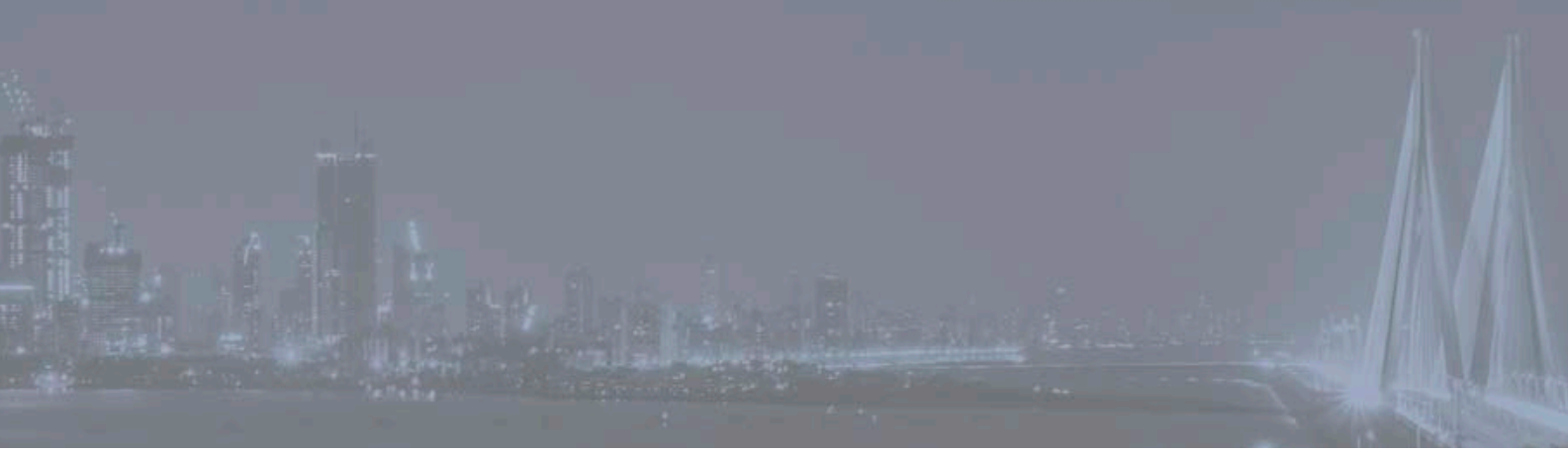


ASHOKA INDIA EQUITY INVESTMENT TRUST PLC

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR FROM 1 JULY 2019 TO 30 JUNE 2020

Contents

Investment Objective, Financial Information and Performance Summary

Investment Objective

The investment objective of the Ashoka India Equity Investment Trust plc (the "Company") is to achieve long-term capital appreciation, mainly through investments in securities listed in India and listed securities of companies with a significant presence in India.

Financial information

	As at 30 June 2020	As at 30 June 2019
Net asset value ("NAV") per Ordinary Share (cum income)	104.1p	108.8p
Ordinary Share price	98.5p	109.0p
Ordinary Share price (discount)/premium to NAV[1]	(5.4%)	0.2%
Net assets	£70.5million	£54.5 million

Performance summary

	30 June 2020 % change[2,3]	30 June 2019 % change[2,3]
Share price total return per Ordinary Share[1]	(9.6%)	9.0%
NAV total return per Ordinary Share[1]	(4.3%)	11.0%
MSCI India IMI Index	(16.0%)	10.1%

1 These are Alternative Performance Measures.
2 Total returns in Sterling for the year/period ended 30 June 2020 and 2019.
3 Source: Bloomberg

Alternative Performance Measures ("APMs")

The disclosures as indicated in the footnote above represent the Company's APMs. Definitions of these APMs and other performance measures used by the Company, together with how these measures have been calculated, can be found on page 70.

Chairman's Statement

I am pleased to present the second annual results of Ashoka India Equity Investment Trust plc for the period to 30 June 2020. Tragically, this occurs against a backdrop of the whole world coping with the challenge of how to deal with the COVID-19 virus. Global action in mitigation has been unprecedented and suspended normal life for almost everyone as the world went into lockdown. As we take steps towards regaining some normality in our daily lives, my fellow Directors and I sincerely hope that you and your families have remained well in these difficult circumstances.

From a pragmatic perspective, I can assure all Shareholders that the Company's portfolio has continued to be actively managed throughout this period with contingency plans being successfully introduced at an early stage by both Acorn Asset Management Ltd, the Investment Manager, and by Praxis IFM Fund Services (UK) Limited, the Company's Administrator and Secretary. In addition, steps have been taken to ensure the continued efficient operation of all service providers to the Company, including the registrar, depositary, custodian, auditor and corporate adviser.

Moreover, the Board convened an additional three times between scheduled meetings from March onwards with attendance by the Investment Manager, Company Secretary and Corporate Adviser. The holding of these formal meetings provided the Board with the level of assurance required and, I hope, gives you further confidence that all matters were being attended to during a testing period for everyone.

Performance

It is gratifying to report that, for the second year running, the Company comfortably outperformed both its benchmark and the listed closed-ended fund peer group. Whilst the Company's Net Asset Value (NAV) decreased slightly in the period under review, it reflected a good performance by the Investment Manager during a most difficult time for world stock markets. The NAV total return fell by 4.3% during the year under review against a fall of 16.0% by the MSCI India IMI Index, the Company's benchmark. As you will read in the Investment Manager's report that follows, this out-performance of 11.7% was again due to strong stock selection across the market and by staying true to the principles of disciplined risk management leading to investment in great businesses at attractive valuations. The Company's share price stood at 98.5p at the year end, a 5.4% discount to NAV. As at 24 September, the latest realistic date before publication of this Report, the share price stood at 113.75p.

Share Issuance

The Company responded to further demand from Shareholders to issue new shares, at a small premium to the prevailing net asset value. In total, 17,525,414 new Ordinary Shares were issued during the year under review. There were 67,648,500 Ordinary Shares in issue at the year end.

Revenue and Dividends

The Company's principal objective is to provide returns through long-term capital appreciation, with income being a secondary consideration. Therefore, Shareholders should not expect that the Company will pay an annual dividend, under normal circumstances. Whilst the portfolio does generate a small amount of income, this is used to defray running costs. However, if a sufficient surplus is generated, the Company may declare an annual dividend to maintain UK investment trust status. In the year under review, total surplus income amounted to £14,000. No dividend has been declared.

Redemption Facility

The Company has a redemption facility through which Shareholders will be entitled to request the redemption of all or part of their holding of Ordinary Shares on an annual basis. The Redemption Point for the Ordinary Shares will be 30 September 2020. Given the volatility in world markets during the second half of the period under review, it is pleasing that, as announced on 3 September 2020, the total number of ordinary shares in respect of which valid redemption requests were received for this Redemption Point was only 367,616.

Annual General Meeting

The Company will hold its Annual General Meeting on 9 December 2020. However, current UK emergency measures mean that this will be a closed meeting and Shareholders will be unable to attend in person. I would therefore strongly encourage Shareholders to vote instead by proxy. Full details of the Annual General Meeting, the resolutions proposed and how to vote by proxy are described in the Notice of Meeting and supporting explanatory notes on pages 76 to 83. If Shareholders have questions they wish the Board to answer, they are encouraged to email ASHOKACOSEC@PraxisIFM.com. These questions will receive replies as soon as practicable after the AGM.

Outlook

Stock markets around the world have remained remarkably buoyant in 2020 given the existence of the COVID-19 virus for much of the year to date. Following an understandable fall in March, they have recovered much of their losses. This, in part, has been down to an appreciation that the global economy was effectively closed not by a systemic failure but through voluntary action taken by governments and thus, it is to be hoped, recovery in economic activity and growth can occur relatively quickly. Stock markets always anticipate events but there can be little doubt that life will be different. Technology has proved that people can work from home far more effectively and productively than was traditionally believed to be possible and that consumer buying habits have changed astonishingly quickly, as seen with the increase in on-line purchases. Companies that adapt their business models accordingly are likely to be the winners in the future.

The Investment Manager's report that follows goes into some detail of the type of portfolio companies that have performed well and also those that have done less well. In line with most world economies, the Indian Government has implemented several rounds of economic stimulus aimed at supporting vulnerable categories of businesses and people. In addition, support has come in the shape of interest rate cuts and liquidity events. The Investment Manager also refers to agricultural reforms that, if implemented, could dramatically transform India's agricultural economy.

Perhaps understandably, given the immense population of India, there is growing belief that the "solution" to COVID-19 will be achieved through herd immunity, unless a vaccine becomes available. The notion of another total lockdown – one of the world's most severe early in the crisis – is increasingly discounted. India's remains a vibrant economy and, whilst it was showing signs of slowing pre-virus, there are many reasons to be cautiously optimistic. India is well placed – perhaps uniquely - to increase its share of global manufacturing as other countries seek to diversify their supply chains and it is to be expected that your Investment Manager will concentrate its attention on companies that will benefit accordingly.

In the expectation that life will find a way, India remains an attractive, long-term investment case. The Board's confidence in the Investment Manager's ability to deliver outperformance and avoid many of the pitfalls associated with investment in a developing market remains undiminished.

Andrew Watkins
Chairman
25 September 2020

Market Review

The MSCI India Investable Market Index (MSCI India IMI) was down 16.0% this year, underperforming global, developed, and emerging markets. The S&P 500 has returned (in GBP) +9.6%, MSCI World +5.5%, and the MSCI Emerging Markets was down 0.9%. Crude oil prices declined by 36.6% and the Indian rupee depreciated by 5.8% during the year. Among sectors, communication services and healthcare outperformed whilst industrials and financials underperformed.

Performance Review

The Company has delivered a sterling NAV total return of -4.3% during the year, outperforming the benchmark MSCI India IMI by 11.7%.

Overall, despite the recent turbulent environment, the portfolio has held up well as the stock market has rewarded companies delivering growth with resilience and we anticipate this continuing to be a feature of future returns.

Major contributors to performance

Contributors	Ending Weight (%)	Total Return (%)	Contribution to Return (bps)
Muthoot Finance Limited	2.1	63.3	207
Navin Fluorine International Limited	3.3	117.7	201
Nestle India Limited	6.2	39.1	177
HDFC Asset Management Co Limited	1.0	17.5	123
Cipla Limited	3.2	53.2	117

Muthoot Finance is India's dominant gold loan finance company with a pan-India presence consisting of more than 5,100 branches. It has a secured book of loans collateralized by gold at a comfortable LTV (loan to value) of 70% at origination. The highly liquid nature of the collateral, and the fact that it always remains in Muthoot's possession, has resulted in negligible credit costs through cycles historically. The company's stock has done well during the year given healthy operating performance, excellent asset liability management and sustained strong performance in subsidiaries.

Navin Fluorine is a specialty chemicals company, specialising in fluorine chemistry. It is present across the fluorine value chain starting from inorganic fluorides to speciality chemicals and contract research and manufacturing services ("CRAMS"). The company, under its new leadership, is embarking on aggressive expansion plans with incremental capital being deployed in higher ROCE segments like specialty chemicals and CRAMS. Additionally, the increasing use of fluorine in new pharma and agro-chem molecules provides strong visibility for long term growth. The company announced its first long-term multi-million-dollar deal this year, and we believe there are opportunities for similar deals in the near to medium term future.

Nestle India, a subsidiary of the Switzerland based parent Nestle S.A, is India's largest packaged food products company. With marquee brands like Maggi, KitKat, Nescafe, Cerelac and Nan in its portfolio, it is a market leader in most of the categories that it operates in. Under the leadership of its new CEO, Suresh Narayanan, it has significantly increased focus on volume growth driven by new product development and distribution. It has launched more than 40 products in various categories over the past two years following a cluster-based approach to enhance distribution. We expect Nestle to continue to deliver strong performance led by increasing penetration and new product introductions.

Major detractors to performance

Detractors	Ending Weight (%)	Total Return (%)	Contribution to Return (bps)
Bajaj Finance Limited	1.3	-27.3	-356
Bajaj Finserv Limited	4.6	-35.4	-344
Axis Bank Limited	0.8	-52.6	-190
L&T Technology Services Limited	2.7	-29.9	-174
Intellect Design Arena Limited	0.7	-60.4	-126

Bajaj Finance is India's leading consumer lending franchise. Leveraging its industry leading technology deployment, it straddles across consumer, SME, commercial, rural and mortgage segments. In consumer, it primarily caters to mass affluent customers. It has steadily grown at rates higher than that of its peers (well managed retail focused private banks and Non-Banking Financial Companies ('NBFCs') included), while maintaining stellar asset quality. Concerns around growth rates and credit costs due to the disruptions caused by COVID-19 have led to a decline in the stock price during the year.

We continue to remain invested in the business with a reduced position size.

Bajaj Finserv is a leading diversified financial services firm that owns three businesses: consumer lending NBFC, general insurance (BAGIC), and life insurance (BALIC). The consumer lending NBFC, Bajaj Finance, is an industry leading franchise (discussed above) and drives approximately half the value of Bajaj Finserv. The general insurance business (BAGIC) is the second largest and the most profitable private general insurance company in India. The general insurance industry in India is still significantly underpenetrated and leading private general insurers have consistently gained market share from weaker public sector general insurance companies over the past decade. The company has consistently delivered peer leading combined ratios and RoEs. BAGIC has a structural multi-decade opportunity for profitable growth driven by increasing penetration, newer product adoptions and continued market share gains led by superior execution. The life insurance business (BALIC) is relatively small but continues to see improvement in growth and profitability parameters and has the potential to scale up multi-fold over time.

We continue to remain invested in the business and the position size has been largely maintained.

Axis bank is the third largest private sector bank in India with industry leading CASA (current and saving accounts) metrics and one of the lowest cost of funds across private Indian banks, demonstrating the strength of its retail liability franchise. It benefits from the large opportunity for financial inclusion in India, coupled with a structural shift of market share from public sector to private sector banks. The bank underwent a leadership change in early 2019. The new leadership brought in renewed focus, restructured the top management, strengthened credit underwriting and risk functions and put the bank on a path to deliver strong performance over the coming years. The stock price declined during the year due to concerns around potentially increased credit losses in the wake of a worsening economic environment as a result of the pandemic.

We continue to remain invested in the business with a trimmed position size.

Investment Outlook

The past six months have witnessed one of the most volatile markets in at least a decade. A precipitous decline in March was followed by a sharp recovery during the second quarter not only in India but globally.

India underwent one of the most stringent nationwide lockdowns in the months of March and April. During May these restrictions were gradually relaxed due to the severe impact on India's economy. Subsequently, June saw further major relaxations of restrictions. A gradual normalisation of economic activity is currently underway in most of the country. At the same time, we now live with the sobering reality that the number of infections is steadily rising, with India having the second largest case count following the US. As is the case globally, the government and policymakers continue to face a difficult choice between lives and livelihoods.

Over the last three months, the COVID-19 pandemic has morphed from being an unknown unknown to a known unknown; from being an unknowable risk factor that took the world by surprise to one that we are now aware of but don't fully understand yet. With each passing day the world is learning more about the virus. COVID-19 has proven to be far more contagious than initially thought, affecting an ever-increasing number of people across hemispheres. However, mortality rates seem to be lower than previously feared, partly aided by an increased understanding of the disease and of the several ways to mitigate its impact on those affected.

By now it is generally agreed that the actual case count of infections might be far higher than the reported numbers in most countries. We believe India is no exception. There are a set of numbers and projections based on reported case counts, hospitalisations, recoveries, mortality, and their past and projected growth rates. On the other hand, there is a certain absolute reality of all these parameters and their trends that could be widely different from the reported numbers.

The uncertainty is still too high to have any reasonable degree of confidence on how things are likely to evolve over the next 12-18 months. In our loosely defined base case scenario, we believe either herd immunity will be achieved in India in the next 6-12 months or a vaccine would become widely available and administered in the latter part of next year. We do not expect a re-imposition of any large-scale lockdowns as these failed to effectively contain the spread even as they aggravated economic hardships.

Under such base case scenarios, it is possible that the Indian economy contracts mid-single digits and corporate earnings may further decline during the current year, broadly in line with consensus.

The Indian government announced several rounds of economic stimulus amounting to circa 2% of GDP, primarily aimed at providing income support to vulnerable segments of the population and addressing survival needs of small businesses. The Central Bank simultaneously stepped in with large liquidity infusions and multiple interest rate cuts. India's benchmark policy rate stands at 4.0%, down 115 bps since the outbreak of COVID-19.

In addition, the government announced several initiatives to garner a greater share of global manufacturing as corporates around the world look to diversify their supply chain beyond China. This can further accelerate the growth trends in manufacturing industries such as consumer durables, electronics, and speciality chemicals amongst others.

Unlike most other emerging markets, India benefits from the fall in oil prices, given that it imports over 80% of its requirements. At current levels, with Brent crude prices of around $40/bbl, India is expected to save approximately US$30 billion annually, and consequently the Current Account Deficit (CAD) is expected to turn positive. The fiscal deficit is expected to inch up to 7.1% in 2021 from 4.5% in 2020, largely on account of revenue shortfalls and a smaller denominator effect due to GDP contraction. However, a low external debt to GDP and over $500 billion of forex reserves are supportive of a stable macroeconomic environment.

Despite the uncertainty, several companies were able to raise large sums of capital from the equity markets. Collectively, Reliance ($22 billion), HUL ($3.4 billion), Kotak Bank ($2 billion) and Bharti Airtel ($1 billion) have seen over $25 billion of transactions.

Another development was Moody's downgrade of India's sovereign rating by a notch to Baa3, bringing it at par with S&P and Fitch which are both rated BBB-. Empirical evidence suggests no observed historical correlation between a country's sovereign rating downgrade and subsequent equity market returns or investment flows.

In geo-political developments, tensions escalated between Indian and Chinese troops along the northern border with several casualties on both sides even without any shots being fired. As we write this, the situation appears to be de-escalating after several rounds of high-level talks on a roadmap to disengagement.

