as applicable, the level of non-audit services provided by the Auditor, together with the Auditor's procedures in connection with the provision of such services. No non-audit services were provided by the auditor during the year or to the date of this Report. The Directors remain satisfied that the Auditor is objective and independent.

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 16 to 18 and in Note 17 to the financial statements and have reviewed income forecasts detailing revenue and expenses; accordingly, the Directors believe that, 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 8, that the Company continues as an investment trust, which will be proposed at the AGM of the Company on 28 September 2022, 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.

In July 2020, the Company entered into a two year, £30 million revolving credit facility (the "Facility") with Royal Bank of Scotland International Limited (London Branch), part of NatWest Group plc, of which £30m was drawn down at 31 March 2022 (2021 - £30m). on 30 June 2022, the Company agreed to extend the Facility to 5 August 2022. The Board has set limits for borrowing and regularly reviews the level of any gearing and compliance with banking covenants. In advance of expiry of the Facility in August 2022, the Company has entered 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 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.

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. Responsibility for actively monitoring the sustainability investing activities of portfolio companies has been delegated by the Board to the AIFM which has sub-delegated that authority to the Manager. Further information may be found at:
abrdn.com/en/asieurope/responsible-investing

Substantial Interests

The Company had been notified of the following share interests above 3% in the Company as at 31 March 2022:

Shareholder	Number of shares held	% held
Clients of abrdn	11,144,048	19.2
Lazard Asset Management	9,040,332	15.6
City of London Investment Management	6,859,351	11.8
Clients of Hargreaves Lansdown (execution only)	4,162,456	7.2
Interactive Investor (execution only)	3,410,085	5.9
abrdn retail plans	2,455,254	4.2

The above interests at 31 March 2022 were unchanged other than, in relation to Lazard Asset Management, which advised the Company on 5 May 2022 of a holding of 6,418,621 shares, equivalent to 11.1% of the Company's shares in issue (excluding treasury shares) and, in relation to clients of abrdn, which advised the Company on 15 June 2022 of a holding of 8,519,024 shares, equivalent to 14.8% of the Company's shares in issue (excluding treasury shares) and, in relation to City of London Investment Management, which advised the Company on 16 June 2022 of a holding of 7,179,947 shares, equivalent to 12.5% of the Company's share in issue (excluding treasury shares).

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 abrdn's Customer Services Department. The Company responds to letters from shareholders on a wide range of issues (see Contact Addresses on page 105).

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 abrdn) 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.

Directors' Report

Continued

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 28 September 2022 and the AGM Notice and related notes may be found on pages 97 to 101. Resolutions relating to the following items will be proposed at the AGM as special business.

Continuation of the Company (Resolution 8)

In accordance with Article 166 of the Articles of Association of the Company approved by shareholders on 23 September 2020, 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 8, that the Company continue as an investment trust and recommend that shareholders support the continuation of the Company.

Share Repurchases (Resolution 9)

At the AGM held on 9 September 2021, 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 reduce the volatility in the Discount. In addition, the purchase of shares, when they are trading at a Discount, 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 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 9 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 30 June 2022, being the nearest practicable date to the approval of this Report (equivalent to approximately 8.6 million Ordinary shares). Such authority will expire on the date of the AGM in 2023 or on 30 September 2023, 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 10 and 11)

Ordinary resolution 10 in the Notice of AGM will, if passed, renew the authority to allot unissued share capital up to an aggregate of 5%, equivalent to approximately 2.9 million Ordinary shares, of the Company's existing issued share capital, excluding treasury shares, as at 30 June 2022, being the nearest practicable date to the approval of this Report). Such authority will expire on the date of the AGM in 2023 or on 30 September 2023, 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 11 will, if passed, give the Directors power to allot for cash equity securities up to 5% (equivalent to approximately 2.9 million Ordinary shares), of the Company's existing issued share capital as at 30 June 2022, 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 10.

This authority will expire on the date of the AGM in 2023 or on 30 September 2023, 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 10 and 11 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 giving the Directors power to allot unissued Ordinary share capital on a non pre-emptive basis, resolution 11, 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.

Articles of Association (Resolution 12)

Resolution 12 proposes to amend the Company's Articles of Association (the "Articles") in light of the announcement made by the Company on 24 March 2022 in relation to the proposed introduction of a five-yearly performance related conditional tender offer. Further detail on the proposed conditional tender offer is contained in the Chairman's Statement on page 9.

In order to align the Company's continuation vote with the assessment period for the proposed conditional tender offer, the Company proposes to amend article 166 (Duration of the Company) to replace the Company's current cycle of annual continuation votes with five-yearly continuation votes, to coincide with the year of assessment of the Company's performance for the purpose of the conditional tender offer.

While there is no formal requirement for shareholders to vote on the introduction of the proposed conditional tender offer, shareholders' approval by way of special resolution is required for this amendment to the Articles. As noted above under Continuation of the Company, the current annual continuation vote will take place, as normal, at the AGM on 28 September 2022. If the continuation vote is not passed by shareholders at the AGM, neither the proposed conditional tender offer nor the proposed amendment to the Articles will be implemented.

Similarly, the proposed conditional tender offer will only be introduced if this year's continuation vote and resolution 12 for amendment to the Articles are both passed at the AGM.

If shareholders vote in favour of these proposals, any conditional tender offer that is triggered at the conclusion of the five-yearly Assessment Period will be subject to the passing of the five-yearly continuation vote. The first Assessment Period would run from 1 April 2022 to 31 March 2027 and the first five-yearly continuation vote would take place at the AGM later in 2027.

Resolution 12 proposes one further amendment to the Articles: to delete Article 173. Article 173 was added following the enactment of the Companies Act 2006 (the Act). It drew into the Articles provisions which prior to the Act would have been contained in the Company's memorandum of association, including the Company's name. Article 173 has been superseded by changes in company law since, including the provision allowing UK companies flexibility to change their name in the manner permitted by their articles of association, as now reflected in Article 170 which permits the Company to change its name by directors' resolution. The Company is proposing to remove Article 173 to eliminate any potential inconsistency.

The Articles, as proposed to be amended, together with a version showing amendments from the current Articles, will be available for inspection under 'Key Literature' on the Company's website, **aberdeen-newindia.co.uk**, and on the national storage mechanism from the date of the publication of the Annual Report until the close of the AGM, and will also be available for inspection at the venue of the Company's AGM from 15 minutes before and during the AGM.

Recommendation

The Board considers all of the Resolutions to be put to shareholders at the AGM 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 33,276 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 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 45, 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 17 to the Financial Statements.

Hasan Askari,
Chairman
30 June 2022

Audit Committee's Report

The Audit Committee presents its Report for the year ended 31 March 2022.

