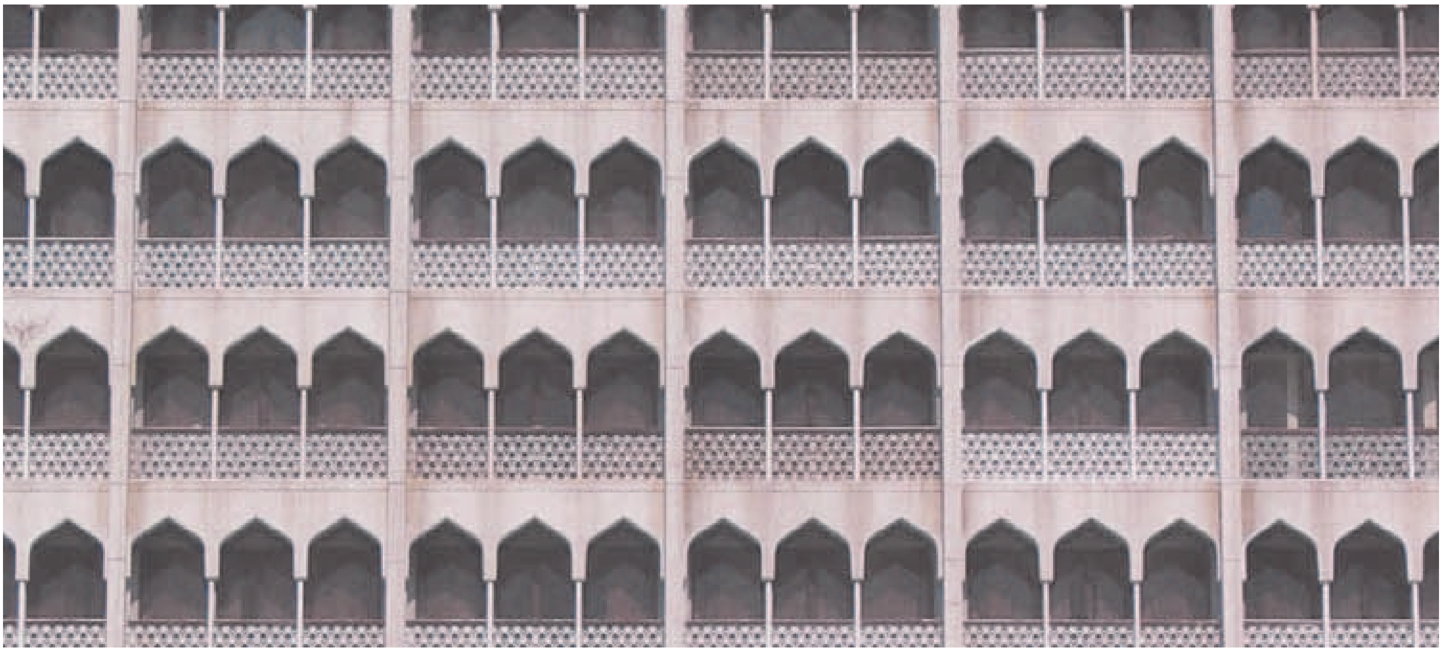
New India Investment Trust PLC

Annual Report

31 March 2016



Aberdeen

View of city skyline from Marine Drive, Mumbai. With projected GDP of US$10 trillion, India is poised to become the world's third-largest economy by 2030, behind China and the US.

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

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 New India Investment Trust PLC, please forward this document, together with the accompanying documents immediately to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Overview

Financial Highlights for year ended 31 March 2016

Share price total return[A]

–11.0%

2015 +56.4%

Net asset value total return[A]

–6.1%

2015 +46.3%

Benchmark total return[A]

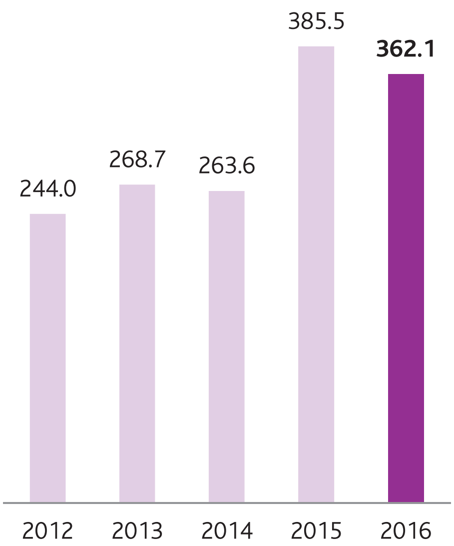
–10.3%

2015 +35.6%

[A]Total return represents capital return plus dividends reinvested

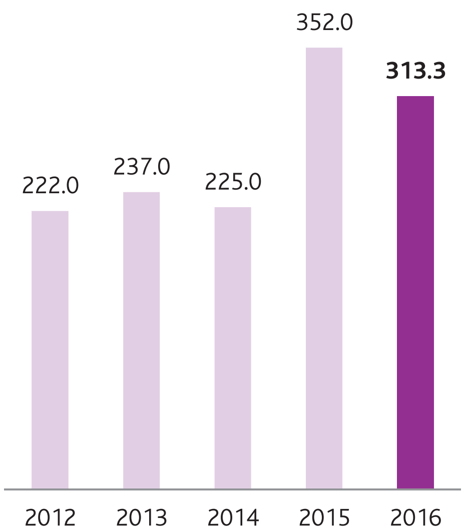
Net asset value per share

At 31 March – pence



Mid-market price per share

At 31 March – pence



Overview

New India Investment Trust PLC (the "Company") is an investment trust with its Ordinary shares listed on the premium segment of the London Stock Exchange. The Company is an approved investment trust and 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.

The Company is governed by a board of directors, all of whom are independent, and has no employees. Like other investment companies, it outsources its investment management and administration to an investment management group, the Aberdeen Asset Management group of companies, and other third party providers.

The Company does not have a fixed life but an Ordinary resolution to continue the Company is put to shareholders at each Annual General Meeting ("AGM").

Management

The Company has appointed Aberdeen Fund Managers Limited ("AFML", " Manager", or "AIFM") as its alternative investment fund manager, which has in turn delegated certain responsibilities, including investment management, to Aberdeen Asset Management Asia Limited ("AAMAL" or "Investment Manager").

Financial Calendar

15 June 2016	Announcement of Annual Financial Report for the year ended 31 March 2016
6 September 2016	Annual General Meeting (12.30pm), Bow Bells House, 1 Bread Street, London, EC4M 9HH
November 2016	Announcement of Half-Yearly Financial Report for the six months ending 30 September 2016

Chairman's Statement

Hasan Askari
Chairman

Dear Shareholder,

For the year ended 31 March 2016, your Company's net asset value decreased by 6.1%, in Sterling terms, to 362.07p per share, while the benchmark MSCI India Index fell by 10.3% in total return terms. The Company's ordinary share price decreased by 11.0% to 313.25p, reflecting a widening of the discount to net asset value from 8.7% to 13.5% as at 31 March 2016. The Company has not been immune from the increased discounts affecting single-country and other global emerging market funds, partly due to lower levels of market liquidity related to uncertainty over the EU referendum on 23 June 2016. Over the five years ended 31 March 2016, the Company's NAV and share price increased by 34.6% and 28.6%, respectively, as compared to a rise of 1.4% in the MSCI India Index (all figures in Sterling terms).

Indian equities declined in the period under review, adversely affected by both volatility in global markets and disappointing domestic events. Stockmarkets around the world endured a couple of severe sell-offs during the year. Declining commodity prices, the generally downcast state of the global economy – China's in particular – and a disconcerting lack of clarity over the intentions of major central banks were the principal reasons for the excessive risk aversion. Domestically, investors were perturbed by instances of periodic regulatory interventions, while the BJP's heavy defeat in a pivotal state election and the increased pressure on the balance sheets of public sector banks ("PSUs") further dampened the mood. Sentiment turned a corner late in the year, with foreign funds moving back into India as the developed world's cycle of monetary easing continued. However, this failed to entirely offset earlier losses.

The positive effect of Prime Minister Modi's election in 2014 began to dissipate through the year, as frustrations grew over the BJP's lack of visible progress on key reforms. The opposition majority in the upper house of parliament proved an impediment to legislative advancement, with both the Land Acquisition Act and the unified Goods and Services ("GST") Bill stalling due to political resistance. However, Mr Modi did make progress where he could, proposing an overhaul of cumbersome bankruptcy laws and liberalising foreign direct investment rules across fifteen sectors, including construction, banking, defence, wholesale, retail and e-commerce.

The BJP's populist budget in 2016 was well received, largely because of the absence of negative surprises. Notably, it promised assistance for farmers and a 20 per cent. boost in infrastructure spending. However, additional outlays would not come at the expense of fiscal prudence: the government reiterated its goal of capping the fiscal deficit at 3.9% of GDP this year and 3.5% in 2017. This was widely commended, as it would allow the Reserve Bank of India ("RBI") to continue with its policy of monetary easing. As it was, the RBI cut rates four times in a bid to generate economic momentum. There were plenty of headwinds: exports contracted, consumer and business spending remained subdued, while industrial production and manufacturing showed few signs of life. Still, India's economic durability was more sustained than most of its emerging market peers. Low commodity prices helped keep inflation and the current account under control, while GDP data put it among the world's fastest-growing major economies.

Continuation of the Company

Your Board considers that the Company's investment objective remains relevant and appropriate and therefore recommends that Shareholders vote in favour of resolution 7 at the Annual General Meeting ("AGM"), to allow the Company to continue as an investment trust until the AGM in 2017.

Manager

Your Board has carefully considered the continued appointment of your Manager. The Manager's recent performance and long-term track record, as well as their expertise and tested investment style, make the case for their continued appointment.

Annual General Meeting

The AGM, which will be held at Bow Bells House, 1 Bread Street, London EC4M 9HH on Tuesday 6 September 2016 at 12.30pm, 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.

Board

Professor Victor Bulmer-Thomas, having served as a Director since February 2004, steps down from the Board at the AGM. Victor was instrumental in the restructuring of the Company in early 2005 which resulted in the current investment objective covering Indian equities. The other Directors should like to place on record their thanks to Victor for his considered counsel and contribution to the Board over the past 12½ years.

An independent search consultancy has been engaged to assist the Board with succession planning and the Directors intend to appoint a new, independent non-executive Board member by the end of 2016.

Structure of the Company

During the year, the Board reviewed the Company's corporate structure and concluded that, in order to minimise future operational and regulatory risk, it was no longer appropriate to retain a Mauritian subsidiary. Accordingly, towards the end of the financial year, the Company's equity and other securities previously registered to New India Investment Company (Mauritius) Limited were transferred to direct ownership by the Company.

Outlook

While India is more insulated from external events than most of its regional peers, its markets are still affected by global events. Given the largely listless world economy and widespread investor sensitivity to fluctuating commodity prices and central bank rhetoric, further market volatility is likely. Indeed, as the date of this Report, the Company's NAV per share (including income) was 380.04p, which is 4.9% higher than the equivalent figure at 31 March 2016.

Indian companies remain fundamentally sound; however, earnings continue to be affected by sluggish demand. Share prices are unlikely to re-rate significantly until consumption and private investment recover. Nevertheless, the budget's focus on farmers should encourage rural spending, while the boost in funds allocated for infrastructure development bodes well for the materials sector in particular.

Elsewhere, the banking sector remains under considerable stress from the increase in non-performing loans. While this is largely confined to PSUs, which your Company does not hold, the repercussions are more widely felt. To its credit, the RBI has the issue firmly in its sights. Notably, it has taken steps to recapitalise PSUs, while encouraging indebted corporates to manage their obligations more actively. However, there is still some distance to cover to stabilise this sector. Meanwhile, progress on a unified GST remains crucial, both for Mr Modi's credibility and India's economic evolution. Encouragingly, there appears to be growing optimism that political differences will be put aside in a bid to advance the legislative agenda this year. Were this to happen it would augur well both for Indian equities and your Company.

Hasan Askari
Chairman

14 June 2016

Strategic Report

The business of the Company is that of an investment company which seeks to qualify as an investment trust for UK capital gains tax purposes. The Directors do not envisage any change in this activity in the foreseeable future.

MFG Metropolitan shopping mall, Jaipur. Consumption in India continues to grow significantly with consumer spending anticipated to rise 5.5 times by 2030.

Overview of Strategy

Business Model

The business of the Company is that of an investment company which seeks 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 (either directly or through its Mauritian subsidiary, New India Investment Company (Mauritius) Limited (the "Subsidiary")) primarily invests in Indian equity securities.

Risk Diversification

Delivering the Investment Policy

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 will be used in relation to specific opportunities or circumstances. The Directors will take care to ensure that borrowing covenants would permit flexibility of investment policy. As at 31 March 2016, the Company had no borrowing facility in place.

Currency and Hedging Policy

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.

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 does not have any investments in other listed investment companies as at 31 March 2016.

Benchmark

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

Key Performance Indicator

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 Indicator ("KPI") identified by the Board in relation to the Company, which is considered at each Board meeting, is as follows:

KPI	Description
Performance of the Net Asset Value ("NAV") and share price compared to the MSCI India Index return (Sterling-adjusted)	The Board considers the Company's NAV return and share price return, relative to the MSCI India Index (Sterling-adjusted), to be the best indicator of performance over time. The figures for this year and for the past three and five years are set out on page 10 and a graph showing NAV total return performance against the MSCI India Index over the past five years is shown on page 11.

Overview of Strategy continued

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, which include those that would threaten its business model, future performance and solvency. The principal risks associated with an investment in the Company's shares are published monthly in the Company's factsheet or they can be found in the pre-investment disclosure document ("PIDD") published by the AIFM, both of which are available from the Company's website: newindia-trust.co.uk.

The principal risks and uncertainties faced by the Company are reviewed annually by the Audit Committee in the form of a detailed risk matrix and heat map and they are described in the table below, together with any mitigating actions.

Some of these risks can be mitigated or managed to a greater or lesser extent by the actions of the Board in appointing competent investment managers and depositaries. In addition, the Board seeks to put in place, through its contractual arrangements and through various monitoring processes, controls which should avert (but do not guarantee the avoidance of) what might be regarded as operational mistakes. However, investment tends to involve both risk and opportunity regarding future prospects, and the Board cannot avoid either in the Company's search for returns.

Description	Mitigating Action
Market risk - falls in the prices of securities issued by Indian companies, which may be themselves be determined by local and international economic, political and financial factors and management actions;	The Investment Manager seeks to diversify market risk by investing in a wide variety of companies with strong balance sheets and the earnings power to pay increasing dividends. In addition, investments are made in diversified sectors in order to reduce the risk of a single large exposure; at present the Investment Manager may not invest more than 10% of the Company's net assets in any single stock (measured when the investment is made). The Investment Manager believes that diversification should be looked at in absolute terms rather than relative to the MSCI India Index. The performance of the portfolio relative to the MSCI India Index and the underlying stock weightings in the portfolio against their index weightings are monitored closely by the Board.
Foreign exchange - adverse movements in the exchange rate between Sterling and the Rupee, as well as between other currencies, affecting the overall value of the portfolio;	The Board monitors the Rupee/Sterling exchange rate at each meeting.
Discount - factors which affect the discount to net asset value ("NAV") at which the Ordinary shares of the Company trade. These may include the popularity of the investment objective of the Company, the popularity of investment trust shares in general and the ease with which the Company's Ordinary shares can be traded on the London Stock Exchange;	The Board keeps under review the discount and may consider selective buyback of shares where to do so would be in the best interests of shareholders, balanced against reducing overall size of the Company. Any shares bought back would be either cancelled or held in treasury.
Depositary risk - 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; and	The depositary, BNP Paribas, presents to the Board at least annually on the Company's compliance with AIFMD. The Manager separately monitors the activities of the depositary and reports to the Board on any exceptions arising.
Regulatory risk - changes in or breaches of the complicated set of statutory, tax and regulatory rules within which the Company seeks to conduct its business.	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 professionals to advise on any specific areas of compliance.

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

Other financial risks are detailed in note 15 to the financial statements.

Promoting the Company

The Board recognises the importance of promoting the Company to prospective investors both for improving liquidity and enhancing the value and rating of the Company's shares. The Board believes an effective way to achieve this is through subscription to, and participation in, the promotional programme run by the Aberdeen Group on behalf of a number of investment companies under its management. The Company's financial contribution to the programme is matched by the Aberdeen Group. The Aberdeen Group Head of Brand 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. Communicating the long-term attractions of the Company is key and therefore the Company also supports the Aberdeen Group's investor relations programme which involves regional roadshows, promotional and public relations campaigns.