In continuation of its reform agenda over the years, the government has announced some major agricultural and labour reforms. The agricultural reforms entail substantial deregulation of production, supply, distribution, and prices for agricultural commodities, in essence liberalising India's agricultural markets that have long been shackled by regulations that hitherto remained untouched due to political sensitivity. If implemented as announced, this reform will go a long way in transforming India's agricultural economy.

Our investment philosophy of seeking compelling combinations of great businesses at attractive valuations with strong portfolio risk management has placed us in good stead in the current environment. For the most part, our portfolio comprises of industry leaders, dominant players or companies that are gaining market share in their respective industries on the back of strong execution. These businesses typically have superior returns on invested capital, robust cash flow generation, and resultantly strong balance sheets. We place great credence on the resilience of their operating models and ability to quickly adapt and thrive in the altered paradigm caused by COVID-19. During a crisis, when weaker competitors may struggle to survive, we expect our companies to emerge stronger through it.

In closing, we remain cautiously optimistic and continue to believe that the structural growth drivers of the Indian economy are deep rooted and, near-term challenges notwithstanding, India presents an attractive long-term investment opportunity.

Acorn Asset Management Ltd
25 September 2020

Top Ten Holdings

As at 30 June 2020	Sector	% of net assets
HDFC Bank Limited	Financials	6.3
Nestle India Limited	Consumer Staples	6.2
Infosys Limited	Information Technology	5.6
ICICI Bank Limited	Financials	5.3
Bharti Airtel Limited	Communication Services	5.3
Asian Paints Limited	Materials	5.0
Bajaj Finserv Limited	Financials	4.6
NIIT Technologies Limited	Information Technology	4.2
Navin Fluorine International Limited	Materials	3.3
Cipla Limited	Health Care	3.2
Top ten holdings		**49.0**
Other holdings		53.4
Total holdings in companies		**102.4**
Cash and other net assets		(2.4)
Total Net assets		**100.0**

Investment Policy

The Company shall invest primarily in securities listed on any recognised stock exchange in India and securities of companies with a Significant Presence in India that are listed on stock exchanges outside India. The Company may also invest up to 10 per cent. of Gross Assets (calculated at the time of investment) in unquoted companies with a Significant Presence in India.

A company has a "Significant Presence in India" if, at the time of investment, it has its registered office or principal place of business in India, or exercises a material part of its economic activities in India.

The Company shall primarily invest in equities and equity-related securities (including preference shares, convertible unsecured loan stock, rights, warrants and other similar securities). The Company may also, in pursuance of the investment objective:

- hold publicly traded and privately placed debt instruments (including bonds, notes and debentures);
- hold cash and cash equivalents including money market liquid/debt mutual funds;
- hold equity-linked derivative instruments (including options and futures on indices and individual securities);
- hedge against directional risk using index futures and/or cash;
- hold participation notes; and
- invest in index funds, listed funds and exchange traded funds.

Notwithstanding the above, the Company does not intend to utilise derivatives or other financial instruments to take short positions, nor to increase the Company's gearing in excess of the limit set out in the borrowing policy, and any restrictions set out in this investment policy shall apply equally to exposure through derivatives.

The Company will invest no more than 15 per cent. of Gross Assets in any single holding or in the securities of any one issuer (calculated at the time of investment) and will typically invest no more than 40 per cent. of Gross Assets in any single sector (calculated at the time of investment).

The Company is not restricted to investing in the constituent companies of any benchmark. It is expected that the Company's portfolio will comprise approximately 25 to 50 investments.

In order to comply with the Listing Rules, the Company will not invest more than 10 per cent. of its Gross Assets in other listed closed-ended investment funds, except that this restriction shall not apply to investments in listed closed-ended investment funds which themselves have stated investment policies to invest no more than 15 per cent. of their gross assets in other listed closed-ended investment funds. Additionally, in any event the Company will itself not invest more than 15 per cent. of its gross assets in other investment companies or investment trusts which are listed on the Official List.

The Company does not expect to take controlling interests in investee companies and will at all times invest and manage the portfolio in a manner consistent with spreading investment risk and in accordance with the FPI Regulations and applicable law.

It is expected that the Company's investments will predominantly be exposed to non-Sterling currencies (principally Rupees) in terms of their revenues and profits. The base currency of the Company is Sterling, which creates a potential currency exposure. Whilst the Company retains the flexibility to do so, it is expected in the normal course that this potential currency exposure will not be hedged using any sort of foreign currency transactions, forward transactions or derivative instruments.

Borrowing policy

The Company may deploy gearing to seek to enhance long-term capital growth and for the purposes of capital flexibility and efficient portfolio management.

The Company may be geared through bank borrowings, the use of derivative instruments that have the effect of gearing the Company's portfolio, and any such other methods as the Board may determine. Gearing will not exceed 20 per cent. of Net Asset Value at the time of drawdown of the relevant borrowings or entering into the relevant transaction, as appropriate.

No material change will be made to the investment policy without the approval of Shareholders by ordinary resolution.

Amendment to the Company's investment policy

The Company, after discussion with the Investment Manager, determined that it would be beneficial to amend the existing Investment Policy. The change provided that the Company's portfolio would comprise of approximately 25 to 50 investments, this was previously 20 to 40 investments. Shareholder approval was not required for this amendment as these were immaterial changes. HMRC were notified of the change.

Asset allocation at period end

The breakdown of the top ten holdings and the industrial classification of the portfolio at the Company's year end are shown on page 9.

Dividend policy

The Board intend to manage the Company's affairs to achieve Shareholder returns through capital growth rather than income. Therefore, it should not be expected that the Company will pay a significant annual dividend, if any.

Regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011 provides that, subject to certain exceptions, an investment trust may not retain more than 15 per cent. of its income in respect of each accounting period. Accordingly, the Company may declare an annual dividend from time to time for the purpose of seeking to maintain its status as an investment trust.

Results and dividend

The Company's revenue after tax for the year amounted to £14,000 (30 June 2019: revenue loss of £195,000). The Company made a capital loss after tax of £3,409,000 (30 June 2019: capital profit of £5,576,000). Therefore, the total loss after tax for the Company was £3,395,000 (30 June 2019: profit of £5,381,000).

As per the amended ITC regulations by the Investment Trust (Approved Company) (Tax) (Amendment) Regulations 2013 (SI 2013/1406) which allows an investment trust with an accumulated deficit on revenue reserves brought forward, to utilise this against a revenue profit in an accounting period. As such, the Board is not proposing that a dividend be paid in respect of the year to 30 June 2020.

Key performance indicators ('KPIs')

The Board measures the Company's success in attaining its investment objective by reference to the following KPIs:

(i) Achievement of NAV and share price growth over the long term

The Board monitors both the NAV and share price performance and compares with the MSCI India IMI Index (in Sterling) and other similar investment trusts. A review of performance is undertaken at each quarterly Board meeting and the reasons for relative under and over performance against various comparators is discussed. The Company's NAV and share price total returns for the year to 30 June 2020 were -4.3% and -9.6% (30 June 2019: 11.0% and 9.0%) respectively compared to a total return of -16.0% (30 June 2019: 10.1%) for the MSCI India IMI Index (Sterling).

The Chairman's statement on page 3 incorporates a review of the highlights during the year. The Investment Manager's Report on page 5 highlights investments made during the year and how performance has been achieved.

(ii) Maintenance of a reasonable level of premium or discount of share price to NAV

The Company's Broker monitors the premium or discount on an ongoing basis and keeps the Board updated as and when appropriate. At quarterly Board meetings the Board reviews the premium or discount in the period since the previous meeting in comparison with other investment trusts with a similar mandate. The Company has a redemption facility through which Shareholders will be entitled to request the redemption of all or part of their holding of Ordinary Shares on an annual basis. The Company's shares traded at a discount of 5.4% on 30 June 2020 (30 June 2019: premium of 0.2%).

(iii) Maintenance of a reasonable level of ongoing charges

The Board receives monthly management accounts which contain analysis of expenditure and these are formally reviewed at quarterly Board meetings. The Management Engagement Committee formally review the fees payable to the Company's main service providers on an annual basis. The Board reviews the ongoing charges on a quarterly basis and considers these to be reasonable in comparison to the Company's peers.

Based on the Company's average net assets during the year ended 30 June 2020, the Company's ongoing charges figure calculated in accordance with the AIC methodology was 0.9% (30 June 2019: 1.0%).

Principal and emerging risks and uncertainties

Together with the issues discussed in the Chairman's Statement and the Investment Manager's Report, the Board considers that the principal and emerging risks and uncertainties faced by the Company fall into the following main categories:

Description	Mitigation
Market risks **Economic conditions** Changes in economic conditions in India (for example, interest rates and rates of inflation, industry conditions, competition, political and diplomatic events and other factors) and securities of companies with a significant presence in India that are listed on stock exchanges outside India, could substantially and adversely affect the Company's prospects. **Sectoral diversification** Concentration of investments in any one sector may result in greater volatility in the value of the Company's investments and consequently its NAV and may materially and adversely affect the performance of the Company and returns to Shareholders.	The Investment Manager has a proven track record of investment in Indian securities. The Company is invested in a diversified portfolio of investments. The Company's investment policy states that no single holding will represent more than 15% of the Company's Gross Assets and no more than 40% of Gross Assets will be invested in any single sector (calculated at the time of investment). The portfolio will have between 25 to 50 holdings (although there is no guarantee that this will be the case and it may contain a lesser or greater number of holdings at any time). Whilst the Company does not have a benchmark, the Board measures performance for reference purposes against the MSCI India IMI Index (in Sterling). The Board also monitors performance relative to the Company's peer group over a range of periods, taking into account the differing investment policies and objectives.
Corporate governance and internal control risks (including cyber security The Board has contractually delegated to external agencies the management of the investment portfolio, the custodial services (which include the safeguarding of the assets), the registration services and the accounting and company secretarial services. The main risk areas arising from the above contracts relate to allocation of the Company's assets by the Investment Manager, and the performance of administrative company secretarial, registration and custodial services. These could lead to various consequences including the loss of the Company's assets, inadequate returns to Shareholders and loss of investment trust status. Cyber security risks could lead to breaches of confidentiality, loss of data records and inability to make investment decisions.	Each of these contracts were entered into after full and proper consideration of the quality and cost of services offered, including the financial control systems in operation in so far as they relate to the affairs of the Company. All of the above services are subject to ongoing oversight of the Board and the performance of the principal service providers is reviewed on a regular basis. The Board monitors key personnel risks as part of its oversight of the Investment Manager. The Company's key service providers report periodically to the Board on their control procedures including those in respect of cyber security risks.

Description	Mitigation
Regulatory risks Breaches of Section 1158 of the Corporation Tax Act could result in loss of investment trust status. Loss of investment trust status would lead to the Company being subject to tax on any gains on the disposal of its investments. Breaches of the Financial Conduct Authority ("FCA")'s rules applicable to listed entities could result in financial penalties or suspension of trading of the Company's shares on the London Stock Exchange ("LSE"). Breaches of the Companies Act 2006, The Financial Services and Markets Act, The Alternative Investment Fund Managers' Directive, Accounting Standards, The General Data Protection Regulation, The Listing Rules, Disclosure Guidance Transparency Rules and Prospectus Rules could result in financial penalties or legal proceedings against the Company or its Directors. Failure of the Investment Manager to meet its regulatory obligations could have adverse consequences on the Company.	The Company has contracted out relevant services to appropriately qualified professionals. The Investment Manager and the Company Secretary report on regulatory matters to the Board on a quarterly basis. The assessment of regulatory risks forms part of the Board's risk assessment programme.
Financial risks The Company's investment activities expose it to a variety of financial risks which include foreign currency risk and interest rate risk.	The investment policy states that while the Company retains the flexibility to do so, it is expected in the normal course of business that currency exposure will not be hedged. The Company does not currently have any borrowings, therefore is not exposed to interest rate risk. The Company's financial risks are disclosed in note 15 to the financial statements.

Description	Mitigation
Emerging risks	
Climate Change Globally, climate change effects are already emerging in the form of changing weather patterns. Extreme weather events could potentially impair the operations of individual investee companies, potential investee companies, their supply chains, and their customers.	The Investment Manager takes such risks into account, along with the downside risk to any company – whether in the form of its business prospects, market valuation or sustainability of dividends – that is perceived to be making a detrimental contribution to climate change. The Company invests in a broad portfolio of businesses with operations spread geographically, which should limit the impact of location-specific weather events. The Investment Manager also closely monitors the businesses which have a greater exposure to climate change related risks and their progress towards a low-carbon transition.
Pandemic (COVID-19) The rapid spread of COVID-19 has caused governments to implement policies to restrict the gathering, interaction, or movement of people. These policies have inevitably changed the nature of the operations of some aspects of the Company, its key service providers, and the companies in which it invests. As cited under Market Risks, share prices respond to assessments of future economic activity as well as their own forecast performance and the pandemic has had a materially negative impact on the economy and will continue do so for an unpredictable period of time.	The Board and the Investment Manager have regular discussions to assess this impact on both the investment portfolio and on its ability to generate income for Shareholders. Specifically, the market and operational risks associated with the COVID-19 pandemic, and the ongoing economic impact of measures introduced to combat its spread are discussed in depth with the Investment Manager and are continually monitored by the Board. The Investment Manager and other key service providers provide regular updates on operational resilience in light of the pandemic. The Board is satisfied that the key service providers have the ability to continue their operations efficiently in a remote or virtual working environment.

Environmental, Social and Governance ("ESG") Policy

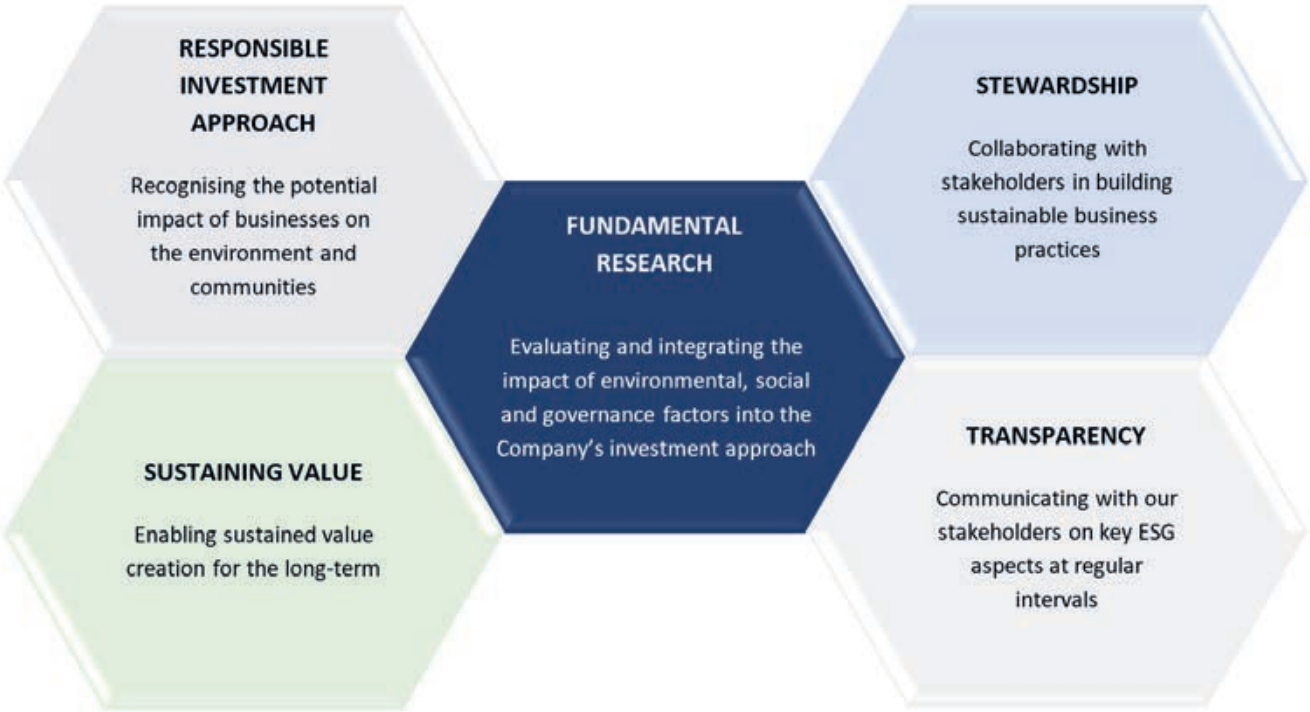
As an investment company with no employees, property or activities outside investment, environmental policy has limited application. The Company's Investment Adviser White Oak Capital Management Consultants LLP ("White Oak Capital" or the "Investment Adviser") considers various factors when evaluating potential investments, and as such the Board and the Company have adopted the Investment Adviser's ESG Policy below.

Sustainability of returns and corporate governance form an important element of the Company's investment philosophy. Thus, our investment approach naturally integrates ESG factors in our decision-making process. The Company values businesses that follow industry-leading environmental compliance practices and that demonstrate ethical business conduct and fair dealings with stakeholders. The Company believes that a sustainable investment strategy preserves long-term shareholder and stakeholder value by balancing financial and commercial analysis with sound ESG practices serving a wider community.

As part of the Company's commitment to responsible investing we are pleased that White Oak Capital is a signatory to The United Nations-backed Principles for Responsible Investment Initiative (PRI).

ESG Investment Approach

The Board and the Investment Adviser believe in a holistic sustainable framework driven by the Company's guiding principles, which helps to integrate the tenets of sustainable business practices into the investment approach:



The Company's ESG framework is designed to evaluate ESG issues through three fundamental facets: **Policy**, **Risk Management** and **Strategy**. Investee and potential investee companies are evaluated on their commitment to manage ESG issues effectively as well as integrating ESG into their risk management process and on their approach to making ESG a strategic priority.

POLICY	RISK MANAGEMENT	STRATEGY
Appropriate policies assist in shaping and defining corporate culture which is required to address pertinent issues. Investee businesses must have stated policies towards environmental protection, safeguarding social interests, and ethical business conduct.	Integrated risk management frameworks assist in the identification of potential future risks, thereby improving resilience and enabling stronger future growth and value creation. Businesses are encouraged to integrate ESG aspects in their overall risk management processes as relevant.	Investee businesses are encouraged to integrate ESG into their core business strategy, so that they factor ESG considerations into all key decisions and capitalize on growth opportunities emanating from an ESG focus.