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 abrdn 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 abrdn'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 2022 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.

The principal risks and uncertainties facing the Company are identified on pages 16 to 18 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 abrdn'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, abrdn. At its June 2022 meeting, the Committee carried out an annual assessment of risk management and internal controls for the year ended 31 March 2022 by considering documentation from the AIFM, including the internal audit and compliance functions, and taking account of events since 31 March 2022.

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

Audit Committee's Report

Continued

Financial Reporting and Significant Issues

During its review of the Company's financial statements for the year ended 31 March 2022, the Committee identified one potentially significant financial reporting risk facing the Company which is unchanged from the prior year, 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, all of the Company's investments at 31 March 2022 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 "Depositary") has been appointed as depositary to safeguard the assets of the Company. The Depositary checks the consistency and accuracy of its records on a monthly basis and reports its findings to the Manager. 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 7, 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 2023.

Listed companies are required to tender the external audit at least every ten years, and change audit firm 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 financial years ended on or after 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 2022 is the fourth year for which the present audit director from KPMG LLP, Gary Fensom, has served as the senior statutory auditor.

Stephen White,
Chairman of the Audit Committee
30 June 2022

Directors' Remuneration Report

This Directors' Remuneration Report comprises three parts:

1. a Remuneration Policy, which is subject to a binding shareholder vote every three years – was most recently approved by shareholders at the AGM on 23 September 2020 where the proxy votes for the relevant resolution were: For – 34.8m votes (99.7%); Discretionary – 18,900 votes (0.1%); Against – 69,596 votes (0.2%); and Withheld – 80,801 votes. The Remuneration Policy will be put to shareholders again at the AGM in 2023;
2. an annual Implementation Report, which is subject to an advisory vote; and
3. 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 59 to 63.

The Directors' Remuneration Policy and level of Directors' remuneration are determined by the Nomination Committee, which is chaired by Hasan Askari and comprises all of the Directors. The Remuneration Policy is reviewed by the Nomination Committee on an annual basis.

Remuneration Policy

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. The remuneration should also reflect the nature of the Directors' duties, responsibilities and 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 structures and investment objectives.

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-imbursement 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.

Statement of Voting at General Meeting

At the Company's last AGM, held on 9 September 2021, shareholders approved the Directors' Remuneration Report (other than the Directors' Remuneration Policy) in respect of the year ended 31 March 2021 and the following proxy votes were received on the Resolution: For – 36.2m votes (99.7%); Discretionary – 22,600 votes (0.1%); Against – 63,645 votes (0.1%); and Withheld – 58,041 votes.

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. The Nomination Committee is responsible for determining Directors' remuneration.

The Directors' Remuneration Policy was approved by shareholders at the AGM on 23 September 2020.

Implementation Report

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 last approved by shareholders at the AGM in 2018.

Review of Directors' Fees

The levels of fees for the year and the preceding year are set out in the table below.

Year ended	31 March 2022 £	31 March 2021 £
Chairman	**36,500**	36,000
Chairman of Audit Committee	**30,500**	30,000
Director	**27,500**	27,000

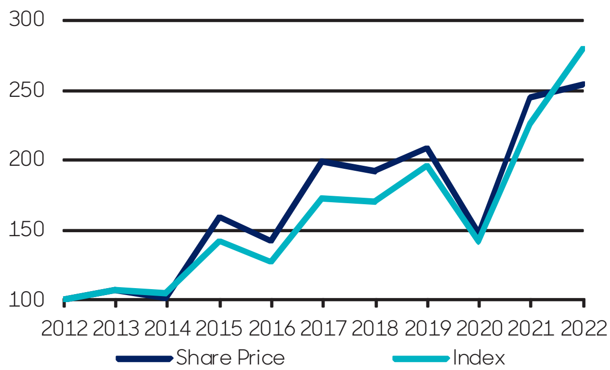
The Nomination Committee carried out a review of Directors' annual fees during the year, including assessing the prevailing inflation rate and the increased time required by the Company to devote to regulatory matters, and concluded that these should change, with effect from 1 April 2022, to the following fees per annum: £38,000 (Chairman), £33,000 (Audit Committee Chairman) and £29,000 for each other Director. There are no further fees to disclose as the Company has no employees, chief executive or executive directors.

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 fees paid to Directors are shown in the table.

Company Performance

During the year the Board carried out a review of investment performance. The graph shows the share price total return (assuming all dividends are reinvested) to Ordinary shareholders compared to the total return from the Benchmark for the ten-year period to 31 March 2022 (rebased to 100 at 31 March 2012). This Benchmark was selected for comparison purposes as it is used by the Board for investment performance measurement.



Fees Payable (Audited)

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

Director	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Hasan Askari	**36,500**	36,000
Michael Hughes	**27,500**	27,000
Stephen White	**30,500**	30,000
Rebecca Donaldson [A]	**27,500**	15,750
David Simpson [B]	**11,458**	n/a
Rachel Beagles [C]	**n/a**	12,975
Total	**133,458**	121,725

[A] Appointed as a Director on 1 September 2020.
[B] Appointed as a Director on 1 November 2021.
[C] Retired as a Director on 23 September 2020.

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.

Directors' Interests in the Company (Audited)

The Directors are not required to have a shareholding in the Company. The Directors (including their connected persons) at 31 March 2022 and 31 March 2021 had no interest in the share capital of the Company other than those interests, all of which are beneficial, in the table below, which were also unchanged as at the date of this Report:

	31 March 2022 Ord. 25p	31 March 2021 Ord. 25p
Hasan Askari	**4,300**	4,300
Michael Hughes	**8,115**	8,115
Stephen White	**12,500**	12,500
Rebecca Donaldson	**4,471**	4,471
David Simpson	**3,860**	n/a
Rachel Beagles	**n/a**	10,000 [A]

[A] As at date of retirement on 23 September 2020.

Annual Percentage Change in Directors' Remuneration (Audited)

The table below sets out the annual percentage change in Directors' fees for the past year.

	Year ended 31 March 2022 %	Year ended 31 March 2021 %
Hasan Askari	1.4	1.4
Michael Hughes	1.9	1.9
Stephen White	1.7	1.7
Rebecca Donaldson [A]	74.6	n/a
David Simpson [B]	n/a	n/a
Rachel Beagles [C]	n/a	-51.0

[A] Appointed a Director on 1 September 2020 so a comparison against the year ended 31 March 2021 is not meaningful as the Director was not appointed for the full 12 months of that year

[B] Appointed a Director on 1 November 2021 so a comparison against the year ended 31 March 2021 is not meaningful

[C] Retired as a Director on 23 September 2020 so it is not possible to calculate a percentage figure

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 2022:

- 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
30 June 2022

Statement of Directors' responsibilities in respect of the Annual Report and financial statements

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 UK-adopted international accounting standards 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 its profit or loss 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 UK adopted international accounting standards;
- 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 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.

