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abrdn New India Investment Trust plc

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Annual Report 31 March 2024

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

abrdnnewindia.co.uk

"India's prospects are bright. The economy is the fastest-growing among its peers."

Michael Hughes, Chairman

"The key to taking advantage of this market's promise is picking quality stocks, backed by fundamental research, which aligns well with how we invest."

Kristy Fong and James Thom
Investment Manager

Why invest in India?

Aspiration
India's population is the largest in the world with an expanding middle class which will drive consumption growth

Building India
Urbanisation and infrastructure development have multiplier effects for job creation and the wider economy

Renewables
India has committed to meeting half of its energy needs from renewable sources by 2030, thereby reducing its dependence on imported fuels

Domestic opportunities
Global businesses are investing in and shifting production to, India, drawn by a wealth of incentives and opportunities

Exporting talent
India's giant tech service sector, built on a highly educated and diligent workforce, drives the export of services by helping global companies keep pace with the fast-changing tech innovation landscape

Digitalisation
India has made immense progress in digital investments, which will underpin its rise to be one of the largest global economies by the middle of this century

Why invest in abrdn New India Investment Trust plc?

Robust financial strength and sustainable competitive advantage
Indian companies meeting a 'quality' threshold are included in the portfolio, displaying both strong financial characteristics and a consistent competitive advantage in attractive industries or sectors

Quality Management
The management of the best companies in India is world-class and understands the importance of good governance to drive the best outcomes for investors and other stakeholders. Quality of management is a key attribute sought in portfolio companies

Return of growth stocks

As interest rates peak globally over the medium term, investors will seek out growth stocks which are set to benefit from this. The portfolio's focus on those Indian companies with the desire and capacity to expand will drive performance

Financial Highlights and Performance

Financial Highlights

	31 March 2024	31 March 2023	% change
Equity shareholders' funds (net assets)	£427,054,000	£357,919,000	+19.3
Market capitalisation	£339,744,000	£285,747,000	+18.9
Share price (mid market)	652.00p	512.00p	+27.3
Net asset value per Ordinary share[A]	819.56p	641.32p	+27.8
Discount to net asset value[A]	20.4%	20.2%	
Net gearing[A]	4.1%	5.8%	
Total return per share	168.85p	(60.00p)	
Operating costs			
Ongoing charges ratio[A]	1.00%	1.09%	

[A] Considered to be an Alternative Performance Measure. Further information on the one year percentage return may be found in Alternative Performance Measures.

Performance (total return, in Sterling terms)

	1 year % return	3 year % return	5 year % return	10 year % return
Share price[A]	+27.3	+20.3	+41.8	+190.4
Net asset value per Ordinary share[A]	+27.8	+30.7	+54.4	+211.6
Adjusted net asset value per Ordinary share[A]	+31.9	N/A	N/A	N/A
MSCI India Index (sterling adjusted)	+34.4	+56.6	+81.0	+238.2

[A] Considered to be an Alternative Performance Measure.

Source: abrdn plc, Morningstar & Lipper.

STRATEGIC REPORT

Chairman's Statement

Dear Shareholder

In the Half-Yearly Report, I highlighted how India's impressive performance continued to defy a global environment rife with volatility. Since then, the country's upward trajectory has persisted - its stock market continues to be one of the best performing markets while the economy is the fastest-growing among its peers.

In order for the Company to take best advantage of these positive markets, the Board has embarked on a number of initiatives over the year ended 31 March 2024:

- encouraging the Manager to more proactively consider mid-cap stocks representing a greater proportion of the portfolio, while still preserving its investment philosophy with its focus on quality and growth characteristics. In response, the Board has noted that the Manager has extended its analyst coverage, with deeper knowledge of the mid-cap sector;
- supporting the Manager in taking more active positions in stocks in which it has the most conviction; and
- at the AGM in September 2023, putting forward a resolution to permit the Company to invest up to 10% of net assets into pre-IPO investments, which was overwhelmingly supported and, as a result, the Manager will pursue opportunities where feasible.

Alongside these developments, the Board initiated a higher level of share buy-backs when necessary, and sought the more regular update of the Company's website (www.abrdnnewindia.co.uk), featuring additional webcasts and articles on India as the nation holds a general election involving over 1 billion voters.

The Board expects shareholders to benefit from these developments in due course, against a background also of a lower management fee implemented from April 2023 onwards.

Overview

India's prospects are bright and the current buoyant mood on the ground is in sharp contrast to the prevailing global sentiment of caution and uncertainty. The economy is expanding at an annual rate above 7%, playing catch-up after a period of sub-par growth before the pandemic. This accelerating growth story is backed by encouraging macroeconomic trends, including a real estate boom, a robust infrastructure capex cycle and manageable levels of inflation. Interest rates appear to have peaked for now, barring any unexpected shocks to the economy, as the Reserve Bank of India has not announced any policy moves since February 2023.

The rise in public spending to fund critical infrastructure projects - such as building more roads, railways and ports - has been a crucial spur to economic development in recent years, providing a solid foundation for sustainable growth. These projects have been designed to both create new jobs and encourage the revival of a private capex cycle which is now in its early stages and will help to sustain growth in the economy and in corporate earnings. As outlined in the Government's Interim Budget, India plans to spend another US$134 billion (£107 billion) on infrastructure alongside a renewed focus on long-term reforms. This is welcome news for India's capex-sensitive sectors such as capital goods and building materials where your Manager has re-positioned the portfolio by introducing new, high-quality names and adding to existing holdings.

The recent election result was a surprise and is discussed in more detail in the Investment Manager's Report.

Performance

Over the year ended 31 March 2024, the Company's net asset value ("NAV") rose 27.8% in sterling terms (total return), marking a sharp turnaround from the previous 12 months. The Company's share price was up 27.3% while the discount to NAV of 20.4% was almost unchanged from that at March 2023. I am pleased that the Company has delivered strong absolute returns, albeit the riskier MSCI India Index (the "Benchmark") outperformed, rising 34.4% in total return terms.

The Manager is working hard to improve performance both in absolute and relative terms and is confident that the underlying fundamentals of the portfolio remain sound, and our holdings continue to report healthy earnings progression.

Looking at your Company's performance during the year in more detail, the largest positive contribution to relative performance came from property. The portfolio has a large exposure to this sector, compared to the Benchmark, as India is undergoing a long overdue recovery in residential property sales, and the long-term prospects remain bright. It is pleasing to note that your Manager's decision to proactively pivot the portfolio towards industrial names and likely beneficiaries of large-scale public spending is starting to pay off.

Two other key developments influenced portfolio returns. Firstly, a liquidity deficit in the Indian banking system at the start of 2024 prompted concerns among investors over near-term loan growth and margin pressure for lenders. This affected the share price performance of **HDFC Bank**, which remained weak. The other issue has been the uneven recovery in consumption where urban demand has returned strongly while rural consumption remains relatively soft. This development weighed on the Company's core consumer staples holding - **Hindustan Unilever**. Our expectation is that there is room for both fiscal and monetary policy support by the Government to resolve these issues, noting the overall health of the banking sector remains strong. While HDFC Bank and Hindustan Unilever disappointed due to these challenges, they both remain high-quality businesses that are intrinsically linked to India's future prosperity.

The Board and I continue to have faith in the Company's long-term growth potential. Your Manager is adapting the portfolio to market conditions while considering new ideas that will benefit from positive structural trends. Further detail on the drivers of performance and changes made to the portfolio during the year may be found in the Investment Manager's Report.

Manager Change

After involvement with the Company for nearly 20 years, Kristy Fong is stepping down as Co-Investment Manager in September 2024. James Thom becomes the lead Investment Manager, assisted by Rita Tahilramani. The Board thanks Kristy for her stewardship of the Company's investment portfolio and wishes her well.

Conditional tender offer

In March 2022 the Board announced the introduction of a five-yearly performance-related conditional tender offer. The Board was concerned about the relative underperformance of the Company's NAV, as compared to its Benchmark. Following discussions with the Investment Manager, the Board decided that, should the Company's NAV total return underperform the Company's Benchmark over the five-year period from 1 April 2022, then shareholders should be offered the opportunity to realise up to 25 per cent of their investment for cash at a level close to NAV. For these purposes, the Company's NAV per share is adjusted for Indian capital gains tax (the "Adjusted NAV") to enable a like-for-like comparison with the Benchmark.

The Board keeps the Company's performance under review and, over the first two years of the measurement period from 1 April 2022 to 31 March 2024, the Adjusted NAV total return was 20.7% versus the Benchmark's total return of 26.4% (please see the Alternative Performance Measures for further information).

Discount and Share Buybacks

The Board continues to monitor actively the discount of the Ordinary share price to the NAV per Ordinary share and pursues a policy of selective buybacks of shares where to do so, in the opinion of the Board, is in the best interests of shareholders, while also having regard to the overall size of the Company.

Over the year ended 31 March 2024, the Company bought back into treasury 3,702,011 (2023 - 2,127,206) Ordinary shares, representing 6.6% (2023 - 3.7%) of the issued share capital (excluding treasury shares) at the start of the year, a considerable step up in buyback activity. At 31 March 2024, there were 52,107,910 (2023 - 55,809,921) shares in issue with voting rights and an additional 6,962,230 (2023 - 3,260,219) shares held in treasury. Between the year end and 13 June 2024, the latest practicable date prior to approval of this Report, a further 564,198 shares were bought back into treasury resulting in 51,543,712 shares in issue with voting shares and 7,526,428 shares held in treasury.

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

Gearing

As at 31 March 2024, £26 million (2023 - £30m) had been drawn from the £30m bank loan provided by Royal Bank of Scotland International, which resulted in net gearing of 4.1% (2023 - 5.8%). During the year, this gearing had a positive impact on returns, though the Board and Manager are conscious of the increased interest cost of gearing, so keep the level of gearing under regular review. The ability to gear is one of the advantages of the closed ended company structure and your Manager continues to seek opportunities to deploy this facility for the benefit of shareholders.

Impact of Indian Capital Gains Tax

The Company, along with other investment vehicles, is subject to both short and long term capital gains taxes in India on the growth in value of its investment portfolio, which become payable when underlying investments are sold and profits crystallised. Where investments are valued at a profit, but not yet sold, the Company must accrue for the potential capital gains tax payable, which amounted to £19.4 million (2023 - £11.1 million) at 31 March 2024, equivalent to a reduction in the NAV per share of 37.2p or 4.5% at 31 March 2024 (2023 - 20.0p or 3.1%).

Shareholder Engagement

The Board encourages shareholders to visit the Company's website (www.abrdnnewindia.co.uk) for the latest information and monthly factsheets as well as accessing podcasts and thought-leadership and macro research articles published by the Manager.

Annual General Meeting

The Company's AGM will be held at 18 Bishops Square, London E1 6EG at 12.30pm on Friday 20 September 2024. The AGM provides shareholders with an opportunity to ask any questions that they may have of either the Board or the Investment Manager. Voting on the resolutions to be put to shareholders will be conducted by way of a poll and those attending are encouraged to bring with them a letter of corporate representation in respect of their ownership of shares in the Company.

I look forward to meeting as many of you as possible over refreshments which will follow the AGM. Shareholders, whether attending the AGM or not, are encouraged to submit questions for the Board and/or Investment Manager, in advance, by email to new.india@abrdn.com.

Online Shareholder Presentation

In order to encourage and promote interaction and engagement with the Company's shareholders, the Company is holding an interactive Online Shareholder Presentation (the "Presentation") at 11.00am on Thursday 12 September 2024, to cater for those shareholders who may be unable to attend the AGM. During the Presentation, shareholders will receive a short introduction from the Chairman and portfolio update from the Investment Manager, followed by an interactive question and answer session. The Presentation is being held ahead of the AGM in order to allow shareholders to submit their proxy votes prior to the meeting. Further information on how to register for the Presentation may be found on the Company's website.

Update

I am pleased to report that your Company has performed extremely well since the year end with total returns for the NAV of 14.7% compared to 6.0% for the Benchmark from 31 March 2024 to 10 June 2024 (the latest practicable date prior to approval of this Report).

Outlook

India's economy is the fastest-growing among its peers and the country offers favourable demographics: a large, relatively young population and a growing middle class. Indian corporations are becoming more sophisticated, with many competing at an international level. Economic conditions remain buoyant with supportive policymaking from the Government and Reserve Bank of India, while the capex cycle and infrastructure spending should help to sustain momentum. Indian companies are also benefitting as multinational corporations diversify their supply chains to reduce their reliance on China. From a global perspective, India enjoys more geopolitical stability compared to other emerging market countries with tensions between the United States and China remaining high.

Investing in India, however, means accepting market volatility, particularly as high growth rates in corporate earnings come with high valuations. This is particularly true in small and mid-cap stocks; these do not form the core of our portfolio although they are included in it to ensure that shareholders benefit over the medium-to-longer term.

Your Board is confident that your Manager has assembled a portfolio of high-quality, resilient companies that possess strong balance sheets and can profit from pricing power at each stage of the economic cycle.