ESG Integration and Engagement

The assessment of ESG aspects is integrated into both the investment research and valuation processes. The Investment Adviser focuses on identifying the relevant ESG aspects in each of the underlying businesses, understanding the key ESG risks, evaluating systems and controls for monitoring such ESG risks, and assessing performance against the ESG parameters. An ESG framework is applied to identifying topics relevant to the specific sectors which the Company invests in.

As part of the overall process, the perspectives of the investment analysts, management team, and third-party discussions are combined to form a holistic view of investee and potential investee companies and the issues they face. This process helps the Investment Adviser to understand the ESG data to identify relevant information and to address the key issues identified through the framework, which forms the basis of engagement with the companies we invest in on ESG topics.

Approach to Climate Change

The implications of climate change are creating rapidly changing regulations and consumer demands around the world. Mitigating climate change and reducing greenhouse gas emissions are major global challenges. Governments, businesses, and investors have a responsibility towards facilitating a transition to a climate-resilient economy.

The Investment Adviser supports the recommendations of the Task Force on Climate-related Financial Disclosures and promotes increased transparency, encourages the development of tools and methods to manage climate-related risks and opportunities and contributes to the best practices in the industry. Businesses which have a greater exposure to climate change related risks and their progress towards a low-carbon transition are closely monitored.

Company values

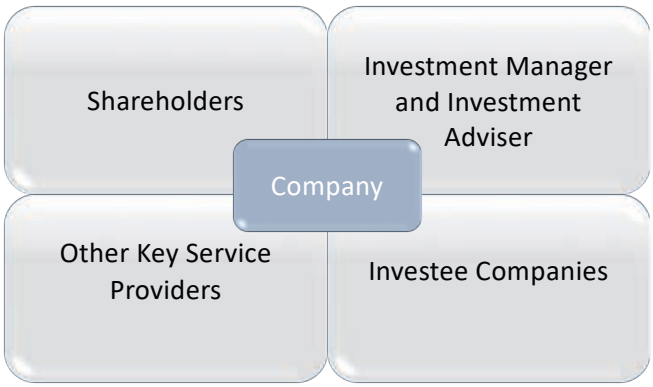
The Board has adopted a policy of fostering high standards of corporate governance in all its activities. This principle is the cornerstone of creating and preserving long term shareholder value.

Section 172 Statement

During the year ended 30 June 2020, the Board discharged its duty to promote the success of the Company for the benefit of its Shareholders as a whole and in doing so has had regard to the matters set out in section 172(1) of the Companies Act 2006 (the "Act"). The Board performed its role as outlined in the schedule of matters reserved for the Board and considered the interests of its key stakeholders.

Key stakeholders

The Company is an externally managed investment company and therefore it does not have any employees or customers in the conventional sense. As part of its work to evaluate its principal risks, the Board has identified its key stakeholders as set out in the diagram below:



The Board is cognisant of the need to foster the Company's business relationships with its key stakeholders through its stakeholder engagement activities as described below.

Stakeholder engagement

The Company's Ordinary Shares commenced trading on the London Stock Exchange ("LSE") on 6 July 2018. Since launch, the Company's Ordinary Shares have seen strong investor demand and the share price has consistently traded at a premium to net asset value. However, at 30 June 2020 the share price was trading at a discount of -5.4%, predominately as a result of the impact of COVID-19 on markets globally and India specifically. The Board is mindful that there should be an active, liquid market in the Company's shares. As a closed-ended fund listed on the Premium segment of the LSE main market, Shareholder investment should always remain liquid through the stock market. The Board recognises the importance of Shareholders being able to sell at a price that is not disadvantageous to them and the premium/discount to net asset value at which the Company's Ordinary Shares trade is continuously monitored. The Board has established a share issuance programme whereby during the year, 17,525,414 new shares have been issued by way of block listing, generating additional funds of £19.7 million.

The Company has a redemption facility through which Shareholders will, provided normal market conditions prevail, be entitled to request the redemption of all or part of their holding of Ordinary Shares on an annual basis allowing Shareholders to realise their investment. This annual redemption facility is subject to the final approval of the Board. On 3 September 2020, the Company announced that 367,616 valid redemption requests had been received at the Redemption Point (representing 0.54% of the issued share capital at that point). On 3 September 2019, the total number of Ordinary Shares in respect of which valid redemption requests were received for the first Redemption Point of 30 September 2019 was 126,431 (representing 0.23% of the issued share capital at that point).

Shareholder engagement

The Board actively promotes engagement with the Company's Shareholders through various channels. The Board encourages all Shareholders to attend and vote at the AGM; the AGM typically includes a presentation from the Investment Manager and provides an opportunity for Shareholders to engage directly with the Board and the Investment Manager. The Board maintains regular contact with Shareholders through the Investment Adviser and broker's programme of Shareholder meetings who report back to the Board on their findings, questions, or concerns for the Board's consideration.

Shareholders are also communicated with through the Company's half-yearly and annual financial reports, and other announcements which together provide Shareholders with a comprehensive insight into the Company's progress and results. Shareholders are encouraged to visit the Company's website (www.ashokaindiaequity.com) where they can find useful information and documents such as monthly factsheets, investment research, interviews with the Manager and the annual and half-yearly financial reports.

Investment Manager and Investment Adviser

The Company's business model is such that it has no employees and relies on services provided by third party service providers to manage the Company's operations. The Investment Manager and Investment Adviser are the most significant service providers to the Company and a description of their roles can be found on page 22. As permitted by the terms of the Investment Management Agreement, the Investment Manager has, with the consent of the Company, appointed the Investment Adviser, White Oak Capital Management Consultants LLP, a boutique investment advisory firm in India, to provide certain nonbinding, non-exclusive and recommendatory investment advisory services to it.

The Board receives regular reports from the Investment Adviser, discusses the portfolio at each Board meeting and maintains a constructive dialogue between meetings. A representative of the Investment Manager and the Investment Adviser attend all Board meetings. The Investment Manager's remuneration is by way of a performance fee subject to the Company delivering excess returns above the MSCI India IMI Index in the medium-term, which aligns the Investment Manager's interests with those of Shareholders. The Management Engagement Committee reviews the performance of the Investment Manager, its remuneration and discharge of its contractual obligations at least annually.

Other Key Service Providers

In ensuring the smooth operation of the Company, the Board also monitors the performance of its other service providers such as the Company's broker, Administrator, Company Secretary and custodian (details of the activities of the Management Engagement committee are outlined on page 30) and maintains regular contact through direct reports at Board meetings or through the Company Secretary.

In maintaining the Company's reputation and high standards of business conduct, the Board is provided with regular reports from the Company's broker and Company Secretary, who alert the Board to recent and forthcoming changes in regulation and market practice, as well as any likely reputational threats which, in turn, influence the Board's decision making process. The Company's approach to oversee the internal controls of each of its service providers can be found on page 32.

Investee companies

As an investment trust with no trading activity, the Company has no direct social, community, or environmental responsibilities. However, the Company does have such responsibilities through its investment portfolio. The Company is a long-term investor and the Investment Manager and Investment Advisers incorporate ESG issues into their analysis and decision-making processes. The Company's ESG Policy can be found on page 16.

Board's key decisions

The Board's key decisions on share issuances and dividend policy are disclosed on pages 26 and 11.

Conclusion

The Board is mindful of the Directors' duties as described by section 172 of the Act when deliberating all important decisions.

Exercise of voting powers and stewardship code

The Board has delegated to the Investment Manager the power to vote on behalf of the Company at shareholder meetings of investee companies. The provisions of the UK Stewardship Code do not apply to the Company as all investments are outside the United Kingdom. The Investment Manager's investment process includes research into 'corporate governance practices' of potential investee companies, 'regular' shareholder engagement and appropriately 'active' share ownership. The Investment Manager's voting policy and conflicts of interest policy are reviewed by the Board annually.

Modern slavery disclosure

Due to the nature of the Company's business, being a company that does not offer goods or services to consumers, the Board considers that it is not within the scope of modern slavery. The Board considers the Company's supply chains, dealing predominately with professional advisers and service providers in the financial service industry, to be low risk to this matter.

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

The Company has no employees, physical assets, property or operations of its own, does not provide goods or services and does not have its own customers. It follows that the Company has little to no direct environmental impact. In consequence, the Company has limited greenhouse gas emissions to report from its operations aside from travel to board meetings, nor does it have responsibility for any other sources of emissions under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013.

As the Company has no material operations and therefore has low energy usage, it has not included an energy and carbon report.

Anti-bribery and corruption

It is the Company's policy to conduct all of its business in an honest and ethical manner. The Company takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates. The Company's policy and the procedures that implement it are designed to support that commitment.

Prevention of the Facilitation of Tax Evasion

The Board has adopted a zero-tolerance approach to the criminal facilitation of tax evasion.

Employees

The Company has no employees. As at 30 June 2020 the Company had four non-executive Directors, of whom three are male and one is female. The Board's policy on diversity is contained in the corporate governance report (see page 31).

Viability statement

The Board have assessed the viability of the Company for the period to 30 June 2023 (the 'Period'). The Board believes that the Period, being three years, is an appropriate time frame over which to assess the viability of the Company, particularly when taking into account the long-term nature of the Company's investment strategy, which is modelled over three years and the principal and emerging risks outlined above. Based on this assessment, the Board have a reasonable expectation that the Company will be able to continue to operate and to meet its liabilities as they fall due over the Period.

In their assessment of the prospects of the Company, the Board have considered each of the principal and emerging risks and uncertainties set out above and the liquidity and solvency of the Company. The Board have considered the Company's income and expenditure projections and the fact that the Company's investments comprise readily realisable securities, which could, if necessary, be sold to meet the Company's funding requirements including buying back shares in order for the Company's discount control policy to be achieved.

Portfolio changes, market developments, level of premium / discount to NAV and share buybacks / share issues are discussed at quarterly Board meetings. The internal control framework of the Company is subject to a formal review on at least an annual basis.

The Board do not expect there to be any material increase in the annual ongoing charges of the Company over the Period and as the Company grows the annual ongoing charges ratio is expected to decrease. The Company's income from investments and cash realisable from the sale of its investments provide substantial cover to the Company's operating expenses, and any other costs likely to be faced by the Company over the Period of the assessment.

This assessment has included a detailed review of the issues arising from the COVID-19 pandemic as discussed in the Chairman's Statement on page 4, the Investment Manager's Report on page 7 and in the principal and Emerging Risks section on page 13.

Outlook

The outlook for the Company is discussed in the Chairman's Statement on page 4 and Investment Manager's Report on pages 6 to 8.

For and on behalf of the Board

Andrew Watkins
Chairman of the Board
25 September 2020

Investment Team

PRASHANT KHEMKA
(Founder)

INDIA OFFICE
(Investment Adviser)
White Oak Capital Management Consultants LLP

UK OFFICE
(Sales/Marketing Office)
White Oak Capital Management (UK) Ltd

SWITZERLAND OFFICE
(Sales/Marketing Office)
White Oak Capital Management (Switzerland) AG

MAURITIUS OFFICE
(Investment Manager)
Acorn Asset Management Ltd

Ramesh Mantri, CFA
Senior Investment Analyst

Parag Jariwala, CFA
Senior Investment Analyst

Kamlesh Ratadia
Senior Investment Analyst

Rishi Maheshwari
Senior Investment Analyst

Directors' Report

The Directors present their report and accounts for the year ended 30 June 2020.

Strategic report

The Directors' Report should be read in conjunction with the Strategic Report on pages 3 to 22.

Corporate governance

The Corporate Governance Statement on pages 28 to 32 forms part of this report.

Principal and emerging risks and uncertainties

The Principal and emerging risks and uncertainties on pages 13 to 15 forms part of this report.

Legal and taxation status

The Company is an investment company within the meaning of Section 833 of the Companies Act 2006. The Company conducts its affairs in order to meet the requirements for approval as an investment trust under section 1158 of the Corporation Tax Act 2010. The Company has received approval as an investment trust and the Company must meet eligibility conditions and ongoing requirements in order for investment trust status to be maintained. In the opinion of the Directors, the Company has met the conditions and requirements for approval as an investment trust for the year ended 30 June 2020.

Alternative Investment Fund Managers Directive ('AIFMD')

The Company is classified as an Alternative Investment Fund under AIFMD and is therefore required to have an Alternative Investment Fund Manager. Acorn Asset Management Limited has been appointed as the Alternative Investment Fund Manager (the 'AIFM') of the Company for the purposes of the AIFMD.

Market information

The Company's Ordinary Shares are listed on the LSE. The NAV per Ordinary Share is calculated in Sterling for each business day that the LSE is open for business. The daily NAV per Ordinary Share is published through a regulatory information service.

Retail distribution of Investment Company shares via financial advisers and other third-party promoters

As a result of the FCA rules determining which investment products can be promoted to retail investors, certain investment products are classified as 'non-mainstream pooled investment products' and face restrictions on their promotion to retail investors.

The Company has concluded that the distribution of its shares, being shares in an investment trust, is not restricted as a result of the FCA rules described above.

The Company currently conducts its affairs so that the shares issued by the Company can be recommended by financial advisers to retail investors and intends to continue to do so for the foreseeable future.

Investment Manager

Acorn Asset Management Limited ('Acorn') has been appointed as the Company's Investment Manager ('Investment Manager'). The Investment Manager is responsible for management of the Company's assets.

The Investment Manager does not receive a fixed management fee in respect of its portfolio management services to the Company. The Investment Manager is instead entitled to a performance fee only when the investment returns of the portfolio outperform the MSCI India over a three-year period. The Investment Manager's accrued performance fee is due to be paid at the end of the Performance Period with the first Performance Period ending approximately three years from the date of First Admission, at the balance sheet date of the Company's third annual financial results in

2021. The Investment Manager has agreed to be paid the performance fee in Ordinary Shares. A resolution will be put to the Shareholders at this year's AGM to allot new shares in connection with any performance fees payable to the Investment Manager. The Board will strongly recommend voting in favour of this resolution.

The Company's Net Asset Value, calculated and released daily, always reflects the full liability of the performance fee.

Further details on the performance fee can be found on page 61.

The Investment Management Agreement is terminable by either the Investment Manager or the Company giving to the other not less than six months' written notice, such notice not to expire earlier than the third anniversary of first admission to trading on the premium segment of the Main Market of the LSE.

Investment Adviser

As permitted by the terms of the Investment Management Agreement, the Investment Manager has, with the consent of the Company, appointed the Investment Adviser, White Oak Capital Management Consultants LLP, a boutique investment advisory firm in India, to provide certain non-binding, non-exclusive and recommendatory investment advisory services to it. The Investment Adviser is not entitled to any fees from the Company.

Management engagement

In accordance with the FCA's Listing Rules, the Board confirms that it has reviewed whether to retain Acorn Asset Management Limited as the Investment Manager of the Company.

The Board is satisfied that the Investment Manager has the suitable skills and experience to manage the Company's investments and believe that the continuing appointment of the Investment Manager is in the best interests of Shareholders as a whole.

Company Secretary and Administrator

PraxisIFM Fund Services (UK) Limited has been appointed to provide company secretarial and administration services to the Company. The Board has had continuous direct access to the advice and services of the Company Secretary who are responsible for ensuring that the Board and Committee procedures are followed, and that applicable rules and regulations are complied with.

The Company Secretary provides full company secretarial services to the Company, ensuring that it complies with all legal, regulatory, and corporate governance requirements and officiating at Board meetings and Shareholders' meetings. The Company Secretary is also responsible to the Board for ensuring timely delivery of information and reports and that the statutory obligations of the Company are met. Finally, the Company Secretary is responsible for advising the Board through the Chairman on all governance matters.

Custodian

Kotak Mahindra Bank Limited has been appointed as the Company's custodian to safeguard the Company's cash and investments.

Capital structure and voting rights

As at the 30 June 2020 the Company's issued share capital comprised 67,648,500 Ordinary Shares (30 June 2019: 50,123,086). Each Ordinary Share held entitles the holder to one vote. All shares carry equal voting rights and there are no restrictions on those voting rights. Voting deadlines are stated in the Notice of Meeting and Form of Proxy and are in accordance with the Companies Act 2006.

Since the year end the Company has issued no new Ordinary Shares.

There are no restrictions on the transfer of shares, nor are there any limitations or special rights associated with the Ordinary Shares.

Substantial shareholding

As at 30 June 2020, the Directors have been formally notified of the following interests in the Company's Ordinary Shares, comprising 3% or more of the issued share capital of the Company:

Name	Holding	%*
Rathbone Investment Management Limited	7,748,225	11.45%
Charles Stanley Group plc	6,760,993	9.99%
Schroders plc	5,250,908	7.76%
Wesleyan Assurance Society	3,200,000	4.73%
J.M. Finn & Co Ltd	3,141,500	4.64%
EQ Investors plc	2,397,500	3.54%
Brewin Dolphin Limited	2,352,000	3.48%

* Based on the number of Ordinary Shares in issue at the Company's year end.

Since the year end, the Company has not been notified of any changes to the above shareholdings.

Settlement of Ordinary Share transactions

Ordinary Share transactions in the Company are settled by the CREST share settlement system.

Re-appointment of the Auditor

The Company's auditors, Ernst & Young LLP, having expressed their willingness to continue in office as auditors, will be put forward for re-appointment at the Company's Annual General Meeting and the Board will seek authority to determine their remuneration for the forthcoming year.

Going concern

The Directors have adopted the going concern basis in preparing the accounts. The following is a summary of the Directors' assessment of the going concern status of the Company.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least twelve months from the date of this document. In reaching this conclusion, the Directors have considered the liquidity of the Company's portfolio of investments as well as its cash position, income and expense flows. The Company's net assets at 30 June 2020 were £70.5 million (30 June 2019: £54.5 million). As at 30 June 2020, the Company held £72.1 million (30 June 2019: £54.2 million) in quoted investments and cash of £1.6 million (30 June 2019: £1.1 million). The total expenses (excluding performance fees) for the year ended 30 June 2020 were £0.6million (30 June 2019: £0.5 million), which represented approximately 0.9% (30 June 2019: 1.0%) of average net assets during the year. At the date of approval of this document, based on the aggregate of investments and cash held, the Company has substantial operating expenses cover.