In accordance with Disclosure Guidance and Transparency Rule 4.1.14R, the financial statements will form part of the annual financial report prepared using the single electronic reporting format under the TD ESEF Regulation. The auditor's report on these financial statements provides no assurance over the ESEF format.

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
30 June 2022

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 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, 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 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; 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 six financial years ended 31 March 2022. 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 judgement, 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 2021), 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.

	The risk	Our response
Carrying amount of quoted investments (£439.9m; 2021: £401.7m) Refer to pages 53 and 54 (Audit Committee Report), page 72 (accounting policy) and pages 77 and 78 (financial disclosures).	**Low risk, high value** The Company's portfolio of level 1 quoted investments makes up 97.35% (2021: 99.2%) of the Company's total assets (by value) and is one of the key drivers 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 areas which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.	We performed the detailed tests below rather than seeking to rely on the Company's controls, because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures below. Our procedures included: · Tests of detail: Agreeing the valuation of 100% of level 1 quoted investments in the portfolio to externally quoted prices; and · Enquiry of Depositary: Agreeing 100% of level 1 quoted investment holdings in the portfolio to independently received third party confirmations from the investment Depositary. Our results: We found the carrying amount of quoted investments to be acceptable (2021: acceptable).

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

Continued

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 £4.5m (2021: £4.0m), determined with reference to a benchmark of total assets, of which it represents 1% (2021: 1%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole. Performance materiality was set at 75% (2021: 75%) of materiality for the financial statements as a whole, which equates to £3.4m (2021: £3.0m). We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £225,000 (2021: £200,000), 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.

The scope of the audit work performed was fully substantive as we did not rely upon the Company's internal control over financial reporting.

4 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").

We used our knowledge of the Company, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Company's available financial resources and its ability to operate over this period were:

- The impact of a significant reduction in the valuation of investments and the implications for the Company's debt covenants;
- The liquidity of the investment portfolio and its ability to meet the liabilities of the Company as and when they fall due; and
- The operational resilience of key service organisations.

We considered whether these risks could plausibly affect the liquidity or covenant compliance in the going concern period by assessing the degree of downside assumption that, individually and collectively, could result in a liquidity issue, taking into account the Company's current and projected cash and liquid investment position.

We considered whether the going concern disclosure in note 2(a) to the financial statements gives a full and accurate description of the Directors' assessment of going concern, including the identified risks and related sensitivities.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period;
- we have nothing material to add or draw attention to in relation to the Directors' statement in Note 2 (a) 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 the going concern period, and we found the going concern disclosure in note 2 (a) to be acceptable; and
- the related statement under the Listing Rules set out on pages 48 and 49 is materially consistent with the financial statements and our audit knowledge.

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 above conclusions are not a guarantee that the Company will continue in operation.

5 Fraud and breaches of laws and regulations – ability to detect

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Assessing the segregation of duties in place between the Directors, the Administrator and the Company's Investment Manager; and
- Reading Board and Audit Committee minutes.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. We evaluated the design and implementation of the controls over journal entries and other adjustments and made inquiries of the Administrator about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. We identified no material post closing entries and, based on the results of our risk assessment procedures and understanding of the process, including the segregation of duties between the Directors and the Administrator, no further high-risk journal entries or other adjustments were identified.

On this audit we do not believe there is fraud risk related to revenue recognition because the revenue is non-judgemental and straightforward, with limited opportunity for manipulation. We did not identify any significant unusual transactions or additional fraud risks.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

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 and through discussion with the Directors, the Investment Manager and the Administrator (as required by auditing standards) and discussed with the Directors the policies and procedures regarding compliance with laws and regulations. As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

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), distributable profits legislation, and its qualification as an Investment Trust under UK taxation 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.

We assessed the legality of the distributions made by the Company in the period based on comparing the dividends paid to the distributable reserves prior to each distribution, including consideration of interim accounts filed during the year.

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: money laundering, data protection, bribery and corruption legislation and certain aspects of company legislation recognising the financial and regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and the Administrator and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

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 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 fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations

6 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.

Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the Directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the Directors' confirmation within the Viability Statement (on pages 19 and 20) 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 Emerging and Principal Risks disclosures describing these risks and how emerging risks are identified, 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.

We are also required to review the Viability Statement, set out on pages 19 and 20, under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

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 perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- 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;

- the section of the annual report describing the work of the Audit Committee, including the significant issues that the audit committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Company's risk management and internal control systems.

We are required to review the part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review. We have nothing to report in this respect.

7 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.

8 Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 58, 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 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 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.

The Company is required to include these financial statements in an annual financial report prepared using the single electronic reporting format specified in the TD ESEF Regulation. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with that format.

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

9 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

30 June 2022

Financial Statements

Technicians and engineers working in a mobile phone manufacturing plant at Noida, Uttar Pradesh, India.

Statement of Comprehensive Income

		Year ended 31 March 2022			Year ended 31 March 2021		
	Notes	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Income							
Income from investments	3	**4,904**	**155**	**5,059**	4,517	–	4,517
Gains on investments held at fair value through profit or loss	10(a)	**–**	**45,078**	**45,078**	–	140,538	140,538
Currency losses		**–**	**(342)**	**(342)**	–	(404)	(404)
		4,904	**44,891**	**49,795**	4,517	140,134	144,651
Expenses							
Investment management fees	4	**(3,328)**	**–**	**(3,328)**	(2,801)	–	(2,801)
Administrative expenses	5	**(927)**	**–**	**(927)**	(821)	–	(821)
		(4,255)	**–**	**(4,255)**	(3,622)	–	(3,622)
Profit before finance costs and taxation		**649**	**44,891**	**45,540**	895	140,134	141,029
Finance costs	6	**(290)**	**–**	**(290)**	(334)	–	(334)
Profit before taxation		**359**	**44,891**	**45,250**	561	140,134	140,695
Taxation	7	**(525)**	**(4,140)**	**(4,665)**	(452)	(13,624)	(14,076)
(Loss)/profit for the year		**(166)**	**40,751**	**40,585**	109	126,510	126,619
(Loss)/return per Ordinary share (pence)	9	**(0.28)**	**69.92**	**69.64**	0.19	216.06	216.25

The Company does not have any income or expense that is not included in "(Loss)/profit 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 Company. There are no non-controlling interests.