Michael Hughes
Chairman
13 June 2024

Investment Manager's Report

In the year ended 31 March 2024, the Company's net asset value ("NAV") total return rose 27.8%, compared to an 8% decline in the previous year. A substantial part of that negative return was clawed back by sticking to our long-term quality investment philosophy and by repositioning the portfolio towards structurally attractive segments that are now paying off. However, the Company was not able to keep pace with the MSCI India Index, which rose 34.4%. We explain the reasons below.

Market review

As the Chairman describes in his Statement, the Indian market had a strong run throughout most of the year, underpinned by a robust domestic economy and an enviable growth trajectory. Retail inflation has remained steady at just over 5%, while the Reserve Bank of India has not increased interest rates since February 2023. The estimated GDP growth rate for the full financial year was projected at 7.6%, surpassing the previous year's figure of 7%, leading to India holding to its position as the world's fastest-growing major economy. We did see some pullback in the market this year, particularly in the small-and-mid ("SMID") cap space. After outperforming Indian large-caps last year, SMID companies corrected in March 2024 when the Indian securities regulator increased scrutiny towards domestic mutual funds due to rising valuations. We had been very selective in adding SMID names to the portfolio, preferring companies with good earnings visibility and a track record of delivering on growth.

At the time of writing, India's 2024 general election has just concluded, and the outcome came as a big surprise to the market. Polls had predicted that Prime Minister Narendra Modi and his party would comfortably win enough seats in the lower house of parliament to form a government on their own. Instead, Modi's Bharatiya Janata Party (BJP) failed to secure a majority. This has forced Modi and the BJP into a coalition government for the first time in his career. Modi's bargaining power within this alliance is likely to be reduced, with a possibility of ministries reshuffling and some of them being given to the non-BJP leaders. As a result, we will need to keep a close watch on Cabinet formation and capital allocation in the FY25 budget.

Thinking about the implications for policymaking, we view BJP's broad agenda around infrastructure, manufacturing, and technology is likely to continue, and would create structural tailwinds for the economy. New big bang reforms, however, are unlikely to come from a coalition government. Instead, we could see measures favouring populist agendas take precedence whilst there could be some moderation in capital expenditure. Job creation and tackling the rural economy could also take the spotlight.

The Company's quality focus and positioning in several defensive sectors such as IT Services, Consumer Staples, and, to some extent, Banking and

Insurance, should provide resilience to the portfolio through the current market turbulence. Our conviction in our India holdings remains strong, re-enforced by recent trips and meetings with company management teams. Valuation dips could present buying opportunities.

Performance review

The strongest returns came from the holdings in property as well as from infrastructure and capital expenditure (capex) beneficiaries in utilities and industrials sectors. Our consumer, financials, and energy stocks, however, lagged the market's rally. Real estate was the biggest performance driver, with our exposures benefitting from structural trends as well as the SMID rally seen throughout most of 2023. Property developers Godrej Properties (see the case study below) and Prestige Estates were the top stock contributors, reporting strong pre-sales numbers for their new housing projects. India is undergoing a long overdue recovery in residential property sales and the future prospects for the overall sector remain bright.

We were pleased to see that our repositioning towards industrial names and capex proxies has paid off. India has ramped up public capex by building more roads, railways, ports and similar projects to create additional jobs and revive private capex. Our holdings that benefited from this step-up in capital spending include ABB India as well as Power Grid Corporation of India. Power Grid has raised its capex guidance as its development pipeline and earnings visibility remain robust. Meanwhile, our telco exposure in Bharti Airtel (see the case study below) did well amid ongoing industry consolidation, and on expectations of a new tariff hike after the elections.

Some of our IPO names that were depressed in the previous year, due to the growth-to-value rotation in the market, have started to demonstrate positive performance. This includes affordable housing company Aptus Value Housing Finance and online insurance platform, PB Fintech.

Looking at where the Company has fallen short, HDFC Bank and Hindustan Unilever have both disappointed in growth and, therefore, in relative share price performance. HDFC Bank will now take longer to deliver integration cost savings following its merger with mortgage lender HDFC, in a tighter liquidity environment. A sluggish rural economy has acted as a brake on Hindustan Unilever's growth. While we continue to believe in the medium-term investment theses for both stocks, we have partially cut these holdings to release funds for several of our new ideas discussed below.

In the energy sector, our holding in Aegis Logistics did well but trailed its peers - mostly public sector companies - which we tend to avoid owning in the portfolio. Index heavyweight Reliance Industries lagged in 2023 but saw a recovery in its share price in 2024. We do not hold the company due to reservations around capital allocation and governance standards.

Finally, within consumer discretionary, our auto holdings performed well but underperformed some of their peers. Not holding online delivery company Zomato also affected relative performance. While we are aware that we are lightly exposed here, this sector is seeing increasingly stretched valuations, and we believe it is necessary to tread with caution.

Overall, the underlying fundamentals of our portfolio remain sound, and our companies continue to report healthy earnings growth, mostly in line with expectations.

Portfolio Activity

During the year, we actively repositioned the portfolio to maximise potential returns. Key changes included scaling up the exposure to investment themes that we found attractive, provided we could find stocks that met our quality criteria from a bottom-up perspective in these sectors. These structurally attractive themes include: premiumisation, property upcycle, and infrastructure and capex beneficiaries. We also added some high-quality names based on stock-specific factors that were largely independent of more top-down themes.

Within consumer, we introduced a new SMID-cap addition in the automotive sector, Uno Minda, which provides auto components to four-wheeler and two-wheeler OEMs. In real estate, we added Phoenix Mills, which operates high quality shopping malls in top-tier and state capital cities with a good pipeline of new assets expected over the next few years. It is also a premium consumption play as India's disposable income slowly tracks higher alongside growth.

In Industrials, we introduced Siemens India, the Indian arm of the German multi-national, as well as a SMID-cap name, Apar Industries. We also added Havells India, a proxy to the electrical and consumer durable sector, and building material company Pidilite, an indirect beneficiary of the housing cycle and home improvement trend. In Software & Services, we scaled back our position given the sector's vulnerability to a slow-down in the core US market and a subsequent contraction in IT spend. However, we have also taken advantage of the price falls across the sector and added a new mid-cap name, Coforge, which provides niche IT services with deep domain expertise.

While financials remains our largest portfolio weight by sector, we broadened our mix of stock holdings. We added to NBFCs (non-bank finance companies) by initiating Cholamandalam Investment and Finance that has a long growth runway and has operating levers to mitigate against rate headwinds. We also introduced KFin Technologies, a fast-growing player in the Mutual fund Registrar and Transfer Agency duopoly, benefitting from structural growth trends such as wealth accumulation in India. These were funded by reducing our banking exposure, primarily with the exit of Kotak Mahindra Bank.

Lastly, we also exited lower conviction holdings Asian Paints and Renew Energy Global to fund some of the new ideas.

Outlook

India is the world's fastest-growing major economy, backed by a resilient macro backdrop that includes a real estate boom, strong consumer sentiment in urban areas, and a robust infrastructure capex cycle.

The growth story is underpinned largely by supportive policies from the central government as well as a decade of painful, but necessary economic reforms. The groundwork laid by these sweeping reforms has put India on a positive economic trajectory. We are also seeing early signs of a private capex revival. This can potentially continue to sustain both economic momentum and corporate earnings growth.

India still faces some near-term risks, most of which are external, including potentially higher global energy prices and a slowdown in the world economy. As a net oil importer, recent developments in the Middle East remain a potential source of concern as any escalation will push oil prices higher. As the Chairman noted earlier, valuation is also a perpetual risk - given its recent outperformance, India has become a consensus trade, with valuations becoming stretched, especially in small and mid-caps. The key to taking advantage of this market's promise is bottom-up stock picking that is backed by fundamental research, which aligns well with how we invest.

The Company's downside is well-protected given our quality focus, and our defensive holdings are in a good position in case of profit taking. Furthermore, any correction in the market would be an opportunity to add to the holdings. The consistency of earnings growth of the portfolio remains healthy and individual company fundamentals, such as pricing power, strong balance sheets and the ability to sustain margins, remain solid.

Kristy Fong and James Thom
Investment Manager
13 June 2024

Investment Case Studies

Bharti Airtel - the most financially disciplined player in a consolidating telecom market

Bharti Airtel offers mobile, voice, data and cloud-based solutions to over 500 million customers in 17 countries across Asia and Africa. It is India's largest integrated telecom solutions provider to the retail and enterprise markets, and also the No.2 mobile operator in Africa, after South Africa's MTN Group.

operator in Africa, after South Africa's MTN Group.

We believe that Airtel is the most commercial and financially disciplined service provider in an Indian telecom landscape that has undergone significant market repair. The market has consolidated down from close to 12 companies just five to six years ago to less than a handful of players today, in what is now effectively a duopoly between Jio and Airtel.

Thanks to the market repair, Airtel turned free cash flow (FCF) positive for the first time in 2022. The company has also demonstrated its ability to raise capital, with a rights issue of up to 210 billion rupees (£2 billion) in September 2021 and most of the proceeds yet to be used. Airtel's capex will also start to taper off as its rural expansion slows, easing the funding needs and potentially improving the FCF outlook, which could lead the company to consider paying down debt or even paying dividends. Most recently, the company also listed its Bharti Hexacom subsidiary, the group's first IPO in over a decade.

While Airtel continues to deliver consistent growth across all its businesses with an industry leading average revenue per user (ARPU), its return on capital employed (ROCE), however, remains low at 9.4% [1]. The management indicated that tariff repair was critical to ensure the industry's health, and it was confident that tariffs would rise over the next two years. This would also help raise
its ROCE.

The market's structural dynamics are in Airtel's favour. The market remains underpenetrated, with mobile penetration standing at 69% as of FY22, indicating room for organic growth. Mobile spend as a percentage of GDP is low at 0.95% in FY22, which is much lower compared to other ASEAN markets at 1.2-1.8% [2].

As smartphones become more affordable and subscribers migrate to 5G, the uptake of data services is increasing; for Airtel, data services are growing rapidly and the group expects this trend to be sustainable [3]. The other key growth area is in home broadband services, which is doing well with healthy subscriber additions and improving ARPU, supported by the rollout of its high-speed Xstream AirFiber network across the country.

On the sustainability front, the group continues to make progress on its ESG agenda. Airtel has committed to reduce absolute Scope 1 and 2 greenhouse gas emissions by 50.2% by FY 2030-31 from the base year of FY 2020-21. It has also committed to reducing absolute Scope 3 GHG emissions by 42% over the same time frame.

[1] Bharti Airtel Limited - Media Release February 05, 2024
[2] abrdn research
[3] Bharti Airtel Limited - Integrated Report and Annual Financial Statements 2022-23

Godrej Properties - reputable high-quality real estate developer in India

Set up in 1897, the Godrej Group has its roots in India's independence and Swadeshi movement [1]. Its founder, Ardeshir Godrej, a lawyer-turned-serial entrepreneur, failed with a few ventures before he found success with a locks business [2]. The group has since grown into one with annual revenue of about US$6 billion earned from consumer goods, real estate, appliances, agriculture and other areas, and it is still controlled by the Godrej family - one of the most eminent industrial families in India with admirable track record of treating minority shareholders fairly over the decades. That is why we have felt comfortable investing in several of their listed entities over the years, including its primary property vehicle Godrej Properties Limited ("GPL"), which was established in 1990 and listed in 2010. The group considers real estate as a key growth area among its businesses. GPL is the country's largest developer by number of homes sold in FY23. It has delivered close to 41 million sq ft of real estate since FY18, and it is developing landmark projects in 12 cities across India covering over 18.58 million sq m [3].

GPL's solid execution has led to the developer being ranked as the most trusted real estate brand in the 2019 Brand Trust report. This also reflects its reputation and how it stands out from its peers in overall quality. Its other advantages include an asset-light and capital efficient development model, and good access to capital with the lowest bank funding rates across the sector. The company appears to be at an inflection point with improving fundamentals, and we expect steadily improving presales, profitability and cash flows over the next few years.

More broadly, we view GPL as well positioned to benefit from the domestic real estate industry's up-cycle. The industry's longer-term outlook remains bright, supported by an aspirational population, rising urbanisation and incomes, and favourable regulatory changes. Aside from the reform of the Real Estate (Regulation and Development) Act in India, that has led to a more regulated industry and greater protection for home buyers, schemes like the Pradhan Mantri Awas Yojana and Rajiv Awas Yojana have incentivised developers to venture into the affordable housing segment, fostering accessibility and affordability for the population.

The developer is also a leader on the sustainability front. It has been included among the global sustainability leaders in the Dow Jones Sustainability Indices list and has been ranked no.1 globally for three consecutive years in 2020, 2021 and 2022 by the Global Real Estate Sustainability benchmark (GRESB). MSCI has also given an ESG rating of BB to GPL, citing its green building efforts. As of the third quarter of FY23-24, 96% of GPL's portfolio is certified under credible external green building rating systems like IGBC and GRIHA [3]. In addition, the company is water positive and carbon neutral for Scope 1 and Scope 2 greenhouse gas emissions, and it is strengthening its efforts to include Scope 3 emissions through its supplier engagement programme.