In light of the COVID-19 pandemic, the Directors have considered the ongoing impact of the virus and the response of governments to it on the Company's portfolio of investments and any future prolonged and deep market decline would likely lead to falling values in the Company's investments. However, as explained above, the Company has more than sufficient liquidity available to meet its expected future obligations. In addition, the Board believes that the Company and its key third party service providers have in place appropriate business continuity plans and have been and will continue to be able to maintain service levels throughout the pandemic.

Auditor independence and information

The Board believes that auditor independence is safeguarded by the following measures: the extent of non-audit work which may be carried out by the auditor is restricted and would arise directly from their role as auditor to the Company; the auditor has provided its independence policies and the safeguards and procedures it has developed to respond to challenges to its objectivity; it also confirms that it is independent within the meaning of all regulatory and professional requirements and that the objectivity of the audit team is not impaired.

Each of the Directors at the date of the approval of this report confirms that:

(i) so far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and

(ii) the Directors have taken all steps that they ought to have taken as Directors to make themselves aware of any relevant information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Annual General Meeting ('AGM')

The following information is important and requires your immediate attention. If you are in doubt about the action you should take, you should seek advice from your stockbroker, bank manager, solicitor, accountant, or other financial adviser authorised under the Financial Services and Markets Act 2000.

Resolutions relating to the following items of special business will be proposed at the forthcoming AGM:

Resolutions 11 and 12 Authority to issue shares and to disapply pre-emption rights

The Board is seeking authority to allot up to a maximum of 13,529,700 Ordinary Shares (representing approximately 20% of the shares in issue at the date of this document) and to dis-apply pre-emption rights when allotting those Ordinary Shares at the forthcoming Annual General Meeting. Authority granted under both resolutions will expire at the conclusion of the Annual General Meeting to be held in 2021 unless renewed prior to this date via a General Meeting. The full text of resolutions 11 and 12 is set out in the Notice of Meeting on page 78.

The authority granted by Shareholders to issue shares will provide flexibility to grow the Company and spread its fixed costs. Shares will only be issued at a premium to the Net Asset Value (cum income) after the costs of issue. Share issues are at the discretion of the Board.

Resolution 13 renewal of authority to purchase own shares

The Companies Act 2006 permits companies to hold shares acquired by way of market purchase as treasury shares, rather than having to cancel them. This provides the Company with the ability to re-issue Ordinary Shares quickly and cost effectively, thereby improving liquidity and providing the Company with additional flexibility in the management of its capital base. No Ordinary Shares will be sold from treasury at a price less than the (cum-income) Net Asset Value per existing Ordinary Share at the time of their sale unless they are first offered pro rata to existing Shareholders. At the year end the Company did not hold any shares in treasury.

The Authority to make market purchases will expire at the conclusion of the Company's AGM in 2021. The Directors recommend that a new authority to purchase up to 10,140,510 Ordinary Shares (subject to the condition that not more than 14.99% of the Ordinary Shares in issue, excluding treasury Shares, at the date of this notice of AGM are purchased) be granted and a resolution to that effect will be put to the AGM. Any Ordinary Shares purchased will either be cancelled or, if the Directors so determine, held in treasury. The Directors consider that the renewing of the authority is in the interests of Shareholders as a whole, as the repurchase of shares at a discount to the underlying NAV enhances the NAV of the remaining shares. Resolution 13 will give the Company authority to buy-back its own issued Ordinary Shares in the market as permitted by the Companies Act 2006. The authority also sets the minimum and maximum prices which will be paid on any buy-back of shares. During the year ended 30 June 2020, the Company did not utilise its authority to purchase its own shares. The full text of resolution 13 is set out in the Notice of Meeting on page 78.

Resolution 14 Notice of general meetings

Resolution 14 in the notice to the AGM is required to reflect the requirements of the Shareholder Rights Directive. The Company is currently able to call General Meetings, other than an AGM, on 14 clear days' notice and would like to preserve this ability. In order to be able to do so, Shareholders must have approved the calling of meetings on 14 clear days' notice.

Resolution 14 seeks such approval. The approval would be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed. The Company will ensure that it offers the facility for Shareholders to vote by electronic means, and that this facility is accessible to all Shareholders, if it is to call general meetings on 14 days' notice. Short notice will only be used by the Board under appropriate circumstances.

By order of the Board

Brian Smith
For and on behalf of
PraxisIFM Fund Services (UK) Limited
Company Secretary

25 September 2020

Introduction

The Board has considered the Principles and Provisions of the AIC Code of Corporate Governance 2019 (the "AIC Code"). The AIC Code addresses the Principles and Provisions set out in the UK Corporate Governance Code 2018 (the "UK Code"), as well as setting out additional Provisions on issues that are of specific relevance to the Company. The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the Financial Reporting Council, provides more relevant information to Shareholders. The Company has complied with the Principles and Provisions of the AIC Code. The AIC Code is available on the AIC website (www.theaic.co.uk). It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies.

The Company has complied with the recommendations of the AIC Code and the relevant provisions of the UK Code, except as set out below.

The UK Code includes provisions relating to:

- the role of the chief executive
- the appointment of a senior independent director
- the need for an internal audit function
- executive Directors' remuneration

The Board considers that these provisions are not relevant to the position of the Company, being an externally managed investment company. The Company has therefore not reported further in respect of these provisions.

The Board

Composition

At the date of this report, the Board consists of four non-executive directors including the Chairman. Dr Booth and Ms Dhut were appointed on 7 June 2018. Mr Watkins and Mr Skinner were appointed on 11 May 2018.

The Board believes that during the year ended 30 June 2020 its composition was appropriate for an investment company of the Company's nature and size. All of the Directors are independent of the Investment Manager and are able to allocate sufficient time to the Company to discharge their responsibilities effectively. All Board members actively participate in board meetings, provide constructive challenge, specialist advice and strategic guidance.

The Directors have a broad range of relevant experience to meet the Company's requirements and their biographies are given below.

Andrew Watkins (non-executive Chairman)

Andrew Watkins has over 30 years' experience in the investment companies sector in senior sales and client relations positions with Robert Fleming, Jupiter and Invesco Perpetual, retiring from full-time employment in June 2017. He is a current non-executive director of BMO UK High Income Trust plc, Chelverton UK Dividend Trust plc, Baillie Gifford European Growth Trust plc and Consistent Unit Trust Management Ltd.

Jamie Skinner (Chair of the Audit Committee)

Jamie Skinner is a qualified accountant and a fellow of the Chartered Institute for Securities and Investment. He joined Cazenove & Co in 1989 as a corporate finance executive working principally on investment companies and also other sector IPO activity. In 1999 he joined Martin Currie Investment Management Limited as a Director and in 2014 was appointed Head of Client Services. He served as President and CEO of The China Fund, Inc. until 2012, President and CEO of The Taiwan Fund, Inc. until 2014 and President of the Martin Currie Business Trust until 2015. He was appointed to the board of Martin Currie, Inc. in March 2013 and to the board of the Martin Currie Japan Absolute Return Fund in January 2016 and retired from these roles on 17 May 2018 and 10 May 2018 respectively. He is currently a non-executive director of Ediston Property Investment Company plc, the Asian Opportunities Absolute Return Fund Limited and Baillie Gifford Shin Nippon plc.

Dr. Jerome Booth (Chair of the Nomination Committee)

Dr. Jerome Booth is a well-known economist and leading expert on emerging markets. He has a D.Phil and an M.Phil, in Economics from the University of Oxford as well as a degree in Geography from the University of Bristol. In 2013 he retired from Ashmore Group, a world leading emerging markets asset management group that he helped establish in 1999 in a management buy-out from ANZ Bank. Prior to ANZ he worked in the Strategic Planning unit of the Inter-American Development Bank from 1991 to 1994 in Washington, D.C. Prior to this, he had appointments as a Lecturer in Economics at Christ Church, Oxford, a consultancy business advising on aid issues and a position in the mid-1980s in Her Majesty's Department of Trade and Industry. He retired from his position as Chairman of the Governing Board of Anglia Ruskin University on 31 July 2020.

Rita Dhut (Chair of the Management Engagement Committee)

Rita Dhut has over 25 years of varied investment experience having gained industry recognition and multiple awards during her Fund Management career. In 1994 she joined M&G Investment Management as UK equity Fund Manager before being appointed Director of European Equities. In 2001 she joined Aviva Investors and was appointed Head of European Equities in 2004 and in 2006 became Head of UK & European Equity for value-based investment responsible for over £6bn of equity

funds. She left Aviva Investors in 2012 and is now an active investor in, and advisor to early stage companies holding several Board positions. She is on the Investment committee for Newable's range of Scale up funds. She also is a Non-Executive Director of JP Morgan European Investment Trust plc. She has pursued other personal interests close to her heart and is currently a Member of Council, a member of the Investment and Audit committees for the Girls' Day School Trust and a Trustee of the charity All Change. She is an associate of the CFA Institute and a graduate of City University, London.

The Directors have appointment letters which do not provide for any specific term. Copies of the Directors' appointment letters are available on request from the Company Secretary. Upon joining the Board, any new director receives an induction and further relevant training is available to Directors on an ongoing basis. When considering new appointments to the Board the Directors will consider other demands on the director's time and any significant time commitments should be disclosed prior to appointment. Additional external appointments will not be undertaken without prior Board approval.

Independent advice

A procedure has been adopted for Directors, in the furtherance of their duties, to take independent professional advice at the expense of the Company.

Conflicts of interest

In accordance with the Companies Act 2006, the Company has put in place procedures to deal with conflicts of interest, which have operated effectively. The Board is aware of the other commitments of its Directors and is satisfied that these duties do not conflict with their duties as Directors of the Company. Any changes to these commitments are reported to the Board.

Board committees

The Board decides upon the membership and chairmanship of its committees.

Audit Committee

A report on page 37 provides details of the role, composition, and meetings of the Audit Committee together with a description of the work of the Audit Committee in discharging its responsibilities. Mr Skinner is the Chairman of the Audit Committee.

Management Engagement Committee

All of the Directors are members of this committee. The Management Engagement Committee will meet at least once a year or more often if required. Its principal duties include consideration of the terms of appointment of the Investment Manager and the Company's other service providers and it will annually review those appointments and the terms of the Investment Management Agreement. Ms Dhut is the chair of the Management Engagement Committee.

Nominations Committee

The Board as a whole fulfils the function of the Nomination Committee. The Nomination Committee will meet at least once a year or more often if required. Its principal duties include identifying and nominating to the Board new Directors undertaking an annual performance evaluation of the Board, led by the Committee Chairman. Dr Booth is the Chair of the Nomination committee.

Each Committee has adopted formal terms of reference, which are reviewed at least annually, and copies of these are available on the Company's website or on request from the Company Secretary.

Meeting attendance

	Quarterly Board Meetings	Audit Committee	Nomination Committee*	Management Engagement Committee	Ad-hoc Board Meetings*
Number of meetings held	**4**	**2**	**1**	**1**	**3**
Andrew Watkins	4/4	2/2	1/1	1/1	3/3
Jamie Skinner	4/4	2/2	1/1	1/1	3/3
Dr Jerome Booth	4/4	2/2	1/1	1/1	3/3
Rita Dhut	4/4	2/2	1/1	1/1	3/3

* As a result of the uncertainty caused by COVID-19 and additional administrative matters, the Board held three supplementary ad-hoc meetings during the year ended 30 June 2020.

Board diversity

The Company's policy is that the Board should have an appropriate level of diversity in the boardroom, considering relevant skills, gender, social and ethnic backgrounds, cognitive and personal strengths. Consideration is also given to the recommendations of the AIC Code and other guidance on boardroom diversity. As at 30 June 2020 the Company had four Directors, three of whom are male and one of whom is female.

Tenure Policy

Each Director is subject to annual re-election by Shareholders, although this is not required by the Company's Articles of Association, it is good governance practice. The Board recommends all the Directors for re-election. The Company has no fixed policy regarding tenure of directorships. The Board recognises the benefits to the Company of having longer serving Directors together with progressive refreshment of the Board in line with corporate governance best practice.

The Board are mindful that the entire Board will reach their ninth anniversary simultaneously during summer 2027. In order to ensure continuity, the Board have adopted a succession plan that allows for a gradual refreshment. Accordingly, the Board may decide to recommend a director with more than nine years' service for re-election should the need arise.

Board Evaluation

A formal annual performance evaluation was conducted on the Board, the Chairman, the Committees, the Investment Manager, and the main service providers for the year ended 30 June 2020.

A programme consisting of open and closed ended questions was used as the basis for the appraisal. The results were reviewed by the Chairman and discussed with the Board. A separate appraisal of the Chairman was carried out by the other members of the Board and the results reported back to the Chairman by the Chair of the Nominations Committee. The results of the performance evaluation were positive and demonstrated that the Directors showed the necessary commitment for the effective fulfilment of their duties. In the Board's considered view, all Directors were and remain independent.

Internal control

The AIC Code requires the Board to review the effectiveness of the Company's system of internal controls. The Board recognises its ultimate responsibility for the Company's system of internal controls and for monitoring its effectiveness. The system of internal controls is designed to manage rather than eliminate the risk of failure to achieve business objectives and it can provide only reasonable assurance against material misstatement or loss. The Board has undertaken a review of the aspects covered by the guidance and

has identified risk management controls in the key areas of business objectives, accounting, compliance, operations and secretarial as being matters of particular importance upon which it requires reports from the relevant key service providers. The Board believes that the existing arrangements, set out below, represent an appropriate framework to meet the internal control requirements. By following these procedures, the Directors have kept under review the effectiveness of the internal control system throughout the year and up to the date of this report.

Financial aspects of internal control

These are detailed in the Report of the Audit Committee on page 38.

Other aspects of internal control

The Board holds at least four regular meetings each year, plus additional meetings as required. Between these meetings there is regular contact with the Investment Adviser, the Company Secretary, and the Administrator.

The Administrator, PraxisIFM Fund Services (UK) Limited, reports separately in writing to the Board concerning risks and internal control matters within its purview, including internal financial control procedures and company secretarial matters. Additional ad hoc reports are received as required and Directors have access at all times to the advice and services of the Company Secretary, which is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

Engagement with the Investment Manager and the Administrator enable the Board to monitor the Company's progress towards its objectives and encompass an analysis of the risks involved. The effectiveness of the Company's risk management and internal control systems is monitored regularly and a formal review, utilising a detailed risk assessment programme, takes place at least annually. This includes a review of the internal controls reports of the Administrator, Investment Manager, Registrar and Custodian.

Principal and emerging risks

The Directors confirm that they have carried out a robust assessment of the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. The principal and emerging risks and how they are being managed are set out in the Strategic Report on pages 13 to 15.

Shareholder relations

The Board encourages all Shareholders to attend the AGM and seeks to provide twenty working days' notice of that meeting. The Notice of AGM sets out the business of the AGM and any item not of an entirely routine nature is explained in the Directors' Report. Separate resolutions are proposed for each substantive issue. The Investment Manager has a regular program of meetings with Shareholders and reports back to the Board on its findings. In this environment, these meetings have been held virtually. Additionally, the Company's Broker regularly provides Shareholder feedback to the Board.

The Board is pleased to present the Remuneration Report for the year ended 30 June 2020 which has been prepared in accordance with sections 420-422 of the Companies Act 2006. The law requires the Company's auditor to audit certain sections of the Remuneration Report; where this is the case the relevant section has been indicated as such.

Annual Chairman's Statement

During the Company's financial year ended 30 June 2020, there has been no change in the Board's composition or remuneration from the disclosures contained in the Company's prospectus.

Remuneration Policy

The Remuneration Policy and the remuneration report were approved by Shareholders at the AGM held on 30 October 2019. All the Directors are non-executive directors and the Company has no other employees. The components of the remuneration package for non-executive directors, which are contained in the Remuneration Policy are as detailed below:

Current and future policy

Component	Director	Purpose of reward	Operation
Annual fee[1,2]	Chairman of the Board	For services as Chairman of a plc	Determined by the Board
Annual fee[1,2]	Other Directors	For services as non-executive Directors of a plc	Determined by the Board
Additional fee[1,2]	Chairman of the Audit Committee	For additional responsibility and time commitment	Determined by the Board
Expenses	All Directors	Reimbursement of expenses incurred in the performance of duties	Submission of appropriate supporting documentation

1 **Payment in shares** - The Directors have agreed that any fees payable to them shall, save where the Company determines otherwise, be satisfied in Ordinary Shares acquired at market value, such Ordinary Shares to be acquired on behalf of the Directors and for their account by the Company's broker. Any Ordinary Shares acquired by the Directors pursuant to these arrangements shall be subject to the terms of the Directors' Lock-in Deed and not accounted under share based payments.

2 **Lock-in Deed** - Each Board member is subject to a Deed between themselves, the Company and Peel Hunt (the "Broker") dated 19 June 2018. The Directors have agreed that they will not sell, grant options over or otherwise dispose of any interest in any Ordinary Shares acquired by them in satisfaction of their entitlement to Directors' fees (save in certain circumstances, including: (i) in acceptance of a general offer made for the entire issued share capital of the Company; or (ii) pursuant to an intervening court order; or (iii) following termination of their appointment as a non-executive Director of the Company) prior to the first anniversary of the date of acquisition of the relevant Ordinary Shares. The Directors' Lock-in Deed is governed by the laws of England and Wales.

Directors' service contracts

The Directors do not have service contracts with the Company. The Directors have appointment letters which do not provide for any specific term. They are subject to re-election by Shareholders at a maximum interval of three years although, for good governance, they submit themselves for annual re-election. Subject to the provision of the Lock-in-Deed, there are no restrictions on transfers of the Company's shares held by the Directors or any special rights attached to such shares.

Fees payable on recruitment

The Board will not pay any incentive fees to any person to encourage them to become a director of the Company. The Board may, however, pay fees to external agencies to assist the Board in the search and selection of Directors.