The total column of this statement represents the Statement of Comprehensive Income of the Company, prepared in accordance with UK-adopted International Accounting Standards. 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 2022 £'000	As at 31 March 2021 £'000
Non-current assets			
Investments held at fair value through profit or loss	10	**439,881**	401,669
Current assets			
Cash at bank		**9,772**	2,588
Other receivables	11	**2,160**	530
		11,932	3,118
Current liabilities			
Bank loan	12(a)	**(30,000)**	(24,000)
Other payables	12(b)	**(3,287)**	(1,038)
		(33,287)	(25,038)
Net current liabilities		**(21,355)**	(21,920)
Non-current liabilities			
Deferred tax liability on Indian capital gains	13	**(14,531)**	(13,643)
Net assets		**403,995**	366,106
Share capital and reserves			
Ordinary share capital	14	**14,768**	14,768
Share premium account	2(l)	**25,406**	25,406
Special reserve	2(l)	**9,932**	12,628
Capital redemption reserve	2(l)	**4,484**	4,484
Capital reserve	2(l)	**349,462**	308,711
Revenue reserve	2(l)	**(57)**	109
Equity shareholders' funds		**403,995**	366,106
Net asset value per Ordinary share (pence)	16	**697.30**	627.05

The financial statements were approved by the Board of Directors and authorised for issue on 30 June 2022 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 2022

	Note	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 2021		**14,768**	**25,406**	**12,628**	**4,484**	**308,711**	**109**	**366,106**
Net profit/(loss) after taxation		**–**	**–**	**–**	**–**	**40,751**	**(166)**	**40,585**
Buyback of share capital to treasury		**–**	**–**	**(2,696)**	**–**	**–**	**–**	**(2,696)**
Balance at 31 March 2022		**14,768**	**25,406**	**9,932**	**4,484**	**349,462**	**(57)**	**403,995**

Year ended 31 March 2021

	Note	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 2020		14,768	25,406	14,139	4,484	182,656	130	241,583
Net profit after taxation		–	–	–	–	126,510	109	126,619
Equity dividend paid	8	–	–	–	–	(455)	(130)	(585)
Buyback of share capital to treasury		–	–	(1,511)	–	–	–	(1,511)
Balance at 31 March 2021		14,768	25,406	12,628	4,484	308,711	109	366,106

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

Statement of Cash Flows

	Notes	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Cash flows from operating activities			
Dividend income received		**3,983**	3,580
Investment management fee paid		**(3,573)**	(2,427)
Other cash expenses		**(921)**	(812)
Cash (outflow)/inflow from operations		**(511)**	341
Interest paid		**(283)**	(302)
Net cash (outflow)/inflow from operating activities		**(794)**	39
Cash flows from investing activities			
Purchases of investments		**(130,909)**	(69,103)
Sales of investments		**139,176**	71,555
Indian capital gains tax (paid)/refunded on sales		**(3,251)**	19
Net cash inflow from investing activities		**5,016**	2,471
Cash flows from financing activities			
Equity dividend paid		**–**	(585)
Buyback of shares		**(2,696)**	(1,511)
Drawdown/(repayment) of loan		**6,000**	(6,000)
Net cash inflow/(outflow) from financing activities		**3,304**	(8,096)
Net increase/(decrease) in cash and cash equivalents		**7,526**	(5,586)
Cash and cash equivalents at the start of the year		**2,588**	8,578
Effect of foreign exchange rate changes		**(342)**	(404)
Cash and cash equivalents at the end of the year	2(h),17	**9,772**	2,588

There were no non-cash transactions during the year (2021 – £nil).

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

Notes to the Financial Statements

For the year ended 31 March 2022

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 2022.

The financial statements have been prepared in accordance with UK-adopted international accounting standards ("IFRS").These comprise standards 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.

The financial statements have also been prepared in accordance with the Companies Act 2006 and the Statement of Recommended Practice (SORP), "Financial Statements of Investment Trust Companies and Venture Capital Trusts," issued in April 2021.

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. On 6 July 2020, the Company entered into a two year £30 million loan facility of which the full amount is drawn down on a short-term basis through a revolving credit facility and can be repaid without incurring any financial penalties. On 30 June 2022, the Company agreed an extension of the facility to 5 August 2022. In advance of expiry of the facility in August 2022, the Company has entered 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 continued impact on the Company 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, the Company continues to adopt the going concern basis of accounting in preparing the financial statements. This is also based on the assumption that ordinary resolution 8, that the Company continues as an investment trust, which will be proposed at the AGM of the Company on 28 September 2022, 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, where 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 2021. The adoption of these Standards and Amendments did not have a material impact on the financial results of the Company. The nature is described below:

- IAS 39, IFRS 4, 7, 9 and 16 Amendments (Interest Benchmark Reform Phase 2)

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 2022 and thereafter;

- IFRS 9 Amendments (Annual Improvements 2018-2020)
- IAS 1 Amendments (Classification of Liabilities as Current or Non-Current)
- IAS 1 Amendments (Disclosure of Accounting Policies)
- IAS 8 Amendments (Definition of Accounting Estimates)
- IAS 12 Amendments (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)

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 a 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, which is one 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 10 (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

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(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 Statement of Financial Position date.

Deferred tax. Deferred tax is recognised in respect of all temporary differences at the Statement of Financial Position 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 Statement of Financial Position 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, and 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' 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'. 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 Statement of Financial Position 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. The part of this reserve represented by realised capital gains is available for distribution by way of dividend.

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 Statement of Financial Position 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

	2022 £'000	2021 £'000
Income from investments		
Overseas dividends	**5,059**	4,517

4. Investment management fees

	2022 £'000	2021 £'000
Investment management fees	**3,328**	2,801

The Company has an agreement with the Manager for the provision of management and secretarial services.

Notes to the Financial Statements

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During the year, the management fee was payable monthly in arrears and was based on an annual amount of 0.85% up to £350 million and 0.7% thereafter of the Company's net assets, valued monthly. The management agreement is terminable by either the Company or the Manager on six months' notice. The amount payable in respect of the Company for the year was £3,328,000 (2021 – £2,801,000) and the balance due to the Manager at the year end was £532,000 (2021 – £775,000). All investment management fees are charged 100% to the revenue column of the Statement of Comprehensive Income.

Prior to 1 April 2021, the management fee was payable monthly in arrears based on an annual amount of 0.9% up to £350 million and 0.75% thereafter of the Company's net assets, valued monthly.

5. Administrative expenses

	2022 £'000	2021 £'000
Directors' fees	**133**	122
Promotional activities	**166**	166
Auditor's remuneration:		
– fees payable for the audit of the Company's annual financial statements	**45**	35
Legal and advisory fees	**62**	84
Custodian and overseas agents' charges	**320**	252
Depositary fees	**40**	38
Other	**161**	124
	927	821

The Manager supports the Company with promotional activities through its participation in the abrdn Investment Trust Share Plan and ISA. The total fees paid and payable under the agreement during the year were £166,000 (2021 – £166,000) and £42,000 (2021 – £42,000) was due to the Manager at the year end.