Board Diversity

The Board recognises the importance of having a range of skilled, experienced individuals with the right knowledge in order to allow the Board to fulfill its obligations. At 31 March 2016, there were three male Directors and one female Director.

Environmental, Social and Human Rights Issues

The Company has no employees as it is managed by Aberdeen Fund Managers Limited and there are therefore no disclosures to be made in respect of employees. The Company's socially and environmentally responsible investment policy is outlined on pages 29 to 30.

Due to the nature of the Company's business, being a company that does not offer goods and services to customers, the Board considers that it is not within the scope of the Modern Slavery Act 2015 because it has no turnover. The Company is therefore not required to make a slavery and human trafficking statement. Notwithstanding this, the Board considers the Company's supply chains, dealing predominantly with professional advisers and service providers in the financial services industry, to be low risk in relation to this matter.

Global Greenhouse Gas Emissions

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

Duration

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

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 4 to 5 and in the Investment Manager's Report on pages 12 to 15.

Hasan Askari
Chairman

14 June 2016

Results

Financial Highlights

	31 March 2016	31 March 2015	% change
Total equity shareholders' funds (net assets)	£213,874,000	£227,708,000	–6.1
Market capitalisation	£185,037,214	£207,926,893	–11.0
Share price (mid market)	313.25p	352.00p	–11.0
Net asset value per share	362.07p	385.49p	–6.1
Discount to net asset value	13.5%	8.7%	
Total (loss)/return per share	(23.42p)	121.94p	
Revenue loss per share	(1.06p)	(0.39p)	
Revenue reserves per share	(0.52p)	0.54p	
Prospective gross portfolio yield[A]	1.4%	1.3%	
MSCI India portfolio yield[A]	1.7%	1.4%	
Prospective portfolio P/E ratio[B]	24.3x	26.2x	
Operating costs			
Ongoing charges ratio[C]	1.36%	1.40%	

[A] Source – AAMAL (estimated information)/Factset.
[B] Consensus broker views.
[C] Ongoing charges ratio is calculated in accordance with recent guidance issued by the AIC as the total of the investment management fee and administrative expenses of the Company and Subsidiary divided by the average cum income net asset value throughout the year.

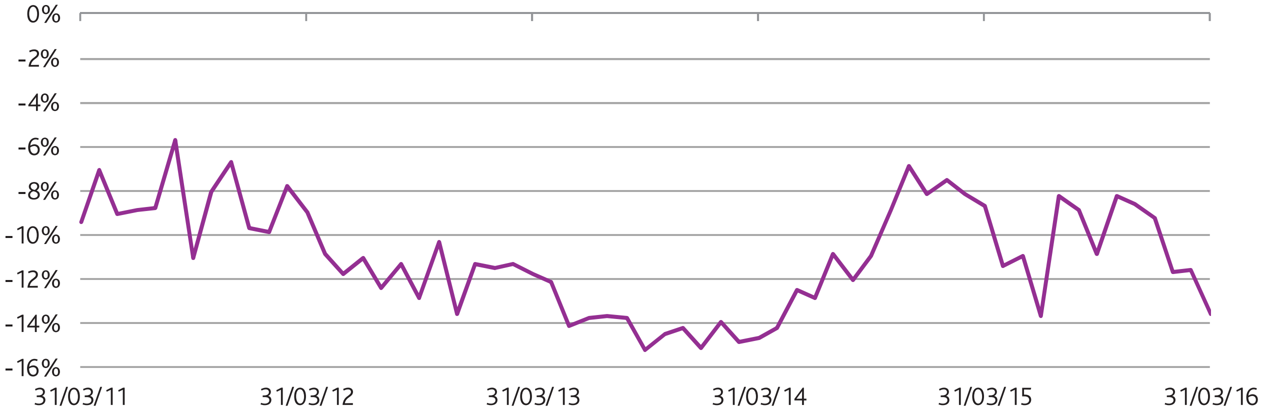
Performance (total return, in Sterling terms)

	1 year % return	3 year % return	5 year % return
Share price	–11.0	+32.2	+28.6
Net asset value per Ordinary share	–6.1	+34.8	+34.7
MSCI India Index (sterling adjusted)	–10.3	+18.2	+1.4

Performance

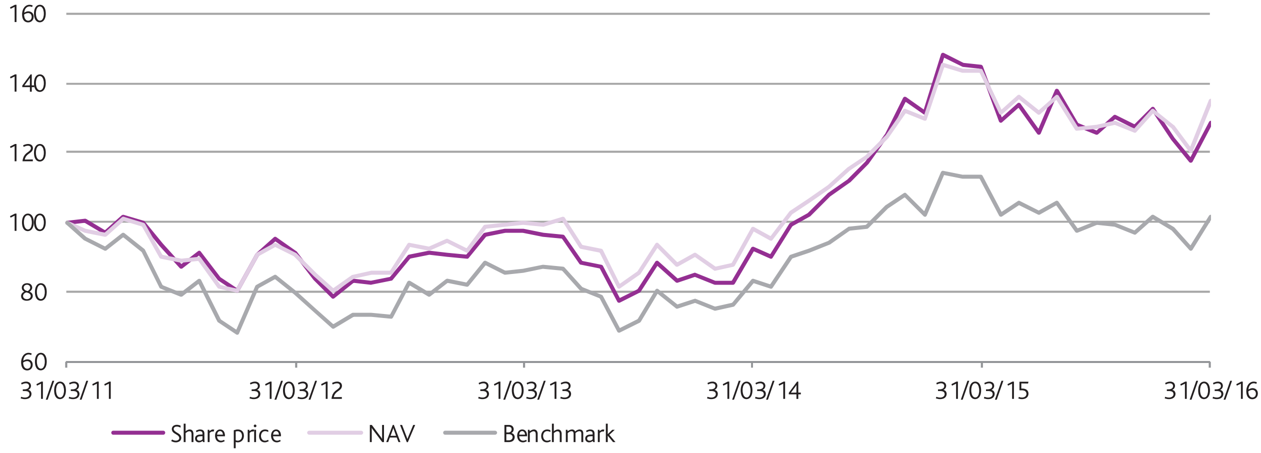
Share Price Discount to NAV

Five years ended 31 March 2016



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

Five years ended 31 March 2016 (rebased to 100 at 31 March 2011)



Ten Year Financial Record

Year to 31 March	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total income (£'000)[A]	1,212	1,073	1,347	1,335	2,338	2,702	2,414	376	341	374
Per share (p)										
Net revenue return	0.04	(0.89)	0.18	(0.63)	0.15	0.61	0.20	(0.36)	(0.39)	(1.06)
Total return	(5.75)	24.85	(41.03)	139.19	31.71	(24.95)	24.75	(5.16)	121.94	(23.42)
Net asset value per share (p)										
Basic	152.71	177.52	137.45	275.42	268.90	243.96	268.71	263.55	385.49	362.07
Diluted	141.58	161.18	129.36	239.44	n/a	n/a	n/a	n/a	n/a	n/a
Shareholders' funds (£'000)	73,054	84,968	63,653	129,320	158,842	144,105	158,726	155,680	227,708	213,874

[A] Reflects consolidated amounts of the Company and its Subsidiary in the years 2007-2013 and for 2014 onwards 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).

Investment Manager's Report

Portfolio Overview

The Company's net asset value fell by 6.1% in sterling terms in the 12 months ended 31 March 2016, compared to the benchmark MSCI India Index's 10.3% decline, in total return terms. The relative outperformance was due largely to the resilience across the majority of our holdings.

Our consumer exposure contributed the most to performance. Godrej Consumer Products profited from the steady recovery in fast-moving consumer goods, capturing market share in core segments. The results also underscored the strength of its international business, particularly in Indonesia and Latin America. Another solid performer was Hero Motocorp, as its share price was buoyed by robust profits and expectations that the latest budget would increase rural demand for vehicles. Similarly, these hopes also mitigated auto-parts maker Bosch India's share price decline on profit-taking, following a run-up earlier in the year.

The underweight to health care proved beneficial, as the sector reeled from negative regulatory developments at home and repercussions from the US Food and Drug Administration's (FDA) plant inspections in late 2015. Among our holdings, Piramal Enterprises and Sanofi India did well on the back of decent earnings, but Sun Pharmaceutical and Lupin bore the brunt of stringent US FDA audits. As a result, the underweight to Sun was positive, but the non-benchmark position in Lupin detracted.

Our materials holdings contributed significantly, led by Kansai Nerolac Paints, as falling raw material costs boosted its margins. Cement stocks also outperformed, with the government committing to more infrastructure spending in rural areas and low-cost homes, bolstering demand. Ultratech Cement's share price rallied, indirectly benefiting its parent, Grasim Industries. Grasim's non-cement businesses were also in fine fettle, with improving prices and margins in the viscose fibre segment and a growing market share in caustic soda. Linde India, however, performed below par, as it suffered higher fuel costs as well as lower usage rates and project engineering margins.

While the underweight position to the resilient information technology held back relative performance, this was more than offset by the positive contributions from our individual holdings. Following a protracted period of underwhelming results, Mphasis posted a good quarterly performance in a robust comeback. Recently, its majority shareholder HP agreed to sell up to 60% of Mphasis to private equity investor Blackstone, with the latter also offering to buy another 26% from other investors. We are monitoring developments and plan to contact Blackstone to understand its intentions as a potential majority shareholder. We are also invested in Infosys, a core holding, but our underweight position detracted. The IT services provider delivered better-than-expected results, amid hopes that chief executive Vishal Sikka could engineer a return to its halcyon days.

Our financial holdings were weak in light of the sector sell-off which was sparked by fears over stressed assets and poor lending practices among state banks. We hold only private-sector lenders, which are in far better shape than their state-owned peers. Our holding HDFC reported consistent loan growth, while asset quality remained stable. Our non-benchmark exposure to Kotak Mahindra Bank was positive, as its share price rose on optimism over its merger with ING Vysya, while the Reserve Bank of India (RBI) gave its blessings to Kotak's foray into general insurance, the only area where it has yet to be present. ICICI Bank, though, was hurt by deterioration in non-performing loans and a spike in provisions, after the RBI's tougher stance on high-risk assets.

Proving most costly for the portfolio was the lack of exposure to the energy sector, largely because we do not hold index heavyweight Reliance Industries. Despite low oil prices, Reliance was buoyed by the expected launch of its telecom venture, Reliance Jio, and a resilient petrochemical business. We maintain our view that we can find higher-quality alternatives with a better emphasis on shareholder value.

Economic News

Amid testing times for emerging markets, India was a bright spot, even overtaking China as the fastest-growing developing economy. This was despite external headwinds and domestic vulnerabilities. China's slowdown and volatility in its currency and equity markets triggered broad market sell-offs in August and January, and deepened concerns over global demand and recovery prospects. Policy divergence between the US and the rest of the developed nations resulted in a strengthening US dollar relative to depreciating emerging-market currencies, including the Indian rupee. Amid the broad commodity slump, a steep drop in the oil price proved advantageous for resource importers, such as India.

Domestically, low oil prices helped support the current account and keep inflation in check. While GDP growth rose to 7.4% in the latest quarter from 7% previously, protracted weakness in external demand hurt exports, outweighing the gains from less costly oil imports. Consumer spending remained subdued despite pockets of strength, such as passenger vehicle sales. Encouragingly, foreign investment flows rose to an all-time high of US$55 billion in the first 11 months of the fiscal year ended March 2016. This was good news, especially when domestic companies continued to put the brakes on capital expenditure because of concerns over debt and excess capacity. There were also signs of improving industrial activity, reflected in higher diesel consumption, cement production and steel demand.

Both Prime Minister Narendra Modi and Reserve Bank of India (RBI) governor Raghuram Rajan appeared single-minded in supporting the economy. Modi aggressively pushed infrastructure spending on roads, railways and the like. Growth in public investments was in double-digits, although the pace of implementation moderated. The recent budget also focused on developing rural areas, where two years of poor monsoons have dampened output. On his end, Rajan loosened monetary policy, cutting interest rates to a five-year low of 6.5%, and unveiled several measures aimed at alleviating the banking system's chronic liquidity squeeze.

Modi deservedly gained credit for achieving several policy goals, albeit mostly lower-hanging fruit. Higher-profile reforms were a different story altogether. His efforts to pass key bills, such as legislation on land acquisitions and a unified goods and services tax, were thwarted time and again by the opposition-controlled upper house in highly acrimonious parliamentary sessions. All was not lost, however. The government succeeded in loosening curbs on foreign investments across fifteen sectors, including construction, banking and retail. Meanwhile, there was a regulatory blemish on Modi's track record, as he looked to reach the two-year milestone in May 2016. The mid-2015 proposal of a retroactive tax on foreign fund managers and the subsequent back-pedalling following a huge foreign outcry was a stark reminder of the still-unpredictable regulatory backdrop.

Sector Views

Information Technology

As developed markets slow, growth in the software sector has slackened in tandem. Despite this, some companies continue to win contracts in a competitive marketplace and deliver steady cash flows, backed by healthy balance sheets. India's best IT outsourcing companies count among them, given their software engineering expertise, attractive cost structures and professional management. We see such qualities in Infosys and Tata Consultancy Services (TCS), our core positions; they are complemented by smaller holdings, including Mphasis. Both Infosys and TCS released good scorecards for the December quarter, but market reactions contrasted, given that Infosys exceeded expectations for a second quarter, but TCS disappointed for the sixth quarter in a row.

Energy

For decades, India has largely been remiss in supplying reasonably priced energy and power to its people, with the pace of reform slow and arduous. Recent progress, however, seems more promising. We saw a big step forward when Modi took advantage of the steep correction in oil prices to deregulate diesel, raise natural gas prices and revive direct benefit transfers for liquefied natural gas.

While we are heartened by the developments, we remain sceptical about the sector. It suffers from cyclical earnings that typify a highly regulated sector, which are compelled to subsidise customers at the expense of profitability. There is still a worrying lack of clarity in how the subsidy burden should be shared. In the recent budget, lower oil and gas subsidies have increased the risk of the burden falling more heavily on state-run upstream companies. That has further vindicated our longstanding view on the sector and avoiding investing in these companies.

We also do not hold Reliance Industries, an index heavyweight, which has a history of expanding aggressively into upstream resource exploration as well as totally unrelated sectors, such as telecommunications and possibly financial services. Such diverse strategies often require extensive capital outlay in areas where it has neither a proven track record nor competitive advantage.

Financials

While the banking sector is competitive and fragmented, it remains attractive because it services an expanding pool of middle- and upper-class consumers. We favour banks that have entrenched deposit franchises and the ability to manage risks through the credit cycle.

Public-sector banks are dominant with a 70% share, and they have been the key casualties of a slowing credit cycle, with an increase in slippages in asset quality and restructuring. Some relief has come from the government, which will inject 250 billion rupees into state-owned banks to cover bad loans.

Meanwhile, the RBI faces a fine balancing act of cleaning up troubled spots in the banking system, while allowing sufficient liquidity to support growth when credit demand strengthens. It has reduced the risk weightings on mortgage assets for local banks and non-banking financial companies, freeing up capital for expansion. Although this move is clearly meant to help capital-constrained public banks, we expect our holdings, HDFC and Gruh Finance, to benefit, too, given that housing mortgages comprise the lion's share of their loan books.

On a less positive note, the RBI has become more prescriptive in requiring banks to write off loans since the December quarter. Implementation, however, was patchy, causing discrepancies among lenders. ICICI Bank was affected, with a spike in its non-performing loans, but our other bank holdings saw minimal impact, as they reported credit growth, maintained healthy asset quality and preserved their net interest margins.

Consumer Discretionary

We like the automotive story in India, as the sector stands to benefit from rising disposable incomes. We especially favour the two-wheeler segment, which is less crowded and, hence, less competitive, with better economies of scale compared to the car segment. Since motorcycles are seen as a necessity rather than a luxury, being more affordable, the segment is more resilient in difficult times compared to four-wheelers.

We are shareholders of Hero Motocorp, which posted impressive third-quarter net gains. Its margins expanded on the back of lower raw material prices and good cost control. In line with management's forecast, motorcycle sales cooled amid subdued demand. Hero also launched two scooter models that were developed in-house, a key test of its engineering capabilities after the split with Japan's Honda. This launch accentuated its efforts to regain lost ground in scooters, the fastest-growing part of the two-wheeler market in recent quarters.