Remuneration Implementation Report (Audited)

The table below provides a single figure for the total remuneration of each Director for the year ended 30 June 2020 together with the prior year comparative:

Director	Fees to 30 June 2020 £	Fees to 30 June 2019* £
Andrew Watkins	35,000	34,600
Jamie Skinner	27,500	27,200
Dr. Jerome Booth	25,000	24,700
Rita Dhut	25,000	24,700
Total	**112,500**	**111,200**

* Directors' fees from the date of appointment to 30 June 2019, rounded to nearest thousands.

The above costs do not include national insurance contributions on director's fees of £5,600 (30 June 2019: £14,000). Information on other Directors' costs is disclosed on Note 8 of these Financial Statements.

Voting at last Annual General Meeting

The resolutions to approve the Remuneration Report and the Remuneration Policy contained in the Annual Report for the year ended 30 June 2019 were put forward at the AGM held on 30 October 2019. Both resolutions were passed with 100% of the shares voted being in favour of the resolution and 8,000 votes were withheld.

Remuneration Committee

Given the size of the Board, being four members in number, the Board is of the view that a separate Remuneration Committee is not required to be established. The Nomination Committee is responsible, inter alia, to review the remuneration payable to the Directors considering the relevant circumstances of the Company.

Fees

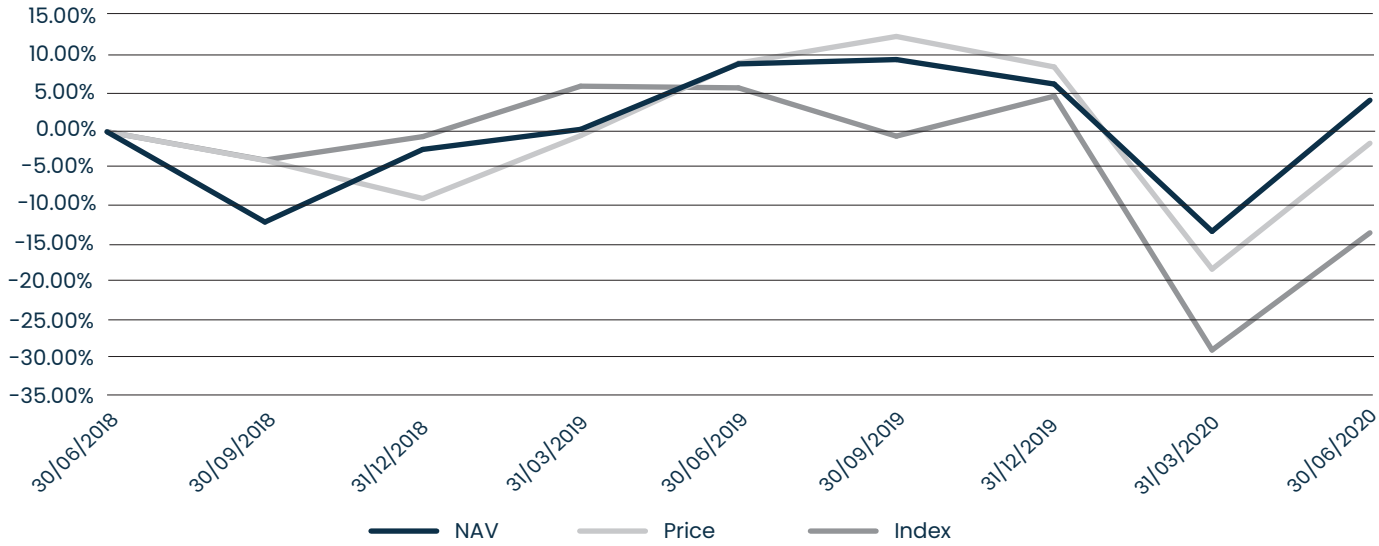
Directors' fees have remained unchanged since the commencement of the Company's operations in July 2018. The fees are payable at an annual rate of £35,000 to the Chairman and £25,000 for each Director. In addition, the Chairman of the Audit Committee will receive an additional fee of £2,500 per annum. During the year ended 30 June 2020 the Board reviewed the Directors' fees and considered the current level of remuneration remained appropriate.

Directors' indemnities

The Company has agreed to indemnify, defend and hold harmless, its Directors from and against all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, legal costs, reasonable expenses or disbursements (other than those resulting from fraud or negligence).

Performance

The following chart shows the performance of the Company's net asset value and share price (total return) by comparison to the MSCI India IMI Index (total return in Sterling) for the period since the Company was listed assuming £100 was invested at the point the Company was listed. The Company does not have a specific benchmark but has deemed the MSCI India IMI Index (in Sterling) to be the most appropriate comparator for its performance.



Relative importance of spend on pay

The following table sets out the total level of Directors' remuneration compared to the distributions to Shareholders by way of dividends and share buybacks, and the performance fees and operating expenses incurred by the Company for the year ended 30 June 2020, together with the prior year comparative.

	Period to 30 June 2020 £	Period to 30 June 2019 £
Income	586,000	279,000
Spend on Directors' fees	112,500	111,200
Performance fees	2,835,000	52,000
Operating expenses	554,000	474,000
Dividends paid to Shareholders	nil	nil

The disclosure of the information in the table above is required under The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 with the exception of performance fees and operating expenses which have been included to show the total expenses of the Company.

Directors' holdings (audited)

At 30 June 2020 and at the date of this report the Directors had the following holdings in the Company. All holdings were beneficially owned.

	Ordinary Shares as at 30 June 2020	Ordinary Shares as at 30 June 2019	Ordinary Shares as at the date of this report
Andrew Watkins	82,542	63,174	82,542
Jamie Skinner	64,603	46,660	64,603
Rita Dhut	62,032	44,063	62,032
Dr Jerome Booth	40,017	19,962	40,017

Statement

On behalf of the Board and in accordance with Part 2 of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, I confirm that the above Remuneration Policy and Remuneration Implementation Report summarises, as applicable, for the year ended 30 June 2020:

(a) the major decisions on Directors' remuneration;

(b) any substantial changes relating to Directors' remuneration made during the year; and

(c) the context in which the changes occurred and decisions have been taken.

Andrew Watkins
Chairman of the Board
25 September 2020

Role and responsibilities of the Audit Committee

The AIC Code of Corporate Governance (the "AIC Code") recommends that Boards should establish an audit committee consisting of at least three, or in the case of smaller companies, two independent non-executive Directors. The Board is required to satisfy itself that the audit committee has recent and relevant financial experience. The main role and responsibilities of the audit committee should be set out in written terms of reference covering certain matters described in the Code. The Company complies with the Code.

The Committee has formal written terms of reference which clearly set out its main role and responsibilities including certain matters provided for in the Code. Copies of the terms of reference are available on the Company's website or on request from the Company Secretary.

The principal responsibilities of the Committee are:

- to monitor the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance;
- to review the Company's internal financial controls and the internal control and risk management systems of the Company and its third party service providers;
- to make recommendations to the Board in relation to the appointment of the external Auditor and their remuneration;
- to review and monitor the external Auditor's independence and objectivity and the effectiveness of the audit process; and
- to develop and implement policy on the engagement of the external Auditor to supply non-audit services and taking into account relevant guidance regarding the provision of non-audit services by the external audit firm.

The Audit Committee meets formally at least twice a year for the purpose, amongst other things, of considering the appointment, independence and objectivity, and remuneration of the auditor and to review the annual accounts and half-yearly financial report. The Audit Committee also reviews the Company's internal financial controls and its internal control and risk management systems. Where non-audit services are provided by the auditor, full consideration of the financial and other implications on the independence of the auditor arising from any such engagement are considered before proceeding. These are non-recurring services and the work was performed by a team independent of the audit team and the audit team place no reliance on the output of the services provided.

Composition of the Committee

All of the Directors of the Company are members of the Committee which is chaired by Mr Skinner. All members of the Committee have recent and relevant financial experience. The Chairman of the Company is a member of the Committee. The Board and the Committee believe that it is appropriate for the Chairman of the Board to remain a member of the Committee because he has recent and relevant financial experience and was independent on his appointment as Chairman and remains so.

Activities of the Committee

There were two Audit Committee meetings held during the year ended 30 June 2020 at which all Committee members were in attendance.

The Committee, amongst other things, considered the appointment, independence and objectivity, and remuneration of the external Auditor and reviewed the annual accounts and half-yearly financial report. The Committee also reviewed the Company's internal financial controls and its internal control and risk management systems. Where non-audit services were provided by the external Auditor, full consideration of the financial and other implications on the independence of the external Auditor arising from any such engagement were considered before proceeding.

Financial aspects of internal control

The Directors are responsible for the internal financial control systems of the Company and for reviewing its effectiveness. The aim of the internal financial control system is to ensure the maintenance of proper accounting records, the reliability of the financial information upon which business decisions are made and which is used for publication and that the assets of the Company are safeguarded. As stated above, the Board has contractually delegated to external agencies the services the Company requires, but they are fully informed of the internal control framework established by each relevant service provider who have provided reasonable assurance on the effectiveness of internal financial controls.

The key procedures include monthly production of management accounts and NAV calculations, monitoring of performance at regular Board meetings, supervision by Directors of the valuation of securities, segregation of the administrative function from that of securities and cash custody and of both from investment management, maintenance of appropriate insurance and adherence to physical and computer security procedures. The Audit Committee received and reviewed control reports from the Company's Administrator and Registrar which contain reporting accountant's reports.

The Statement of Directors' Responsibilities in respect of the accounts is on page 40 and a Statement of Going Concern is on page 25.

The Report of the Independent Auditor is on pages 41 to 50.

Financial statements and significant accounting matters

The Audit Committee reviewed the financial statements and considered the following significant accounting issues in relation to the Company's financial statements for the year to 30 June 2020:

Valuation and existence of investments

The Company holds its assets in quoted investments. The existence and valuation of these investments is the most material matter in the production of the financial statements. The Audit Committee reviewed the procedures in place for ensuring accurate valuation and existence of investments and discussed the valuation of the Company's investments at the year end with the Investment Manager and reviewed their existence with the Administrator and other service providers. Investments are valued using independent pricing sources by the Administrators and the holding quantities at the year end were agreed to the Company's custodian's records.

Recognition of income

Income may not be accrued in the correct period and/or incorrectly allocated to revenue or capital. The Audit Committee reviewed the Administrator's procedures for recognition of income and reviewed the treatment of any special dividends receivable in the period under review.

Calculation of performance fees

Incorrect amounts may be paid to the Investment Manager and recognised in the accounts if the fees are not calculated correctly. Performance fee calculations are circulated to the Directors prior to payment. The Audit Committee reviewed the procedures in place for the calculation of performance fees.

Tax status

The Company may suffer tax on gains on the realisation of investments if investment trust status is not maintained. The Audit Committee reviewed the compliance of the Company during the year with the eligibility conditions and ongoing requirements in order for investment trust status to be maintained.

Going concern

The Audit Committee reviewed the Company's financial resources and concluded that it is appropriate for the Company's financial statements to be prepared on a going concern basis as described in the Directors' Report on page 25.

Conclusion with respect to the annual report and financial statements

The Audit Committee has concluded that the annual report for the year to 30 June 2020, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's business model, strategy and performance. The Audit Committee has reported its conclusions to the Board of Directors. The Audit Committee reached this conclusion through a process of review of the document and enquiries to the various parties involved in the production of the annual report.

Ernst & Young LLP

The auditor to the Company is Ernst & Young LLP who were appointed in March 2019. The current audit partner, Sue Dawe, has held the role since that date.

Effectiveness of external audit

The Audit Committee is responsible for reviewing the effectiveness of the external audit process. The Audit Committee received a presentation of the audit plan from the external Auditor prior to the commencement of the audit and a presentation of the results of the audit following completion of the main audit testing. Additionally, the Audit Committee received feedback from the Administrator regarding the effectiveness of the external audit process. Following the above review, the Audit Committee has agreed that the re-appointment of the external Auditors should be recommended to the Board and the Shareholders of the Company.

Provision of non-audit services

The Audit Committee has put a policy in place on the supply of any non-audit services provided by the external Auditor. Such services are considered on a case-by-case basis and may only be provided to the Company if the provision of such services is at a reasonable and competitive cost and does not constitute a conflict of interest or potential conflict of interest which would prevent the external Auditor from remaining objective and independent.

During December 2019, the Auditor performed reporting accountant services in connection with the Company's new prospectus and fees of £23,000 were paid for the year ended 30 June 2020 in respect of these services.

Internal Audit

The Committee has considered the need for an internal audit function and considers that this is not appropriate given the nature and circumstances of the Company. The Committee keeps the need for an internal audit function under periodic review.

Jamie Skinner
Audit Committee Chairman
25 September 2020

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare accounts for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union. 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 as at the end of the year and of the net return for the year. In preparing these accounts, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates which are reasonable and prudent; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The accounts are published on the Company's website at **https://www.ashokaindiaequity.com**, which is maintained by the Investment Manager. The work carried out by the auditors does not involve consideration of the maintenance and integrity of this website and, accordingly, the auditors accept no responsibility for any changes that have occurred to the accounts since being initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmation statement

The Directors each confirm to the best of their knowledge that:

(a) the financial statements, prepared in accordance with IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as required by DTR 4.1.12R; and

(b) this Annual Report comprising the Strategic Report and Governance Statements includes a fair review of the development and performance of the business and position of the Company, together with a description of the principal and emerging risks and uncertainties that it faces as required by DTR 4.1.8R and DTR 4.1.9R.

Having taken advice from the Audit Committee, the Directors consider that the Annual Report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's performance, business model and strategy.

For and on behalf of the Board

Andrew Watkins
Chairman
25 September 2020

Opinion

We have audited the financial statements of Ashoka India Equity Investment Trust plc (the 'Company') for the year ended 30 June 2020 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and the related notes 1 to 17, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 30 June 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to principal risks, going concern and viability statement

We have nothing to report in respect of the following information in the annual report, in relation to which the ISAs (UK) require us to report to you whether we have anything material to add or draw attention to:

- the disclosures in the annual report set out on page 13 that describe the principal and emerging risks and explain how they are being managed or mitigated;
- the Directors' confirmation set out on page 32 in the annual report that they have carried out a robust assessment of the principal and emerging risks facing the entity, including those that would threaten its business model, future performance, solvency or liquidity;
- the Directors' statement set out on page 25 in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the entity's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- whether the Directors' statement in relation to going concern required under the Listing Rules in accordance with Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit; or
- the Directors' explanation set out on page 25 in the annual report as to how they have assessed the prospects of the entity, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the entity will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Overview of our audit approach

Key audit matters	• Risk of incomplete and/or inaccurate revenue recognition, including classification of special dividends as revenue or capital items in the Statement of Comprehensive Income • Risk of incorrect valuation and/or defective title to the investment portfolio • Impact of COVID-19
Materiality	• Overall materiality of £0.70m which represents 1% of net assets.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Incomplete and/or inaccurate revenue recognition, including classification of special dividends as revenue or capital items in the Statement of Comprehensive Income (as described on page 38 in the Report of the Audit Committee and as per the accounting policy set out on page 57). The total revenue recognised for the year to 30 June 2020 was £0.59m (2019: £0.28m), consisting primarily of dividend income from the investment portfolio. The Company received five special dividends during the year, amounting to £0.06m, of which £0.04m was classified as capital and £0.02m as revenue (2019: nil).	**We have performed the following procedures:** We obtained an understanding of the Manager's and Administrator's processes and controls surrounding revenue recognition and the classification of special dividends by performing our walkthrough procedures. We agreed a sample of dividends received from the income report to the corresponding announcement made by the investee company, recalculated the dividend amount receivable using exchange rates obtained from an independent data vendor and confirmed that the cash received as shown on bank statements was consistent with the recalculated amount.	**The results of our procedures are:** Based on our testing we are satisfied that income is complete and accurate.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
The investment income receivable by the Company during the year directly affects the Company's revenue return. There is a risk of incomplete and/or inaccurate recognition of revenue through the failure to recognise proper income entitlements or applying appropriate accounting treatment. Additionally, the Directors are required to exercise judgement in determining whether income receivable in the form of special dividends should be classified as 'revenue' or 'capital'. Incorrect classification of special dividends can have an impact on the Company's dividend distribution.	We agreed a sample of investee company dividend announcements from an independent data vendor to the income recorded by the Company to test completeness of the income recorded. For all dividends accrued at the year end, we reviewed the investee company announcements to assess whether the dividend obligation arose prior to 30 June 2020. Recognising that a number of companies have responded to the COVID-19 pandemic by cancelling or altering their dividend payments, we have reviewed the recoverability of accrued dividend income. As at the date of this report, all accrued dividends have been received by the Company and agreed to post year end bank statements. We performed a review of the income and capital reports produced by the Administrator to identify all dividends received and accrued during the period that are above our testing threshold. We identified which of the dividends above our testing threshold were special dividends with reference to an external source, of which, none were noted. For the five special dividends below our testing threshold we reviewed and challenged the appropriateness of management's classification and concluded that four of the special dividends received should have been treated as revenue, as opposed to capital. However, all amounts were below our testing threshold both individually and in aggregate.	