[1] Swadeshi movement - Wikipedia
[2] About Godrej Properties | Best Real Estate Companies in India
[3] Godrej Properties 3QFY2024 Results Presentation

Overview of Strategy

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

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

secondary importance.

Investment Policy

The Company invests primarily in Indian equity securities.

Delivering the Investment Policy

At the AGM on 27 September 2023, shareholders approved a new investment policy, involving amendments to Risk Diversification; the sections under Gearing; Currency, Hedging Policy and Derivatives; and Investment Restrictions are unchanged. The former investment policy, in place until 27 September 2023, may be found on page 12 of the Annual Report for the year ended 31 March 2023.

The Company's current investment policy is as follows:

Risk Diversification

The 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, 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 may invest up to 10% of its NAV in unquoted companies in aggregate, measured at the time of each investment.

The Company's portfolio will typically comprise in the region of 25 to 50 holdings, but with due consideration given to spreading investment risk. No individual issuer is expected normally to represent a greater weight in the portfolio than the higher of (i) 10% of the Company's net assets or (ii) the individual issuer's weight in the MSCI India Index (in sterling terms) plus 2%, both as measured at the time of each investment, although there is a maximum permitted exposure to a single issuer of 20% of the Company's net assets at all times.

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. Under normal circumstances, over the longer term and in tandem with the rising value of the Company's investments, gearing is expected to improve returns.

The Company's gearing is essentially structural in nature but, in addition, may be used for specific opportunities or circumstances. The Directors take care to ensure that borrowing covenants permit flexibility of investment policy.

Currency, Hedging Policy and Derivatives

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

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

Investment Restrictions

It is the investment policy of the Company to invest no more than 15% of its gross assets in other listed investment companies (including listed investment trusts). The Company held no investments in other listed investment companies during the year ended 31 March 2024.

Benchmark

The Company's Benchmark is the MSCI India Index (Sterling-adjusted). The Board also considers the Adjusted NAV in relation to the conditional tender offer announced in March 2022.

Key Performance Indicators

At each Board meeting, the Directors consider a number of performance measures to assess the Company's success in achieving its objective. The main Key Performance Indicators ("KPIs") identified by the Board in relation to the Company, which are considered at each Board meeting, are as follows:

KPI	Description
Performance of NAV and share price compared to the Benchmark	The Board considers the Company's NAV return, the Adjusted NAV return and share price return, all relative to the Benchmark, to be the best indicator of performance over time. The figures for this year and for the past three, five and ten years are set out on page 3 of the Annual Report for the NAV return and share price total return while a graph showing NAV and share price total return performance against the Benchmark over the past five years is shown on page 21 of the Annual Report.
Discount to NAV	The discount at which the Company's share price trades relative to the NAV per share is monitored by the Board. A graph showing the discount over the last five years is shown on page 21 of the Annual Report.
Ongoing charges	The Board regularly monitors the operating costs of the Company and the ongoing charges for this year and the previous year are disclosed in Financial Highlights and Performance above.

Principal Risks and Uncertainties

There are a number of risks which, if realised, could have a material adverse effect on the Company and its financial position, performance and prospects. The Board has carried out a robust assessment of these risks, including emerging risks, which include those that would threaten its business model, future performance and solvency. The principal risks associated with an investment in the Company's shares are published monthly in the Company's factsheet which is available from the Company's website: abrdnnewindia.co.uk.

The principal risks and uncertainties, and emerging risks, faced by the Company are reviewed annually by the Audit Committee in the form of a detailed risk matrix and heat map and they are described in the table below, together with any mitigating actions. In addition, the Board has identified, as an emerging risk, the general escalation of geo-political risk globally. This may have implications for investors in India (see "Single Country Risk"). In addition, the Audit Committee considers the implications for the Company's investment portfolio of a changing climate. The Board assesses this emerging risk as it develops, including how investor sentiment is evolving towards climate risk within investment portfolios, and will consider how the Company may mitigate this risk, and other emerging risks, if and when they become material. The Board is also conscious of the development of Artificial Intelligence ("AI"), which may have a potentially positive or negative impact at Company, sector and country level.

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

An explanation of other risks relating to the Company's investment activities, specifically market price, interest rate, liquidity and credit risk, and a note of how these risks are managed, is contained in Note 17 to the financial statements.

Description	Mitigating Action
Strategic risk - inappropriate business strategy leads to lack of demand for the Company's shares, leading to its shares trading at a persistent and anomalous discount to its Net Asset Value	The Board reviews its strategy and investment mandate annually in the context of developments in markets and taking account of investor feedback.
Market risk - falls in the prices of securities issued by Indian companies, which may be caused by company-specific issues or may be determined by local and international economic, political, social, and financial factors, including pandemics, natural disasters (arising from climate change or otherwise) or geo-political conflicts.	The Investment Manager seeks to reduce market risk by investing in a wide variety of companies with strong balance sheets and the ability to generate increased earnings. In addition, investments are made in diversified sectors in order to reduce the risk of a single large exposure. The Investment Manager believes that diversification should be looked at in absolute terms rather than relative to the Benchmark. The performance of the portfolio relative to the Benchmark and the underlying stock and sector weightings in the portfolio against their Benchmark weightings are monitored closely by the Board.
Poor investment performance - poor investment performance leads to loss of asset value in comparison to the benchmark and/or the peer group, and, over time, can lead to a widening of the discount to NAV at which the Company's shares trade.	The investment performance of the Manager is reviewed at each Board meeting and compared to the benchmark and the peer group. Exposure to a range of risk factors is also reviewed.
Discount - factors which affect the discount to NAV at which the Ordinary shares of the Company trade. These may include the popularity of the investment objective of the Company, the popularity of investment trust shares in general, the investment performance of the Company, 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 undertakes selective buyback of shares where to do so would be in the best interests of shareholders, balanced against reducing the overall size of the Company. Any shares bought back are held in treasury.
Single country risk - the Company invests in companies which are incorporated in, or derive significant revenue or profit from, a single country - India. Investing in a single country, which is also an emerging market, is generally a higher risk strategy than investing more widely, or in developed markets. There is likely to be greater political and regulatory risk, and the standards of disclosures and corporate governance may be less developed than in developed markets. In addition, there may be specific internal political and social issues, or wider geo-political issues, which could lead to social upheaval, unrest, or conflict. These events may lead to falls in equity markets, and also adverse foreign currency movements.	The Company's exposure to India is an integral part of its investment strategy. Risk can be mitigated, to a degree, by the monitoring of emerging risks, and by appropriate actions in relation to portfolio construction, liquidity and gearing. The Board is kept informed of political, regulatory and tax issues affecting the portfolio. The Board monitors the Rupee/Sterling exchange rate and reviews the currency impacts on both capital and income regularly, although the Company did not hedge its foreign currency exposure during the year.
Supplier risk - The Company is dependent on the services provided by third parties, and in particular the Manager and Depositary. Failure by third parties to carry out their obligations to the Company, or reputational issues or inadequate succession arrangements, could disrupt the level of service provided. In particular, the insolvency of the depositary or custodian or sub-custodian, or a shortfall in the assets held by that depositary, custodian or sub-custodian arising from fraud, operational errors or settlement difficulties resulting in a loss of assets owned by the Company.	The Board reviews the overall performance of the Manager and all other key service providers on a regular basis. In particular, the Depositary, BNP Paribas Trust Corporation UK Limited, presents to the Board at least annually on the Company's compliance with the Alternative Investment Fund Managers Directive ("AIFMD"). The Manager separately monitors the activities of the depositary and reports to the Board on any exceptions arising.
Financial and regulatory - the financial risks associated with the portfolio could result in losses to the Company. In addition, failure to comply with relevant regulation (including the Companies Act, the Financial Services and Markets Act, the Alternative Investment Fund Managers Directive, accounting standards, investment trust regulations and the Listing Rules, Disclosure Guidance and Transparency Rules and Prospectus Rules) may have an adverse impact on the Company. Any change in the Company's tax status or in taxation legislation either in India or in the UK (including the tax treatment of dividends, capital gains or other investment income received by the	The financial risks associated with the Company include market risk, liquidity risk and credit risk, all of which are mitigated by the Manager. Further details of the steps taken to mitigate the financial risks associated with the portfolio are set out in Note 17 to the financial statements. The Board is responsible for ensuring the Company's compliance with applicable regulations. Monitoring of this compliance, and regular reporting to the Board thereon, has been delegated to the Manager. The Board receives updates from the Manager and AIC briefings concerning industry changes. From time to time, the Company also employs external advisers covering specific areas of compliance.

Company) could affect the value of the investments held by the Company and the Company's ability to provide returns to shareholders or alter the post-tax returns to shareholders. In particular, the calculation of Indian capital gains tax which may be due can be complex and is dependent on the interpretation of the legislation, which may result in an under- or over-provision being made.	In particular, the Board receives reports from the Manager covering investment movements, the level and type of forecast income and expenditure and the amount of proposed dividends with a view to ensuring that the Company continues to qualify as an investment trust under Chapter 4 of Part 24 of the Corporation Tax Act 2010. A breach of these regulations would mean that the Company is no longer exempt from UK capital gains tax on profits realised from the sale of its investments. The Indian capital gains tax provision is calculated by an independent third party and reviewed at least half-yearly by the Audit Committee.
Gearing - while the use of gearing should enhance the total return on the Ordinary shares where the return on the Company's underlying assets is rising and exceeds the cost of borrowing, it will have the opposite effect where the underlying return is less than the cost of borrowing, further reducing the total return on the Ordinary shares. A significant fall in the value of the Company's investment portfolio could result in a breach of bank covenants and trigger demands for early repayment.	The Board is responsible for determining the gearing strategy for the Company, with day-to-day gearing decisions being made by the Investment Manager. Borrowings are short term in nature and particular care is taken to ensure that any bank covenants permit maximum flexibility of investment policy. The Board has agreed certain gearing restrictions with the Manager and reviews compliance with these guidelines at each Board meeting. Loan agreements are entered into following review by the Company's lawyers.
Unlisted securities - the Company may invest in unlisted securities, which may not be readily realisable, and may be more difficult to value in the absence of a quoted price. There may be less available information and less regulation in respect of disclosures and corporate governance.	At 31 March 2024, there were no unlisted investments in the portfolio. The Manager is currently seeking the necessary regulatory permissions to make unlisted investments in India. Once obtained, the Manager will conduct appropriate due diligence in respect of any unlisted investments. Valuation will be assessed by an independent third party and reviewed at least half-yearly by the Audit Committee.

Promoting the Company

The Board recognises the importance of updating existing investors as well as promoting the Company to prospective investors, with the aim of improving liquidity in the Company's shares and reducing the discount at which they trade, thereby enhancing value. Communicating the long-term attractions of the Company is key.

The Board seeks to achieve this through subscription to, and participation in, the promotional programme run by abrdn on behalf of the investment companies under its management.

The Company's financial contribution to the programme is matched by abrdn. abrdn's promotional activities team reports quarterly to the Board giving analysis of the promotional activities as well as updates on the shareholder register and any changes in the composition of that register.

The Company further supports the Manager's investor relations programme which involves regional roadshows as well as promotional and public relations campaigns.

Board Diversity and Succession

The Board recognises the importance of having a range of skilled, experienced individuals with the right knowledge represented on the Board in order to allow the Board to fulfil its obligations. The Board also recognises the benefits, and is committed to, the principle of diversity in its recruitment of new Board members. The Board will continue to ensure that all appointments are made on the basis of merit against the specification prepared for each appointment and will search widely when recruiting any new Director with a view to maximising diversity. Consequently, the Company does not consider it appropriate to set specific diversity targets. At 31 March 2024, there were three male Directors and one female Director on the Board.

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

Environmental, Social and Human Rights Issues

The Company has no employees as it is managed by abrdn Fund Managers Limited and there are therefore no disclosures to be made in respect of employees. The Company's responsible investment policy is outlined above.

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

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

Global Greenhouse Gas Emissions and Streamlined Energy and Carbon Reporting ("SECR")

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

Task Force for Climate-Related financial Disclosures ("TCFD")

Under Listing Rule 15.4.29(R), the Company, as a closed ended investment company, is exempt from complying with the Task Force on Climate-related Financial Disclosures ("TCFD").
Whilst TCFD is currently not applicable to the Company, the Manager has produced a product level report on the Company in accordance with the FCA's rules and guidance regarding the disclosure of climate-related financial information consistent with TCFD Recommendations and Recommended Disclosures. These disclosures are intended to help meet the information needs of market participants, including institutional clients and consumers of financial products, in relation to the climate-related impact and risks of the Manager's TCFD in-scope business. The product level report on the Company is available on the Manager's website at: invtrusts.co.uk.