Consumer Staples

We hold both local and multinational brands in the competitive, fast-moving consumer goods landscape. Home-grown brands cater to local tastes and regional preferences, while the multinationals have good brand recognition, particularly among the more aspirational products. We select the best from both worlds – Hindustan Unilever has the widest portfolio of household and personal products; ITC, an associate of British American Tobacco, has a thriving tobacco business; and Godrej Consumer Products is a leader in the personal care, hair, and household segments both locally and in other emerging markets.

It was a mixed performance from our holdings. Godrej reported revenue growth and margin expansion, supported by a conservative cost structure. In contrast, Hindustan Unilever felt the pinch from stiff competition. The company cut prices and boosted spending on marketing promotions, which ate into margins. Rural consumption continued to be soft, reflecting poor monsoons.

ITC's numbers were also lacklustre, owing to lower cigarette sales and weakness in its other businesses. In the February budget, cigarette tariffs were raised by 10.3% on average, a more manageable hike compared with much higher increases previously. The government appears to be acknowledging that higher tariffs could be counter-productive, forcing smokers to switch to cheaper illegal brands that result in lower revenues collected.

Materials

While the fund has significant exposure to the sector, we do not hold any metals and mining companies, which are subject to regulatory and political risks. These companies are extremely cyclical, tend to be highly leveraged and are often backed by aggressive promoters. To us, the most attractive materials businesses are cement companies. We hold Grasim Industries, the flagship of the Aditya Birla Group, and complement this with its pure cement subsidiary UltraTech Cement, along with Ambuja Cements and ACC, which are owned by Swiss group Holcim. Although demand has stayed fragile, prices have gained traction in some regions. Among our cement holdings, Ultratech and Grasim have more effective cost control and better margins than their multinational counterparts, Ambuja Cement and ACC. They remain well-positioned for an eventual upturn in construction and infrastructure works. Meanwhile, the Ambuja-ACC merger is awaiting approval from the finance ministry.

We are also invested in well-run, financially stable and market-leading multinational subsidiaries, such as paint maker Kansai Nerolac, industrial gases and engineering firm Linde India, and industrial lubricant producer Castrol India.

Healthcare

India has a vibrant healthcare industry, given the operational strength of its pharmaceutical companies and access to a substantial scientific talent pool. Our holdings include a mix of multinational subsidiaries (GlaxoSmithKline Pharmaceuticals and Sanofi India) that channel their products into the domestic market, as well as leading generic-drug makers Lupin and Sun Pharmaceutical, along with a small position in biopharma company Biocon, which with its partner Mylan, has the potential to tap opportunities in global biosimilars, or biologic medical products that are almost identical copies of original products manufactured by a different company.

Sun Pharmaceutical remained focused on integrating Ranbaxy by selling lower-priority Ranbaxy brands. This followed the divestment of two divisions. Sun also acquired a US-based ophthalmic products company, Insite Vision, for US$50 million, as it continued to diversify away from pure generics into more specialised, branded niche areas, with less intense competition.

Industrials

The sector remains dogged by challenges, including a slowdown in industrial activity, infrastructure bottlenecks, regulatory uncertainty and high leverage. Our exposure is limited to ABB India, a manufacturer and distributor of power and automation equipment, and Container Corporation of India (Concor), a rail-freight operator.

Concor saw a muted December quarter, as international volumes stayed weak, while local customers switched to road transportation because of uncompetitive rail tariffs. Although we have yet to see any pick-up in capital equipment investment, our holdings are well positioned for the eventual turning of the cycle.

Utilities

This sector, made up of power and gas utilities, has been hamstrung by shortages of key inputs and regulatory uncertainty. The government has embarked on reform of power distribution companies, given the declining losses at state electricity boards. But more needs to be done with respect to tariff adjustments, the reduction of losses and timely subsidy payments by the states. Such restructuring will attract investments to the sector.

We are invested in Tata Power, a diversified power generation company that is professionally managed but in a heavily regulated power sector. We continue to monitor this sector for attractive ideas.

Telecommunication Services

The local telecommunications market is one of the most competitive in the world and the larger players (e.g. Bharti Airtel, Reliance Communications, Vodafone and Idea) battle hard for market share. Although the competitive landscape has improved amid industry consolidation following the 2G licence scandal a few years ago, the impending entry of Reliance Jio, which plans to offer cheaper 4G services to capture market share, is expected to unleash a fresh price war. Jio has done a soft launch of its service but repeatedly delayed an official launch, which now seems likely sometime this year.

With an eye on Jio's entry, Bharti Airtel is committed to expanding its 3G and 4G coverage, setting aside up to US$3.4 billion in capital expenditure this year. Both Bharti Airtel and Bharti Infratel are benefiting from robust growth in mobile data traffic, although Bharti Airtel's African business remains sluggish.

Portfolio changes

During the review period, we sold GAIL India, the country's biggest gas distributor, because we were disappointed with its performance amid a difficult operating environment in the face of regulatory uncertainty. Conversely, we initiated a position in Emami, a fast-moving consumer goods company. Founded in 1974 and listed in 1995, the Kolkata-based company has an excellent portfolio of popular consumer brands. Its management includes members of the founding families and has a good track record of investing in the business to build up its brands. We also introduced Jyothy Laboratories, on account of its solid portfolio of household products, potential for nationwide expansion and the ability of its management to follow through on its plans.

We participated in Sun Pharmaceuticals' share placement at an attractive discount and added to holdings that had suffered short-term weakness but remained fundamentally firm, such as ICICI Bank, Infosys and ITC. Conversely, we took profits in Kansai Nerolac Paints and Mphasis following their good run over the year.

Outlook

The Indian market's weak performance seems to indicate that investors are increasingly impatient as they await a turnaround in demand and investment. External headwinds persist, with the economies in China and Europe continuing to struggle. On the domestic front, the recent budget has had little immediate impact on our holdings or the stockmarket. The economy continues to improve, albeit slower than what we would have liked. Private investment remains soft and credit demand muted. However, there are early indications that the cycle might be turning, with industrial production showing signs of life. That said, consumption is more likely to be the key driver of growth, supported by lower rates, energy cost-savings, government wage increases recommended by the 7th Pay Commission, and a possible hike in the minimum support price for wheat. While India still has its fair share of challenges, we believe there is cause for optimism. The RBI has moved beyond its scope of monetary policy and is starting a massive clean-up of banks, structurally strengthening the financial system over the longer term. Fiscal discipline is being enforced, debt levels are not excessive and inflation has been benign.

Given anaemic external demand, the corporate outlook remains subdued. We are confident that our holdings – well-run companies with sound fundamentals – have the wherewithal to withstand the current challenges, in contrast to more highly leveraged peers that are likely to decline. While the stockmarket has sold off quite a bit, valuations remain relatively high compared to other emerging Asian markets, such as China, Indonesia and the Philippines. High valuations can pose a hurdle – while we may like a company, its share price may hamper our plans to buy or, if we are already invested, accumulate a bigger stake. As in recent quarters, we will continue to capitalise on market volatility to add to preferred holdings on price weakness and pare them if their share prices have run up.

Aberdeen Asset Management Asia Limited
Investment Manager

14 June 2016

Portfolio

We are confident that our holdings – well-run companies with sound fundamentals – have the wherewithal to withstand the current challenges, in contrast to more highly leveraged peers that are likely to decline. While the stockmarket has sold off quite a bit, valuations remain relatively high compared to other emerging Asian markets, such as China, Indonesia and the Philippines; we will continue to capitalise on market volatility to add to preferred holdings on price weakness and pare them if their share prices have run up.

Indira Gandhi International Airport in Delhi which is India's busiest airport where passenger traffic has doubled since 2007.

Portfolio

Ten Largest Investments

As at 31 March 2016

Company	Sector	Valuation 2016 £'000	Net assets 2016 %	Valuation 2015 £'000
Infosys One of the leading information technology companies in India.	Information Technology	17,155	8.0	15,873
Tata Consultancy Services A major information technology and software service provider.	Information Technology	17,007	8.1	15,956
Housing Development Finance Corporation Domestic mortgage provider with a leading distribution network, cost structure and balance sheet quality.	Financials	16,128	7.5	20,811
ICICI Bank Leading commercial bank group with a strong presence in insurance, brokerage and asset management activities.	Financials	11,394	5.3	13,262
ITC The leading manufacturer and distributor of cigarettes in India. It supplements this by selling other consumer products through its extensive distribution network. An associate of British American Tobacco.	Consumer Staples	10,797	5.1	8,549
Bosch The listed subsidiary of Bosch in India, it manufactures and supplies automotive components for passenger vehicles and trucks.	Consumer Discretionary	9,379	4.4	12,057
Hero MotoCorp A former joint venture between Honda of Japan and the local Munjal family, it is the world's largest producer of motorcycles.	Consumer Discretionary	9,079	4.2	7,963
Godrej Consumer Products A manufacturer of personal care, hair care, household care and fabric care products.	Consumer Staples	8,734	4.1	7,151
Ambuja Cements[A] A manufacturer of cement and owner of specially designed ships and terminals built for transportation of its goods.	Materials	8,633	4.0	8,737
Grasim Industries[A] A diversified operating company, part of the Aditya Birla group which manufactures a wide range of products including viscose staple fibre, cement, chemicals and textiles.	Materials	8,334	3.9	6,295
Top ten investments		**116,640**	**54.6**	

[A] Comprises equity and listed or tradeable ADR and GDR holdings.

Other Investments

As at 31 March 2016

Company	Sector	Valuation 2016 £'000	Net assets 2016 %	Valuation 2015[A] £'000
Hindustan Unilever	Consumer Staples	7,618	3.6	7,795
Kansai Nerolac Paints	Materials	6,478	3.0	6,293
Ultratech Cement[A]	Materials	6,283	2.9	5,038
Piramal Enterprises	Healthcare	6,091	2.8	5,222
Container Corporation of India	Industrials	6,062	2.8	7,912
Kotak Mahindra Bank	Financials	5,879	2.8	2,466
HDFC Bank	Financials	5,618	2.6	6,384
Nestlé India	Consumer Staples	5,471	2.6	7,022
Lupin	Healthcare	5,050	2.4	7,869
Gujarat Gas	Utilities	4,957	2.3	5,885
Top twenty investments		**176,147**	**82.4**	
MphasiS	Information Technology	4,535	2.1	4,477
ABB India	Industrials	3,702	1.7	3,784
Sanofi India	Healthcare	3,571	1.7	3,395
ACC	Materials	3,388	1.6	3,922
Sun Pharmaceutical Industries	Healthcare	3,257	1.5	1,866
Bharti Airtel	Telecommunication Services	2,860	1.3	4,070
Gruh Finance	Financials	2,858	1.3	2,977
GlaxoSmithKline Pharmaceuticals	Healthcare	2,758	1.3	2,564
Linde India	Materials	2,092	1.0	3,455
Bharti Infratel	Telecommunication Services	1,606	0.8	1,160
Top thirty investments		**206,774**	**96.7**	
Castrol India	Materials	1,527	0.7	1,995
Tata Power	Utilities	1,516	0.7	1,844
Biocon	Healthcare	1,223	0.6	1,207
Jammu & Kashmir Bank	Financials	630	0.3	2,033
Jyothy Laboratories	Consumer Staples	605	0.3	–
Emami	Consumer Staples	419	0.2	–
Total portfolio investments		**212,694**	**99.5**	
Other net current assets held in subsidiaries		**902**	**0.4**	
Total investments		**213,596**	**99.9**	
Net current assets		**278**	**0.1**	
Net assets		**213,874**	**100.0**	

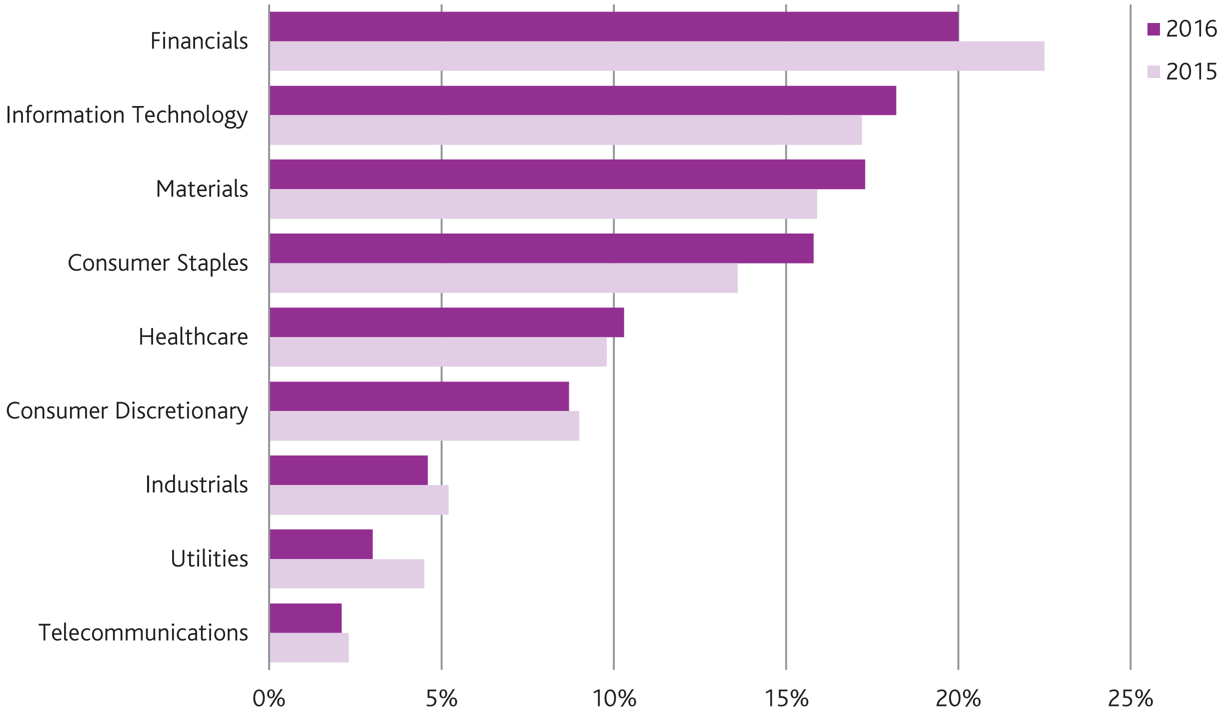
Unless otherwise stated, investments are in common stock. Purchases and/or sales effected during the year will result in 2016 and 2015 values not being directly comparable. Where 2015 valuation is "-" this indicates the company was not held at the previous year-end.

[A] Comprises equity and listed or tradeable ADR and GDR holdings.