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Incorrect valuation and/or defective title to the investment portfolio (as described on page 38 in the Report of the Audit Committee and as per the accounting policy set out on page 56). The valuation of the investment portfolio at 30 June 2020 was £72.12m (2019: £54.23m) consisting of quoted investments. The valuation of the assets held in the investment portfolio is the key driver of the Company's net asset value and total return. Incorrect investment pricing, or a failure to maintain proper legal title to the investments held by the Company could have a significant impact on the portfolio valuation and return generated for shareholders. The fair value of the listed investments is determined by reference to bid market price, or if bid price is unavailable, last traded price on the relevant exchange.	**We performed the following procedures:** We obtained an understanding of the Administrator's processes surrounding investment pricing and legal title, along with the Manager's processes surrounding the portfolio's liquidity by performing our walkthrough procedures. We agreed 100% of the quoted investment prices and exchange rates to an independent pricing vendor and recalculated the investment valuations as at the year-end. We obtained and reviewed the Manager's liquidity assessment, in light of COVID-19, and performed an independent evaluation of the portfolio's liquidity using trading volumes obtained from an external data vendor. We also reviewed the stale pricing reports produced by the Administrator to identify prices that have not changed and verified whether the listed price is a valid fair value. We obtained an independent confirmation from the Company's Custodian/Depositary of all securities held at the year-end and agreed those to the Company's records to confirm existence and legal title as at 30 June 2020.	**The results of our procedures are:** Based on our testing we are satisfied that the investment portfolio valuation is not materially misstated and that the existence has been confirmed.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Impact of COVID-19 (as described on pages 4 and 7 in the Strategic Report, page 39 in the Audit Committee's Report and as per the accounting policy set out on page 55). The COVID-19 pandemic has adversely impacted global commercial activity and contributed to significant volatility in global equity and debt markets, but as of the date of our audit report, the full extent of the future impact remains uncertain. This uncertainty had an impact on our risk assessment and, as a result, on our audit of the financial statements. The COVID-19 pandemic and resultant uncertainties had the most significant impact on our audit of the financial statements in the following areas: **Going concern** There is increased risk due to the degree of uncertainty in the assumptions underlying management's assessment of future prospects, including the impact of COVID-19 and the ability to fund ongoing costs.	**We performed the following procedures:** **Going concern** We obtained and reviewed the Director's assessment of going concern, which includes consideration of the impact of COVID-19, and challenged the assumptions made in the preparation of the revenue and expenses forecast. This assessment included stress test scenarios and the Manager's review of portfolio liquidity. We confirmed through discussion with the Company Secretary and the Directors that they are in close contact with key service providers and that Business Continuity Plans are in place with no significant deterioration of service being experienced. **Financial statement disclosures** We reviewed the disclosures contained within the financial statements.	**The results of our procedures are:** Based on the procedures performed, we are satisfied that the Directors have appropriately considered the impact of COVID-19 on the going concern assessment and that adequate disclosures have been presented in the financial statements.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Financial statement disclosures There is a risk that the impact of COVID-19 is not adequately described in the financial statements. Additional COVID-19 procedures have been reflected above in the response to the key audit matters of 'Incomplete and/or inaccurate revenue recognition, including classification of special dividends as revenue or capital items in the Statement of Comprehensive Income' and 'Incorrect valuation and/or defective title to the investment portfolio.		

We re-assessed the risks determined at the planning stage of the audit and, due to the uncertainty in global markets caused by the COVID-19 pandemic, we revised our risk assessment to include the Key Audit Matter 'Impact of COVID-19'. Our other Key Audit Matters are unchanged.

An overview of the scope of our audit

Tailoring the scope

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

Our application of materiality

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

Materiality

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

We determined materiality for the company to be £0.70m (2019: £0.55m) which is 1% of Net Assets. We believe that Net Assets provides us with materiality aligned to the users interests as it represents a key measurement of the Company's position.

Performance materiality

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

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance

materiality was 75% (2019: 50%) of our planning materiality, namely £0.53m (2019: £0.27m). A lower threshold was set for performance materiality in the prior year due to it being the first audit of the Company.

Given the importance of the distinction between revenue and capital for the Company, we have also applied a separate testing threshold for the revenue column of the Statement of Comprehensive Income of £0.04m (2019: £0.03m) which is set as our reporting threshold, calculated as 5% of our planning materiality.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £0.04m (2019: £0.03m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

In this context, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

- **Fair, balanced and understandable set out on page 39 –** the statement given by the directors that they consider the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's performance, business model and strategy, is materially inconsistent with our knowledge obtained in the audit; or

- **Audit committee reporting set out on page 38 –** the section describing the work of the audit committee does not appropriately address matters communicated by us to the audit committee; or

- **Directors' statement of compliance with the UK Corporate Governance Code set out on page 28 –** the parts of the directors' statement required under the Listing Rules relating to the company's compliance with the UK Corporate Governance Code containing provisions specified for review by the auditor in accordance with Listing Rule 9.8.10R(2) do not properly disclose a departure from a relevant provision of the UK Corporate Governance Code.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 40, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management of the outsourced providers.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are IFRS, Companies Act 2006, AIC SORP, the Listing Rules, the UK Code of Corporate Governance and Section 1158 of the Corporation Tax Act.

- We understood how the Company is complying with those frameworks through discussions with the Audit Committee and Company Secretary and review of the Company's documented policies and procedures

- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. We identified a fraud risk with respect to incomplete and/or inaccurate revenue recognition through incorrect classification of special dividends between revenue and capital. Further discussion of our approach is set out in the section on key audit matters above.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Company.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters we are required to address

- We were appointed by the Company on 28 March 2019 to audit the financial statements for the period ending 30 June 2019 and subsequent financial periods.

- The period of total uninterrupted engagements including previous renewals and reappointments is two years, covering the periods ending 30 June 2019 to 30 June 2020.

- The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting the audit.

- The audit opinion is consistent with the additional report to the audit committee

Use of our report

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

Susan J Dawe (Senior statutory auditor)
for and on behalf of Ernst & Young LLP,
Statutory Auditor
Edinburgh
25 September 2020

Notes:

1. The maintenance and integrity of the Ashoka India Equity Investment Trust plc web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Comprehensive Income

For the financial year ended 30 June 2020

		For the year ended 30 June 2020			Period from 11 May 2018 to 30 June 2019		
	Note	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(Losses)/gains on investments	4	–	(48)	(48)	–	6,075	6,075
(Losses)/gains on currency movements		–	(66)	(66)	–	364	364
Net investment (losses)/ gains		**–**	**(114)**	**(114)**	**–**	**6,439**	**6,439**
Income	5	586	–	586	279	–	279
Total income		**586**	**(114)**	**472**	**279**	**6,439**	**6,718**
Performance fees	7	–	(2,835)	(2,835)	–	(52)	(52)
Operating expenses	8	(554)	–	(554)	(474)	–	(474)
Operating (loss)/profit before taxation		**32**	**(2,949)**	**(2,917)**	**(195)**	**6,387**	**6,192**
Taxation	9	(18)	(460)	(478)	–	(811)	(811)
(Loss)/profit for the year/period		**14**	**(3,409)**	**(3,395)**	**(195)**	**5,576**	**5,381**
(Loss)/earnings per Ordinary Share	10	**0.02p**	**(5.55)p**	**(5.53)p**	**(0.41)p**	**11.84p**	**11.43p**

There is no other comprehensive income and therefore the '(Loss)/profit for the year/period' is the total comprehensive income for the year ended June 2020 and period from 11 May 2018 to 30 June 2019.

The total column of the above statement is the profit and loss account of the Company. The supplementary revenue and capital columns, including the earnings per Ordinary Share, are prepared under guidance from the Association of Investment Companies.

All revenue and capital items in the above statement derive from continuing operations.

The notes on pages 55 to 69 form an integral part of these financial statements.

Statement of Financial Position

As at 30 June 2020

	Note	30 June 2020 £'000	30 June 2019 £'000
Non-current assets			
Investments held at fair value through profit or loss	4	72,120	54,234
Current assets			
Cash and cash equivalents		1,629	1,128
Sales for Settlement		623	–
Dividend receivable		56	33
Other receivables		38	118
		2,346	**1,279**
Total assets		**74,466**	**55,513**
Current liabilities			
Other payables	6	(128)	(120)
Non-Current liabilities			
Performance fee provision	7	(2,887)	(52)
Capital gains tax provision		(1,001)	(811)
Total liabilities		**(4,016)**	**(983)**
Net assets		**70,450**	**54,530**
Equity			
Share capital	12	676	501
Share premium account		23,512	4,372
Special distributable reserve	13	44,276	44,276
Capital reserve		2,167	5,576
Revenue reserve		(181)	(195)
Total equity		**70,450**	**54,530**
Net asset value per Ordinary Share	14	**104.1p**	**108.8p**

Approved by the Board of Directors on 25 September 2020 and signed on its behalf by:

Andrew Watkins
Director

Ashoka India Equity Investment Trust plc incorporated in England and Wales with registered number 11356069.

The notes on pages 55 to 69 form an integral part of these financial statements.

Statement of Changes in Equity

For the financial year ended June 2020

	Note	Share Capital £'000	Share premium account £'000	Special distributable reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Opening balance as at 1 July 2019		501	4,372	44,276	5,576	(195)	54,530
(Loss)/profit for the year		–	–	–	(3,409)	14	(3,395)
Issue of Ordinary Shares	12	175	19,602	–	–	–	19,777
Share issue costs		–	(462)	–	–	–	(462)
Closing balance as at 30 June 2020		**676**	**23,512**	**44,276**	**2,167**	**(181)**	**70,450**

For the period from incorporation on 11 May 2018 to 30 June 2019

	Note	Share Capital £'000	Share premium account £'000	Special distributable reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Opening balance as at 11 May 2018		–	–	–	–	–	–
Profit/(loss) for the year		–	–	–	5,576	(195)	5,381
Issue of Ordinary Shares	12	501	49,535	–	–	–	50,036
Share issue costs		–	(887)	–	–	–	(887)
Transfer between share premium and special distributable reserve upon cancellation	13	–	(44,276)	44,276	–	–	–
Closing balance as at 30 June 2019		**501**	**4,372**	**44,276**	**5,576**	**(195)**	**54,530**

The Company's distributable reserves consist of the special distributable reserve, capital reserve and revenue reserve.

The notes on pages 55 to 69 form an integral part of these financial statements.

Statement of Cash Flows

For the financial year ended 30 June 2020

	Note	For the year ended 30 June 2020 £'000	Period from 11 May 2018 to 30 June 2019 £'000
Cash flows from operating activities			
Operating (loss)/profit before taxation		(2,917)	6,192
Taxation paid		(288)	–
Decrease/(increase) in receivables		57	(152)
Increase in payables		2,843	171
Losses/(gains) on investments	4	48	(6,075)
Net cash flow (used in)/from operating activities		**(257)**	**136**
Cash flows from investing activities			
Purchase of investments		(84,694)	(82,846)
Sale of investments		66,096	34,689
Capital distributions received		41	–
Net cash flow used in investing activities		**(18,557)**	**(48,157)**
Cash flows from financing activities			
Proceeds from issue of Ordinary Shares	12	19,777	50,036
Ordinary Share issue costs		(462)	(887)
Net cash flow from financing activities		**19,315**	**49,149**
Increase in cash and cash equivalents		**501**	**1,128**
Cash and cash equivalents at start of year/period		1,128	–
Cash and cash equivalents at end of year/period		**1,629**	**1,128**

The notes on pages 55 to 69 form an integral part of these financial statements.

1. Reporting entity

Ashoka India Equity Investment Trust plc is a closed-ended investment company, registered in England and Wales on 11 May 2018. The Company's registered office is 1st Floor, Senator House, 85 Queen Victoria Street, London, EC4V 4AB. Business operations commenced on 6 July 2018 when the Company's Ordinary Shares were admitted to trading on the LSE. The financial statements of the Company are presented for the year from 1 July 2019 to 30 June 2020 and comparative period from incorporation 11 May 2018 to 30 June 2019.

The Company primarily invests in securities listed on any stock exchange in India and can invest in the securities of companies with a significant presence in India that are listed on stock exchanges outside India.

2. Basis of preparation

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union, the Disclosure Guidance and Transparency Rules ('DTRs') of the UK's Financial Conduct Authority, Article 4 of the IAS Regulation and the Companies Act 2006 as applicable to companies using IFRS.

When presentational guidance set out in the Statement of Recommended Practice ('SORP') for Investment Companies issued by the Association of Investment Companies ('the AIC') issued in October 2019 is consistent with the requirements of 'IFRS', the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the SORP.

Going concern

The Directors have concluded that there is a reasonable expectation that the Company will have adequate liquidity and cash balances to meet its liabilities as they fall due and continue in operational existence for the foreseeable future, being at least twelve months from the date of signing these financial statements. As such the Directors have adopted the going concern basis in preparing the financial statements.

Details of the Directors assessment of the going concern status of the Company, which considered the adequacy of the Company's resources and the impacts of the COVID-19 pandemic, are given on page 25.

Use of estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

2. Basis of preparation (continued)

The Indian capital gains tax provision represents an estimate of the amount of tax payable by the Company. Tax amounts payable may differ from this provision depending when the Company disposes of investments. The current provision on Indian capital gains tax is calculated based on the long term or short-term nature of the investments and the applicable tax rate at the year end. The short-term tax rates are 15% and the long term tax rates are 10%. The estimated tax charge is subject to regular review including a consideration of the likely period of ownership, tax rates and market valuation movements.

As disclosed in the statement of financial position, the Company made a capital gains tax provision of £1,001,000 (30 June 2019: £811,000) in respect of unrealised gains on investments held.

The Directors do not believe that any accounting judgements or estimates have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Basis of measurement

The financial statements have been prepared on the historical cost basis except for financial instruments at fair value through profit or loss, which are measured at fair value.

Functional and presentation currency

The Company's investments are denominated in Indian Rupees. However, the Company's shares are issued in Sterling and the majority of its investors are UK based. The Company's expenses and dividends are also paid in Sterling. Therefore, the financial statements are presented in Sterling, which is the Company's functional currency. All financial information has been rounded to the nearest thousand pounds.

3. Accounting policies

(a) Investments

Upon initial recognition, investments are classified by the Company "at fair value through profit or loss" as they are equity instruments. They are accounted for on the date they are traded and are included initially at fair value which is taken to be their cost. Subsequently quoted investments are valued at fair value which is the bid market price, or if bid price is unavailable, last traded price on the relevant exchange.

Changes in the fair value of investments held at fair value through profit or loss and gains or losses on disposal are included in the capital column of the Statement of Comprehensive Income within "(losses)/gains on investments".

Investments are derecognised on the trade date of their disposal, which is the point where the Company transfers substantially all the risks and rewards of the ownership of the financial asset.

Transaction costs directly attributable to the acquisition of investments at fair value through profit or loss are recognised under (losses)/gains on investments.

(b) Foreign currency

Transactions denominated in foreign currencies are translated into Sterling at actual exchange rates as at the date of the transaction. Monetary assets and liabilities, and non-monetary assets held at fair value denominated in foreign currencies are translated into Sterling using applicable foreign exchange rates at the year end. 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 is charged to the capital column or revenue column in the Statement of Comprehensive Income as appropriate. Foreign exchange movements on investments are included in the Statement of Comprehensive Income within "(losses)/gains on currency movements".

(c) Income from investments

Dividend income from shares is accounted for on the basis of ex-dividend dates. Overseas income is grossed up at the appropriate rate of tax.

Special dividends are assessed on their individual merits and may be credited to the Statement of Comprehensive Income as a capital item if considered to be closely linked to reconstructions of the investee company or other capital transactions. All other investment income is credited to the Statement of Comprehensive Income as a revenue item.

Interest on fixed income instruments is accounted on an accrual basis.

(d) Capital reserves

Profits achieved in cash by selling investments and changes in fair value arising upon the revaluation of investments that remain in the portfolio are all charged to the capital column of the Statement of Comprehensive Income and allocated to the capital reserve.

Company's redemption facility is subject to approval by the board and as such the redemption facility does not represent a contractual obligation on the Company and the shares are accordingly classified as equity.

(e) Expenses

All expenses are accounted for on an accruals basis. Expenses are recognised through the Statement of Comprehensive Income as revenue items except as follows:

Performance fees

Performance fees, if any, are payable directly by reference to the capital performance of the Company as per the Investment Management Agreement and are therefore charged to the Statement of Comprehensive Income as a capital item. No other management fees are payable.

(f) Cash and cash equivalents

Cash comprises cash at hand and demand deposits. For purposes of the statement of cash flows, cash equivalents, including bank overdrafts, are short term, highly liquid investments that are readily convertible to known amounts of cash, are subject to insignificant risks of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

3. Accounting policies (continued)

(g) Taxation

Irrecoverable taxation on dividends is recognised on an accruals basis in the Statement of Comprehensive Income. Indian tax rates for dividends with ex-dividend dates post 1 April 2020 are subject to 20% withholding tax.

The tax charges on Indian capital gains taxes are shown in the Statement of Comprehensive Income, recognised on an accrual basis. The Company is not subject to UK capital gains tax.

Deferred taxation

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Investment trusts which have approval as such under Section 1158 of the Corporation Tax Act 2010 are not liable for taxation on capital gains.

(h) Segmental reporting

The Chief Operating Decision Maker, which is the Board, is of the opinion that the Company is engaged in a single segment of business, being investment in listed securities in India to achieve long-term capital appreciation. The financial information used by the Chief Operating Decision Maker to manage the Company presents the business as a single segment.

(i) Adoption of new IFRS standards

A number of new standards, amendments to standards and interpretations are effective for the annual periods beginning after 1 January 2019 and have been applied in preparing these financial statements. None of these have had a significant effect on the measurement of the amounts recognised in the financial statements of the Company.

IFRS 16 – Leases (effective 1 January 2019) specifies accounting for leases and removes the distinction between operating and finance leases. This standard is not applicable to the Company as it has no leases.

IFRIC 23 (effective 1 January 2019) – Uncertainty over Income Tax Treatments seeks to provide clarity on how to account for uncertainty over income tax treatments and specifies that an entity must consider whether it is probable that the relevant tax authority will accept each tax treatment or group of tax treatments, that it plans to use in its income tax filing. The interpretation also requires companies to reassess the judgements and estimates applied if facts and circumstances change. The interpretation would require the Company to recognise uncertain tax positions which are more than probable within its financial statements. The interpretation has not had any impact on the financial statements of the Company.

Standards issued but not yet effective

There are no standards or amendments to standards not yet effective that are relevant to the Company and should be disclosed.