The only fees paid to KPMG LLP by the Company are the audit fees of £45,000 (2021 - £35,000). The amounts disclosed above for Auditor's remuneration are all shown net of VAT.

6. Finance costs

	2022 £'000	2021 £'000
On bank loans	**290**	334

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

7. Taxation

	2022			2021		
	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	–	3,251	3,251	–	–	–
Indian capital gains tax charge refunded on sales	–	–	–	–	(19)	(19)
Overseas taxation	525	–	525	452	–	452
Total current tax charge for the year	525	3,251	3,776	452	(19)	433
Movement in deferred tax liability on Indian capital gains	–	889	889	–	13,643	13,643
Total tax charge for the year	525	4,140	4,665	452	13,624	14,076

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 £14,531,000 (2021 - £13,643,000) on capital gains which may arise if Indian investments are sold.

On 1 April 2020, the Indian Government withdrew an exemption from withholding tax on dividend income. Dividends are received net of 20% withholding tax and a cess charge of 4%. A further surcharge of either 2% or 5% is applied if the receipt exceeds a certain threshold. Of this total charge, 10% of the withholding tax is irrecoverable with the remainder being shown in the Statement of Financial Position as an asset due for reclaim.

Notes to the Financial Statements

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

	2022			2021		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Profit before tax	**359**	**44,891**	**45,250**	561	140,134	140,695
UK corporation tax on profit at the standard rate of 19% (2021 – 19%)	**68**	**8,529**	**8,597**	107	26,625	26,732
Effects of:						
Gains on investments held at fair value through profit or loss not taxable	**–**	**(8,565)**	**(8,565)**	–	(26,702)	(26,702)
Currency losses not taxable	**–**	**65**	**65**	–	77	77
Deferred tax not recognised in respect of tax losses	**857**	**–**	**857**	750	–	750
Expenses not deductible for tax purposes	**6**	**–**	**6**	1	–	1
Indian capital gains tax charged/(refunded) on sales	**–**	**3,251**	**3,251**	–	(19)	(19)
Movement in deferred tax liability on Indian capital gains	**–**	**889**	**889**	–	13,643	13,643
Irrecoverable overseas withholding tax	**525**	**–**	**525**	452	–	452
Non-taxable dividend income	**(931)**	**–**	**(931)**	(858)	–	(858)
Total tax charge	**525**	**4,169**	**4,694**	452	13,624	14,076

(c) At 31 March 2022, the Company had surplus management expenses and loan relationship debits with a tax value of £6,949,000 (2021 – £4,424,000) 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.

8. Ordinary dividends on equity shares

	2022 £'000	2021 £'000
Amounts recognised as distributions paid during the year:		
Interim dividend for 2020 from revenue reserves of 0.22p	**–**	130
Interim dividend for 2020 from capital reserves of 0.78p	**–**	455
	–	585

There was no revenue available for distribution by way of dividend for the year ended 31 March 2022 (2021 – £109,000). An interim dividend was paid during the year ended 31 March 2021 to satisfy the requirements of Sections 1158-1159 of the Corporation Tax Act 2010 under which the Company qualifies as an investment trust in respect of the year ended 31 March 2020. For further details see the Directors' Report on page 40 of the 2021 Annual Report.

9. (Loss)/return per Ordinary share

	2022			2021		
	Revenue	Capital	Total	Revenue	Capital	Total
Net (loss)/profit (£'000)	**(166)**	**40,751**	**40,585**	109	126,510	126,619
Weighted average number of Ordinary shares in issue			**58,276,006**			58,551,911
(Loss)/return per Ordinary share (pence)	**(0.28)**	**69.92**	**69.64**	0.19	216.06	216.25

10. Investments held at fair value through profit or loss

(a) Valuation	2022 £'000	2021 £'000
Opening book cost	**255,914**	246,479
Opening investment holdings fair value gains	**145,755**	18,165
Opening valuation	**401,669**	264,644
Movements in the year:		
Purchases	**132,928**	68,032
Sales – proceeds	**(139,794)**	(71,545)
Gains on investments	**45,078**	140,538
Closing valuation	**439,881**	401,669

	2022 £'000	2021 £'000
Closing book cost	**293,858**	255,914
Closing investment holdings fair value gains	**146,023**	145,755
Closing valuation	**439,881**	401,669

The Company generated £139,794,000 (2021 – £71,545,000) from investments sold in the period. The book cost of these investments when they were purchased was £94,984,000 (2021 – £58,597,000). 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.

Notes to the Financial Statements

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(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 gains on investments at fair value through profit or loss in the Statement of Comprehensive Income. The total costs were as follows:

	2022 £'000	2021 £'000
Purchases	**167**	109
Sales	**211**	120
	378	229

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.

11. Other receivables

	2022 £'000	2021 £'000
Amounts due from brokers	**211**	–
Recoverable tax on Indian dividends	**1,019**	485
Prepayments and accrued income	**930**	45
	2,160	530

None of the above amounts are past their due date or impaired (2021 - nil).

12. Current liabilities

(a) **Bank loan**	2022 £'000	2021 £'000
Loans repayable within one year	**30,000**	24,000

In July 2020, the Company agreed a £30 million two year uncommitted multicurrency revolving loan facility with Royal Bank of Scotland International (London Branch). £30 million was drawn down at 31 March 2022 (31 March 2021 – £24 million) at an all-in interest rate of 1.0135% until 8 April 2022 (2021 – 0.94925% until 12 April 2021). On 30 June 2022, the Company agreed an extension of the facility to 5 August 2022. At the date of this Report the Company had drawn down £30 million at an all-in interest rate of 1.9036% until 6 July 2022.

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. The Company complied with all covenants during the year and up to the date of signing this Report.

(b) Other payables	2022 £'000	2021 £'000
Amounts due to brokers	**2,019**	–
Other creditors	**1,268**	1,038
	3,287	1,038

13. Non-current liabilities

	2022 £'000	2021 £'000
Deferred tax liability on Indian capital gains	**14,531**	13,643

14. Ordinary share capital

	2022		2021	
	Number	£'000	Number	£'000
Authorised	**200,000,000**	**50,000**	200,000,000	50,000
Issued and fully paid				
Ordinary shares of 25p each	**57,937,127**	**14,485**	58,385,328	14,597
Held in treasury:				
Ordinary shares of 25p each	**1,133,013**	**283**	684,812	171
	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 448,201 (2021 – 335,653) Ordinary shares of 25p each were repurchased by the Company at a total cost, including transaction costs, of £2,696,000 (2021 – £1,511,000). All of the shares were placed in treasury. Shares held in treasury represent 1.92% (2021 – 1.16%) of the Company's total issued shares at the year end. Shares held in treasury do not carry a right to receive dividends.