Viability Statement

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

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

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

· the Company's assets consist, substantially, of a portfolio of readily realisable quoted securities, where the Directors monitor the liquidity of each holding as well as reviewing the outcome of testing undertaken by the Manager in which the portfolio is subject to adverse market scenarios;

· the principal risks and uncertainties outlined above and the steps taken to mitigate these, and noting the strategic and performance risks are considered to be the most significant for the Company;

· a significant proportion of the expenses are proportional to the Company's NAV and will reduce if the NAV falls;

· the Directors regularly review the Company's level of gearing, including the financial modelling undertaken by the Manager to establish what level of reduction in the Company's NAV would require to occur in order to cause a breach in the covenants attached to the Company's £30m loan facility;

· the Company's third-party suppliers continuing to deliver services to the Company in accordance with the underlying agreements and not experiencing significant operational difficulties in respect of the services provided to the Company, although, if required, alternative suppliers could be engaged to provide these services at limited notice; and

· in advance of expiry in August 2025 of the Company's £30m loan the Company will enter into negotiations with its bankers. If acceptable terms are available from the existing bankers, or any alternative, the Company would expect to continue to access borrowings. However, should these terms not be forthcoming, any outstanding borrowing would be repaid through the proceeds of equity sales.

Accordingly, taking into account the Company's current position and the potential impact of its principal risks and uncertainties, the Board has a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due for a period of three years from the date of this report. In making this assessment, the Board undertook stress testing of the Company's forecast revenue account as well as scenario analysis in relation to a significant reduction in the liquidity of the underlying investment portfolio.

Duration

The Company does not have a fixed life but, further to a change in the Articles of Association approved by shareholders at the AGM on 28 September 2022, an ordinary resolution to continue the Company is put to shareholders at every fifth AGM. The next continuation resolution will be put to shareholders at the AGM in 2027.

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 and in the Investment Manager's Report.

Michael Hughes
Chairman
13 June 2024

Promoting the Success of the Company

The Purpose of the Company and Role of the Board

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

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

During the year, the Board comprised four independent non-executive Directors with a broad range of skills and experience across all major functions that affect the Company. The Board retains responsibility for taking all decisions relating to the Company's investment objective and policy, gearing, corporate governance and strategy, and for monitoring the performance of the Company's service providers.

The Board's philosophy is that the Company should operate in a transparent culture where all parties are provided with respect as well as the opportunity to offer practical challenge and participate in positive debate which is focused on the aim of achieving the expectations of shareholders and other stakeholders alike. The Board expects the Manager to act as a responsible steward of the Company's investments. Further information on the Manager's responsible investing may be found at: www.abrdn.com/en-gb/seeing-things-differently

How the Board Engages with Stakeholders

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

Stakeholder	How the Board Engages
Shareholders	The Company's shareholders are key stakeholders and the Board places great importance on communication with them. The Board welcomes all shareholders' views and aims to act fairly between all shareholders. The Chairman, Manager and Company's broker regularly meet with current and prospective shareholders to discuss performance and shareholder feedback is discussed by the Directors at Board meetings. In addition, the Chairman meets with major shareholders in the absence of representatives of the Manager, as necessary. Regular updates are provided to shareholders through the Annual Report, Half Yearly Report, Manager's monthly factsheets, Company announcements, including daily net asset value announcements, and the Company's website. In normal years, the Company's Annual General Meeting provides a forum, both formal and informal, for shareholders to meet and discuss issues with the Directors and Manager.
Manager	The Investment Manager's Report details the key investment decisions taken during the year. The Investment Manager has continued to manage the Company's assets in accordance with the mandate provided by shareholders, with the oversight of the Board. The Board regularly reviews the Company's performance against its investment objective and the Board undertakes an annual strategy review to ensure that the Company is positioned well for the future delivery of its objective for its stakeholders. The Board receives presentations from the Investment Manager at every Board meeting to help it to exercise effective oversight of the Investment Manager and the Company's strategy. The Board, through the Management Engagement Committee, formally reviews the performance of the Manager at least annually.
Investee Companies	Responsibility for actively monitoring the activities of portfolio companies has been delegated by the Board to the Manager which has sub-delegated that authority to the Investment Manager. The Board has also given discretionary powers to the Investment Manager to exercise voting rights on resolutions proposed by the investee companies within the Company's portfolio. The Investment Manager reports to the Board on a quarterly basis on stewardship (including voting) issues. Through engagement and exercising voting rights, the Investment Manager actively works with portfolio companies to improve corporate standards, transparency and accountability, and report thereon to the Board.
Service Providers	The Board seeks to maintain constructive relationships with the Company's suppliers either directly or through the Manager with regular communications and meetings. The Audit Committee conducts an annual review of the performance, terms and conditions of the Company's key service providers to ensure they are performing in line with Board expectations and providing value for money.
Debt Providers	On behalf of the Board, the Manager maintains a constructive working relationship with Royal Bank of Scotland International Limited (London Branch), part of NatWest Group plc, the provider of the Company's £30m multi-currency loan facility, ensuring compliance with its loan covenants and arranging for regular updates for the lender on the Company's business activities, where requested.
Environment and Community	The Board and Manager are committed to investing in a responsible manner and the Investment Manager integrates Environmental, Social and Governance ("ESG") considerations into its research and analysis as part of the investment decision-making process.

Specific Examples of Stakeholder Consideration During the Year

While the importance of giving due consideration to the Company's stakeholders is not new, and is considered as part of every Board decision, the Directors were particularly mindful of stakeholder considerations during the following decisions undertaken during the year ended 31 March 2024.

Share buybacks

During the year the Company bought back into treasury 3.7 million shares, providing a small accretion to the NAV per share and a degree of liquidity to the market. The discount at which the Company's share price sits as compared to its NAV per share was wider than the historic average and the Board has instructed a step-up in share buyback activity. It is the view of the Board that this policy is in the interest of all shareholders.

Online shareholder presentation

The Company held an online shareholder presentation on 14 September 2023 to encourage and promote interaction and engagement with the Company's shareholders,

During the presentation, shareholders received updates from the Chairman and Investment Manager and were then able to participate in an interactive question and answer session.

As explained in the Chairman's Statement, the Board is holding another Online Shareholder Presentation at 11am on 12 September 2024. The event is being held ahead of the AGM in order to allow shareholders to submit their proxy votes prior to the AGM.

Performance

Ten Year Financial Record

Year to 31 March	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total income (£'000)	341	374	3,104	3,318	3,602	5,185	4,517	5,059	6,123	4,903
Per share (p)										
Net revenue (loss)/return	(0.39)	(1.06)	(0.28)	(0.71)	(0.35)	2.08	0.19	(0.28)	(0.59)	(3.77)

Net revenue (loss)/return	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Dividends[A]	n/a	n/a	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a
Total return/(loss)	121.94	(23.42)	125.81	2.12	41.90	(120.34)	216.25	69.64	(60.00)	168.85
Net asset value per share (p)										
Basic	385.49	362.07	487.88	490.00	531.90	411.41	627.05	697.30	641.32	819.56
Shareholders' funds (£'000)	227,708	213,874	288,190	289,444	314,196	241,583	366,106	403,995	357,919	427,054

[A] 2020 dividend represents 0.22p per share paid from revenue reserves and 0.78p per share paid from capital reserves.

Top Ten Investments

As at 31 March 2024

8.1% ICICI Bank

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

5.6% HDFC Bank

HDFC Bank is India's leading private sector bank that now has a complete suite of retail banking products after the merger with HDFC, India's leading provider of mortgage finance. The bank has solid underwriting standards and a progressive digital stance, further strengthening its competitive edge.

5.6% Bharti Airtel

Bharti Airtel remains the leading telecom service provider with a pan-India reach and sophisticated customer base with higher average mobile spending.

4.9% Infosys

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

4.7% Power Grid Corporation of India

Power Grid Corporation of India forms the backbone of India's electricity infrastructure. It is poised to play a key role in the growth of renewable energy delivery to the grid over the next few decades as the government plans ambitious renewable targets for the electricity sector.

4.6% Ultratech Cement

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

4.1% SBI Life Insurance

Among the leading domestic life insurers, SBI Life's competitive edge comes from a wide reach of SBI branches, highly productive agents, a low cost ratio and a reputable SBI brand.

3.8% Aegis Logistics

A strong and conservative player in India's gas and liquids logistics sector, with a first mover advantage in key ports and a fair amount of capacity expansion to come. Its storage and logistics segment is benefitting from the burgeoning flow of chemicals and fuels across the country. In addition, the government's push for the adoption of cleaner energy has boosted its liquefied natural gas business.

3.8% Tata Consultancy Services

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

3.8% Hindustan Unilever

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

Portfolio

As at 31 March 2024

Company	Industry	Valuation 2024 £'000	Total assets 2024 %
ICICI Bank	Financials	36,682	8.1
HDFC Bank	Financials	25,250	5.6
Bharti Airtel	Communication Services	25,234	5.6
Infosys	Information Technology	22,465	4.9
Power Grid Corporation of India	Utilities	21,141	4.7
Ultratech Cement	Materials	20,845	4.6
SBI Life Insurance	Financials	18,720	4.1
Aegis Logistics	Energy	17,484	3.8
Tata Consultancy Services	Information Technology	17,202	3.8
Hindustan Unilever	Consumer Staples	17,098	3.8
Ten largest investments		222,121	49.0

Ten largest investments		222,121	49.0
Prestige Estates Projects	Real Estate	16,710	3.7
Godrej Properties	Real Estate	14,415	3.2
Axis Bank	Financials	13,997	3.1
Mahindra & Mahindra	Consumer Discretionary	13,737	3.1
Maruti Suzuki India	Consumer Discretionary	11,445	2.5
Titan	Consumer Discretionary	11,076	2.5
KEI Industries	Industrials	10,789	2.4
ABB India	Industrials	10,566	2.3
PB Fintech	Financials	10,514	2.3
Cholamandalam Investment and Finance	Financials	9,633	2.1
Top twenty investments		345,003	76.2
Nestlé India	Consumer Staples	9,425	2.1
J.B. Chemicals & Pharmaceuticals	Healthcare	9,290	2.0
Vijaya Diagnostic Centre	Healthcare	8,960	2.0
KFIN Technologies	Financials	7,889	1.7
Tata Consumer Products	Consumer Staples	7,755	1.7
Siemens	Industrials	7,473	1.6
Pidilite Industries	Materials	7,265	1.6
Havells India	Industrials	7,118	1.6
Fortis Healthcare	Healthcare	6,899	1.5
Hindalco Industries	Materials	6,693	1.5
Top thirty investments		423,770	93.5
Aptus Value Housing Finance	Financials	6,547	1.5
Info Edge	Communication Services	5,528	1.2
APAR Industries	Industrials	5,436	1.2
Container Corporation of India	Industrials	5,431	1.2
Affle India	Communication Services	4,427	1.0
Syngene International	Healthcare	4,404	1.0
Coromandel International	Materials	3,008	0.7
Phoenix Mills	Real Estate	2,485	0.5
UNO Minda	Consumer Discretionary	2,476	0.5
Coforge	Information Technology	2,110	0.5
Top forty investments		465,622	102.8
Global Health India	Healthcare	167	-
Total investments		465,789	102.8
Net liabilities (before deducting prior charges)[A]		(12,782)	(2.8)
Total assets[A,B]		453,007	100.0

[A] Excluding loan balances

[B] Including net liabilities.

Unless otherwise stated, investments are in common stock.

Sector Analysis

Sector Breakdown	Percentage
As at 31 March 2024	
Financials	27.7
Industrials	10.1
Information Technology	9.0
Consumer Discretionary	8.3
Materials	8.1
Communication Services	7.5
Consumer Staples	7.4

Real Estate	7.2
Healthcare	6.4
Utilities	4.5
Energy	3.8
	100.0

Directors' Report

The Directors present their Report and the audited Financial Statements of the Company for the year ended 31 March 2024, 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 above.

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 2024. The Company intends to manage its affairs so that its shares will be qualifying investments for the stocks and shares component of an Individual Savings Account ("ISA").

Capital Structure

During the year ended 31 March 2024 the Company bought back into treasury 3,702,011 (2023 - 2,127,206) Ordinary shares. This was equivalent to 6.6% of the Company's issued share capital (excluding treasury shares) at 1 April 2023 (2022 - 3.7%). As at 31 March 2024, the Company's issued share capital consisted of 52,107,910 Ordinary shares (2023 - 55,809,921 Ordinary shares) with voting rights, each share holding one voting right in the event of a poll, and an additional 6,962,230 (2023 - 3,260,219) Ordinary shares in treasury, with no voting rights or entitlement to receive dividends. Between 1 April 2024 and 13 June 2024 as the latest practicable date prior to approval of this Report, an additional 564,198 Ordinary shares were bought back resulting in the Company's issued share capital consisting of 51,543,712 Ordinary shares and an additional 7,526,428 shares in treasury.