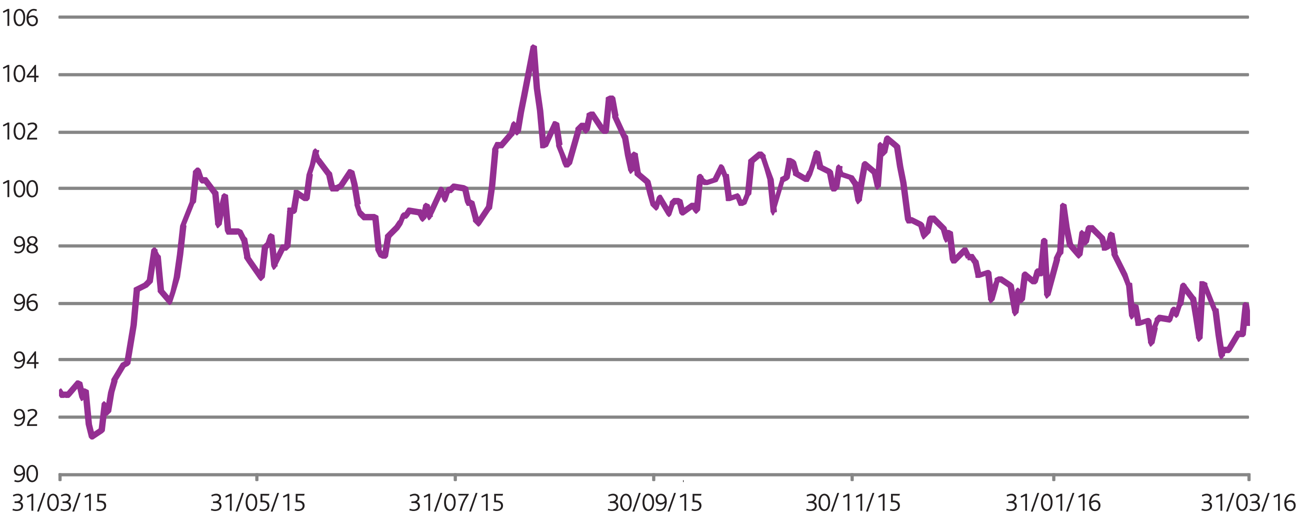
Sector Analysis and Currency Graph

As at 31 March 2016

Sector Breakdown



Indian Rupee/Sterling Currency Movement



Stock Contribution to NAV Performance

As at 31 March 2016

Stock name	Weight %	Total Returns %	Contribution to return (%)	Contribution to NAV return pence
Godrej Consumer Products	4.08	30.60	0.95	3.66
Infosys Technologies	8.01	9.68	0.76	2.93
Kansai Nerolac Paints	3.01	26.23	0.71	2.74
Mphasis	2.12	28.27	0.56	2.15
Hero MotoCorp	4.26	11.54	0.50	1.93
Piramal Enterprises	2.84	20.56	0.49	1.89
Sanofi India	1.68	16.64	0.27	1.05
Ultratech Cement	2.35	9.55	0.22	0.84
GlaxoSmithKline Pharmaceuticals	1.29	10.40	0.13	0.51
HDFC Bank	2.63	5.46	0.12	0.48
Grasim Industries GDR	1.32	2.01	0.12	0.46
Grasim Industries	2.58	3.86	0.12	0.45
ITC	5.06	(0.03)	0.08	0.29
Ultratech Cement GDR	0.59	12.26	0.07	0.29
Kotak Mahindra Bank	2.74	2.37	0.06	0.23
Biocon	0.57	2.46	0.02	0.07
CMC	–	–	0.01	0.05
Jyothy Laboratories	0.28	–	0.01	0.04
ABB India	1.75	(0.66)	–	(0.01)
Bharti Infratel	0.73	(2.87)	(0.01)	(0.02)
Emami	0.20	–	(0.01)	(0.04)
Hindustan Unilever	3.55	(1.34)	(0.04)	(0.14)
Gruh Finance	1.34	(3.76)	(0.05)	(0.21)
Tata Power	0.71	(16.82)	(0.14)	(0.53)
Gujarat Ambuja Cements	1.47	(10.15)	(0.15)	(0.59)
Bharti Airtel	1.34	(11.40)	(0.17)	(0.66)
Tata Consultancy Services	7.93	(2.47)	(0.17)	(0.66)
Gail (India) GDR	–	–	(0.18)	(0.69)
Castrol India	0.71	(21.73)	(0.20)	(0.77)
Ambuja Cements GDR	2.57	(10.42)	(0.20)	(0.78)
Sun Pharmaceutical Industries	1.51	(21.72)	(0.22)	(0.85)
ACC	1.59	(12.79)	(0.22)	(0.85)
Jammu & Kashmir Bank	0.29	(36.15)	(0.28)	(1.08)
Gujarat Gas	2.33	(13.87)	(0.42)	(1.60)
Nestlé India	2.58	(18.78)	(0.58)	(2.25)
Linde India	0.98	(39.59)	(0.64)	(2.46)
Container Corporation of India	2.83	(22.56)	(0.76)	(2.93)
Lupin	2.36	(28.20)	(0.96)	(3.72)
Bosch	4.37	(20.12)	(1.10)	(4.24)
Housing Development Finance Corporation	7.53	(17.34)	(1.63)	(6.28)
ICICI Bank	5.37	(25.28)	(1.68)	(6.46)
Total	99.45		(4.60)	(17.76)
Cash	0.55		(0.07)	(0.29)
Total fund return	**100.00**		**(4.67)**	**(18.05)**
Bid price adjustment[A]			0.05	0.19
Administrative expenses			(0.35)	(1.34)
Management fees			(0.95)	(3.65)
Tax charge			(0.04)	(0.14)
Technical differences			(0.11)	(0.21)
NAV per share return			**(6.07)**	**(23.20)**

[A]represents the difference between the last trade valuation and bid price valuation.

Delhi's metro transports over 2.5 million passengers daily and is the 12th largest system in the world.

Governance

The Company is committed to high standards of corporate governance and applies the principles identified in the UK Corporate Governance Code and the AIC Code of Corporate Governance. The Company is registered as a public limited company and has been accepted by HM Revenue & Customs as an investment trust.

All Directors are considered by the Board to be independent of the Manager.

Your Board of Directors

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

Hasan Askari

Status: Independent Non-Executive Chairman

Length of service: 3 years; appointed a Director on 21 September 2012 and Chairman on 11 September 2014

Experience: Currently a senior adviser to the Kotak Mahindra Group, one of India's leading banking groups and on the Board of Sun Life of Canada (UK) Limited. He is also Chairman of Aqua Resources Fund Limited, a private equity fund formerly listed on the London Stock Exchange. 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 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

Last re-elected to the Board: 2015

All other public company directorships: None

Professor Victor Bulmer-Thomas CMG OBE

Status: Senior Independent Non-Executive Director

Length of service: 12 years; appointed a Director on 5 February 2004 and appointed Senior Independent Director on 20 November 2014

Experience: Former director of the Royal Institute of International Affairs (Chatham House) and a former non-executive director of Gartmore Latin America New Growth Fund SA and Schroder Emerging Countries Fund PLC. Currently a non-executive director of JPMorgan Brazil Investment Trust PLC, Emeritus Professor of Economics at London University and an adviser to governments and multinational companies on macroeconomic policy and corporate strategy

Last re-elected to the Board: 2015

All other public company directorships: JPMorgan Brazil Investment Trust PLC

Stephen White

Status: Independent Non-Executive Director and Chairman of the Audit Committee

Length of service: 2 years; appointed a Director on 26 September 2013 and Chairman of the Audit Committee on 11 September 2014

Experience: Currently Head of European and US equities at British Steel Pension Fund, responsible for the day to day management of the Fund's Europe ex-UK and US equity portfolios. He is a Chartered Accountant. Formerly a non-executive director of Global Special Opportunities Trust Plc and was formerly Director and Head of European Equities at Foreign & Colonial Investment Management, Manager of Foreign & Colonial Eurotrust PLC and Deputy Manager of the Foreign & Colonial Investment Trust Plc. Prior to joining Foreign & Colonial in 1985, he held positions at Hill Samuel Asset Management, Phillips & Drew and Price Waterhouse

Last re-elected to the Board: 2015

All other public company directorships: JP Morgan European Smaller Companies Trust plc

Rachel Beagles

Status: Independent Non-Executive Director

Length of service: 2 years; appointed a Director on 26 September 2013

Experience: Formerly worked in financial markets, primarily in equity research and sales from 1990 until 2003. She was co-head of the Pan European Banks Equity Research and Sales Team and a Managing Director of Corporate and Investment Banking Group Division at Deutsche Bank AG from 2000 to 2003. She is currently a non-executive director of a number of investment companies across different markets and a Board member of the Association of Investment Companies

Last re-elected to the Board: 2015

All other public company directorships: Blackrock Emerging Europe plc, and Securities Trust of Scotland plc

Directors' Report

The Directors present their Report and the audited financial statements of the Company for the year ended 31 March 2016, 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 10. The Company is not declaring a dividend for the year ended 31 March 2016 (2015 – nil).

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 2016. 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

There have been no changes to the Company's issued share capital during the year. The issued Ordinary share capital at 31 March 2016, and at the date of approval of this Report, consisted of 59,070,140 Ordinary shares of 25p.

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 (for example, the Market Abuse Regulation).

Manager and Company Secretaries

AFML has been appointed by the Company, under a management agreement ("MA") to provide investment management, risk management, administration and company secretarial services as well as promotional activities. The Company's portfolio is managed by AAMAL by way of a group delegation agreement in place between AFML and AAMAL. In addition, AFML has sub-delegated promotional activities to Aberdeen Asset Managers Limited ("AAM") and administrative and secretarial services to Aberdeen Asset Management PLC.

Under the terms of the MA, investment management fees payable to the Manager have been calculated and charged on the following basis throughout the year ended 31 March 2016: a monthly fee, payable in arrears, calculated on an annual rate of 1.0% of total assets less current liabilities, with a rebate to the Company for any fees received in respect of any investments by the Company in investment vehicles managed by the Aberdeen Group. There is no performance fee.

The MA is terminable by either party on not less than 12 months' notice. In the event of termination on less than the agreed notice period, compensation is payable in lieu of the unexpired notice period.

The fees payable to Aberdeen Group companies during the year ended 31 March 2016 are disclosed in Notes 3 and 4 to the financial statements. The investment management fees are chargeable 100% to revenue.

Corporate Governance

The Company is committed to high standards of corporate governance. The Board is accountable to the Company's shareholders for good governance and, as required by the Listing Rules of the UK Listing Authority, this statement describes how the Company applies the Main Principles identified in the UK Corporate Governance Code published in September 2014 (the "UK Code") and which first applies to the Company's year ended 31 March 2016. The UK Code is available on the Financial Reporting Council's ("the FRC") website: frc.org.uk.

The Board has also considered the principles and recommendations of the AIC Code of Corporate Governance as published in February 2015 ("the AIC Code") by reference to the AIC Corporate Governance Guide for investment Companies ("the AIC Guide"). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to investment trusts. The AIC Code and AIC Guide are available on the AIC's website: theaic.co.uk

The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the UK Code), will provide better information 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 UK Code includes provisions relating to:
• the role of the chief executive (A.1.2);
• executive directors' remuneration (D.1.1 and D.1.2); and
• the need for an internal audit function (C.3.6).

For the reasons set out in the AIC Guide and UK Code, the Board considers that these provisions are not relevant to the position of the Company, being an externally managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations. The Company has therefore not reported further in respect of these provisions. The full text of the Company's Statement of Corporate Governance can be found on its website: newindia-trust.co.uk

Directors

The Board consists of a non-executive Chairman and three non-executive Directors, all of whom held office throughout the year under review. The Senior Independent Director is Victor Bulmer-Thomas.

The names and biographies of each of the Directors are shown on pages 24 and 25 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 2016 as follows (with their eligibility to attend the relevant meeting in brackets):

Director	Board Meetings	Audit Committee Meetings
H. Askari, Chairman	4 (4)	3 (3)
Professor V. Bulmer-Thomas	4 (4)	3 (3)
S. White	4 (4)	3 (3)
R. Beagles	4 (4)	3 (3)

With effect from the year ended 31 March 2014, the Board has adopted a policy that all Directors will normally retire at each AGM and stand for re-election and, accordingly, all of the Directors will retire at the AGM.

Hasan Askari, Rachel Beagles and Stephen White, being eligible, offer themselves for re-election as Directors of the Company; Victor Bulmer-Thomas has indicated that he will not stand for re-election as a Director. 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 Board therefore has no hesitation in recommending the individual re-elections at the AGM of Hasan Askari, Rachel Beagles and Stephen White as Directors.

All appointments to the Board of Directors are considered by the Board as a whole. The Board's overriding priority in appointing new Directors to the Board is to identify the candidate with the optimal range of skills and experience to complement the existing Directors. The Board also recognises the benefits, and is supportive, of the principle of diversity in its recruitment of new Directors. As described in the Chairman's Statement on page 5, the Board has engaged an independent search consultancy to assist the Board in identifying a new Director.

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 indemnities to each Director on this basis.

Substantial Interests

The Company was aware of the following share interests above 3% in the Company as at 31 March 2016:

Shareholder	Number of shares held	% held
Lazard Asset Management	12,535,066	21.2
Clients of Aberdeen Asset Management	11,469,161	19.4
Clients of Hargreaves Lansdown	3,756,630	6.4
Aberdeen Investment Trusts – ISA and Share plans	2,554,503	4.3
Charles Stanley	1,899,295	3.2
W H Ireland	1,841,738	3.1

The above share interests were unchanged as at the date of approval of this Report other than Lazard Asset Management notifying the Company of a holding of 12,400,022 shares, equivalent to 21.0% of the Company's issued share capital.

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. There were no contracts with the Company during, or at the end of the year, in which any Director was interested.

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

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' Report may be found on pages 32 to 34.

Management Engagement Committee

For the year ended 31 March 2016, the Board was responsible for reviewing matters concerning the MA which exists between the Company and AFML.

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 Board in March 2016.

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

The Board considers that the continuing appointment of the Manager, on the terms agreed, to be in the interests of the shareholders because the Aberdeen Group has the investment management, promotional and associated secretarial and administrative skills required for the effective operation of the Company. The Board also undertakes a review of the management fees in comparison with peers and believes that the Company's current level of management fees is competitive.

With effect from June 2016, the Board has established a Management Engagement Committee, which will assume responsibility for the annual review of the Manager and other service providers to the Company.

Accountability and Audit

The responsibilities of the Directors and the Auditor, in connection with the financial statements, appear on pages 37 and 40, respectively.

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

Additionally, there have been no important events since the year end which warrant disclosure.

The Directors have reviewed the level of non-audit services provided by the Auditor during the year, together with the Auditor's procedures in connection with the provision of such services, and remain satisfied that the Auditor's objectivity and independence is being safeguarded.

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 of a diverse portfolio of listed equity shares which in most circumstances are realisable within a short timescale. The Directors are mindful of the principal risks and uncertainties disclosed on pages 8 to 9 and in Note 15 to the financial statements and have reviewed cashflow forecasts detailing revenue and liabilities; 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 7, that the Company continues as an investment trust, which will be proposed at the AGM of the Company on 6 September 2016, 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.

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 long term horizon and the inherent uncertainties of looking out further than three years.

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 forming this expectation, the Directors looked to the following –

- a significant proportion of the expenses are proportional to the Company's NAV and will reduce if the NAV falls;
- the Company has a reasonably liquid investment portfolio; and
- the Company has no borrowings.

In particular the Board recognises that this assessment makes the assumption that the resolution to continue the Company, which is put to shareholders at each Annual General Meeting ("AGM"), is passed at the next AGM on 6 September 2016, and at the two subsequent AGMs, as it has been previously. The Company's viability does depend on the Indian economy and its stock markets continuing to function.

In making this assessment, the Board has also considered that matters such as a large economic shock, a period of significant stock market volatility, a significant reduction in the liquidity of the portfolio, or changes in regulations and investor sentiment, could have an impact on its assessment of the Company's prospects and viability in the future.

Stewardship and Proxy Voting

The purpose of the FRC's UK Stewardship Code is to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and assist institutional investors with the efficient exercise of their governance responsibilities. The FRC is encouraging institutional investors to make a statement of their commitment to the UK Stewardship Code.

The Board has delegated responsibility for actively monitoring the activities of portfolio companies to the Manager. The Board has reviewed and accepts the Manager's Corporate Governance Principles (the "Principles"), which may be found on the Manager's website, at: aberdeen-asset.com/doc.nsf/Lit/LegalDocumentationGroupCorporateGovernancePrinciples. These Principles set out the Manager's framework on corporate governance, proxy voting and shareholder engagement in relation to the companies in which the Manager has invested or is considering investing. The Board has also reviewed the Manager's Disclosure Response to the UK Stewardship Code which appears on the Manager's website at the web-address given above.

The Manager is responsible for reviewing, on a regular basis, the annual reports, circulars and other publications issued by the portfolio companies and for attending company meetings. The Manager, in the absence of explicit instruction from the Board, is empowered to use discretion in the exercise of the Company's voting rights.

The Board recognises and supports the Manager's policy of active engagement with investee companies and the voting of all of the shares held by the Company. The Board receives from the Manager regular reports on the exercise by the Manager of the Company's voting rights and discusses with the Manager any issues arising. It is the Board's view that having an active voting policy and a process for the monitoring by the Board of the Manager's exercise of those votes, especially in relation to controversial issues, aids the efficient exercise of the Company's governance responsibilities.

Stewardship and Environmental, Social and Corporate Governance

The Board is aware of its duty to act in the interests of the Company. The Board supports the Manager, a signatory to the United Nations Principles for Responsible Investment ("UNPRI"), in considering holistically the material risks posed by each investment, both from a financial and an environmental, social and corporate governance ("ESG") perspective. The Manager takes into account all the risks and opportunities presented by potential and current holdings as part of its determination of the quality of each investment. The Manager also considers the extent to which investments consider risks and opportunities when setting their targets, remuneration and company strategy. The Manager engages with the Company's holdings on their material risks and opportunities and actively encourages investee companies to adhere to best practice in managing their material issues. The Company's ultimate objective is to deliver superior investment returns for its shareholders and the consideration of key risk and opportunities for Company's holdings is a vital part of the Manager's due diligence and stewardship practice.