Notes to the Financial Statements

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15. Analysis of changes in net debt

	2021 £'000	Currency differences £'000	Net Cash flows £'000	2022 £'000
Cash and short term deposits	2,588	(342)	7,526	9,772
Debt due within one year	(24,000)	–	(6,000)	(30,000)
	(21,412)	(342)	1,526	(20,228)

	2020 £'000	Currency differences £'000	Net Cash flows £'000	2021 £'000
Cash and short term deposits	8,578	(404)	(5,586)	2,588
Debt due within one year	(30,000)	–	6,000	(24,000)
	(21,422)	(404)	414	(21,412)

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.

16. Net asset value per Ordinary share

The net asset value per Ordinary share is based on a net asset value of £403,995,000 (2021 - £366,106,000) and on 57,937,127 (2021 - 58,385,328) Ordinary shares, being the number of Ordinary shares in issue at the year end, excluding shares held in treasury.

17. 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 the Manager under the terms of its management agreement with the Manager (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 the Manager collectively assume responsibility for the Manager's obligations under the AIFMD including reviewing investment performance and monitoring the Company's risk profile during the year.

The Manager is a fully integrated member of abrdn, which provides a variety of services and support to the Manager in the conduct of its business activities, including in the oversight of the risk management framework for the Company. The Manager has delegated the day to day administration of the investment policy to the Investment manager, 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 Manager 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 abrdn's risk management processes and systems which are embedded within the abrdn's operations. abrdn'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 abrdn's Chief Risk Officer, who reports to the CEO of the Group. The Risk Division achieves its objective through embedding the Risk Management Framework throughout the organisation using abrdn's operational risk management system ("SHIELD").

abrdn's Internal Audit Department is independent of the Risk Division and reports directly to the abrdn's CEO and to the Audit Committee of abrdn's Board of Directors. The Internal Audit Department is responsible for providing an independent assessment of the abrdn's control environment.

abrdn's corporate governance structure is supported by several committees to assist the board of directors of abrdn, its subsidiaries and the Company to fulfil their roles and responsibilities. abrdn'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.

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.

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:

At 31 March 2022	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Assets				
Sterling	–	–	–	8,676
US Dollars	–	–	–	15
Indian Rupee	–	–	–	1,081
			–	9,772

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	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	**0.02**	**1.01**	**30,000**	**–**

At 31 March 2021	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Assets				
Sterling	–	–	–	2,457
US Dollars	–	–	–	7
Indian Rupee	–	–	–	124
			–	2,588

	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Liabilities				
Bank loan – £24,000,000	0.08	0.95	24,000	–

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 12.

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 SONIA 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 2022 would have decreased/increased by £202,000 (2021 – decrease/increase £214,000). 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:

	2022			2021		
	Overseas investments £'000	Net monetary assets £'000	Total currency exposure £'000	Overseas investments £'000	Net monetary assets £'000	Total currency exposure £'000
US Dollar	**8,731**	**15**	**8,746**	–	7	7
Indian Rupee	**431,150**	**1,081**	**432,231**	401,669	124	401,793
	439,881	**1,096**	**440,977**	401,669	131	401,800

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.

	2022 Revenue £'000	2022 Equity[A] £'000	2021 Revenue £'000	2021 Equity[A] £'000
US Dollar	**–**	**875**	2	1
Indian Rupee	**506**	**43,223**	450	40,179
	506	**44,098**	452	40,180

[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 92, 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.

Price risk sensitivity. If market prices at the Statement of Financial Position 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 2022 would have increased /(decreased) by £65,982,000 (2021 - increased/(decreased) by £60,250,000) and capital reserves would have increased /(decreased) by the same amount.

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 5 August 2022. Other payables are settled within one year. Details of borrowings and other payables at 31 March 2022 are shown in note 12.

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 12. 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 uncommitted multicurrency revolving loan facility, of which £30,000,000 (2021 – £24,000,000) was drawn down at the year end. Other payables amounted to £3,287,000 (2021 – £1,038,000).

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 (2021 - same).

Credit risk exposure. In summary, compared to the amounts included in the Statement of Financial Position, the maximum exposure to credit risk at 31 March was as follows:

	2022		2021	
	Statement Financial Position £'000	Maximum Exposure £'000	Statement Financial Position £'000	Maximum Exposure £'000
Current assets				
Loans and receivables	**1,086**	**1,086**	–	–
Cash at bank and in hand	**9,772**	**9,772**	2,588	2,588
	10,858	**10,858**	2,588	2,588

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 (2021 - same).

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

	2022 £'000	2021 £'000
Bank loan	**30,000**	24,000

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 2022 (2021 - £24,000,000) compared to an accounts value in the financial statements £30,000,000 (2021 - £24,000,000) (note 12).

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

18. 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 includes taking account of the Manager's views on the market;
- the opportunity to buy back equity shares for cancellation or holding in treasury, 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 opportunity for new issues of equity shares; and
- the extent to which any 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.

Notes to the Financial Statements

Continued

19. 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 Statement of Financial Position are grouped into the fair value hierarchy at the Statement of Financial Position date are as follows:

As at 31 March 2022	Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	**439,881**	**–**	**–**	**439,881**
Net fair value		**439,881**	**–**	**–**	**439,881**

As at 31 March 2021	Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	401,669	–	–	401,669
Net fair value		401,669	–	–	401,669

a) **Quoted equities**. The fair value of the Company'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.

20. 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.

21. 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 55 to 57.

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 are disclosed in notes 4 and 5.

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.

Discount to net asset value per Ordinary share

The discount is the amount by which the share price is lower than the net asset value per share with debt at par value, expressed as a percentage of the net asset value.

		2022	2021
NAV per Ordinary share	a	**697.30p**	627.05p
Share price	b	**562.00p**	542.00p
Discount	(a-b)/a	**19.4%**	13.6%

Net gearing

Net gearing measures the total borrowings less cash and cash equivalents divided by shareholders' funds, expressed as a percentage. Under AIC reporting guidance cash and cash equivalents includes amounts due to and from brokers at the year end.

		2022	2021
Borrowings (£'000)	a	**30,000**	24,000
Cash (£'000)	b	**9,772**	2,588
Amounts due to brokers (£'000)	c	**2,019**	–
Amounts due from brokers (£'000)	d	**211**	–
Shareholders' funds (£'000)	e	**403,995**	366,106
Net gearing	(a-b+c-d)/e	**5.5%**	5.8%

Ongoing charges ratio

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 are expressed as a percentage of the average net asset values with debt at par value throughout the year.