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

Manager and Company Secretaries

The Company has appointed the Manager as its alternative investment fund manager, to provide investment management, risk management, promotional activities and administration and company secretarial services to the Company. The Company's portfolio is managed by the Investment Manager by way of a group delegation agreement in place between the Manager and Investment Manager. In addition, the Manager has sub-delegated administrative and secretarial services to abrdn Holdings Limited and promotional activities to abrdn Investments Limited.

Under the terms of the management agreement ("MA"), with effect from 1 April 2023, annual investment management fees are calculated as 0.8% of the Company's net assets up to £300m and 0.6% of net assets above £300m.

Until 31 March 2023, annual investment management fees were calculated and charged on the same basis as above, other than the rate was 0.85% of the Company's net assets up to £350m and 0.70% of net assets above £350m.

There is a rebate for any fees received in respect of any investments by the Company in investment vehicles managed by abrdn. The MA is terminable by either party on not less than six months' notice. In the event of termination on less than the agreed notice period, compensation is payable to the Manager in lieu of the unexpired notice period.

The fees, and other expenses, payable to abrdn during the year ended 31 March 2024 are disclosed in Notes 4 and 5 to the Financial Statements. The investment management fees are chargeable 100% to revenue.

Corporate Governance

The Company is committed to high standards of corporate governance and its Statement of Corporate Governance is set out below.

Directors

The Board consisted of a non-executive Chairman and three non-executive Directors, all of whom served throughout the year under review. The Senior Independent Director was David Simpson, the Chairman of the Audit Committee was Andrew Robson and the Chairman of the Management Engagement Committee was Rebecca Donaldson.

Board Diversity

The Board recognises the importance of having a range of skilled, experienced individuals with the right knowledge represented on the Board in order to allow it to fulfil its obligations. The Board also recognises the benefits and is supportive of the principle of diversity in its recruitment of new Board members. The Board will not display any bias for age, gender, race, sexual orientation, religion, ethnic or national origins, socio-economic background or disability in considering the appointment of its Directors.

The Board will continue to ensure that all appointments are made on the basis of merit against the specification prepared for each appointment. In doing so, the Board will take account of the three targets set out in the FCA's Listing Rules, which are set out in the tables below.

The Board has resolved that the Company's year end date is the most appropriate date for disclosure purposes. The following information has been provided by each Director through the completion of questionnaires. There have been no changes since the year end as at the date of approval of this Report.

Table for reporting on gender as at 31 March 2024

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, Chair and SID	Number in executive management	Percentage of executive management
Men	3	75%	2		
Women	1	25% (note 1)	-	n/a (note 3)	n/a (note 3)
Not specified/prefer not to say	-	-	-		

Table for reporting on ethnic background as at 31 March 2024

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, Chair and SID	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	4	100%	100%		
Minority ethnic	-	0% (note 2)		n/a (note 3)	n/a (note 3)
Not specified/prefer not to say	-	0%	-		

1. Does not meet the target that at least 40% of Directors are women as set out in FCA Lising Rule R 9.8.6R (9)(a)(i)
2. Does not meet the target that at least one Director is from a minority ethnic background as set out in FCA Listing Rule 9.8.6R (9)(a)(iii)
3. This column is not applicable as the Company is externally managed and does not have any executive staff, specifically it has neither a CEO nor CFO. The Company considers that the roles of Chairman of the Board, Senior Independent Director and Chairs of the Board Committees are senior board positions. Rebecca Donaldson chairs the Management Engagement Committee and therefore the Board considers that, accordingly, the Company effectively meets the requirement that at least one of the senior board positions is held by a woman.

As shown in the above tables, the Company has not as yet met the targets set out in the FCA's Listing Rules 9.8.6R (9)(a)(i) and LR 9.8.6R (9)(a)(iii). The Board considers its normal size of four Directors to be appropriate for an investment trust, and retirement of each Director at the AGM following the ninth anniversary of their appointment to be an appropriate individual tenure.

While the targets for diversity are inevitably more challenging to achieve for a smaller board with infrequent appointment opportunities, the Board is fully supportive of the principles behind the targets and these will be carefully considered in all future appointments. The biographical details of the Directors are included on the Company's website and the most recent Board appointment was in August 2022.

Chairman and Senior Independent Directors

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

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

The names, biographies and contribution of each of the Directors are shown on the Company's website 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.

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

The Board as a whole believes that each Director remains independent of the Manager 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 Directors attended scheduled Board and Committee meetings during the year ended 31 March 2024 as follows (with their eligibility to attend the relevant meeting in brackets):

Director	Board and Committee Meetings	Audit Committee Meetings	Management Engagement Committee Meetings	Nomination Committee Meetings
Michael Hughes	7 (7)	3 (3)	1 (1)	2 (2)
David Simpson	7 (7)	3 (3)	1 (1)	2 (2)
Andrew Robson	7 (7)	3 (3)	1 (1)	2 (2)
Rebecca Donaldson	7 (7)	3 (3)	1 (1)	2 (2)

The Board has adopted a policy that all Directors, including the Chairman, shall not serve for more than nine years from the

The Board has adopted a policy that all Directors, including the Chairman, shall not serve for more than nine years from the date of their initial date of appointment as a Director of the Company unless in relation to exceptional circumstances.

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

Directors' Insurances and Indemnities

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

Management of Conflicts of Interest and Anti-Bribery Policy

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

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

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

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

Board Committees

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

Audit Committee

The Audit Committee's Report may be found below.

Management Engagement Committee

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

The Committee is responsible for reviewing matters concerning the management agreement which exists between the Company and the Manager together with the promotional activities programme operated by the Manager to which the Company contributes. The terms and conditions of the Manager's appointment, including an evaluation of performance and fees, are reviewed annually and were last considered at the meeting of the Committee in November 2023.

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

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

Nomination Committee

The Board has established a Nomination Committee, comprising all of the Directors, which was chaired by Michael Hughes during the year. The Committee is responsible for undertaking an annual evaluation of the Board as well as longer term succession planning and, when appropriate, oversight of appointments to the Board.

The Company engaged Lintstock Ltd, an independent external service provider which has no other connection to the Company, to undertake a board evaluation in March 2024. Assisted by Lintstock Ltd, the Board assessed that it had in place the appropriate balance of skills, experience, length of service and knowledge of the Company, while also recognising the advantages of diversity. David Simpson, as the Senior Independent Director, provided feedback to the Chairman.

As the Company has no employees and the Board is comprised wholly of non-executive directors and, given the size and nature of the Company, the Board has not established a separate remuneration committee and Directors' fees are determined by the Nomination Committee.

Accountability and Audit

The responsibilities of the Directors and the Auditor, in connection with the financial statements, appear below and in the report of the Auditor in the Annual Report.

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

The Directors review, as applicable, the level of non-audit services provided by the Auditor, together with the Auditor's procedures in connection with the provision of such services. No non-audit services were provided by the auditor during the year or to the date of this Report. The Directors remain satisfied that the Auditor is objective and independent.

Going Concern

In accordance with the Financial Reporting Council's guidance on Going Concern and Liquidity Risk, the Directors have reviewed the Company's ability to continue as a going concern. The Company's assets consist substantially of a portfolio of quoted securities which in most circumstances are realisable within a short timescale. The Directors are mindful of the principal risks and uncertainties disclosed above and the financial risks in Note 17 to the financial statements and have reviewed income forecasts detailing revenue and expenses for at least 12 months from the date of this Report. 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.

In August 2022, the Company entered into a three-year, £30 million revolving credit facility (the "Facility") with Royal Bank of Scotland International Limited (London Branch), part of NatWest Group plc, of which £26 million was drawn down at 31 March 2024 (2023 - £30 million). The Board has set limits for borrowing and regularly reviews the level of any gearing and compliance with banking covenants. In advance of expiry of the Facility in 2025, the Company will enter negotiations with its bankers. If acceptable terms are available from the existing bankers, or any alternative, the Company would expect to continue to access a facility. However, should these terms not be forthcoming, any outstanding borrowing would be repaid through the proceeds of equity sales.

The results of stress testing prepared by the Manager, which models a sharp decline in market levels and income, demonstrated that the Company had the ability to raise sufficient funds so as to both pay expenses and remain within its debt covenants, and to continue to meet its liabilities as they fall due for at least 12 months from the date of this Report.

Responsible Investment

The Board is aware of its duty to act in the interests of the Company. The Board acknowledges that there are risks associated with investment in companies which fail to conduct business in a socially responsible manner. Responsibility for actively monitoring the sustainability investing activities of portfolio companies has been delegated by the Board to the Manager which has sub-delegated that authority to the Investment Manager. Further information may be found at: www.abrdn.com/en-gb/seeing-things-differently

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, abrdnnewindia.co.uk, or via the abrdn's Customer Services Department. The Company responds to letters from shareholders on a wide range of issues.

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

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

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

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

Substantial Interests

The Company had been notified of the following share interests above 3% in the Company as at 31 March 2024:

Shareholder	Number of shares held	% held
City of London Investment Management	7,188,048	13.8
Lazard Asset Management	6,999,713	13.4
Clients of Interactive Investor (execution only)	5,554,376	10.7
Clients of abrdn	5,157,120	9.9
Clients of Hargreaves Lansdown (execution only)	4,215,017	8.1
Allspring Global Investments	3,139,451	6.0
1607 Capital Partners	2,137,877	4.1

The above interests at 31 March 2024 were unchanged at the date of approval of this Report other than in relation to clients of abrdn, which advised the Company on 19 April 2024 of a holding of 5,188,120 shares, equivalent to 10.0% of the Company's shares in issue (excluding treasury shares) and City of London Investment Management, which advised the Company on 28 May 2024 of a holding of 7,232,938 shares, equivalent to 14.0% of the Company's shares in issue (excluding treasury shares).

Annual General Meeting

The AGM will be held on 20 September 2024 and the Notice of AGM and related notes may be found in the Annual Report. Resolutions relating to the following items will be proposed at the AGM as special business.

Share Repurchases (Resolution 8)

At the AGM held on 27 September 2023, shareholders approved the renewal of the authority for the Company to repurchase its Ordinary shares.

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

Renewal of the authority to buy back shares is sought at the AGM as the Board considers that this mechanism has assisted in lowering the volatility of the discount reflected in the Company's share price and is also accretive, in NAV terms, for continuing shareholders. Special resolution 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 as at 13 June 2024, being the nearest practicable date to the approval of this Report (equivalent to approximately 7.7 million Ordinary shares). Such authority will expire on the date of the AGM in 2025 or on 30 September 2025, whichever is earlier. This means in effect that the authority will have to be renewed at the next AGM, or earlier, if the authority has been exhausted.

Issue of Shares (Resolutions 9 and 10)

Ordinary resolution 9 in the Notice of AGM will, if passed, renew the authority to allot unissued share capital up to an aggregate of 10%, equivalent to approximately 5.1 million Ordinary shares, of the Company's existing issued share capital, excluding treasury shares, as at 13 June 2024, being the nearest practicable date to the approval of this Report). Such authority will expire on the date of the AGM in 2025 or on 30 September 2025, whichever is earlier, which means that the authority will have to be renewed at the next AGM or, earlier, if the authority has been exhausted.

When shares are to be allotted for cash, the Companies Act 2006 (the "Act") provides that existing shareholders have pre-emption rights and that the new shares must be offered first to such shareholders in proportion to their existing holding of shares. However, shareholders can, by Special resolution, authorise the Directors to allot shares otherwise than by a pro rata issue to existing shareholders. Special resolution 10 will, if passed, give the Directors power to allot for cash equity securities up to 10% (equivalent to approximately 5.1 million Ordinary shares), of the Company's existing issued share capital as at the date of 13 June 2024, being the latest practicable date prior 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 AGM in 2025 or on 30 September 2025, whichever is earlier, which means that the authority will have to be renewed at the next AGM or, earlier, if the authority has been exhausted. This authority will not be used in connection with a rights issue by the Company.

The Directors intend to use the authorities given by resolutions 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.

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 NAV per share. It is also the intention of the Board that sales from treasury would only take place when the Board believes that to do so would assist in the provision of liquidity to the market.

Recommendation

The Board considers all of the Resolutions to be put to shareholders at the AGM to be in the best interests of the Company and its members as a whole and are likely to promote the success of the Company for the benefit of its members as a whole. Accordingly, the Board unanimously recommends that shareholders should vote in favour of the resolutions to be proposed at the Annual General Meeting, as they intend to do in respect of their own shareholdings, amounting to 20,446 Ordinary shares.

Additional Information

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

The Company is not aware of any significant agreements to which it is a party, apart from the management agreement, that take effect, alter or terminate upon a change of control of the Company following a takeover. Other than the management agreement with the Manager, the Company is not aware of any contractual or other agreements which are essential to its business which might reasonably be expected to have to been disclosed in the Directors' Report.

The financial risk management objectives and policies arising from its financial instruments and the exposure of the Company to risk are disclosed in Note 17 to the Financial Statements.