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, newindia-trust.co.uk, or via the Aberdeen Group's Customer Services Department. The Company responds to letters from shareholders on a wide range of issues (see Contact Information on page 68 for details).

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

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

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

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

Annual General Meeting

The AGM will be held on 6 September 2016 and the AGM Notice and related notes may be found on pages 70 to 73. Resolutions relating to the following items will be proposed at the AGM:–

Continuance of the Company

In accordance with Article 160 of the Articles of Association of the Company adopted on 22 September 2011, the Directors are required to propose an Ordinary resolution at each AGM of the Company that the Company continue as an investment trust. Accordingly, the Directors are proposing, as Ordinary resolution 7, that the Company continues as an investment trust and recommend that shareholders support the continuance of the Company.

Share Repurchases

At the AGM held on 9 September 2015, shareholders approved the renewal of the authority for the Company to repurchase its Ordinary shares, which was unused at the date of approval of this Report.

The principal aim of a share buy-back facility is to enhance shareholder value by acquiring shares at a discount to net asset value as and when the Directors consider this to be appropriate. The purchase of shares, when they are trading at a discount to net asset value per share, should result in an increase in the net asset value 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 net asset value 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 current 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.

Special resolution 8 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 on 14 June 2016, being the nearest practicable date to the approval of this Report (equivalent to approximately 8.8m Ordinary shares). Such authority will expire on the date of the next AGM in 2017 or on 30 September 2017, 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

Ordinary resolution 9 in the Notice of AGM will, if passed, renew the authority to allot unissued share capital up to an aggregate nominal amount of £738,376 (equivalent to approximately 3.0 million Ordinary shares, or 5% of the Company's existing issued share capital on 14 June 2016, being the nearest practicable date to the approval of this Report). Such authority will expire on the date of the next AGM in 2017 or on 30 September 2017, whichever is earlier, which means that the authority will have to be renewed at the next AGM or, if 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 10 will, if passed, give the Directors power to allot for cash equity securities up to an aggregate nominal amount of £738,376 (equivalent to approximately 2.95 million Ordinary shares, or 5% of the Company's existing issued share capital at 14 June 2016, 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 9. This authority will expire on the date of the next AGM in 2017 or on 30 September 2017, whichever is earlier, which means that the authority will have to be renewed at the next AGM or, if 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 9 and 10 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. No issue of shares, or sale of shares from treasury, would be made which would effectively alter the control of the Company without the prior approval of shareholders in general meeting.

Under the Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 (as amended) (the "Treasury Share Regulations") 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 10, 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 net asset value 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.

Recommendation

The Board considers Resolutions 7, 8, 9 and 10 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 48,820 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 26, 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.

Hasan Askari
Chairman

14 June 2016

Audit Committee's Report

The Audit Committee presents its Report for the year ended 31 March 2016.

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 that at least one of the Committee's members have recent and relevant financial experience – Stephen White is a member of the Institute of Chartered Accountants in England and Wales.

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 monitor the integrity of the half-yearly report and annual financial statements of the Company by reviewing, and challenging where necessary, the actions and judgements of the AIFM;
- 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, if required, 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, £33,000 (2015 - £5,000) was paid to the external Auditor for non-audit services relating primarily to taxation services and advice on the Company's restructuring, as well as the Auditor's appointment as the Company's Indian tax agent and in relation to their preparation of the Company's annual tax return for electronic lodgement with HMRC (all figures are subject to applicable VAT). The Committee will review any future non-audit fees in the light of the requirement to maintain the Auditor's independence;
- to review a statement from the AIFM detailing the arrangements in place within the Aberdeen Group whereby its staff may, in confidence, escalate concerns about possible improprieties in matters of financial reporting or other matters ("whistleblowing");
- to review and approve the remuneration and terms of engagement of the Auditor;
- to monitor and review annually the Auditor's independence, objectivity, effectiveness, resources and qualification; and
- to monitor the requirement for rotation of the Auditor and to oversee any tender for the external audit of the Company
- to recommend to the Board and shareholders the reappointment of the existing auditor or the appointment of a new Auditor.

Activities During the Year

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

Review of Internal Controls Systems and Risk Management

The Board is ultimately responsible for the Company's system of internal control and risk management and for reviewing its effectiveness. The Committee confirms that there is a robust process for identifying, evaluating and managing the Company's significant business and operational risks, that it was in place for the year ended 31 March 2016 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 8 to 9 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 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, because of the compliance and internal control systems in place within the Aberdeen Group, has decided to place reliance on the Aberdeen Group's systems and internal audit procedures, including the ISAE3402 Report, a global assurance standard for reporting on internal controls for service organisations, commissioned by the AIFM's parent company, Aberdeen Asset Management PLC. At its June 2016 meeting, the Committee carried out an annual assessment of risk management and internal controls for the year ended 31 March 2016 by considering documentation from the AIFM, including the internal audit and compliance functions, and taking account of events since 31 March 2016.

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

External Agencies

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

Financial Statements and Significant Issues

During its review of the Company's financial statements for the year ended 31 March 2016, the Committee identified one potentially significant financial reporting issue facing the Company, namely valuation and existence of investments, as well as several additional issues, 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 were categorised as Level 1, as they are considered liquid and quoted in active markets, other than the Company's investments in its Subsidiary, which were categorised as Level 2 as their fair value was determined by reference to the Subsidiary's net asset value at 31 March 2016. 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 (the "Depositary") has been appointed as custodian and depositary to safeguard the assets of the Company. The Depositary checks the consistency and accuracy of its

Audit Committee's Report continued

records on a monthly basis and reports its findings to AFML. 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 for 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 a constructive 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).

Appointment of KPMG LLP as Auditor

The Company's Auditor, EY, or its predecessor firms, have held office as the Company's Auditor since 2005. In accordance with professional guidelines the senior statutory auditor is rotated after no more than five years, and the year ended 31 March 2016 is the fifth year where the current senior statutory auditor has served.

The Committee is aware that EU legislation requires listed companies to rotate their auditor. Under the transitional arrangements for audit firms where their tenure is over 20 years, there is a grace period of six years following the enactment of the EU legislation. Accordingly, based upon the new legislation, EY would not be able to audit the Company after the year ended 31 March 2026. Although the Committee considered EY to continue to be independent of the Company, it was deemed appropriate to appoint a new Auditor. In line with the rotation of EY's senior statutory auditor after 5 years, the Audit Committee arranged, in March 2016, a tender for the Company's external audit and invited three audit firms to participate. Following the tender, the Audit Committee supported the recommendation to the Board that the appointment of KPMG LLP ("KPMG") as Auditor be put to shareholders for approval at the next AGM. Shareholders have the opportunity at the 2017 AGM and thereafter to vote on the reappointment of the Auditor for the forthcoming year.

KPMG has expressed its willingness to be appointed auditor to the Company. Resolution 6, which is to be put to shareholders at the forthcoming AGM, proposes the appointment of KPMG as Independent Auditor of the Company for the years ending on after 31 March 2017 and also authorises the Directors to fix KPMG's remuneration for the year to 31 March 2017.

Stephen White
Chairman of the Audit Committee

14 June 2016

Directors' Remuneration Report

This Directors' Remuneration Report comprises three parts:

(i) a Remuneration Policy, which is subject to a binding shareholder vote every three years - most recently voted on at the AGM on 11 September 2014 where the proxy votes for the relevant resolution were: For - 39.3m votes (99.7%); Discretionary - 31,455 votes (0.1%); Against - 93,272 votes (0.2%); and Withheld - 28,994 votes).
(ii) an annual Implementation Report, which is subject to an advisory vote; and
(iii) an Annual Statement.

The law requires the Company's Auditor to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such. The Auditor's Opinion is included in their report on pages 38 to 41.

The fact that the Remuneration Policy is now subject to a binding vote 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.

Remuneration Policy

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. Directors' remuneration is determined by the Board as a whole.

The Directors are non-executive and the limit on their aggregate annual fees is set at £150,000 within the Company's Articles of Association. The Board's policy is that the remuneration of non-executive Directors should reflect the nature of their duties, responsibilities and the value of their time spent and be fair and comparable to that of other investment trusts that are similar in size, have a similar capital structure and have a similar investment objective.

Year ended	31 Mar. 2016 £	31 Mar. 2015 £
Chairman	32,000	30,000
Chairman of Audit Committee	28,000	27,000
Director	25,000	24,000

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.

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

Implementation Report

Directors' Fees

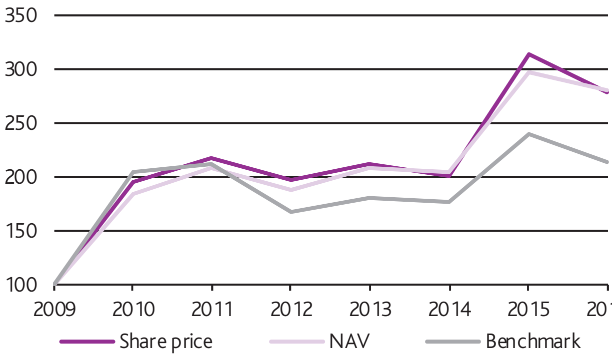
The Board carried out a review of Directors' annual fees during the year and concluded that these should remain unchanged other than an increase, with effect from 1 April 2016, to £34,000 per annum for the Chairman. This change reflects the additional responsibilities and time commitment involved in the role of Chairman, as compared to the other Directors of the Company. There are no further fees to disclose as the Company has no employees, chief executive or executive directors.

Company Performance

During the year the Board carried out a review of investment performance. The graph below shows the share price and NAV total return (assuming all dividends are reinvested) to

Directors' Remuneration Report continued

Ordinary shareholders compared to the total return from the MSCI India Index (Sterling-adjusted) for the seven-year period to 31 March 2016 (rebased to 100 at 31 March 2009). This index was chosen for comparison purposes, as it is the benchmark used for investment performance measurement purposes.



Statement of Voting at General Meeting

At the Company's last AGM, held on 9 September 2015, shareholders approved the Directors' Remuneration Report (other than the Directors' Remuneration Policy) in respect of the year ended 31 March 2015 and the following proxy votes were received on the Resolution: For - 33.7m votes (99.7%); Discretionary - 31,455 votes (0.1%); Against - 56,689 votes (0.2%); and Withheld - 47,473 votes.

Spend on Pay

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

Audited Information

Fees Payable

The Directors who served in the year received the following fees which exclude employers' NI and any VAT payable: 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.

Director	Year ended 31 March 2016 £	Year ended 31 March 2015 £
H. Askari [A]	32,000	28,658
V. Bulmer-Thomas	25,000	24,000
S. White [B]	28,000	25,667
R. Beagles	25,000	24,000
W. Salomon [C]	n/a	13,417
Total	**110,000**	**115,742**

[A] Appointed Chairman of the Board and stepped down as Chairman of the Audit Committee on 11 September 2014.
[B] Appointed Chairman of the Audit Committee on 11 September 2014.
[C] Retired as Chairman and as a Director on 11 September 2014.

Directors' Interests in the Company

The Directors are not required to have a shareholding in the Company. The Directors (including connected persons) at 31 March 2016, and 1 April 2015, had no interest in the share capital of the Company other than those interests, all of which are beneficial interests, shown in the table below:

	31 March 2016 Ord. 25p	1 April 2015 Ord. 25p
H. Askari	4,300	4,300
V. Bulmer-Thomas	22,020	22,020
R. Beagles	10,000	10,000
S. White	12,500	12,500

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, I confirm that the above Report on Remuneration Policy and Remuneration Implementation summarises, as applicable, for the year ended 31 March 2016:

- 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

14 June 2016

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and those International Financial Reporting Standards (''IFRSs'') as adopted by the European Union.

Under Company Law the Directors must not approve the Company's financial statements unless they give a true and fair view of the assets, liabilities, financial position and loss of the Company.

In preparing the Company's financial statements the Directors are required to:

- select suitable accounting policies in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance;
- state that the Company has complied with IFRS, subject to any material departures disclosed and explained in the financial statements; and
- make judgments and estimates that are reasonable and prudent.

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 the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The maintenance and integrity of the website maintained for the Company is the responsibility of the Directors; the work carried out by the Auditor does not involve consideration of these matters and, accordingly, the Auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Declaration

The Directors listed on pages 24 and 25, being the persons responsible, hereby confirm to the best of their knowledge:

- that the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and loss of the Company;
- that in the opinion of the Directors, the Annual Report and financial statements taken as a whole, is fair, balanced and understandable and it provides the information necessary to assess the Company's performance, business model and strategy; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that the Company faces.

On behalf of the Board

Hasan Askari
Chairman

14 June 2016

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

Our opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 March 2016 and of the Company's loss for the year then ended;
- the financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

New India Investment Trust PLC's financial statements comprise:

Statement of Comprehensive Income for the year ended 31 March 2016
Balance Sheet as at 31 March 2016
Statement of Changes in Equity for the year ended 31 March 2016
Cash Flow Statement for the year ended 31 March 2016
Related notes 1 to 19 to the financial statements

The financial reporting framework that has been applied in the preparation of the Company financial statements is applicable law and International Financial Reporting Standards as adopted by the European Union

Overview of our audit approach

Risks of material misstatement	• Incorrect valuation and existence of the investment portfolio.
Audit scope	• We performed an audit of New India Investment Trust PLC.
Materiality	• Materiality of £2.14m which represents 1% of equity shareholders' funds (2015: £2.28m).

Our assessment of risk of material misstatement

We identified the risks of material misstatement described below as those with the greatest effect on our overall audit strategy, the allocation of resources in the audit and the direction of the efforts of the audit team. In addressing these risks, we have performed the procedures below which were designed in the context of the financial statements as a whole and, consequently, we do not express any opinion on these individual areas:

Risk	Our response to the risk	What we concluded to the Audit Committee
Incorrect valuation and existence of the investment portfolio (as described on page 33 of the Audit Committee's Report). The valuation of the portfolio at 31 March 2016 was £214m (2015: £226m). The valuation of the assets held in the investment portfolio is the key driver of the Company's net asset value and total return. Incorrect asset pricing or a failure to maintain proper legal title of the assets held by the Company could have a significant impact on portfolio valuation and, therefore, the return generated for shareholders.	We performed the following procedures: For all investments in the portfolio, we agreed the prices to an independent source. For those investments priced in currencies other than sterling we have agreed the exchange rates to an independent source. We have independently obtained confirmations from the Company's custodian and depositary to confirm the existence of the assets held as at 31 March 2016.	For all investments, we noted no material differences in market value or exchange rates. We noted no differences between the custodian and depositary confirmations and the Company's underlying financial records.

The scope of our audit

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Company and effectiveness of controls and changes in the business environment when assessing the level of work to be performed. The Company is a single component and we perform a full audit on this Company.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined planning materiality for the Company to be £2.14m (2015: £2.28m), which is 1% of equity shareholders' funds. We derived our materiality calculation from a proportion of total equity as we consider that to be the most important financial metric on which shareholders judge the performance of the Company.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgment was that overall performance materiality (i.e. our tolerance for misstatement in an individual account or balance) for the Company should be 75% of planning materiality, being £1.61m (2015: £1.71m). We have set performance materiality at this percentage due to our past experience of the audit that indicates a lower risk of misstatements, both corrected and uncorrected.

Given the importance of the distinction between revenue and capital for the Company we also applied a separate testing threshold of £3.75k (2015: £3.41k) for the revenue column of the Income Statement, being 1% of gross revenue

Reporting threshold

An amount below which identified misstatements are considered to be clearly trivial.

We agreed with the Audit Committee that we would report all audit differences in excess of £0.11m (2015: £0.11m) as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in the light of other relevant qualitative considerations.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 37 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.
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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

ISAs (UK and Ireland) reporting	We are required to report to you if, in our opinion, financial and non-financial information in the annual report is: • materially inconsistent with the information in the audited financial statements; or • apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Company acquired in the course of performing our audit; or • otherwise misleading. In particular, we are required to report whether we have identified any inconsistencies between our knowledge acquired in the course of performing the audit and the directors' statement that they 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 entity's performance, business model and strategy; and whether the annual report appropriately addresses those matters that we communicated to the audit committee that we consider should have been disclosed.	We have no exceptions to report.
Companies Act 2006 reporting	We are required to report to you if, in our opinion: • adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or • the Company 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 no exceptions to report.
Listing Rules review requirements	We are required to review: • the directors' statement in relation to going concern set out on page	We have no exceptions to report.