	2022	2021
Investment management fees (£'000)	**3,328**	2,801
Administrative expenses (£'000)	**927**	821
Less: non-recurring charges[A] (£'000)	**(28)**	–
Ongoing charges (£'000)	**4,227**	3,622
Average net assets (£'000)	**399,442**	312,355
Ongoing charges ratio	**1.06%**	1.16%

[A] Professional fees unlikely to recur.

Alternative Performance Measures

Continued

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.

Total return

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. Share price and NAV total returns are monitored against open-ended and closed-ended competitors, and the Benchmark, respectively.

Year ended 31 March 2022		NAV	Share Price
Opening at 1 April 2021	a	**627.05p**	542.00p
Closing at 31 March 2022	b	**697.30p**	562.00p
Price movements	c=(b/a)-1	**11.2%**	3.7%
Dividend reinvestment[A]	d	**N/A**	N/A
Total return	c+d	**+11.2%**	+3.7%

Year ended 31 March 2021		NAV	Share Price
Opening at 1 April 2020	a	**411.41p**	328.00p
Closing at 31 March 2021	b	**627.05p**	542.00p
Price movements	c=(b/a)-1	**52.4%**	65.2%
Dividend reinvestment[A]	d	**0.3%**	0.4%
Total return	c+d	**+52.7%**	+65.6%

[A] NAV total return involves investing the net dividend in the NAV of the Company with debt at par 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.

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 June 2022.

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 8 to 22, Note 17 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 the Manager;
- all authorised Alternative Investment Fund Managers are required to comply with the AIFMD Remuneration Code. In accordance with the Remuneration Code, the Manager's remuneration policy is available from the Company Secretaries on request (see contact addresses on page 105) and the remuneration disclosures in respect of the Manager's reporting period ended 31 December 2021, 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 2022	1.17:1	1.19:1

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 Manager 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.

Corporate Information

The Company's Investment Manager is a subsidiary of abrdn.

Assets under the management and administration of abrdn were £542 billion at 31 December 2021.

Architectural details of the white columns of Mumbai International Airport, which serves a metropolitan population of over 20 million residents.

Information about the Manager

The Manager, authorised and regulated by the Financial Conduct Authority, has been appointed as alternative investment fund manager to the Company. The Manager has delegated portfolio management to the Investment Manager.

The Manager and Investment Manager are subsidiaries of abrdn 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.

abrdn managed or administered over £542 billion (as at 31 December 2021) 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 the Investment Manager in 2004 Kristy worked as an analyst at UOB Kay Hian 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 the Investment Manager in 2010.

Pruksa Iamthongthong

Investment Director

CFA® charterholder, BA in Business Administration, Chulalongkorn University, Thailand. Joined the Investment Manager in 2007.

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 the Investment Manager in 1996.

Information about the 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 Benchmark 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, as one example, risk to be associated with investment in poorly run, expensive companies that are not fully understood. 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.

abrdn'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 the Manager as its alternative investment fund manager and BNP Paribas Securities Services, London Branch as its depositary, under the Alternative Investment Fund Managers Directive ("AIFMD").

The AIFMD requires the Manager, 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 Manager under the AIFMD are set out on page 89.

Benchmark

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

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

abrdn 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 abrdn or for third party firms. abrdn 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 abrdn and any third party making such offers/claims has no link with abrdn.

abrdn 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 105.

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 Addresses on page 105). 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 abrdn Customer Services Department by calling 0808 500 0040, sending an email to **inv.trusts@abrdn.com** or by writing to: abrdn Investment Trusts, 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 the abrdn Plan for Children, abrdn Investment Trust Share Plan or abrdn Investment Trust ISA.

abrdn Plan for Children

abrdn 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 abrdn in writing at any time.

Investor Information

Continued

abrdn Share Plan
abrdn 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 abrdn in writing at any time.

abrdn ISA
abrdn offers an Investment Trust ISA ("ISA") through which an investment may be made of up to £20,000 in tax year 2022/2023.

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 abrdn Children's Plan for Children, abrdn Investment Trust Share Plan and abrdn 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 abrdn Customer Services Department using the details on page 105.

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 abrdn Children's Plan for Children, Share Plan, ISA or ISA Transfer please contact:

abrdn
PO Box 11020
Chelmsford
Essex CM99 2DB

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

Terms and conditions for abrdn 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.

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

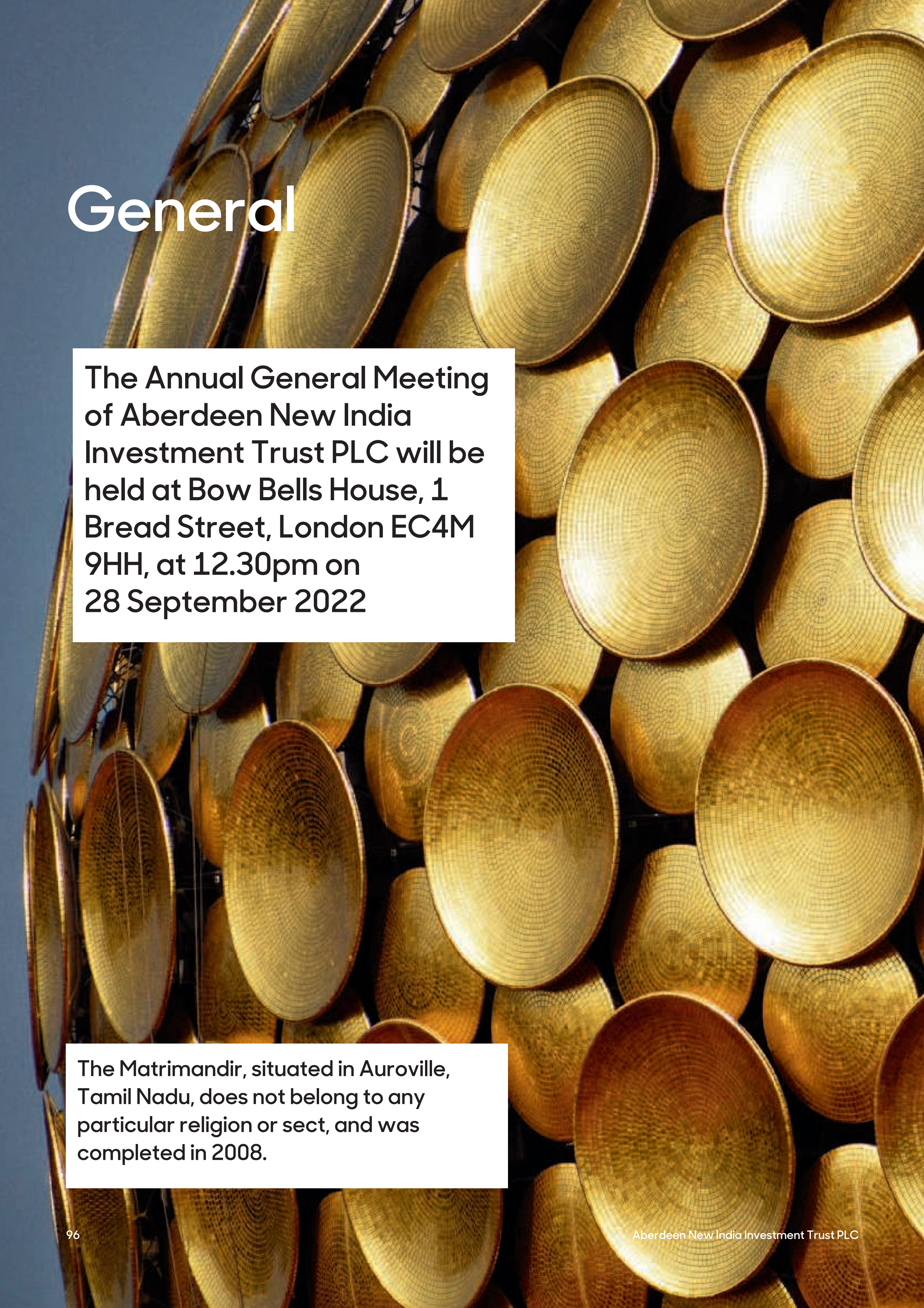
Please remember that past performance is not a guide to the future. Stock market and currency movements may cause the value of shares and the income from them to fall as well as rise and investors may not get back the amount they originally invested.