Michael Hughes,
Chairman
13 June 2024

Statement of Corporate Governance

abrdn New India Investment Trust plc (the "Company") is committed to high standards of corporate governance. The Board is accountable to the Company's shareholders for good governance and this statement describes how the Company has applied the principles identified in the UK Corporate Governance Code as published in July 2018 (the "UK Code"), which is available on the Financial Reporting Council's (the "FRC") website: frc.org.uk and is applicable for the Company's Year.

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

The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the FRC, provides more relevant information to shareholders.

FRC, provides more relevant information to shareholders.

The Board confirms that, during the year ended 31 March 2024, the Company has complied with the provisions of the AIC Code, and the relevant provisions of the UK Code, except for those provisions relating to:

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

Further information on how the Company has applied the AIC Code, the UK Code, the Companies Act 2006 and the FCA's DTR 7.2.6 can be found in the Annual Report as follows:

- the composition and operation of the Board and its Committees are detailed in the Directors' Report and in the Audit Committee's report;
- the Board's policy on diversity and information on Board diversity is in the Directors' Report;
- the Company's approach to internal control and risk management is included in the Audit Committee's Report;
- the contractual arrangements with the Manager and details of the annual assessment of the Manager may be found in the Directors' Report
- the Company's capital structure and voting rights are summarised in the Directors' Report;
- the substantial interests disclosed in the Company's shares are listed in the Directors' Report;
- the rules concerning the appointment and replacement of Directors are contained in the Company's Articles of Association and are summarised in the Directors' Report. There are no agreements between the Company and its Directors concerning compensation for loss of office; and
- the powers to issue or buy back the Company's ordinary shares, which are sought annually, and any amendments to the Company's Articles of Association require a special resolution (75% majority) to be passed by shareholders and information on these resolutions may be found in the Directors' Report.

Michael Hughes,
Chairman
13 June 2024

Audit Committee's Report

The Audit Committee presents its Report for the year ended 31 March 2024.

Committee Composition

The Directors have appointed an Audit Committee (the "Committee") consisting of the whole Board, which was chaired by Andrew Robson throughout the year.

The other members of the Committee consider that it is appropriate for the Chairman of the Board to be a member of, but not chair, the Committee. The Chairman of the Board possesses significant financial experience which the other Committee members consider to be valuable. The Board is small and, if the Chairman of the Board were to be excluded, the Committee would comprise only three Directors which may lead to quorum issues if decisions are required at short notice. In addition, the other Committee members are satisfied that there is no conflict of interest arising and value the input of the Chairman of the Board to the Committee's deliberations.

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

Role of the Audit Committee

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

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

In summary, the Committee's main functions are:

- to review and monitor the internal control systems and risk management systems (including review of non-financial risks) on which the Company is reliant;
- to consider annually whether there is a need for the Company to have its own internal audit function;
- to review and monitor the integrity of the half-yearly report and annual financial statements of the Company;
- to review, and report to the Board on, the significant financial reporting issues and judgements made in connection with the preparation of the Company's financial statements, half-yearly reports, announcements and related formal statements;
- to review the content of the Annual Report and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;
- to meet with the Auditor to review their proposed audit programme of work and the findings of the Auditor. The Committee shall also use this as an opportunity to assess the effectiveness of the audit process;
- to develop and implement policy on the engagement of the Auditor to supply non-audit services. During the year under

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

Activities during the Year

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

Review of Internal Controls Systems and Risk Management

The Board is ultimately responsible for the Company's system of internal control and risk management and for reviewing its effectiveness. The Committee confirms that there is a robust process for identifying, evaluating and managing the Company's significant business and operational risks, that it was in place for the year ended 31 March 2024 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 in the Strategic Report.

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

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

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

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

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

The Committee has considered the need for an internal audit function but, due to the delegation of certain business functions to the Manager, has decided to place reliance on abrdn's systems and internal audit procedures, including the ISAE3402 Report, a global assurance standard for reporting on internal controls for service organisations, commissioned by the Manager's immediate parent company, abrdn. At its May 2024 meeting, the Committee carried out an annual assessment of risk management and internal controls for the year ended 31 March 2024 by considering documentation from the Manager, including the internal audit and compliance functions, and taking account of events since 31 March 2024.

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 Committee 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.

Significant Financial Reporting Issues addressed

During its review of the Company's financial statements for the year ended 31 March 2024, the Committee identified one potentially significant financial reporting risk facing the Company which is unchanged from the prior year, namely valuation and existence of investments, as well as several additional risks, which also reflected the Auditor's assessment of the principal financial statement risks affecting the Company as part of the Auditor's planning and reporting of the year end audit.

Valuation and Existence of Investments

The valuation of investments is undertaken in accordance with the accounting policies, disclosed in Notes 2(a) and 2(g) to the financial statements. With reference to the IFRS 13 fair value hierarchy, all of the Company's investments at 31 March 2024 were categorised as Level 1 as they are considered liquid and quoted in active markets. The portfolio is reviewed and verified by the Manager on a regular basis and management accounts including a full portfolio listing are prepared each month and circulated to the Board. BNP Paribas Trust Corporation UK Limited (the "Depositary") has been appointed as depositary to safeguard the assets of the Company. The Depositary checks the consistency and accuracy of its records on a monthly basis and reports its findings to the Manager. Separately, the investment portfolio is reconciled regularly by the Manager.

Other issues addressed

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

In addition the Committee conducted its annual review of the Auditor (see below) and oversaw the transition to a new senior statutory auditor. The Committee also reviewed and discussed with the Manager and Auditor, certain issues in relation to the calculation of Indian capital gains tax.

Review of Auditor

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

- Independence - the Auditor discusses with the Committee, at least annually, the steps it takes to ensure its independence and objectivity and makes the Committee aware of any potential issues, explaining all relevant safeguards;
- Quality of audit work - including the ability to resolve issues in a timely manner (identified issues are satisfactorily and promptly resolved), its communications/presentation of outputs (the explanation of the audit plan, any deviations from it and the subsequent audit findings are comprehensive and comprehensible), and working relationship with management (the Auditor has an effective working relationship with the Manager). The Committee was satisfied that the Independent Auditor demonstrated an appropriate level of scepticism of the Manager's judgement - an example was the interpretation of Indian capital gains tax legislation, where the Manager had pursed a prudent approach; and
- Quality of people and service - including continuity and succession plans (the audit team is made up of sufficient, suitably experienced staff with provision made for knowledge of the investment trust sector and retention on rotation of the senior statutory auditor).

Tenure and Reappointment of KPMG LLP as Auditor

KPMG has expressed its willingness to be reappointed auditor to the Company. Resolution 7, which is to be put to shareholders at the forthcoming AGM, proposes the reappointment of KPMG as Independent Auditor of the Company, and also seeks authorisation for the Directors to fix KPMG's remuneration for the year to 31 March 2025.

Listed companies are required to tender the external audit at least every ten years and change audit firm at least every twenty years. The Committee last undertook an audit tender process in 2016 when KPMG LLP was appointed as auditor in respect of financial years ended on or after 31 March 2017. The Company is required to tender the external audit no later than for the year ending 31 March 2027. In accordance with professional and regulatory standards, the audit director responsible for the audit is rotated at least every five years in order to protect independence and objectivity and to provide fresh challenge to the business. The year ended 31 March 2024 is the first year for which Carla Cassidy has served as the senior statutory auditor.

Andrew Robson
Chairman of the Audit Committee
13 June 2024

Directors' Remuneration Report

This Directors' Remuneration Report comprises three parts:

1. a Remuneration Policy, which is subject to a binding shareholder vote every three years - was most recently approved by shareholders at the AGM on 27 September 2023 where the votes for the relevant resolution, on a poll, were: For - 32,556,121 votes (99.8%); Against - 55,148 votes (0.2%); and Withheld - 28,130 votes. The Remuneration Policy will be put to shareholders again at the AGM in 2026;
2. an annual Implementation Report, which is subject to an advisory vote; and
3. an Annual Statement.

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

The Directors' Remuneration Policy and level of Directors' remuneration are determined by the Nomination Committee, which was chaired by Michael Hughes throughout the year, and comprises all of the Directors. The Remuneration Policy is reviewed by the Nomination Committee on an annual basis.

Remuneration Policy

The Board's policy is that the remuneration of non-executive Directors should be sufficient to attract Directors of the quality required to run the Company successfully. The remuneration should also reflect the nature of the Directors' duties, responsibilities and the value of their time spent and be fair and comparable to that of other investment trusts that are similar in size and have a similar capital structures and investment objectives.

Appointment

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

Directors are entitled to reimbursement of out-of-pocket expenses incurred in connection with the performance of their duties, including travel expenses.

· The Company indemnifies its Directors for all costs, charges, losses, expenses and liabilities which may be incurred in the discharge of their duties.

Performance, Service Contracts, Compensation and Loss of Office

· The Directors' remuneration is not subject to any performance-related fee.

· No Director has a service contract.

· No Director was interested in contracts with the Company during the period or subsequently.

· The terms of appointment provide that a Director may be removed without notice.

· Compensation will not be due upon leaving office.

· No Director is entitled to any other monetary payment or to any assets of the Company.

Statement of Voting at General Meeting

At the Company's last AGM, held on 27 September 2023, shareholders approved the Directors' Remuneration Report (other than the Directors' Remuneration Policy) in respect of the year ended 31 March 2023 and the following proxy votes were received on the Resolution: For - 32,556,143 votes (99.8%); Against - 55,146 votes (0.2%); and Withheld - 28,109 votes.

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

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

The Directors' Remuneration Policy was approved by shareholders at the AGM on 27 September 2023.

Implementation Report

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

Review of Directors' Fees

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

Year ended	31 March 2024 £	31 March 2023 £
Chairman	40,000	38,000
Chairman of Audit Committee	34,500	33,000
Director	30,000	29,000

The Nomination Committee carried out a review of Directors' annual fees during the year and concluded that there should be no change for the year to 31 March 2025. There are no further fees to disclose as the Company has no employees, chief executive or executive directors.

Spend on Pay

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

Company Performance

During the year the Board carried out a review of investment performance. The graph shows the share price total return (assuming all dividends are reinvested) to Ordinary shareholders compared to the total return from the Benchmark for the ten-year period to 31 March 2024 (rebased to 100 at 31 March 2014). This Benchmark was selected for comparison purposes as it is used by the Board for investment performance measurement.

Fees Payable (Audited)

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

Director	Year ended 31 March 2024 £	Year ended 31 March 2023 £
Michael Hughes [A]	40,000	33,803
David Simpson	30,000	29,000
Andrew Robson [B]	34,500	21,355
Rebecca Donaldson	30,000	29,000
Hasan Askari [C]	n/a	19,036
Stephen White [C]	n/a	16,317
Total	134,500	148,511

[A] Appointed as Chairman on 28 September 2022.

[B] Appointed as a Director on 1 August 2022 and Chairman of the Audit Committee on September 2022.

[C] Retired as a Director on 28 September 2022.

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 above.

referred to in the table above.

Directors' Interests in the Company (Audited)

The Directors are not required to have a shareholding in the Company. The Directors (including their connected persons) at 31 March 2024 and 31 March 2023 had no interest in the share capital of the Company other than those interests, all of which are beneficial, in the table below, which were also unchanged as at the date of this Report:

	31 March 2024 Ord. 25p	31 March 2023 Ord. 25p
Michael Hughes	8,115	8,115
David Simpson	3,860	3,860
Andrew Robson	4,000	4,000
Rebecca Donaldson	4,471	4,471

Annual Percentage Change in Directors 'Remuneration (Audited)

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

	Year ended 31 March 2024 %	Year ended 31 March 2023 %	Year ended 31 March 2022 %	Year ended 31 March 2021 %
Michael Hughes [A]	18.3	22.9	1.9	1.9
David Simpson [B]	3.4	153.1	n/a	n/a
Andrew Robson [C]	61.6	n/a	n/a	n/a
Rebecca Donaldson [D]	3.5	5.5	74.6	n/a
Hasan Askari [E]	n/a	-47.8	1.4	1.4
Stephen White [E]	n/a	-46.5	1.7	1.7
Rachel Beagles [F]	n/a	n/a	n/a	-51.0

[A] Appointed as a Director on 7 September 2026 and Chairman on 28 September 2022.

[B] Appointed as a Director on 1 November 2021 and Senior Independent Director on 28 September 2022.

[C] Appointed as a Director on 1 August 2022 and Chairman of the Audit Committee on 28 September 2022.

[D] Appointed as a Director on 1 September 2020.

[E] Retired as a Director on 28 September 2022.

[F] Retired as a Director on 23 September 2020.

Annual Statement

On behalf of the Board and in accordance with Part 2 of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, the Board confirms that the above Report on Remuneration Policy and Remuneration Implementation summarises, as applicable, for the year ended 31 March 2024:

- 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.

Michael Hughes,
Chairman
13 June 2024

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

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK-adopted international accounting standards and applicable law.