	28, and longer-term viability, set out on page 29; and • the part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review	

Statement on the Directors' Assessment of the Principal Risks that Would Threaten the Solvency or Liquidity of the Entity

ISAs (UK and Ireland) reporting	We are required to give a statement as to whether we have anything material to add or to draw attention to in relation to: • the directors' confirmation in the annual report that they have carried out a robust assessment of the principal risks facing the entity, including those that would threaten its business model, future performance, solvency or liquidity; • the disclosures in the annual report that describe those risks and explain how they are being managed or mitigated; • the directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the entity's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements; and • the directors' explanation in the annual report as to how they have assessed the prospects of the entity, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the entity 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 have nothing material to add or to draw attention to.

Sue Dawe (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP
Statutory Auditor
London

14 June 2016

Financial Statements

The Company's net asset value fell by 6.1% in the 12 months ended 31 March 2016, compared to the benchmark MSCI India Index's 10.3% decline (all figures in Sterling terms).

Mumbai, India's financial capital. By 2030 India will have the world's largest workforce reinforcing its long-term growth potential.

Statement of Comprehensive Income

	Notes	Year ended 31 March 2016 Revenue return £'000	Year ended 31 March 2016 Capital return £'000	Year ended 31 March 2016 Total £'000	Year ended 31 March 2015 Revenue return £'000	Year ended 31 March 2015 Capital return £'000	Year ended 31 March 2015 Total £'000
Income							
Income from investments	3	369	–	369	340	–	340
Other income	3	5	–	5	1	–	1
(Losses)/gains on investments held at fair value through profit or loss	9(a)	–	(12,103)	(12,103)	–	72,254	72,254
Currency (losses)/gains		–	(1,107)	(1,107)	–	4	4
		374	(13,210)	(12,836)	341	72,258	72,599
Expenses							
Investment management fees	4	(329)	–	(329)	(100)	–	(100)
Other administrative expenses	5	(610)	–	(610)	(471)	–	(471)
(Loss)/profit before finance costs and taxation		(565)	(13,210)	(13,775)	(230)	72,258	72,028
Finance costs		(59)	–	(59)	–	–	–
(Loss)/profit before taxation		(624)	(13,210)	(13,834)	(230)	72,258	72,028
Taxation	6	–	–	–	–	–	–
(Loss)/profit for the year		**(624)**	**(13,210)**	**(13,834)**	**(230)**	**72,258**	**72,028**
(Loss)/return per Ordinary share (pence)	8	**(1.06)**	**(22.36)**	**(23.42)**	**(0.39)**	**122.33**	**121.94**

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 parent company. There are no minority interests.

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

All items in the above statement derive from continuing operations.

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

Balance Sheet

	Notes	As at 31 March 2016 £'000	As at 31 March 2015 £'000
Non-current assets			
Investments held at fair value through profit or loss		212,694	9,082
Subsidiary held at fair value through profit or loss		902	216,616
	9	213,596	225,698
Current assets			
Cash at bank		981	2,017
Receivables	10	126	127
Total current assets		1,107	2,144
Current liabilities			
Payables	11	(829)	(134)
Total current liabilities		(829)	(134)
Net current assets		278	2,010
Net assets		**213,874**	**227,708**
Share capital and reserves			
Ordinary share capital	12	14,768	14,768
Share premium account		25,406	25,406
Special reserve		15,778	15,778
Capital redemption reserve		4,484	4,484
Capital reserve	13	153,743	166,953
Revenue reserve		(305)	319
Equity shareholders' funds		**213,874**	**227,708**
Net asset value per Ordinary share (pence)	14	**362.07**	**385.49**

The financial statements were approved by the Board of Directors and authorised for issue on 14 June 2016 and were signed on its behalf by:

Hasan Askari
Chairman

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

Statement of Changes in Equity

Year ended 31 March 2016

	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 2015	14,768	25,406	15,778	4,484	166,953	319	227,708
Net loss on ordinary activities after taxation	–	–	–	–	(13,210)	(624)	(13,834)
Balance at 31 March 2016	**14,768**	**25,406**	**15,778**	**4,484**	**153,743**	**(305)**	**213,874**

Year ended 31 March 2015

	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 2014	14,768	25,406	15,778	4,484	94,695	549	155,680
Net profit/(loss) on ordinary activities after taxation	–	–	–	–	72,258	(230)	72,028
Balance at 31 March 2015	**14,768**	**25,406**	**15,778**	**4,484**	**166,953**	**319**	**227,708**

The revenue reserve represents the amount of the Company's reserves distributable by way of dividend.

Cash Flow Statement

	Notes	Year ended 31 March 2016 £'000	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000	Year ended 31 March 2015 £'000
Cash flows from operating activities					
Dividend income received			364		164
Interest income received			4		1
Investment management fee paid			(158)		(99)
Other cash expenses			(541)		(403)
Cash outflow from operations			(331)		(337)
Interest paid			(59)		–
Net cash outflows from operating activities			(390)		(337)
Cash flows from investing activities					
Purchases of investments		(188,282)		–	
Sales of investments		188,743		1,996	
Net cash inflow from investing activities			461		1,996
Net increase in cash and cash equivalents			71		1,659
Cash and cash equivalents of the start of the year			2,017		354
Effect of foreign exchange rate changes			(1,107)		4
Cash and cash equivalents at the end of the year	2(h),15		**981**		**2,017**

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

Notes to the Financial Statements For the year ended 31 March 2016

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").

The principal activity of the active foreign subsidiary, which has not been consolidated, was similar in all relevant respects to that of its United Kingdom parent. During the year the Company entered warrant repurchase agreements with the Subsidiary to acquire its equity and securities. The Subsidiary held no investments at the year end.

The Company has adopted IFRS10 'Consolidated Financial Statements – Consolidation relief for Investment Entities'; as such the Company has not consolidated the results of its active subsidiary.

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 2016.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB ("IFRIC"). The financial statements have been prepared on a historical-cost basis, except for financial assets and financial liabilities held at fair value through profit or loss.

The Company's financial statements are presented in Sterling, which is also the functional currency as it is the basis upon which shareholders operate and expenses are generally paid. All values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

Where presentational guidance set out in the November 2014 Statement of Recommended Practice ("SORP"): 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued by the Association of Investment Companies ("AIC"), is consistent with the requirements of IFRS, the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the SORP.

Significant 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. One of the key areas for consideration has been 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). The amendments require entities that meet the definition of an investment entity to fair value certain subsidiaries through profit or loss in accordance with IAS 39 Financial Instruments: Recognition and Measurement, rather than consolidate their results. However, entities which are not themselves investment entities and provide investment related services to the Company will continue to be consolidated.

Assessment as an investment entity

Entities which meet the definition of an investment entity are required to fair value subsidiaries through profit or loss rather than consolidate them. To determine whether an entity meets the definition of an investment entity it is required to meet the following three criteria:

(i) an entity obtains funds from one or more investors for the purpose of providing those investors with investment services; the Company provides investment services and has several investors who pool funds to gain access to these services and investment opportunities which they might not be able to as individuals.

(ii) an entity commits to its investors that its business purpose is to invest funds solely from capital appreciation, investment income, or both; the Company's investment objective is 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.

(iii) an entity measures and evaluates the performance of substantially all of its investments on a fair value basis; the Company has elected to measure and evaluate the performance of all of its investments on a fair value basis with the exception of its Singapore subsidiary which is dormant. The fair value basis is used to present the Company's performance in its communication with the market and the primary measurement attribute to evaluate performance of all of its investments and to make investment decisions.

The Board is of the opinion that the Company and its Subsidiary meet the definition of an investment entity, and, therefore, all investments are recognised at fair value through profit or loss.

Standards issued but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations were effective for annual periods beginning on or after 1 January 2016:

- IFRS 14 – Regulatory Deferral Accounts

At the date of authorisation of these financial statements, the following Standards and Interpretations were effective for annual periods beginning on or after 1 January 2018:

- IFRS 9 – Financial Instruments (revised, early adoption permitted)
- IFRS 15 – Revenue from Contracts with Customers (early adoption permitted)
- IFRS 16 – Leasing

The following amendments to Standards are all effective for annual periods beginning on or after 1 January 2016:

- IFRS 10, IFRS 12 and IAS 28 – Investment Entities: Applying the Consolidation Exception
- IFRS 11 – Accounting for Acquisitions of Interests in Joint Operations
- IAS 1 – Disclosure Initiative
- IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation
- IAS 27 – Equity Method in Separate Financial Statements

The following amendments to Standards are all effective for annual periods beginning on or after 1 January 2017:

- IAS 12 – Recognition of Deferred Tax Assets for Unrealised Assets

In addition, under the Annual Improvements to IFRSs 2012 – 2014 Cycle, a number of Standards are included for annual periods beginning on or after 1 January 2016.

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

(b) Presentation of Statement of Comprehensive Income

In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the Statement of Comprehensive Income between items of revenue and capital nature has been presented in the Statement of Comprehensive Income.

(c) Segmental reporting

The Board has considered the requirements of IFRS 8 'Operating Segments' and is of the view that the Company is engaged in a single segment business, of investing in Indian quoted equities and that therefore the Company has only a single operating segment. The Board of Directors, as a whole, has been identified as constituting the chief operating decision maker of the Company. The key measure of performance used by the Board to assess the Company's performance is the total return on the Company's net asset value, as calculated under IFRS, and therefore no reconciliation is required between the measure of profit or loss used by the Board and that contained in the financial statements.

(d) Income

Dividends receivable on equity shares are recognised in the Statement of Comprehensive Income on the ex-dividend date, and gross of any applicable withholding tax. Dividends receivable on equity shares where no ex-dividend date is quoted are brought into account when the Company's right to receive payment is established. Special dividends are credited to capital or revenue, according to their circumstances. Where a company has elected to receive dividends in the form of additional shares rather than in cash, the amount of the cash dividend foregone is recognised in the Statement of Comprehensive Income. Provision is made for any dividends not expected to be received. Interest receivable from cash and short-term deposits is accrued to the end of the financial year.

(e) Expenses and interest payable

All expenses, with the exception of interest expenses, which would be recognised using the effective interest method, are accounted for on an accruals basis. Expenses are charged to the revenue column of the Statement of Comprehensive Income except as follows:

- expenses which are incidental to the acquisition or disposal of an investment are charged to the capital column of the Statement of Comprehensive Income and separately identified and disclosed in note 9 (b); and

- expenses are charged to the capital column of the Statement of Comprehensive Income where a connection with the maintenance or enhancement of the value of the investments can be demonstrated.

(f) Taxation

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

Deferred tax

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

(g) Investments

All investments have been designated upon initial recognition at fair value through profit or loss. This is done because all investments are considered to form part of a portfolio of financial assets which is evaluated on a fair value basis, in accordance with the Company's documented investment strategy, and information about the investments is provided internally on that basis. Purchases of investments are recognised on a trade date basis at the value of the consideration payable excluding transaction costs and designated upon initial recognition as held at fair value through profit or loss. Sales of assets are also recognised on a trade date basis. Proceeds are measured at fair value, which is regarded as the proceeds of sale less any transaction costs.

The fair value of the financial instruments is based on their quoted bid price at the Balance Sheet date, without deduction for any estimated future selling costs. Any unquoted investments would be held at fair value, as measured by the Directors using appropriate valuation methodologies such as earnings multiples, recent transactions and net assets. In the case of the Company's investment in the subsidiary, of which the Company owns 100% of its Ordinary share capital, this has been measured at fair value, which is deemed to be its net asset value.

Changes in the value of investments (including changes related to movements in foreign exchange) held at fair value through profit or loss and gains and losses on disposal are recognised in the Statement of Comprehensive Income as "Gains/(losses) on investments at fair value through profit or loss". Also included within this caption are transaction costs in relation to the purchase or sale of investments, including the difference between the purchase price of an investment and its bid price at the date of purchase.

(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) Receivables and payables

Other receivables and prepayments do not carry any interest and are short-term in nature, and are, accordingly, stated at their recoverable amount. Payables are non-interest bearing and are stated at their payable amount.

(j) Dividends payable

Dividends are recognised from the date on which they are declared and approved by shareholders.

(k) Nature and purpose of reserves

Special reserve

The special reserve arose following Court approval in 1998 to transfer £30m from the share premium account. This reserve is distributable and its function is to fund any 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.

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.

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.

(l) Foreign currency

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

3. Income	Year ended 31 March 2016 Revenue £'000	Capital £'000	Total £'000	Year ended 31 March 2015 Revenue £'000	Capital £'000	Total £'000
Income from investments						
Overseas dividends	369	–	369	190	–	190
Dividend from subsidiary	–	–	–	150	–	150
	369	–	369	340	–	340
Other operating income						
Deposit interest	5	–	5	1	–	1
	374	–	**374**	**341**	–	**341**

4. Investment management fees	Year ended 31 March 2016 Revenue £'000	Capital £'000	Total £'000	Year ended 31 March 2015 Revenue £'000	Capital £'000	Total £'000
Investment management fees	**329**	–	**329**	**100**	–	**100**

For the year ended 31 March 2016 (2015 – same) management and secretarial services were provided by Aberdeen Fund Managers Limited ("AFML").

During the year, the management fee was payable monthly in arrears and was based on an annual amount of 1% of the total assets of the Company less current liabilities, excluding the fair value of the subsidiary, New India Investment Company (Mauritius) Limited, valued monthly. The management agreement is terminable by either the Company or AFML on 12 months' notice. The amount payable in respect of the Company for the year was £329,000 (2015 – £100,000) and the balance due to AFML at the year end was £181,000 (2015 – £9,000). All investment management fees are charged 100% to the revenue column of the Statement of Comprehensive Income.

New India Investment Company (Mauritius) Limited also has an agreement with AFML to receive management services based on an annual amount of 1% of its net asset value. The amount payable during the year was £1,743,000 (2015 – £1,840,000) which was expensed through its own profit and loss account. The balance due to AAMAL at the year end was £1,000 (2015 -£184,000).

Accordingly, the aggregate amount payable in respect of management services provided to the Company and its Subsidiary for the year was £2,072,000 (2015 – £1,940,000) and the balance due to AAMAL at the year end was £182,000 (2015 – £193,000).

5. Other administrative expenses – revenue	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000
Directors' fees	110	116
Promotional activities	142	122
Auditor's remuneration:		
• fees payable to the Company's auditor for the audit of the Company's annual accounts	27	27
• for other services relating to taxation provided to the Group	33	5
Legal and advisory fees	82	68
Custodian and overseas agents' charges	77	44
Other	139	89
	610	**471**

During the year under review, £33,000 (2015 – £5,000) was paid to the external auditor for other services relating to taxation and the Company's restructure; the majority of these fees consist of tax advice provided by EY in relation to the Company's restructure and the repurchase of warrants by the Subsidiary from the Company. EY also advised the Company at the time of its restructuring in November 2004 when the Mauritian Subsidiary was created. The amounts disclosed above for Auditor's remuneration are all shown net of VAT.

The Company has an agreement with Aberdeen Asset Management PLC ('AAM PLC') for the provision of promotional activities in relation to the Company's participation in the Aberdeen Investment Trust Share Plan and ISA. The total fees paid and payable under the agreement during the year were £142,000 (2015 – £122,000) and £35,000 (2015 – £35,000) was due to AAM PLC at the year end.

			Year ended 31 March 2016			Year ended 31 March 2015		
			Revenue	Capital	Total	Revenue	Capital	Total
6.	(a)	**Tax on ordinary activities**	£'000	£'000	£'000	£'000	£'000	£'000
		Current tax:						
		Overseas taxation	–	–	–	–	–	–

(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:

	Year ended 31 March 2016			Year ended 31 March 2015		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
(Loss)/profit before tax	(624)	(13,210)	(13,834)	(230)	72,258	72,028
Corporation tax on (loss)/profit at the standard rate of 20% (2015 – 21%)	(125)	(2,642)	(2,767)	(48)	15,174	15,126
Effects of:						
Income taxable in different years	(1)	–	(1)	–	–	–
Expenses not deductible for tax purposes	7	–	7	–	–	–
Losses/(gains) on investments held at fair value through profit or loss not taxable (see note below)	–	2,421	2,421	–	(15,173)	(15,173)
Currency losses/(gains) not taxable	–	221	221	–	(1)	(1)
Movement in excess expenses	192	–	192	119	–	119
Non-taxable dividend income	(73)	–	(73)	(71)	–	(71)
Total tax charge	–	–	–	–	–	–

The Company has excess expenses of £4,659,000 (2015 – £3,702,000) carried forward. This sum has arisen due to cumulative deductible expenses having exceeded taxable income over the life of the Company. It is considered too uncertain that there will be sufficient taxable profits against which these expenses can be offset and, therefore, in accordance with IAS 12, a deferred tax asset of £839,000 (2015 – £740,000) has not been recognised, based on the deferred tax rate of 18% (2015 – 20%). Any excess management expenses will be utilised against any taxable income that may arise in the future.