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 93 to 95 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



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 12.30pm on 28 September 2022

The Matrimandir, situated in Auroville, Tamil Nadu, does not belong to any particular religion or sect, and was completed in 2008.

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 12.30pm on 28 September 2022 for the following purposes:

Ordinary Business

As ordinary business to consider and, if thought fit, pass the following Resolutions 1 to 7 inclusive, as Ordinary Resolutions:

1. To receive and adopt the Directors' and Auditor's Reports and adopt the Financial Statements for the year ended 31 March 2022.
2. To receive and adopt the Directors' Remuneration Report for the year ended 31 March 2022 (other than the Directors' Remuneration Policy).
3. To elect David Simpson as a Director of the Company.
4. To elect Andrew Robson as a Director of the Company.
5. To re-elect Rebecca Donaldson as a Director of the Company.
6. To re-elect Michael Hughes as a Director of the Company.
7. 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 2023.

Special Business

As special business to consider and, if thought fit, pass the following Resolutions in the case of Resolution 8 and 10 as Ordinary Resolutions and in the case of Resolutions 9, 11 and 12 as Special Resolutions:

Continuation Vote

8. To approve the continuation of the Company as an investment trust.

Authority to Make Market Purchases of Shares

9. 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 8,630,806 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 2023 or on 30 September 2023, 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:

Notice of Annual General Meeting

Continued

Authority to Allot Shares

10. 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 £719,713 (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 2023 or on 30 September 2023, whichever is earlier, but so that this authority shall allow the Company to make, before the expiry of this 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

11. THAT, subject to the passing of Resolution 10 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:

    i. (otherwise than pursuant to sub-paragraph (b) below) up to an aggregate nominal amount of £719,713 (representing approximately 5% of the Company's issued Ordinary share capital, excluding treasury shares, as at the date of approval of this notice);

    ii. 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

    iii. 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 2023 or on 30 September 2023, 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.

Articles of Association

12. THAT the articles of association of the Company be and are hereby amended by:

    1. conditional on the passing of resolution 8, deleting in Article 166.2 the words "each" and "2011" and inserting in their place the words "every fifth" and "2027" respectively; and

    2. deleting Article 173 in its entirety.

By order of the Board
Aberdeen Asset Management PLC
Company Secretary

Registered Office
Bow Bells House
1 Bread Street
London EC4M 9HH

30 June 2022

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. 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.

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.

Notice of Annual General Meeting

Continued

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 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 30 June 2022 (being the last practicable date prior to publication of this notice) the Company's issued share capital comprised 57,577,097 Ordinary shares of 25p each with voting rights and 1,493,043 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 30 June 2022 was 57,577,097.

xviii. There are special arrangements for holders of shares through the abrdn Share Plan, abrdn Investment Trusts ISA or abrdn Investment Plan for Children. These are explained in the separate 'Letter of Direction' which such holders will have received with this Annual Report.

xix. 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 in order to ensure the safety of those attending the meeting.

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 any accompanying documents, immediately to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for onward transmission.

Glossary of Terms

abrdn
abrdn plc, which is a company whose shares are admitted to listing on the London Stock Exchange.

AIC
The Association of Investment Companies.

Alternative Investment Fund Managers Directive or AIFMD
The Alternative Investment Fund Managers Directive is European legislation which created a European-wide framework for regulating managers of alternative investment funds. 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 alternative investment fund which is subject to the Alternative Investment Fund Managers Directive.

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.

Benchmark
MSCI India Index (sterling adjusted)

Company
Aberdeen New India Investment Trust PLC

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.

Investment Manager
abrdn Asia Limited (formerly Aberdeen Standard Investments (Asia) Limited), a wholly owned subsidiary of abrdn

Manager
Aberdeen Standard Fund Managers Limited, a wholly owned subsidiary of abrdn, has been appointed as the alternative investment fund manager for the Company. The Manager is authorised and regulated by the Financial Conduct Authority.

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.

Total Assets

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

Total Return

NAV total return involves investing the dividend in the NAV of the Company on the date on which that dividend goes ex-dividend. Share price total return involves reinvesting the dividend in the share price of the Company on the date on which that dividend goes ex-dividend.

Contact Addresses

Directors
Hasan Askari (Chairman)
Michael Hughes (Senior Independent Director)
Stephen White (Chairman of the Audit Committee)
Rebecca Donaldson
David Simpson
Andrew Robson (from 1 August 2022)

Company Secretaries
Aberdeen Asset Management PLC
1 George Street
Edinburgh EH2 2LL

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.99999.SL.826

abrdn Customer Services Department and abrdn Children's Plan, Share Plan and ISA enquiries
abrdn
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@abrdn.com**

or

new.india@abrdn.com

abrdn Social Media Accounts
Twitter: @abrdnTrusts
LinkedIn: abrdn Investment Trusts

Alternative Investment Fund Manager
Aberdeen Standard Fund Managers Limited
Bow Bells House
1 Bread Streett
London EC4M 9HH

Authorised and regulated by the Financial Conduct Authority

Investment Manager
abrdn Asia Limited
21 Church Street
#01-01 Capital Square Two
Singapore 049480

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

Depositary
BNP Paribas Securities Services,
London Branch
10 Harewood Avenue
London NW1 6AA

For more information visit **aberdeen-newindia.co.uk**

abrdn.com