4. Investments held at fair value through profit or loss

(a) Investments held at fair value through profit or loss

	As at 30 June 2020 £'000	As at 30 June 2019 £'000
Listed investments in India	72,120	54,234
Closing valuation	**72,120**	**54,234**

(b) Movements in valuation

	As at 30 June 2020 £'000	As at 30 June 2019 £'000
Opening valuation	54,234	–
Opening unrealised gains on investments	8,079	–
Opening book cost	46,155	–
Additions, at cost	84,539	82,687
Disposals, at cost	(65,415)	(36,532)
Closing book cost	**65,279**	**46,155**
Revaluation of investments	6,841	8,079
Closing valuation	**72,120**	**54,234**

Transaction costs on investment purchases for the year ended 30 June 2020 amounted to £156,000 (30 June 2019: £159,677) and on investment sales for the financial year to 30 June 2020 amounted to £110,000 (30 June 2019: £65,171).

(c) (Losses)/gains on investments

	Year ended 30 June 2020 £'000	Period ended 30 June 2019 £'000
Realised gains/(losses) on disposal of investments	1,415	(1,779)
Transaction costs	(266)	(225)
Movements in unrealised (losses)/gains on investments held	(1,238)	8,079
Capital distributions received	41	–
Total (losses)/gains on investments	**(48)**	**6,075**

4. Investments held at fair value through profit or loss (continued)

Under IFRS 13 'Fair Value Measurement', an entity is required to classify investments using a fair value hierarchy that reflects the significance of the inputs used in making the measurement decision.

The following shows the analysis of financial assets recognised at fair value based on:

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The classification of the Company's investments held at fair value is detailed in the table below:

	As at 30 June 2020				As at 30 June 2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Investments at fair value through profit and loss – Listed investments in India	72,120	–	–	72,120	54,234	–	–	54,234

There were no transfers between levels during the year ended 30 June 2020 (30 June 2019: nil).

Fair values of financial assets and financial liabilities

Financial assets and liabilities are held at fair value in the financial statements with the exception of short-term assets and liabilities where their carrying value approximates to fair value.

5. Income

	Year ended 30 June 2020 £'000	Period ended 30 June 2019 £'000
Income from investments		
Overseas dividends	586	279
Total income	**586**	**279**

6. Other payables

	As at 30 June 2020 £'000	As at 30 June 2019 £'000
Accrued expenses	128	120
Total other payables	**128**	**120**

7. Performance fees

	Year ended 30 June 2020			Period ended 30 June 2019		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Performance fee provision	–	2,835	**2,835**	–	52	**52**

The Investment Manager does not receive a fixed management fee in respect of its portfolio management services to the Company. The Investment Manager will become entitled to a performance fee subject to the Company delivering excess returns versus the MSCI India IMI Index in the medium-term. The performance fee will be measured over periods of three years, with the first period ending (approximately three years from the date of Admission) on 30 June 2021.

The performance fee is calculated at a rate of 30% of the excess returns between adjusted NAV per share on the last day of the performance period and the MSCI India IMI Index (Sterling) over the performance period, adjusted for the weighted average number of Ordinary Shares in issue during the performance period.

8. Expenses

	Year ended 30 June 2020 £'000	Period ended 30 June 2019 £'000
Administration & secretarial fees	111	106
Auditor's remuneration*		
– Statutory audit fee	30	30
Broker fees	30	30
Custody services	11	6
Directors' fees	113	111
Board trip to India costs	6	6
Board meeting costs	3	3
Tax compliance and advice	36	16
Printing and public relations	75	49
Registrar fees	16	9
Legal Fees	41	29
UKLA and other regulatory fees	18	16
Other expenses	64	63
Total	**554**	**474**

* Auditor's remuneration excludes VAT.

The Auditor performed reporting accountant services in connection with the Company's new prospectus and fees of £23,000 (30 June 2019: £51,000) were paid during the year, which have been treated as a capital expenses and included in 'share issue costs' in the Statement of Changes in Equity. Prior year Non-audit IPO services were provided before the Company was listed in July 2018 and before the auditor was appointed in March 2019.

9. Taxation

(a) Analysis of charge in the year:

	Year ended 30 June 2020			Period ended 30 June 2019		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Capital gains tax provision	–	190	**190**	–	811	**811**
Realised Indian capital gains tax		270	**270**	–	–	**–**
Indian withholding tax paid	18	–	**18**	–	–	**–**
Total tax charge for the period (note 9b)	**18**	**460**	**478**	**–**	**811**	**811**

A tax provision on Indian capital gains is calculated based on the long term(securities held more than one year) or short term(securities held less than one year) nature of the investments and the applicable tax rate at the period end. The short term tax rates are 15% and the long term tax rates are 10%.

(b) Factors affecting the tax charge for the year/period:

The effective UK corporation tax rate for the year is 19%. The tax charge differs from the charge resulting from applying the standard rate of UK corporation tax for an investment trust company. The differences are explained below:

	Year ended 30 June 2020	Period ended 30 June 2019
	£'000	£'000
Operating (loss)/ profit before taxation	(2,917)	6,192
UK Corporation tax at 19% (2019: 19.00%)	(554)	1,176
Effects of:		
Indian capital gains tax provision	460	811
Gains/(losses) on investments not taxable	22	(1,223)
Overseas dividends not taxable	(111)	(53)
Unutilised management expenses	643	100
Indian withholding tax paid	18	–
Total tax charge	**478**	**811**

The Company is not liable to UK Corporation tax on capital gains due to its status as an investment trust. The Company has an unrecognised deferred UK Corporation tax asset of £744,000 (2019: £89,000) based on the UK corporation tax rate of 19% in 2020 (2019: 17%). The main rate of corporation tax was due to reduce to 17% from 1 April 2020, however the Finance Bill 2020, substantively enacted on 17 March, amended the rate to keep it at 19%. This rate change is reflected in the unrecognised deferred tax balances in these accounts. This asset has accumulated because deductible expenses exceeded taxable income for the year ended 30 June 2020. No asset has been recognised in the accounts because, given the composition of the Company's portfolio, it is not likely that this asset will be utilised in the foreseeable future.

10. Earnings per Ordinary Share

	As at June 2020			As at 30 June 2019		
	Revenue	Capital	Total	Revenue	Capital	Total
(Loss)/profit for the year (£'000)	14	(3,409)	**(3,395)**	(195)	5,576	**5,381**
Earnings per Ordinary Share	0.02p	(5.55)p	**(5.53)p**	(0.41)p	11.84p	**11.43p**

Earnings per Ordinary Share is based on the loss for the year of £3,395,000 (30 June 2019: profit of £5,381,000) attributable to the weighted average number of Ordinary Shares in issue during the year ended 30 June 2020 of 61,425,509 (30 June 2019: 47,104,531). Revenue profit and capital losses are £14,000 (30 June 2019: revenue loss of £195,000) and £3,409,000 (30 June 2019: capital profit of £5,576,000) respectively.

11. Dividend

The Company's objective is to provide shareholder returns through capital growth with income being a secondary consideration. It should not be expected that the Company will pay a significant annual dividend, but the Board intends to declare such annual dividends as are necessary to maintain the Company's UK investment trust status. The Company generated a revenue profit in the year ended 30 June 2020, however as per the amended ITC regulations by the Investment Trust (Approved Company) (Tax) (Amendment) Regulations 2013 (SI 2013/1406) which allows an investment trust with an accumulated deficit on revenue reserves brought forward, to utilise this against a current year profit in an accounting period, therefore the Directors do not recommend the payment of a final dividend in respect of the year.

12. Share capital

	As at 30 June 2020		As at 30 June 2019	
	No. of shares	£'000	No. of shares	£'000
Allotted, issued and fully paid:				
Redeemable Ordinary Shares of 1p each ('Ordinary Shares')	67,648,500	676	50,123,086	501
Total	**67,648,500**	**676**	**50,123,086**	**501**

Ordinary Shares

On incorporation, the issued share capital of the Company was 1 Ordinary Share of £0.01.

Between 1 July 2019 and 30 June 2020, 17,525,414 Ordinary Shares have been issued; raising aggregate gross proceeds of £19,777,000 (30 June 2019: £50,036,000).

As at the date of this Annual Report, the total number of Ordinary Shares in issue is 67,648,500.

The Ordinary Shares have attached to them full voting, dividend and capital distribution rights. They confer rights of redemption. The Company's special distribution reserve will also be used for share repurchases, both into treasury or for cancellation.

Management shares

In addition to the above, on incorporation the Company issued 50,000 Management Shares of nominal value of £1.00 each.

The holder of the Management Shares undertook to pay or procure payment of, one quarter of the nominal value of each Management share on or before the fifth anniversary of the date of issue of the Management Shares. The Management Shares are held by an associate of the Investment Manager.

The Management Shares do not carry a right to attend or vote at general meetings of the Company unless no other shares are in issue at that time. The Management Shares have been treated as equity in accordance with IFRS.

13. Special distributable reserve

As indicated in the Company's prospectus dated 19 June 2018, following admission of the Company's Ordinary Shares to trading on the LSE, the Directors applied to the Court and obtained a judgement on 4 December 2018 to cancel the amount standing to the credit of the share premium account of the Company. The amount of the share premium account cancelled and credited to a special distributable reserve was £44,275,898. This reserve may also be used to fund dividend payments.

14. Net asset value ('NAV') per Ordinary Share

Net assets per ordinary share as at 30 June 2020 is based on £70,450,000 (30 June 2019: £54,530,000) of net assets of the Company attributable to the 67,648,500 (30 June 2019: 50,123,086) Ordinary Shares in issue as at 30 June 2020.

15. Financial instruments and capital disclosures

(i) Market risks

The Company is subject to a number of market risks in relation to economic conditions in India. Further detail on these risks and the management of these risks are included page 13 in the Strategic report.

The Company's financial assets and liabilities comprised:

	As at 30 June 2020			As at 30 June 2019		
	Interest bearing	Non-interest bearing	Total	Interest bearing	Non-interest bearing	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Investments	–	72,120	72,120	–	54,234	54,234
Total investment	**–**	**72,120**	**72,120**	**–**	**54,234**	**54,234**
Cash and cash equivalent		1,629	1,629	–	1,128	1,128
Short term debtors	–	717	717	–	151	151
Short term creditors	–	(128)	(128)	–	(120)	(120)
Long term creditors	–	(3,888)	(3,888)	–	(863)	(863)
Other net assets		**(1,670)**	**(1,670)**	**–**	**296**	**296**
Net assets	**–**	**70,450**	**70,450**	**–**	**54,530**	**54,530**

Market price risk sensitivity

The effect on the portfolio of a 10.0% increase or decrease in market prices would have resulted in an increase or decrease of £7,212,000 (30 June 2019:£5,423,000) in the investments held at fair value through profit or loss at the period end date, which is equivalent to 10.2% (30 June 2019: 9.9%) in the net assets attributable to equity holders. This analysis assumes that all other variables remain constant.

(ii) Liquidity risks

Liquidity risk is that the Company will not be able to meet its obligations when its due.

Portfolio by maturity at the year end are shown below:

	30 June 2020	30 June 2019
	%	%
Within one to seven days	95.1	92.3
Between seven days to one month	3.2	7.4
Between one and three months	1.7	0.3
Total	**100.0**	**100.0**

Financial liabilities by maturity at the period end are shown below:

	30 June 2020 £'000	30 June 2019 £'000
Between one and three months	128	120
More than one year	3,888	863
Total	**4,016**	**983**

Management of liquidity risks

The Company has a diversified portfolio and its readily realisable. The liquidity of the portfolio is reviewed regularly by the Investment Manager and the Board.

(iii) Currency risks

Although the Company's performance is measured in Sterling, a high proportion of the Company's assets are denominated in Indian Rupees. Change in the exchange rate between Sterling and Indian Rupees may lead to a depreciation of the value of the Company's assets as expressed in Sterling and may reduce the returns to the Company from its investments.

Currency sensitivity

The below table shows the foreign currency profile of the Company.

Foreign currency risk profile

	30 June 2020			30 June 2019		
	Investment exposure £'000	Net monetary exposure £'000	Total currency exposure £'000	Investment exposure £'000	Net monetary exposure £'000	Total currency exposure £'000
Indian Rupees	72,120	488	72,608	54,234	263	54,497
Total investment	**72,120**	**488**	**72,608**	**54,234**	**263**	**54,497**

15. Financial instruments and capital disclosures (continued)

Based on the financial assets and liabilities at 30 June 2020 and all other things being equal, if Sterling had weakened against the local currencies by 10%, the impact on the Company's net assets at 30 June 2020 would have been as follows:

	30 June 2020		30 June 2019	
	Increase in Fair Value	Decrease in Fair Value	Increase in Fair Value	Decrease in Fair Value
	£'000	£'000	£'000	£'000
Indian Rupees	7,212	(7,212)	5,423	(5,423)

Management of currency risks

The Company's Investment Manager monitors the currency risk of the Company's portfolio on a regular basis. Foreign currency exposure is regularly reported to the Board by the Investment Manager.

Currency risk will not be hedged using any sort of foreign currency transactions, forward transactions or derivative instruments.

(iv) Credit risks

Credit risk is the risk that the issuer of a financial instrument will fail to fulfil an obligation or commitment that it has entered into with the Company.

Cash and other assets are held by the custodian.

Management of credit risks

The Company has appointed Kotak Mahindra Bank Limited (Kotak) as its depositary. The credit rating of (Kotak) was reviewed at the time of appointment and will be reviewed on a regular basis by the Investment Manager and/or the Board.

The Investment Manager monitors the Company's exposure to its counterparties on a regular basis and trades in equities are performed on a delivery versus payment basis. Impairment assessment based on credit loss model is not considered material to the Company.

At 30 June 2020, the Depository held £72,120,000 (30 June 2019: £54,234,000) in respect of quoted investments and £1,433,000 (30 June 2019: £1,041,000) in respect of cash on behalf of the Company.

(v) Capital management policies and procedures

The Company considers its capital to consist of its share capital of Ordinary Shares of 1p each, Management Shares of £1 each, and reserves totalling £70,450,000 (30 June 2019: £54,530,000).

The Company is not subject to any externally imposed capital requirements.

The Investment Manager and the Company's broker monitor the demand for the Company's shares and the Directors review the position at Board meetings.

16. Related party transactions

Performance fees payable to the Investment Manager are disclosed in Note 7.

White Oak Capital Management Consultants LLP provides investment advisory services to the Investment Manager and no fees are paid to them from the Company.

Since commencement of operations on 6 July 2018 fees have been payable at an annual rate of £35,000 to the Chairman, £27,500 to the Chair of the Audit Committee, and £25,000 to the other Directors.

The Directors had the following shareholdings in the Company, all of which are beneficially owned.

	As at 30 June 2020	As at 30 June 2019
Andrew Watkins	82,542	63,174
Jamie Skinner	64,603	46,660
Rita Dhut	62,032	44,063
Dr Jerome Booth	40,017	19,962

17. Post balance sheet events

On 3 September 2020, the Company announced that 367,616 valid redemption requests had been received at the Redemption Point (representing 0.54% of the issued share capital at that point).

Alternative Performance Measures

Alternative Performance Measures 30 June 2020

Ordinary share price to NAV discount

The amount, expressed as a percentage, by which the share price is less than the Net Asset Value per Ordinary Share.

As at 30 June 2020		Page	
NAV per Ordinary Share (p)	a	2	104.14
Share price (p)	b	2	98.50
Discount	**(b÷a)-1**		**5.4%**

Ongoing charges

A measure, expressed as a percentage of average net assets, of the regular, recurring annual costs of running an investment company.

Year ended 30 June 2020		Page	
Average NAV	a	n/a	63,637,102
Annualised expenses*	b	n/a	554,000
Ongoing charges	**(b÷a)**		**0.9%**

* Annualised expenses excludes performance fee expenses.

Share price/NAV total return

A measure of performance that includes both income and capital returns.

Year ended 30 June 2020		Page	Share price	NAV
Opening at 1 July 2019 (p)	a	n/a	109.0	108.8
Closing at 30 June 2020 (p)	b	2	98.5	104.1
Total return	**(b÷a)-1**		**(9.6%)**	**(4.3%)**

n/a = not applicable.

Alternative Performance Measures 30 June 2019

Ordinary share price to NAV premium

The amount, expressed as a percentage, by which the Ordinary Share price is more than the NAV per Ordinary Share.

As at 30 June 2019		Page	
NAV per Ordinary Share (p)	a	2	108.8
Ordinary Share price (p)	b	2	109.0
Premium	**(b÷a)-1**		**0.2%**

Ongoing charges

A measure, expressed as a percentage of average net assets, of the regular, recurring costs of running an investment company.

Period ended 30 June 2019		Page	
Average NAV	a	n/a	45,483,000
Expenses	b	n/a	474,000
Ongoing charges	**(b÷a)**		**1.0%**

Share price/NAV total return

A measure of performance that includes both income and capital returns.

For the operating period 6 July 2018 to 30 June 2019		Page	Ordinary Share price[1]	NAV per Ordinary Share[2]
Opening at 6 July 2018 (p)	a	n/a	100.0	98.0
Closing at 30 June 2019 (p)	b	2	109.0	108.8
Total return	**(b÷a)-1**		**9.0%**	**11.0%**

1 Share price total return is based on an opening share price of 100p.
2 NAV total return is based on an opening NAV after launch expenses of 98.0p per Ordinary Share.

Glossary (continued)

AIC	Association of Investment Companies
Alternative Investment Fund or "AIF"	An investment vehicle under AIFMD. Under AIFMD (see below) the Company is classified as an AIF.
Alternative Investment Fund Managers Directive or "AIFMD"	A European Union directive which came into force on 22 July 2013 and has been implemented in the UK.
Annual General Meeting or "AGM"	A meeting held once a year which Shareholders can attend and where they can vote on resolutions to be put forward at the meeting and ask directors questions about the company in which they are invested.
Alternative Performance Measures "APMs"	Financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.
Custodian	An entity that is appointed to safeguard a company's assets.
Discount	The amount, expressed as a percentage, by which the share price is less than the net asset value per share.
DTR	Disclosure Guidance and Transparency Rule.
Dividend	Income receivable from an investment in shares.
Ex-dividend date	The date from which you are not entitled to receive a dividend which has been declared and is due to be paid to Shareholders.
Financial Conduct Authority or "FCA"	The independent body that regulates the financial services industry in the UK.
Gearing	A way to magnify income and capital returns, but which can also magnify losses. A bank loan is a common method of gearing.
IFRS	International Financial Reporting Standards.
Index	A basket of stocks which is considered to replicate a particular stock market or sector.
Investment Company	A company formed to invest in a diversified portfolio of assets.
Investment Trust	An investment company which is based in the UK and which meets certain tax conditions which enables it to be exempt from UK corporation tax on its capital gains. The Company is an investment trust.