The Company is exempt from corporation tax on capital gains provided it obtains agreement from HM Revenue & Customs that the tests within Section 1158 and 1159 of the Corporation Tax Act 2010 have been met. Under Mauritian taxation laws, no Mauritian capital gains tax is payable on profits arising from the sale of securities in the Subsidiary.

7. Dividends on equity shares

No final dividend is being proposed for the year ended 31 March 2016 (2015 – £nil).

8. (Loss)/return per Ordinary share	Year ended 31 March 2016 Revenue	Capital	Total	Year ended 31 March 2015 Revenue	Capital	Total
Net (loss)/profit (£'000)	(624)	(13,210)	(13,834)	(230)	72,258	72,028
Weighted average number of Ordinary shares in issue			59,070,140			59,070,140
(Loss)/return per Ordinary share (pence)	(1.06)	(22.36)	(23.42)	(0.39)	122.33	121.94

9. Investments held at fair value through profit or loss

(a) Company	Year ended 31 March 2016 Investments In subsidiary £'000	Parent £'000	Total £'000	Year ended 31 March 2015 Investments In subsidiary £'000	Parent £'000	Total £'000
Opening book cost	50,150	5,040	55,190	50,150	6,717	56,867
Opening investment holdings fair value gains	166,466	4,042	170,508	96,712	1,861	98,573
Opening valuation	216,616	9,082	225,698	146,862	8,578	155,440
Movements in the year:						
Purchases	–	188,759	188,759	–	–	–
Sales – proceeds	(186,607)	(2,151)	(188,758)	–	(1,996)	(1,996)
Sales – realised net gains	156,952	385	157,337	–	319	319
(Decrease)/increase in investment holdings fair value gains	(186,059)	16,619	(169,440)	69,754	2,181	71,935
Closing valuation	**902**	**212,694**	**213,596**	**216,616**	**9,082**	**225,698**

	Year ended 31 March 2016 Investments In subsidiary £'000	Parent £'000	Total £'000	Year ended 31 March 2015 Investments In subsidiary £'000	Parent £'000	Total £'000
Closing book cost	20,495	192,033	212,528	50,150	5,040	55,190
Closing investment holdings fair value gains	(19,593)	20,661	1,068	166,466	4,042	170,508
Closing valuation	**902**	**212,694**	**213,596**	**216,616**	**9,082**	**225,698**

(Losses)/gains on investments	As at 31 March 2016 £'000	As at 31 March 2015 £'000
Realised gains on sales of investments	157,337	319
(Decrease)/increase in investment holdings fair value gains	(169,440)	71,935
	(12,103)	**72,254**

Notes to the Financial Statements continued

As at 31 March 2016, all of the overseas investments held are in listed stocks (2015 – same).

The Company owns 100% of the Ordinary share capital of its subsidiary, New India Investment Company (Mauritius) Limited, an investment holding company registered in Mauritius.

(b) Transaction costs

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

	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000
Purchases	229	–
Sales	–	1
	229	**1**

10. Receivables	2016 £'000	2015 £'000
Amounts due from brokers	15	–
Prepayments and accrued income	111	127
	126	**127**

None of the above amounts are past their due date or impaired (2015 – nil).

11. Payables	2016 £'000	2015 £'000
Amounts due to brokers	476	–
Other payables	353	134
	829	**134**

	2016		2015	
12. Ordinary share capital	Number	£'000	Number	£'000
Issued and fully paid				
Ordinary shares of 25p each	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.

Ownership of Subsidiaries

At the year end, the Company's wholly–owned Subsidiary, New India Investment Company (Mauritius) Limited ('the Subsidiary') had share capital of 4,275,000 (2015 – 4,275,000) Redeemable Participating Preference shares of £0.10 each ('Preference shares') and 50 Management shares of £1 each. The Company holds 100% of the share capital of the Subsidiary.

In January 2005 the Subsidiary issued a Warrant instrument to the Company for a consideration of £32,270,000 giving the Company the right to purchase up to 38,350,900 Preference shares, at an exercise price per share of £20 per share ('the 2015 Warrant'). The 2015 Warrant was subsequently extended and is exercisable until 26 August 2020.

In August 2010, the Subsidiary issued a further Warrant instrument to the Company for a consideration of £9,000,000, giving the Company the right to purchase up to 1,321,417 Preference shares, at an exercise price per share of £40 per share ('the 2020 Warrant'). The 2020 Warrant is exercisable for 10 years to 26 August 2020.

Following the above, there are two separate Warrants issued by the Subsidiary. The Subsidiary has the right to repurchase both Warrants in part or in whole at any time for a consideration to be determined in the market at the time by an independent valuer.

The Company also incorporated a wholly–owned subsidiary, registered in Singapore, on 27 November 2013 which is considered by the Directors to be dormant as at the year end (2015 – dormant).

Partial repurchase of Subsidiary Warrant

On 15 May 2008, the Subsidiary repurchased part of the 2015 Warrant, in relation to 405,900 Preference shares, at a valuation based on the subscription price of £20. In aggregate, proceeds of £3,004,000 were received by the Company in the form of a partial capital redemption. These proceeds were credited to the capital reserve of the Company.

During February and March 2016, the Subsidiary repurchased a further part of the 2015 Warrant, in relation to 30,381,195 Preference shares, at a valuation based on the subscription price of £20. In aggregate, proceeds of £186,607,000 were received by the Company in the form of a partial capital redemption. These proceeds were also credited to the capital reserve of the Company.

At the year end there were then two (2015 – two) Warrants in issue carrying the right for the Company to subscribe for 7,563,805 (2015 – 37,945,000) and 1,321,417 (2015 – 1,321,417) new Preference shares of 10p in the Subsidiary at £20 and £40 per share respectively.

13. Capital reserves

	2016 £'000	2015 £'000
At 1 April 2015	166,953	94,695
Currency (losses)/gains	(1,107)	4
Movement in investment holdings fair value gains	(169,440)	71,935
Gains on sales of investments	157,337	319
At 31 March 2016	**153,743**	**166,953**

The capital reserve includes gains of £1,068,000 (2015 – gains of £170,508,000) which relate to the revaluation of investments held at the reporting date.

14. Net asset value per Ordinary share

The net asset value per Ordinary share is based on a net asset value of £213,874,000 (2015 – £227,708,000) and on 59,070,140 (2015 – 59,070,140) Ordinary shares, being the number of Ordinary shares in issue at the year end.

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

Risk management framework

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

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

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

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

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

Risk management

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

(i) Market risk

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

Interest rate risk

Interest rate movements may affect the level of income receivable on cash deposits.

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.

Financial assets

The interest rate risk profile of the Company's financial assets, excluding equity shares and short-term debtors which are non-interest bearing, as at 31 March 2016 and 31 March 2015 was as follows:

	Total (per Balance Sheet)		Floating rate	
	2016	2015	2016	2015
Type	£'000	£'000	£'000	£'000
Cash at bank – Sterling	981	2,017	981	2,017

The floating rate assets consist of cash deposits on call earning interest at prevailing market rates, and are classified as having maturity dates of less than one year.

Financial liabilities

The Company had no financial liabilities as at 31 March 2016 and 31 March 2015 which were exposed to interest rate risk.

Interest rate sensitivity

Movements in interest rates would not significantly affect net assets and total profit attributable to the Company's shareholders (2015 – same).

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, including those of the Company's subsidiary, are denominated in currencies other than Sterling, which is the Company's functional currency.

Management of the risk

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

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

Foreign currency exposure by currency of denomination:

	31 March 2016			31 March 2015		
	Overseas investments £'000	Net monetary assets £'000	Total currency exposure £'000	Overseas investments[A] £'000	Net monetary assets £'000	Total currency exposure £'000
US Dollar	9,565	–	9,565	9,082	–	9,082
Indian Rupee	204,031	–	204,031	216,616	–	216,616
	213,596	–	213,596	225,698	–	225,698

[A]Investments held by the Company's Subsidiary are reported on a look-through basis.

At 31 March 2016, the exchange rate of the Indian Rupee against the reporting currency Sterling was £1: INR 95.1816 compared with an exchange rate of £1: INR 92.902 at 31 March 2015. Based on continuing to hold the same investments in the same quantities from 1 April 2015 to 31 March 2016, all other things being equal, the impact of the exchange rate movement over the year would be to decrease the value of the investments by

£5,188,000 (2015 – increase by £10,535,000).

At 31 March 2016, the exchange rate of the US Dollar against the reporting currency Sterling was £1: US$1.4373 compared with an exchange rate of £1: US$1.4845 at 31 March 2015. Based on continuing to hold the same investments in the same quantities from 1 April 2015 to 31 March 2016, all other things being equal, the impact of the exchange rate movement over the year would be to increase the value of the investments by £298,000 (2015 – increase by £1,056,000).

The exposure noted in the above table is representative of the exposure across the year as a whole.

Foreign currency sensitivity

There is no sensitivity analysis included as the Company's significant foreign currency financial instruments are in the form of equity investments. The exposure to market risk, from movements in the value of equity investments has been included within the other price risk sensitivity analysis so as to show the overall level of exposure.

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 64, act to reduce market risk. The Manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review investment strategy. The investments held by the Company are all listed on the Bombay (Mumbai) Stock Exchange and/or The Indian National Stock Exchange, with the exception of Grasim Industries GDR, Ultratech Cement GDR and Ambuja Cements GDR, whose primary exchange is Luxembourg. Subsidiaries, New India Investment Company (Mauritius) Limited and New India Investment Company (Singapore) Pte Ltd are both unlisted.

Price risk sensitivity

If market prices at the Balance Sheet date had been 15% higher or lower while all other variables remained constant, the return attributable to Ordinary shareholders for the year ended 31 March 2016 would have increased /(decreased) by £32,039,000 (2015 – increased/(decreased) by £33,855,000) and capital reserves would have increased /(decreased) by the same amount.

(ii) Liquidity risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Management of the risk

All liabilities are payable on demand for a cash consideration equivalent to the balances shown in note 11, and therefore liquidity risk is not considered to be significant, as the Company's assets mainly comprise readily realisable securities which can, in normal circumstances, be sold to meet funding requirements, if necessary.

(iii) Credit risk

This is failure of the counterparty to a transaction to discharge its obligations under that transaction, which could result in the Company suffering a loss.

Management of the risk

- 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 (2015: same).

Credit risk exposure

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

	2016		2015	
	Balance Sheet £'000	Maximum exposure £'000	Balance Sheet £'000	Maximum exposure £'000
Non-current assets				
Investments designated at fair value through profit or loss	213,596	–	225,698	–
Current assets[A]				
Cash at bank	981	981	2,017	2,017
	214,577	**981**	**227,715**	**2,017**

[A] Excluding short-term debtors.

The exposure noted in the above table is representative of the exposure across the year as a whole.

None of the Company's financial assets are past due or impaired (2015 – same).

Fair values of financial assets and financial liabilities

Investments held at fair value through profit or loss are valued at their quoted bid prices which equate to their fair values. The Directors are of the opinion that the other financial assets and liabilities carried at amortised cost equates to their fair value.

16. 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.

	2016 £'000	2015 £'000
Debt	–	–
Equity		
Equity share capital	14,768	14,768
Retained earnings and other reserves	199,106	212,940
	213,874	**227,708**
Debt as a % of net assets	**0.0%**	**0.0%**

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

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

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

The Company had no loan gearing at the year end (2015 – nil).

17. Fair value hierarchy

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

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

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

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

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

Company

As at 31 March 2016	Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	212,694	–	–	212,694
Investment in Subsidiary	b)	–	902	–	902
Net fair value		**212,694**	**902**	**–**	**213,596**

As at 31 March 2015	Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	9,082	–	–	9,082
Investment in Subsidiary	b)	–	216,616	–	216,616
Net fair value		**9,082**	**216,616**	**–**	**225,698**

a) Quoted equities

The fair value of the Group's investments in quoted equities has been determined by reference to their quoted bid prices at the reporting date. Quoted equities included in Fair Value Level 1 are actively traded on recognised stock exchanges.

b) **Investment in Subsidiary**

The Company's investment in its Subsidiary is categorised in Fair Value Level 2 as its fair value has been determined by reference to the Subsidiary company's net asset value at the reporting date. The net asset value is predominantly made up of cash and receivables.

18. 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.

19. Related party transactions

Fees payable during the year to the Directors and their interests in shares of the Company are disclosed within the Directors' Remuneration Report on pages 35 and 36.

The Company has an agreement with Aberdeen Fund Managers Limited for the provision of management, secretarial, accounting and administration services and for the carrying out of promotional activities in relation to the Company. Details of transactions during the year and balances outstanding at the year end disclosed in notes 3 and 4.

Corporate Information

The Investment Manager is a subsidiary of Aberdeen Asset Management PLC, whose group companies had over £292 billion of assets under management as at 31 March 2016.

Aberdeen's Singapore office. Aberdeen Asia has been based in Singapore since 1992 and is the Asian regional headquarters of the Aberdeen Group.

Information about the Investment Manager

The investment management of the Company has been sub-delegated to AAMAL which is based in Singapore and is a wholly-owned subsidiary and the Asia-Pacific headquarters of Aberdeen Asset Management PLC (the "Aberdeen Group"), a publicly-quoted company on the London Stock Exchange. AAMAL has been the Aberdeen Group's principal manager of Asia-Pacific assets since 1992.

The Aberdeen Group has its headquarters in Aberdeen with principal offices in Bangkok, Edinburgh, Hong Kong, Kuala Lumpur, Jersey, London, Philadelphia, Singapore, Stockholm, Sydney and Tokyo.

Worldwide, the Aberdeen Group manages over £292 billion (as at 31 March 2016) in assets for a range of clients, including individuals and institutions, through mutual and segregated funds – this includes 35 investment trusts and other closed-ended funds with combined total assets of £15.6 billion.

The Investment Team Senior Managers

Hugh Young
Managing Director
BA in Politics from Exeter University. Started investment career in 1980. In charge of AAMAL's Far East funds since 1985.

Flavia Cheong
Investment Director
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 AAMAL in August 1996.

Adrian Lim
Senior Investment Manager
Chartered Financial Analyst, B.Acc from Nanyang Technological University (Singapore). Joined AAMAL in 2000. Previously he was an associate director at Arthur Andersen advising on mergers & acquisitions in South East Asia.

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

Pruksa Iamthongthong
Investment Manager
Chartered Financial Analyst, BA in Business Administration, Chulalongkorn University, Thailand. Joined AAMAL in 2007.

Information about the Investment Manager continued

The Investment Process

Philosophy and Style

The Investment Manager's investment process is robust and characterised by its discipline, consistency and independence. The Investment Manager is not benchmark-driven and, accordingly, its fund managers do not invest in stocks that fail to meet its investment criteria.
The Investment Manager believes that markets are inefficient and that companies may not be priced correctly. By doing all its own research and undertaking substantial due diligence before initiating any investment, the Investment Manager's fund management team aims to identify good quality companies that are trading too cheaply, defined in terms of company fundamentals that, in the Investment Manager's opinion, drive share prices over the long term. The Investment Manager therefore manages its portfolios actively and little attention is paid to benchmarks at the portfolio construction level. Companies are held, moreover, for the long term, resulting in the turnover in the Investment Manager's portfolios being relatively low.

At the heart of the Investment Manager's approach is a disciplined investment process, with stock selection being a major source of added value. It estimates a company's worth in two stages, quality then price. Quality is defined by reference to management, business focus, the balance sheet and corporate governance. Price is calculated by reference to key financial ratios, the market, the peer group and business prospects.

Top-down investment factors are secondary in the Investment Manager's portfolio construction, with diversification rather than formal controls guiding stock, sector and country weightings. Little regard is paid to market capitalisation, other than to ensure liquidity. The Investment Manager's portfolios are generally conservatively run, with an emphasis on traditional buy-and-hold. However, the Investment Manager takes opportunities offered by what it sees as anomalous price movements within stockmarkets to either top up or top slice positions, which typically accounts for the bulk of the activity in the portfolios. Accordingly, turnover of positions in the Investment Manager's portfolios is low.

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.