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

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

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

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

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

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

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

We confirm that to the best of our knowledge:

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

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

For and on behalf of the Board
Michael Hughes,
Chairman
13 June 2024

Statement of Comprehensive Income

		Year ended 31 March 2024			Year ended 31 March 2023		
	Notes	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Income							
Income from investments	3	4,722	-	4,722	5,725	302	6,027
Interest	3	181	-	181	96	-	96
Gains/(losses) on investments held at fair value through profit or loss	10(a)	-	106,805	106,805	-	(35,669)	(35,669)
Currency losses		-	(403)	(403)	-	(432)	(432)
		4,903	106,402	111,305	5,821	(35,799)	(29,978)
Expenses							
Investment management fees	4	(2,964)	-	(2,964)	(3,284)	-	(3,284)
Administrative expenses	5	(957)	-	(957)	(1,028)	-	(1,028)
		(3,921)	-	(3,921)	(4,312)	-	(4,312)
Profit/(loss) before finance costs and taxation		982	106,402	107,384	1,509	(35,799)	(34,290)
Finance costs	6	(2,544)	-	(2,544)	(1,309)	-	(1,309)
(Loss)/profit before taxation		(1,562)	106,402	104,840	200	(35,799)	(35,599)
Taxation	7	(472)	(13,346)	(13,818)	(537)	1,870	1,333
(Loss)/profit for the year		(2,034)	93,056	91,022	(337)	(33,929)	(34,266)
(Loss)/return per Ordinary share (pence)	9	(3.77)	172.62	168.85	(0.59)	(59.41)	(60.00)

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

All of the (loss)/profit and total comprehensive income is attributable to the equity holders of the Company. There are no non-controlling interests.

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

All items in the above statement derive from continuing operations.

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

Statement of Financial Position

	Notes	As at 31 March 2024 £'000	As at 31 March 2023 £'000
Non-current assets			
Investments held at fair value through profit or loss	10	465,789	391,371
Current assets			
Cash at bank		6,452	7,178
Other receivables	11	2,403	3,715
		8,855	10,893
Current liabilities			
Bank loan	12(a)	(25,953)	(29,918)
Other payables	12(b)	(2,231)	(3,279)
		(28,184)	(33,197)
Net current liabilities		(19,329)	(22,304)
Non-current liabilities			
Deferred tax liability on Indian capital gains	13	(19,406)	(11,148)
Net assets		427,054	357,919
Share capital and reserves			
Ordinary share capital	14	14,768	14,768
Share premium account		25,406	25,406
Capital redemption reserve		4,484	4,484
Capital reserve		384,824	313,655
Revenue reserve		(2,428)	(394)
Equity shareholders' funds		427,054	357,919
Net asset value per Ordinary share (pence)	16	819.56	641.32

The financial statements were approved by the Board of Directors and authorised for issue on 13 June 2024 and were signed on its behalf by:

Michael Hughes
Chairman

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

Statement of Changes in Equity

Year ended 31 March 2024

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 April 2023	14,768	25,406	4,484	313,655	(394)	357,919
Net gain/(loss) after taxation	-	-	-	93,056	(2,034)	91,022
Buyback of share capital to treasury	-	-	-	(21,887)	-	(21,887)
Balance at 31 March 2024	14,768	25,406	4,484	384,824	(2,428)	427,054

Year ended 31 March 2023

	Share capital	Share premium account	Special reserve	Capital redemption reserve	Capital reserve	Revenue reserve	Total

	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2022	14,768	25,406	9,932	4,484	349,462	(57)	403,995
Net loss after taxation	-	-	-	-	(33,929)	(337)	(34,266)
Buyback of share capital to treasury	-	-	(9,932)	-	(1,878)	-	(11,810)
Balance at 31 March 2023	14,768	25,406	-	4,484	313,655	(394)	357,919

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

Statement of Cash Flows

	Notes	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
Cash flows from operating activities			
Dividend income received		4,722	4,817
Interest income received		(4)	(16)
Investment management fee paid		(3,203)	(3,057)
Other cash (expenses)/receipts		(970)	692
Cash inflow from operations		545	2,436
Interest paid		(2,248)	(1,189)
Net cash (outflow)/inflow from operating activities		(1,703)	1,247
Cash flows from investing activities			
Purchases of investments		(96,207)	(100,451)
Sales of investments		128,508	109,314
Indian capital gains tax paid on sales		(5,088)	(678)
Net cash inflow from investing activities		27,213	8,185
Cash flows from financing activities			
Buyback of shares		(21,792)	(11,489)
Repayment of loan		(4,000)	-
Costs associated with loan		(41)	(105)
Net cash outflow from financing activities		(25,833)	(11,594)
Net decrease in cash and cash equivalents		(323)	(2,162)
Cash and cash equivalents at the start of the year		7,178	9,772
Effect of foreign exchange rate changes		(403)	(432)
Cash and cash equivalents at the end of the year	17	6,452	7,178

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

Notes to the Financial Statements

For the year ended 31 March 2024

1. Principal activity

The principal activity of the Company is that of an investment trust company within the meaning of Section 1158 of the Corporation Tax Act 2010 ("s1158").

2. Accounting policies

(a) Basis of preparation. The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with UK-adopted international accounting standards ("IFRS"). The Company adopted all of the IFRS which took effect during the year.

The financial statements have also been prepared in accordance with the Companies Act 2006 and the Statement of Recommended Practice (SORP), "Financial Statements of Investment Trust Companies and Venture Capital Trusts," issued in July 2022.

The Directors have reviewed the Company's ability to continue as a going concern. The Company's assets consist substantially of a portfolio of quoted securities which in most circumstances are realisable within a short timescale. The Directors are mindful of the principal risks and uncertainties disclosed in the Strategic Report and the financial risks disclosed in Note 17 to the financial statements and have reviewed cashflow forecasts detailing revenue and expenses for at least 12 months from the date of this Report. Accordingly, the Directors believe that the Company has adequate financial resources to continue in operational existence for at least 12 months from the date of this Report.

In August 2022, the Company entered into a three-year, £30 million revolving credit facility (the "Facility") with Royal Bank of Scotland International Limited (London Branch), part of NatWest Group plc, of which £26m was drawn down at 31 March 2024 (2023 - £30m). The Board has set limits for borrowing and regularly reviews the level of any gearing and compliance with banking covenants.

The results of stress testing prepared by the Manager, which models a sharp decline in market levels and income, demonstrated that the Company has the ability to raise sufficient funds so as to both pay expenses and remain within its debt covenants.

Having taken these factors into account, the Directors believe that the Company has adequate resources to continue in operational existence and has the ability to meet its financial obligations as they fall due for a period of at least twelve months from the date of approval of this Report. For these reasons, the Company continues to adopt the going concern basis of accounting in preparing the financial statements.

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

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

New and amended accounting standards and interpretations. The Company applied certain Standards and Amendments, which are effective for annual periods beginning on or after 1 January 2023. The adoption of these Standards and Amendments did not have a material impact on the financial results of the Company. The nature is described below:

- IAS 1 Amendments (Disclosure of Accounting Policies)

- IAS 8 Amendments (Definition of Accounting Estimates)

- IAS 12 Amendments (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)

- IAS 12 Amendments (Deferred Tax and OECD Pillar 2 Taxes)

At the date of authorisation of these financial statements, the following amendments to Standards and Interpretations were assessed to be relevant and are all effective for annual periods beginning on or after 1 January 2024 and thereafter;

- IAS 1 Amendments (Classification of Liabilities as Current or Non-Current)

- IAS 1 Amendments (Disclosure of Non-current Liabilities with Covenants)

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

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

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

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

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

- expenses which are incidental to the acquisition or disposal of an investment are charged to the capital column of the Statement of Comprehensive Income and separately identified and disclosed in note 10 (b); and
- expenses are charged to the capital column of the Statement of Comprehensive Income where a connection with the maintenance or enhancement of the value of the investments can be demonstrated.

(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 taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

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

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

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

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

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

(h) Cash and cash equivalents. Cash comprises cash in hand and at banks and short-term deposits. Cash equivalents are short-term, highly-liquid investments that are readily convertible to known amounts of cash, and that are subject to an insignificant risk of changes in value.

(i) Other receivables. The Company has adopted the classification and measurement provisions of IFRS 9 'Financial Instruments' as other receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. As such they are measured at amortised cost. Other receivables held by the Company do not carry any interest, they have been assessed as not having any expected credit losses over their lifetime due to their short-term nature and low credit risk.

(j) Other payables. The Company has adopted the classification and measurement provisions of IFRS 9 'Financial Instruments'. Other payables are non-interest bearing and are stated at amortised cost.

(k) Borrowings. Bank loans are initially recognised at cost, being the fair value of the consideration received, net of any issue expenses. Subsequently, they are measured at amortised cost using the effective interest method. Finance charges are accounted for on an accruals basis using the effective interest rate method and are charged 100% to revenue.

(l) Nature and purpose of reserves

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

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

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

Capital reserve. This reserve reflects any gains or losses on investments realised in the period along with any increases and decreases in the fair value of investments held that have been recognised in the Statement of Comprehensive Income. The part of this reserve represented by realised capital gains is available for distribution by way of dividend. Subsequent to the special reserve being extinguished, the capital reserve has been used to fund the share buy-backs by the Company.

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 is distributable by way of dividend.

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

3. Income

	2024 £'000	2023 £'000
Income from investments		
Overseas dividends	4,722	6,027
Overseas dividends	4,722	6,027
Other income		
Deposit interest	172	93
Other interest	9	3
	181	96

Total income	4,903	6,123

4. Investment management fees

	2024 £'000	2023 £'000
Investment management fees	2,964	3,284

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

During the year, the management fee was payable monthly in arrears and was based on an annual amount of 0.8% up to £300 million and 0.6% thereafter of the Company's net assets (2023 - based on an amount of 0.85% up to £350 million and 0.7% thereafter of the Company's net assets), valued monthly. The management agreement is terminable by either the Company or the Manager on six months' notice. The amount payable in respect of the Company for the year was £2,964,000 (2023 - £3,284,000) and the balance due to the Manager at the year end was £520,000 (2023 - £759,000). All investment management fees are charged 100% to the revenue column of the Statement of Comprehensive Income.

5. Administrative expenses

	2024 £'000	2023 £'000
Directors' fees	135	148
Promotional activities	190	176
Auditor's remuneration:		
- fees payable for the audit of the Company's annual financial statements	70	60
Legal and advisory fees	59	68
Custodian and overseas agents' charges	319	311
Depositary fees	39	40
Other	145	225
	957	1,028

The Manager supports the Company with promotional activities through its participation in the abrdn Investment Trust Share Plan and ISA. The total fees paid and payable under the agreement during the year were £190,000 (2023 - £176,000) and £98,000 (2023 - £46,000) was due to the Manager at the year end.

The only fees paid to KPMG LLP by the Company are the audit fees of £70,000 (2023 - £60,000). The amounts disclosed above for Auditor's remuneration are all shown net of VAT.

6. Finance costs

	2024 £'000	2023 £'000
In relation to bank loans	2,544	1,309

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

7. Taxation

		2024			2023		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(a)	Analysis of charge for the year						
	Indian capital gains tax charge on sales	-	5,088	5,088	-	936	936
	Under provision of Indian capital gains tax charged on sales for prior year	-	-	-	-	577	577
	Overseas taxation	472	-	472	537	-	537
	Total current tax charge for the year	472	5,088	5,560	537	1,513	2,050
	Movement in deferred tax liability on Indian capital gains	-	8,258	8,258	-	(3,383)	(3,383)
	Total tax charge/(credit) for the year	472	13,346	13,818	537	(1,870)	(1,333)

The Company is liable to Indian capital gains tax under Section 115 AD of the Indian Income Tax Act 1961. The Company has recognised a deferred tax liability of £19,406,000 (2023 - £11,148,000) on capital gains which may arise if Indian investments are sold.

On 1 April 2020, the Indian Government withdrew an exemption from withholding tax on dividend income. Dividends are received net of 20% withholding tax and an excess charge of 4%. A further surcharge of either 2% or 5% is applied if the receipt exceeds a certain threshold. Of this total charge, 10% of the withholding tax is irrecoverable with the remainder being offset against the deferred tax liability on Indian capital gains in the first instance where there are capital gains during the year or if not then it is shown in the Statement of Financial Position as an asset due for reclaim.

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

	2024			2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(Loss)/profit before tax	(1,562)	106,402	104,840	200	(35,799)	(35,599)
UK corporation tax on profit at the standard rate of 25% (2023 - 19%)	(391)	26,601	26,210	38	(6,802)	(6,764)
Effects of:						
(Gains)/losses on investments held at fair value through profit or loss not taxable not subject to UK corporation tax	-	(26,702)	(26,702)	-	6,720	6,720
Currency losses not taxable	-	101	101	-	82	82
Deferred tax not recognised in respect of tax losses	1,474	-	1,474	1,047	-	1,047
Corporate interest restriction	93	-	93	-	-	-
Expenses not deductible for tax purposes	4	-	4	3	-	3
Indian capital gains tax charged on sales	-	5,088	5,088	-	936	936
Under provision of Indian capital gains tax charged on sales for prior year	-	-	-	-	577	577
Movement in deferred tax liability on Indian capital gains	-	8,258	8,258	-	(3,383)	(3,383)
Irrecoverable overseas withholding tax	472	-	472	537	-	537
Non-taxable dividend income	(1,180)	-	(1,180)	(1,088)	-	(1,088)
Total tax charge/(credit)	472	13,346	13,818	537	(1,870)	(1,333)

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(c) At 31 March 2024, the Company had surplus management expenses and loan relationship debits of £39,202,000 (2023 - £33,305,000) with a tax value of £9,801,000 (2023 - £8,326,000) based on enacted tax rates, in respect of which a deferred tax asset has not been recognised. No deferred tax asset has been recognised because the Company is not expected to generate taxable income in the future in excess of the deductible expenses of those future periods. Therefore, it is unlikely that the Company will generate future taxable revenue that would enable the existing tax losses to be utilised.