Liquidity	The extent to which investments can be sold at short notice.
London Stock Exchange "LSE"	The primary stock exchange in the United Kingdom and the largest in Europe.
Management Shares	Non-redeemable Management Shares of £1.00 each in the capital of the Company held
Net assets or net asset value ('NAV')	An investment company's assets less its liabilities
NAV per Ordinary Share	Net assets divided by the number of Ordinary Shares in issue
Ongoing charges	A measure of the regular, recurring annual costs of running an investment company, expressed as a percentage of average net assets.
Ordinary Shares	Redeemable ordinary shares of £0.01 each in the capital of the Company.
Principles for Responsible Investment Initiative "PRI"	Principles for Responsible Investment is a United Nations-supported international network of investors working together to implement its six aspirational principles, often referenced as "the Principles"
Portfolio	A collection of different investments held in order to deliver returns to Shareholders and to spread risk.
Premium	The amount, expressed as a percentage, by which the share price is more than the net asset value per share.
Redemption Point	The date and time at which all redemption requests and relevant documentation for annual redemption of Ordinary Shares must be received by the Company's Registrar from Shareholders.
Redemption Price	The price at which shares in the Company are redeemed from Shareholders.
Relative Performance	Measurement of returns relative to an index.
Share buyback	A purchase of a company's own shares. Shares can either be bought back for cancellation or held in treasury.
Share price	The price of a share as determined by a relevant stock market.
Total return	A measure of performance that takes into account both income and capital returns. This may take into account capital gains, dividends, interests and other realised variables over a given period of time.

Treasury shares A company's own shares which are available to be sold by a company to raise funds.

Volatility A measure of how much a share moves up and down in price over a period of time.

Directors, Investment Manager and Advisers

Directors

Andrew Watkins (Chairman)
Jamie Skinner
Dr. Jerome Booth
Rita Dhut

Investment Manager and AIFM

Acorn Asset Management Ltd
4th Floor, 19 Bank Street
Cybercity, Ebene 72201
Republic of Mauritius

Broker

Peel Hunt LLP
Moor House
120 London Wall
London EC2Y 5ET

Custodian

Kotak Mahindra Bank Limited
3rd Floor, 27 BKC
C-27 G-Block
Bandra Kurla Complex
Bandra East
Mumbai 400051
India

Auditors

Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Registered Office

1st Floor, Senator House
85 Queen Victoria Street
London EC4V 4AB
Registered in England under No.11356069

Investment Adviser

White Oak Capital Management Consultants LLP
Unit 6, 2B, 6th Floor
Cnergy Building
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400025
India

Company Secretary & Administrator

PraxisIFM Fund Services (UK) Limited
1st Floor, Senator House
85 Queen Victoria Street
London EC4V 4AB

Registrar

Computershare Investor Services Plc
The Pavilions
Bridgwater Road
Bristol BS13 8AE

Legal Adviser

Stephenson Harwood LLP
1 Finsbury Circus
London EC2M 7SH

Notice of Annual General Meeting

In line with the requirements of the Companies Act 2006, the Company will hold an Annual General Meeting of Shareholders to consider the resolutions laid out in the Notice of Meeting below.

The well-being and safety of Shareholders and service providers is a primary concern for the Directors of the Company and under the regulations and guidance issued by the UK Government relating to the Coronavirus (COVID-19) the Directors have (pursuant to powers granted to them by the Company's Articles of Association) determined that Shareholders should not attend the AGM in person. In light of these measures, the AGM will be run as a closed meeting and Shareholders will not be able to attend in person. Shareholders attempting to attend the AGM will be refused entry. There will be no presentation from the Investment Manager and the sole business of the meeting will be to propose the resolutions set out.

The Board will make arrangements such that the legal requirements to hold the meeting can be satisfied through the attendance of two Shareholders. The AGM will be held at the location, date and time as set out in the Notice of Meeting.

Shareholders should therefore vote by proxy. Given the restrictions on attendance, Shareholders are encouraged to appoint the "Chairman of the Meeting" as their proxy rather than another person who will not be permitted to attend the meeting. Details of how to vote, either electronically, by proxy form or through CREST, can be found in the Notes to the Notice of AGM on pages 79 to 85.

The outcome of the resolutions will as usual be determined by shareholder vote based on the proxy votes received. All valid proxy appointments (whether submitted electronically or in hard copy form) will be included in the poll to be taken at the AGM. The results of the poll will be announced to the London Stock Exchange and placed on the Company's website, in the usual way, as soon as practicable after the conclusion of the AGM.

Should a shareholder have a question that they would have raised at the AGM, either of the Board or the Investment Manager, the Board would ask that they send it by email to ASHOKACOSEC@praxisifm.com by the 4 of December 2020. Answers to questions will be published on the Company's website in advance of the AGM.

This situation is constantly evolving, and the UK Government may change the current restrictions or implement further measures during the affected period. Shareholders should monitor the Company's website at www.ashokaindiaequity.com and London Stock Exchange announcements for any updates regarding the AGM. Alternatively, Shareholders can contact the Registrar, Computershare, for updated information (please see Notes to the Notice of AGM for the Registrar's contact details).

Notice of Meeting

Notice is hereby given that the Annual General Meeting of Ashoka India Equity Investment Trust plc will be held at the offices of PraxisIFM Fund Services (UK) Limited, 1st Floor, Senator House, 85 Queen Victoria Street, London, EC4V 4AB on 9 December 2020 at 10:45 am for the following purposes:

To consider and if thought fit pass the following resolutions of which resolutions 1 to 10 will be proposed as ordinary resolutions and resolutions 11 to 14 will be proposed as special resolutions.

Ordinary Resolutions

1. To receive and adopt the Company's Annual Report and Accounts for the year ended 30 June 2020, with the reports of the Directors and Auditor thereon.

2. To approve the Directors' Remuneration Report included in the Annual Report for the year ended 30 June 2020.

3. To re-elect Andrew Watkins as a Director of the Company.

4. To re-elect Dr Jerome Booth as a Director of the Company.

5. To re-elect Rita Dhut as a Director of the Company.

6. To re-elect Jamie Skinner as a Director of the Company.

7. To re-appoint Ernst & Young LLP as Auditor to the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at which accounts are laid before the Company.

8. To authorise the Directors to fix the remuneration of the Auditor until the conclusion of the next Annual General Meeting of the Company.

9. That the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the "**Act**") (in addition to any subsisting authorities to the extent unused) to exercise all the powers of the Company to allot up to 13,529,700 Ordinary Shares of 1 pence each in the capital of the Company ("**Ordinary Shares**") (equivalent to 20% of the Ordinary Shares in issue at the date of this notice of Annual General Meeting), such authority to expire (unless previously varied, revoked or renewed by the Company in general meeting) at the conclusion of the Annual General Meeting of the Company to be held in 2021 or, if earlier, on the expiry of 15 months from the passing of this resolution, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the allotment of shares in pursuance of such an offer or agreement as if such authority had not expired.

10. That the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot up to 13,529,700 Ordinary Shares of 1 pence each in the capital of the Company ("Ordinary Shares") (equivalent to 20% of the Ordinary Shares in issue at the date of this notice of Annual General Meeting) in connection with any performance fees payable to the Investment Manager (as defined and described in the prospectus of the Company dated 20 December 2019), such authority to expire (unless previously varied, revoked or renewed by the Company in general meeting) at the conclusion of the Annual General Meeting of the Company to be held in 2021 or, if earlier, on the expiry of 15 months from the passing of this resolution, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the allotment of shares in pursuance of such an offer or agreement as if such authority had not expired.

Special Resolutions

11. That, subject to the passing of Resolution 9 above, the Directors be and are hereby empowered (pursuant to sections 570 and 573 of the Act) to allot Ordinary Shares and to sell Ordinary Shares from treasury for cash pursuant to the authority referred to in Resolution 9 above as if section 561 of the Act did not apply to any such allotment or sale, such power to expire (unless previously varied, revoked or renewed by the Company in general meeting) at the conclusion of the Annual General Meeting of the Company to be held in 2021 or, if earlier, on the expiry of 15 months from the passing of this resolution, save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require equity securities to be allotted or sold from treasury after the expiry of such power, and the Directors may allot or sell from treasury equity securities in pursuance of such an offer or an agreement as if such power had not expired.

12. That, subject to the passing of Resolution 10 above, the Directors be and are hereby empowered (pursuant to sections 570 and 573 of the Act) to allot Ordinary Shares and to sell Ordinary Shares from treasury for cash pursuant to the authority referred to in Resolution 10 above as if section 561 of the Act did not apply to any such allotment or sale, such power to expire (unless previously varied, revoked or renewed by the Company in general meeting) at the conclusion of the Annual General Meeting of the Company to be held in 2021 or, if earlier, on the expiry of 15 months from the passing of this resolution, save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require equity securities to be allotted or sold from treasury after the expiry of such power, and the Directors may allot or sell from treasury equity securities in pursuance of such an offer or an agreement as if such power had not expired.

13. That the Company be and is hereby generally and unconditionally authorised in accordance with section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of its Ordinary Shares, provided that:

    a) the maximum number of Ordinary Shares hereby authorised to be purchased shall be 10,140,510 (representing 14.99 per cent of the Company's issued Ordinary Share capital (excluding shares held in Treasury) at the date of this notice of Annual General Meeting);

    b) the minimum price (exclusive of any expenses) which may be paid for an Ordinary Share is 1 pence;

    c) the maximum price (excluding expenses) which may be paid for an Ordinary Share is not more than the higher of (i) 5 per cent. above the average of the mid-market values of the Ordinary Shares for the five business days before the purchase is made; and (ii) the higher of the price of the last independent trade and the highest current independent bid for the Ordinary Shares;

    d) the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company in 2021 or, if earlier, on the expiry of 15 months from the passing of this resolution, unless such authority is renewed prior to such time; and

    e) the Company may make a contract to purchase Ordinary Shares under the authority hereby conferred prior to the expiry of such authority, which will or may be executed wholly or partly after the expiration of such authority and may make a purchase of Ordinary Shares pursuant to any such contract.

14. That a general meeting of the Company other than an Annual General Meeting may be called on not less than 14 clear days' notice, provided that this authority shall expire at the conclusion of the Company's next Annual General Meeting after the date of the passing of this resolution.

By order of the Board

Brian Smith
For and on behalf of
PraxisIFM Fund Services (UK) Limited
Company Secretary

25 September 2020

1st Floor
Senator House
85 Queen Victoria Street
London EC4V 4AB

Notes to the notice of Annual General Meeting

Website address

1. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, is available from www.ashokaindiaequity.com.

Entitlement to attend and vote

2. Only those holders of Ordinary Shares registered on the Company's register of members at close of business on 7 December 2020 or, if this meeting is adjourned, at close of business on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the meeting.

Appointment of Proxies

3. Members entitled to attend, speak and vote at the meeting (in accordance with Note 2 above) are entitled to appoint one or more proxies to attend, speak and vote in their place. If you wish to appoint a proxy please use the Form of Proxy enclosed with this document or follow the instructions at note 7 below if you wish to appoint a proxy through the CREST electronic proxy appointment service. In the case of joint members, only one need sign the Form of Proxy. The vote of the senior joint member will be accepted to the exclusion of the votes of the other joint members. For this purpose, seniority will be determined by the order in which the names of the members appear in the register of members in respect of the joint shareholding. The completion and return of the Form of Proxy will not stop you attending and voting in person at the meeting should you wish to do so. A proxy need not be a member of the Company. You may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares held by you. If you choose to appoint multiple proxies use a separate copy of this form (which you may photocopy) for each proxy, and indicate after the proxy's name the number of shares in relation to which they are authorised to act (which, in aggregate, should not exceed the number of Ordinary Shares held by you). Please also mark the box to indicate that the proxy instruction is one of multiple appointments being made. All forms must be signed and returned in the same envelope.

4. You can appoint the Chairman of the Meeting, or any other person, as your proxy. If you wish to appoint someone other than the Chairman, cross out the words 'the Chairman of the Meeting' on the Form of Proxy and insert the full name of your appointee.

5. You can instruct your proxy how to vote on each resolution by marking inside the 'For' and 'Against' boxes with an 'X' as appropriate (or entering the number of shares which you are entitled to vote). If you wish to abstain from voting on any resolution please mark the box which is marked 'Vote Withheld' with an 'X'. It should be noted that a vote withheld is not a vote in law and will not be counted in the calculation of the proportion of votes 'For' and 'Against' a resolution. If you do not indicate on the Form of Proxy how your proxy should vote, he/she can exercise his/her discretion as to whether, and if how so how, he/she votes on each resolution, as he/she will do in respect of any other business (including amendments to resolutions) which may properly be conducted at the meeting.

   A company incorporated in England and Wales or Northern Ireland should execute the Form of Proxy under its common seal or otherwise in accordance with Section 44 of the Companies Act 2006 or by signature on its behalf by a duly authorised office or attorney whose power of attorney or other authority should be enclosed with the Form of Proxy.

Appointment of Proxy using Hard Copy Form

6. The Form of Proxy and any power of attorney (or a notarially certified copy or office copy thereof) under which it is executed must be received by Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY at 10.45 am on 7 December 2020 in respect of the meeting. Any Forms of Proxy received before such time will be deemed to have been received at such time. In the case of an adjournment, the Form of Proxy must be received by Computershare no later than 48 hours before the rescheduled meeting.

   On completing the Form of Proxy, sign it and return it to Computershare at the address shown on the Form of Proxy in the envelope provided. As postage has been pre-paid no stamp is required.

Appointment of Proxy through CREST

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

   In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Company's agent (ID: 3RA50) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting.

For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to a proxy's appointee through CREST should be communicated to the appointee through other means.

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

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

All messages relating to the appointment of a proxy or an instruction to a previously appointed proxy, which are to be transmitted through CREST, must be lodged at 10.45am on 9 December 2020 in respect of the meeting. Any such messages received before such time will be deemed to have been received at such time. In the case of an adjournment, all messages must be lodged with Computershare no later than 48 hours before the rescheduled meeting.

Termination of proxy appointments

8. In order to revoke a proxy instruction you will need to inform the Company. Please send a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare, Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY.

   In the case of a member which is a company, the revocation notice must be executed under its common seal or otherwise in accordance with section 44 of the Companies Act 2006 or by signature on its behalf by an office or attorney whose power of attorney or other authority should be included with the revocation notice.

   Once a proxy has been lodged, it can be amended up to the meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified in note 2 above then, subject to the paragraph directly below, your proxy will remain valid.

   Completion of a Form of Proxy will not preclude a member from attending and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will be automatically terminated.

   If you submit more than one valid proxy appointment in respect of the same Ordinary Shares, the appointment received last before the latest time for receipt of proxies will take precedence.

Nominated Persons

9. If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights:

   - You may have a right under an agreement between you and the member of the Company who has nominated you to have information rights (Relevant Member) to be appointed or to have someone else appointed as a proxy for the meeting.

   - If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights.

   - Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

   - If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in the notes to the form of proxy.

Questions at the meeting

10. Under section 319A of the Companies Act 2006, the Company must answer any question you ask relating to the business being dealt with at the meeting unless:

    - answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;

    - the answer has already been given on a website in the form of an answer to a question; or

    - it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Issued Shares and total voting rights

11. As at the date of this Notice, the total number of shares in issue is 67,648,500 Ordinary Shares of 1p each. The total number of Ordinary Shares with voting rights is 67,648,500. On a vote by a show of hands, every holder of Ordinary Shares who (being an individual) is present by a person, by proxy or (being a corporation) is present by a duly authorised representative, not being himself a member, shall have one vote. On a poll every holder of Ordinary Shares who is present in person or by proxy shall have one vote for every Ordinary Share held by him.

Communication

12. Except as provided above, members who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted):

    - Calls to the Computershare shareholder helpline on 0370 703 6077 cost no more than a national rate from any type of phone or provider. If in doubt you should check with your phone line provider as to the exact cost involved for you to call this number. Lines are open 8.30am to 5.30pm, Monday to Friday excluding bank holidays; or

    - in writing to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZZ.

    You may not use any electronic address provided either in this notice of meeting or in any related documents (including the Form of Proxy for this meeting) to communicate with the Company for any purposes other than those expressly stated.

Form of proxy

I/We _____

of _____

(BLOCK CAPITALS PLEASE)

being (a) member(s) of Ashoka India Equity Investment Trust plc appoint the Chairman of the meeting, or (see note 1)

of _____

as my/our proxy and, on a poll, to vote for me/us on my/our behalf at the Annual General Meeting of the Company

Please indicate with an 'X' in the spaces provided how you wish your votes to be cast on the resolutions specified.

Resolution	For	Against	Withheld	Discretionary
1. To receive and adopt the Company's Annual Report and Accounts.				
2. To approve the Directors' Remuneration Report.				
3. To re-elect Andrew Watkins as a Director of the Company.				
4. To re-elect Dr Jerome Booth as a Director of the Company.				
5. To re-elect Rita Dhut as a Director of the Company.				
6. To re-elect Jamie Skinner as a Director of the Company.				
7. To re-appoint Ernst & Young LLP as Auditor to the Company.				
8. To authorise the Directors to fix the remuneration of the Auditor.				
9. To give authority to allot new shares.				
10. To give authority to allot new shares in connection with any performance fees payable to the Investment Manager.				
11. To give authority to allot new shares free from pre-emption rights.				
12. To give authority to allot new shares in connection with any performance fees payable to the Investment Manager free from pre-emption rights.				
13 To give authority for the Company to purchase its own shares.				
14. To authorise calling general meetings (other than Annual General Meetings) on 14 clear days' notice.				

Subject to any voting instructions so given the proxy will vote, or may abstain from voting, on any resolution as he may think fit.

Signature _____ Dated this _____ day of _____ 2020