Risk Controls

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

Aberdeen’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

AIFMD and Pre-Investment Disclosure Document ("PIDD")

The Company has appointed Aberdeen Fund Managers Limited as its AIFM and BNP Paribas, London Branch as its depositary under the AIFMD.

The AIFMD requires AFML, as the Company's AIFM, to make available to investors certain information around leverage and risk policies prior to such investors' investment in the Company. This information is contained in the PIDD which may be viewed on the Company's website: newindia-trust.co.uk

The periodic disclosures required to be made by AFML under the AIFMD are set out on page 69.

Benchmark

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

Website

Information may be found on the Company's website, newindia-trust.co.uk, including the Company's share price and performance data as well as London Stock Exchange announcements, current and historic Annual and Half-Yearly Reports, and the latest monthly factsheet issued by the Manager.

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 Registrars (see Contact Information on page 68). Changes of address must be notified to the registrars in writing.

If you have any general questions about your Company, the Manager or performance, please telephone the Aberdeen Group Customer Services Department (see contact information), or send an email to inv.trusts@aberdeen-asset.com or write to Aberdeen Investment Trusts, PO Box 11020, Chelmsford, Essex CM99 2DB.

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

The Aberdeen Group 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 the Aberdeen Group or for third party firms. The Aberdeen Group 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 the Aberdeen Group and any third party making such offers/claims has no link with the Aberdeen Group.

Aberdeen Group 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 68.

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

Direct Investment

Investors can buy and sell shares in the Company directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively, for retail clients, shares can be bought directly through Aberdeen's Investment Plan for Children, Investment Trust Share Plan or Investment Trust Individual Savings Account ("ISA").

Aberdeen's Investment Plan for Children

Aberdeen Asset Managers Limited ("AAM") operates an Investment Plan for Children (the "Children's Plan") which covers a number of investment companies under its management, including the Company. Anyone can invest in the Children's Plan (subject to the eligibility criteria as stated within the terms and conditions), including parents, grandparents and family friends. 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 entry. 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 AAM in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts.

Aberdeen's Investment Trust Share Plan

AAM operates an Investment Trust 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 simply pay Government Stamp Duty (currently 0.5%) on entry. Selling

Investor Information continued

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 AAM in writing at any time.

Aberdeen Investment Trust ISA

AAM operates an Investment Trust ISA ("ISA") through which an investment may made of up to £15,240 in the tax year 2016/2017.

There are no brokerage or initial charges for the ISA, although investors will suffer the bid-offer spread, which can be a significant amount. Investors only pay Government Stamp Duty (currently 0.5%) on purchases. 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 in the ISA. Under current legislation, investments in ISAs can grow free of capital gains tax.

ISA Transfer

Investors can choose to transfer previous tax year investments to AAM, which can be invested in the Company while retaining their ISA wrapper. The minimum lump sum for an ISA transfer is £1,000 and is subject to a minimum per trust of £250.

Nominee Accounts and Voting Rights

In common with other schemes of this type, all investments in AAM's Children's Plan, Investment Trust Share Plan and Investment Trust ISA are held in nominee accounts and investors have full voting and other rights of share ownership.

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.

Terms and Conditions

Terms and conditions for AAM-managed savings products can also be found under the Literature section of our website at: invtrusts.co.uk.

Literature Request Service

For literature and application forms for AAM's investment trust products, please go online at invtrusts.co.uk or please contact:

Telephone: 0500 00 40 00
Email: aam@lit-request.com

Or write to:-

Aberdeen Investment Trusts
PO Box 11020
Chelmsford
Essex CM99 2DB

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

Suitable 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.

Keeping You Informed

The Ordinary share price for New India Investment Trust PLC appears under the heading 'Investment Companies' in the Financial Times.

For internet users, detailed information on New India Investment Trust PLC, including the latest price and net asset value per Ordinary share as well as performance information and a monthly fact sheet, is available on the Company's website: newindia-trust.co.uk.

Alternatively, please call 0500 00 00 40 (Freephone) or email inv.trusts@aberdeen-asset.com or write to the address for Aberdeen Investment Trusts above.

If you have an administrative query which relates to a direct shareholding in the Company, please contact the Registrars (see page 68 for details).

Risk

As the market value of the listed Ordinary shares in investment companies is determined by demand and supply in the stock market for those shares, the market value of the shares may fluctuate and may not always reflect the underlying net asset value per share. It should be remembered that the price of the shares and the income from the shares can go down as well as up, and investors may not realise the value of their initial investment. Quoted market prices of the Company's shares are normally approximate and you may not be able to buy or sell your shares at precisely the quoted price.

Investment in the shares may be relatively illiquid. There may be a limited number of shareholders and/or market-makers and this fact may contribute to infrequent trading on the London Stock Exchange and volatile price movements.

The Company's investments are subject to normal market fluctuations and the risks inherent in the purchase, holding or selling of equity securities and related instruments, and there can be no assurance that appreciation will occur. There can be no guarantee that the full value of the Company's investments will be realisable in the event of a sale.

Online Dealing

There are a number of online dealing platforms for private investors that offer share dealing, ISAs and other means to invest in the Company. Real-time execution-only stockbroking services allow you to trade online, manage your portfolio and buy UK listed shares. These sites do not give advice.

Some comparison websites also look at dealing rates and terms. Some well-known online providers, which can be found through internet search engines, include:

AJ Bell You Invest
Alliance Trust Savings
Barclays Stockbrokers
Charles Stanley Direct
Equiniti Selftrade
Halifax Share Dealing
Hargreave Hale
Hargreaves Lansdown
Idealing
Interactive Investor
The Share Centre
Stocktrade
TD Direct

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 Wealth Management Association at: thewma.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/systems-reporting/register/search
Email: register@fca.org.uk

The information on pages 65 to 67 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.

Contact Information

Directors

Hasan Askari, Chairman
Prof. Victor Bulmer-Thomas, Senior Independent Director
Stephen White, Chairman of the Audit Committee
Rachel Beagles

Company Secretaries and Registered Office

Aberdeen Asset Management PLC
Bow Bells House
1 Bread Street
London EC4M 9HH

Email: company.secretaries@aberdeen-asset.com

Registered in England & Wales under company
Number 02902424

Website

newindia-trust.co.uk

Points of Contact

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

United States Internal Revenue Service FATCA Registration Number (GIIN)

U2I09D.9999.SL.826

Customer Services Department and Share Plan/ISA enquiries

Aberdeen Investment Trusts
PO Box 11020
Chelmsford
Essex CM99 2DB

Freephone: 0500 00 00 40
(open Monday - Friday, 9am - 5pm)
Email: inv.trusts@aberdeen-asset.com

Alternative Investment Fund Manager

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

Investment Manager

Aberdeen Asset Management Asia Limited

Registrars (for direct shareholders)

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

Telephone: 0370 707 1153

(Lines are open Monday to Friday from 8.30am – 5.30pm, excluding bank holidays. 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

Until the AGM on 6 September 2016, for the year ended 31 March 2016:

Ernst & Young LLP
Ten George Street
Edinburgh EH2 2DZ

From 7 September 2016, for the years ending on or after 31 March 2017:

KPMG LLP
191 West George Street
Glasgow G2 2LJ

Stockbrokers

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

Depositary

BNP Paribas Securities, London Branch
55 Moorgate
London EC2R 6PA

Alternative Investment Fund Managers Directive Disclosures

Aberdeen 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: newindia-trust.co.uk

There have been no material changes to the disclosures contained within the PIDD since its publication in June 2016.

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 7 to 15, Note 15 to the Financial Statements and the PIDD, together set out the risk profile and risk management systems in place. There have been no changes to the risk management systems in place in the period under review and no breaches of any of the risk limits set, with no breach expected;
- there are no new arrangements for managing the liquidity of the Company or any material changes to the liquidity management systems and procedures employed by Aberdeen Fund Managers Limited ("the AIFM");
- all authorised Alternative Investment Fund Managers are required to comply with the AIFMD Remuneration Code. In accordance with the Remuneration Code, the AIFM's remuneration policy is available from the Company Secretaries, Aberdeen Asset Management PLC, on request (see contact details on page 68) and the remuneration disclosures in respect of the AIFM's reporting period for the year ended 30 September 2015 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 2016	1.00:1	1.00:1

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

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

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of New India Investment Trust PLC will be held at Bow Bells House, 1 Bread Street, London EC4M 9HH, at 12.30 p.m. on 6 September 2016 for the following purposes:

Ordinary Business

As ordinary business to consider and, if thought fit, pass the following Resolutions 1 to 6 inclusive, as Ordinary Resolutions:

1. To receive the Directors' and Auditor's Reports and adopt the Financial Statements for the year ended 31 March 2016.
2. To receive and adopt the Directors' Remuneration Report for the year ended 31 March 2016 (other than the Directors' Remuneration Policy).
3. To re-elect Hasan Askari as a Director of the Company.
4. To re-elect Stephen White as a Director of the Company.
5. To re-elect Rachel Beagles as a Director of the Company.
6. To appoint KPMG LLP as Independent Auditor of the Company and to authorise the Directors to determine their remuneration for the year to 31 March 2017.

Special Business

As special business to consider and, if thought fit, pass the following Resolutions in the case of Resolutions 7 and 9 as Ordinary Resolutions and in the case of Resolutions 8 and 10 as Special Resolutions:

Continuation Vote

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

Authority to Make Market Purchases of Shares

8. 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 8,854,613 Ordinary shares, being 14.99 per cent. of the issued Ordinary share capital of the Company as 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 per cent. 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 last independent trade and the highest current 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 next Annual General Meeting of the Company in 2017 or on 30 September 2017, whichever is earlier, save that the Company may, prior to such expiry, enter into a contract to purchase Ordinary shares which will or may be completed or executed wholly or partly after the expiration of such authority and may make a purchase of Ordinary shares pursuant to any such contract.

Authority to Allot Shares

9. 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 £738,376 (representing approximately 5 per cent. 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 next Annual General Meeting of the Company in 2017 or on 30 September 2017, 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

10. THAT, subject to the passing of resolution numbered 9 above ("the Section 551 resolution") and in substitution for any existing authority under Sections 570 and 573 of the Companies Act 2006 (the "Act") but without prejudice to the exercise of any such authority prior to the date of this resolution, the Directors of the Company be and are hereby generally and unconditionally authorised in accordance with Sections 570 and 573 of the Act to allot equity securities (within the meaning of Section 560 of the Act) either pursuant to the Section 551 resolution or by way of a sale of treasury shares, in each case for cash as if Section 561(1) of the Act did not apply to such allotment, provided that this power shall be limited to the allotment of equity securities:

    (a) (otherwise than pursuant to sub-paragraph (b) below) up to an aggregate nominal amount of £738,376 (representing approximately 5 per cent. of the Company's issued Ordinary share capital as at the date of approval of this notice); and

    (b) in connection with or the subject of an offer or invitation, open for acceptance for a period fixed by the Directors, to holders of Ordinary shares and such other equity securities of the Company as the Directors may determine on the register of members on a fixed record date in proportion (as nearly as may be) to their respective holdings of such securities, (but subject to such exclusions, limits or restrictions or other arrangements as the Directors of the Company may consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in or under the laws of, or requirements of, any regulatory body or any stock exchange in any territory or otherwise howsoever); and

    (c) at a price per Ordinary share which represents a premium to the prevailing net asset value 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 next Annual General Meeting of the Company in 2017 or on 30 September 2017, 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.

Bow Bells House
1 Bread Street, London EC4M 9HH

By order of the Board
Aberdeen Asset Management PLC
Secretaries

27 June 2016

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 Registrar, 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 Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY so as to arrive not less than 48 hours

Notice of Annual General Meeting continued

(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 and Transparency Rules.

(v) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

(vi) In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (3RA50) no later than 48 hours before the time of the meeting or any adjournment. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

(vii) CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(viii) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

(ix) In order to facilitate voting by corporate representatives at the Meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting then, on a poll, those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated from those corporate representatives who attend, who will vote on a poll, and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (icsa.org.uk), for further details of this procedure. The guidance includes a sample form of representation letter if the chairman is being appointed as described in (i) above.

(x) A person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statements of the rights of members in 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: newindia-trust.co.uk.

(xiv) Further information regarding the meeting is available from: newindia-trust.co.uk

(xv) Under Section 338 of the Companies Act 2006, members may require the Company to give, to members of the Company entitled to receive this notice of meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting. Under Section 338A of that Act, members may request the Company to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may properly be included in the business.

(xvi) It is possible that, pursuant to requests made by members of the Company under Section 527 of the Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the meeting: or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Companies Act 2006. The Company may not require the members requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.

(xvii) As at 14 June 2016 (being the last practicable date prior to publication of this notice) the Company's issued share capital comprised 59,070,140 Ordinary shares of 25p each. Each Ordinary share carries the right to one vote at a general meeting of the Company. Accordingly, the total number of voting rights in the Company as at 14 June 2016 was 59,070,140.

(xviii) There are special arrangements for holders of shares through Aberdeen's Investment Plan for Children, Investment Trust Share Plan and Investment Trust Individual Savings Account ('ISA'). These are explained in the separate 'Letter of Direction' which such holders will have received with this Annual Report.

Glossary of Terms and Definitions

AAMAL or Investment Manager	Aberdeen Asset Management Asia Limited, a wholly owned subsidiary of Aberdeen Asset Management PLC
Aberdeen or Aberdeen Group	Aberdeen Asset Management PLC group of companies
AFML or Manager or AIFM	Aberdeen Fund Managers Limited ("AFML"), a wholly owned subsidiary of Aberdeen Asset Management PLC, which acts as the alternative investment fund manager for the Company. AFML is authorised and regulated by the Financial Conduct Authority.
AIC	The Association of Investment Companies
AIFMD or the Directive	The Alternative Investment Fund Managers Directive - The AIFMD is European legislation which created a European-wide framework for regulating managers of 'alternative investment funds' (AIFs). It is designed to regulate any fund which is not a UCITS fund and which is managed and/or marketed in the EU. The Company has been designated as an AIF.
Discount	The amount by which the market price per share of an investment trust is lower than the net asset value per share. The discount is normally expressed as a percentage of the net asset value per share.
Dividend Cover	Earnings per share divided by dividends per share expressed as a ratio.
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 net asset value 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 net asset value per share. The premium is normally expressed as a percentage of the net asset value per share.
Price/Earnings 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	Total Return involves reinvesting the net dividend in the month that the share price goes ex dividend. The NAV Total Return involves investing the same net dividend in the NAV of the trust on the date to which that dividend was earned, eg quarter end, half year or year end date.

Your Company's History

Issued Share Capital at 31 March 2016 and 14 June 2016

59,070,140	Ordinary shares of 25p

Capital History

Year ended 31 March 2011	12,115,997 Ordinary shares issued following the final exercise of Warrants
Year ended 31 March 2010	644,685 Ordinary shares issued following the exercise of Warrants
Year ended 31 March 2009	21,708 Ordinary shares issued following the exercise of Warrants
	1,575,000 Ordinary shares purchased by Company for cancellation
Year ended 31 March 2008	22,900 Ordinary shares issued following the exercise of Warrants
Year ended 31 March 2007	9,100 Ordinary shares issued following the exercise of Warrants
Year ended 31 March 2006	18,700 Ordinary shares issued following the exercise of Warrants
Year ended 28 February 2005	Accounting Reference Date changed from 28 February to 31 March
	Name changed from Deutsche Latin American Companies Trust PLC to New India Investment Trust PLC
	Shareholders voted in favour of a special resolution to transfer investment management services to AAMAL (subsequently transfered to AFML in July 2014) and pursue a revised investment objective to provide shareholders with long term capital appreciation by investment in companies which are incorporated in India or which derive significant revenue or profit from India, with dividend yield from the Company being of secondary importance.
Year ended 28 February 2002	450,000 Ordinary shares purchased by the Company for cancellation 1,000 Ordinary shares issued following the exercise of Warrants
Year ended 28 February 2001	Name changed from Morgan Grenfell Latin American Companies Trust PLC to Deutsche Latin American Companies Trust PLC 11,915,000 Ordinary shares purchased by the Company for cancellation
Year ended 28 February 2000	3,110,000 Ordinary shares purchased by the Company for cancellation
Year ended 28 February 1999	885,000 Ordinary shares purchased by the Company for cancellation
Year ended 28 February 1996	100 Ordinary shares issued following the exercise of Warrants
31 March 1994	64,170,950 Ordinary shares and 12,834,190 Warrants issued (representing one Warrant for every five Ordinary shares)
21 February 1994	Company incorporated as Morgan Grenfell Latin American Companies Trust PLC