8. Ordinary dividends on equity shares

After the payment of operational expenses, there was no revenue available for distribution by way of dividend for the year ended 31 March 2024 (2023 - £nil).

9. (Loss)/return per Ordinary share

	2024			2023		
	Revenue	Capital	Total	Revenue	Capital	Total
Net (loss)/profit for the year (£'000)	(2,034)	93,056	91,022	(337)	(33,929)	(34,266)
Weighted average number of Ordinary shares in issue			53,907,480			57,105,465
(Loss)/return per Ordinary share (pence)	(3.77)	172.62	168.85	(0.59)	(59.41)	(60.00)

10. Investments held at fair value through profit or loss

(a) Valuation	2024 £'000	2023 £'000
Opening book cost	296,380	293,858
Opening investment holdings fair value gains	94,991	146,023
Opening valuation	391,371	439,881
Movements in the year:		
Purchases	95,183	99,528
Sales - proceeds	(127,570)	(112,369)
Gains/(losses) on investments	106,805	(35,669)
Closing valuation	465,789	391,371

	2024 £'000	2023 £'000
Closing book cost	302,906	296,380
Closing investment holdings fair value gains	162,883	94,991
Closing valuation	465,789	391,371

The Company generated £127,570,000 (2023 - £112,369,000) from investments sold in the period. The book cost of these investments when they were purchased was £88,658,000 (2023 - £97,005,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

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

	2024 £'000	2023 £'000
Purchases	165	166
Sales	178	173
	343	339

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

11. Other receivables

	2024 £'000	2023 £'000
Amounts due from brokers	2,328	3,266
Recoverable tax on Indian dividends	-	393
Prepayments and accrued income	75	56
	2,403	3,715

None of the above amounts are past their due date or impaired (2023 - nil).

16. Net asset value per Ordinary share

The net asset value per Ordinary share is based on a net asset value of £427,054,000 (2023 - £357,919,000) and on 52,107,910 (2023 - 55,809,921) Ordinary shares, being the number of Ordinary shares in issue at the year end, excluding shares held in treasury.

17. Financial instruments

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

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

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

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

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

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

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

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

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

At 31 March 2024	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Assets				
Sterling	-	3.69	-	6,032
US Dollars	-	-	-	8
Indian Rupee	-	-	-	412
			-	6,452

	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Liabilities				
Bank loan - £26,000,000	0.17	8.79	25,953	-

At 31 March 2023	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Assets				
Sterling	-	3.18	-	7,139
US Dollars	-	-	-	8
Indian Rupee	-	-	-	31
			-	7,178

	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Liabilities				
Bank loan - £30,000,000	0.16	3.43	29,918	-

The weighted average interest rate is based on the current yield of each asset, weighted by its market value. The weighted average interest rate on bank loans is based on the interest rate payable, weighted by the total value of the loans. The maturity date of the Company's loans is shown in note 12.

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

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

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

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

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

If interest rates had been 100 basis points higher or lower (based on current parameter used by Manager's Investment Risk Department on risk assessment) and all other variables were held constant, the Company's revenue return for the year ended 31 March 2024 would have decreased/increased by £182,000 (2023 - decrease/increase £199,000). This is mainly attributable to the Company's exposure to interest rates on its floating rate cash balances and bank loans. These figures have been calculated based on cash positions and bank loans at each year end.

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

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

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

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

Foreign currency exposure by currency of denomination:

	2024			2023		
	Overseas investments £'000	Net monetary assets £'000	Total currency exposure £'000	Overseas investments £'000	Net monetary assets £'000	Total currency exposure £'000
US Dollar	-	8	8	5,474	8	5,482
Indian Rupee	465,789	2,711	468,500	385,897	31	385,928
	465,789	2,719	468,508	391,371	39	391,410

Foreign currency sensitivity. The following tables show the impact to a 10% increase and a 10% decrease in Sterling against the foreign currency in which the Company has exposure.

If Sterling were to strengthen by 10%, there would be following impact;

	2024 Equity[A] £'000	2023 Equity[A] £'000
US Dollar	(1)	(498)
Indian Rupee	(42,591)	(35,287)
	(42,592)	(35,785)

If Sterling were to weaken by 10%, there would be following impact;

	2024 EquityA £'000	2023 Equity[A] £'000
US Dollar	1	609
Indian Rupee	52,056	43,129
	52,057	43,738

[A] Represents equity exposure to relevant currencies.

The prior year comparatives have been updated to reflect the current year presentation.

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 act to reduce market risk. The Manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review investment strategy. The investments held by the Company are all listed on the Bombay (Mumbai) Stock Exchange and/or The Indian National Stock Exchange.

Price risk sensitivity. If market prices at the Statement of Financial Position date had been 15% higher or lower (which the Directors consider to be a reasonable potential change in market prices) while all other variables remained constant, the return attributable to Ordinary shareholders for the year ended 31 March 2024 would have increased /(decreased) by £69,868,000 (2023 - increased/(decreased) by £58,706,000) and capital reserves would have increased /(decreased) by the same amount.

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

Management of the risk. The Board imposes borrowing limits to ensure gearing levels are appropriate to market conditions and reviews these on a regular basis. Borrowings comprise a £30 million revolving multi-currency credit facility, which expires on 5 August 2025. Other payables are settled within one year. Details of borrowings and other payables at 31 March 2024 are shown in note 12.

Liquidity risk is not considered to be significant as the Company's assets comprise mainly readily realisable securities, which can be sold to meet funding commitments if necessary. Short-term flexibility is achieved through the use of the loan facility, details of which can be found in note 12. Details of the Board's policy on gearing are shown in the interest rate risk section of this note.

Liquidity risk exposure. The Company has a £30 million uncommitted multicurrency revolving loan facility, of which £26,000,000 (2023 - £30,000,000) was drawn down at the year end. Other payables amounted to £2,231,000 (2023 - £3,279,000).

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

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

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

None of the Company's financial assets are secured by collateral or other credit enhancements (2023 - none).

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

	2024		2023	
	Statement of Financial Position £'000	Maximum Exposure £'000	Statement of Financial Position £'000	Maximum Exposure £'000
Current assets				
Loans and receivables	2,403	2,403	3,715	3,715
Cash at bank and in hand	6,452	6,452	7,178	7,178
	8,855	8,855	10,893	10,893

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

None of the Company's financial assets are past due or impaired (2023 - none).

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

	2024 £'000	2023 £'000
Bank loan	25,953	29,918

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

The fair value and the carrying value of the bank loan in the Statement of Financial Position are the same at £25,953,000 as at 31 March 2024 (2023 - £29,918,000) due to its short-term nature.

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

18. Capital management policies and procedures

The Company's capital management objectives are:

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

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

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

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

19. Fair value hierarchy

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

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

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

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

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

The financial assets and liabilities measured at fair value in the Statement of Financial Position are grouped into the fair value hierarchy at the Statement of Financial Position date are as follows:

As at 31 March 2024	Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	465,789	-	-	465,789
Net fair value		465,789	-	-	465,789

As at 31 March 2023	Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	391,371	-	-	391,371
Net fair value		391,371	-	-	391,371

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

20. Controlling party

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

21. Related party transactions

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

22. Transactions with the Manager

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

23. Subsequent events

Subsequent to the year end, the Company's NAV has increased as a result of an increase in stockmarket values of the portfolio investments. At the date of this Report the latest unaudited NAV per share was 935.74p as at the close of business on 12 June 2024, an increase of 14.2% compared the NAV per share of 819.56p at the year end.

Alternative Performance Measures

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

Adjusted net asset value per Ordinary share[A]

This performance measure is used to provide a like for like comparison with the Company's Benchmark for the purposes of the potential five-yearly performance-related conditional tender offer announced on 24 March 2022, which was first in effect from 1 April 2022 and is therefore not applicable to earlier reporting periods. Further details on the conditional tender may be found in the Chairman's Statement.

	2024	2023
Net assets attributable (£'000)	427,054	357,919
Accumulated Indian CGT charge since 1 April 2022 (£'000)	11,476	(1,870)
Net assets attributable excluding Indian CGT charge (£'000)	438,530	356,049
Number of Ordinary shares in issue	52,107,910	55,809,921
Adjusted net asset value per Ordinary share[A]	841.58p	637.97p

[A] Adjusted NAV is the Company's NAV after adding back all Indian capital gains tax paid or accrued since 1 April 2022 in respect of realised and unrealised gains made on investments.

Discount to net asset value per Ordinary share

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

		2024	2023
NAV per Ordinary share	a	819.56p	641.32p
Share price	b	652.00p	512.00p
Discount	(a-b)/a	20.4%	20.2%

Net gearing

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

		2024	2023
Borrowings (£'000)	a	25,953	29,918
Cash (£'000)	b	6,452	7,178
Amounts due to brokers (£'000)	c	482	1,418
Amounts due from brokers (£'000)	d	2,328	3,266
Shareholders' funds (£'000)	e	427,054	357,919
Net gearing	(a-b+c-d)/e	4.1%	5.8%

Ongoing charges ratio

The ongoing charges ratio has been calculated in accordance with guidance issued by the AIC as the total of investment management fees and administrative expenses are expressed as a percentage of the average net asset values with debt at par value throughout the year.

	2024	2023
Investment management fees (£'000)	2,964	3,284
Administrative expenses (£'000)	957	1,028
Less: non-recurring charges[A] (£'000)	-	(27)
Ongoing charges (£'000)	3,921	4,285
Average net assets (£'000)	391,393	394,420
Ongoing charges ratio	1.00%	1.09%

[A] Professional fees unlikely to recur.

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

Total return

NAV and share price total returns show how the NAV and share price has performed over a period of time in percentage terms, taking into account both capital returns and dividends paid to shareholders. Share price and NAV total returns are monitored against open-ended and closed-ended competitors, and the Benchmark, respectively. Adjusted NAV is the Company's NAV after adding back all Indian capital gains tax paid or accrued since 1 April 2022 in respect of realised or unrealised gains made on investments.

Year ended 31 March 2024		NAV	Adjusted NAV	Share Price
Opening at 1 April 2023	a	641.32p	637.97p	512.00p
Closing at 31 March 2024	b	819.56p	841.58p	652.00p
Price movements	c=(b/a)-1	27.8%	31.9%	27.3%
Dividend reinvestment[A]	d	N/A	N/A	N/A
Total return	c+d	+27.8%	+31.9%	+27.3%

Year ended 31 March 2023		NAV	Adjusted NAV	Share Price
Opening at 1 April 2022	a	697.30p	697.30p	562.00p
Closing at 31 March 2023	b	641.32p	637.97p	512.00p
Price movements	c=(b/a)-1	-8.0%	-8.5%	-8.9%
Dividend reinvestment[A]	d	N/A	N/A	N/A

Total return	c+d	-8.0%	-8.5%	-8.9%

Two years ended 31 March 2024		NAV	Adjusted NAV	Share Price
Opening at 1 April 2022	a	697.30p	697.30p	562.00p
Closing at 31 March 2024	b	819.56p	841.58p	652.00p
Price movements	c=(b/a)-1	+17.5%	+20.7%	+16.0%
Dividend reinvestment[A]	d	N/A	N/A	N/A
Total return	c+d	+17.5%	+20.7%	+16.0%

[A] NAV total return involves investing the net dividend in the NAV of the Company with debt at par value on the date on which that dividend goes ex-dividend. Share price total return involves reinvesting the net dividend in the share price of the Company on the date on which that dividend goes ex-dividend.

The financial information set out above does not constitute the Company's statutory accounts for the years ended 31 March 2024 or 2023 but is derived from those accounts. Statutory accounts for 2023 have been delivered to the registrar of companies. The auditor has reported on those accounts; their reports were (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The statutory accounts for the financial year ended 31 March 2024 have been approved by the Board and audited and will be filed with the Registrar of Companies in due course.

The Company's AGM will be held at 18 Bishops Square, London E1 6EG at 12.30pm on Friday 20 September 2024.

The Annual Report will be posted to shareholders in July 2024. Further copies may be ordered from the Manager's website: www.invtrusts.co.uk.

On behalf of the Board
abrdn Holdings Limited
Secretaries

13 June 2024

END