

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take you are recommended to seek your own financial advice immediately from an independent financial adviser who specialises in advising on shares or other securities and who is authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") or, if you are not resident in the UK, from another appropriately authorised independent financial adviser in your own jurisdiction.

This document comprises a supplementary prospectus relating to Ashoka India Equity Investment Trust plc (the "**Company**") prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority ("**FCA**") made pursuant to section 73A of the Financial Services and Markets Act 2000 (the "**Supplementary Prospectus**").

This Supplementary Prospectus has been approved by the FCA and has been filed with the FCA in accordance with the Prospectus Regulation Rules. The FCA only approves this Supplementary Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer that is the subject of this Supplementary Prospectus.

This Supplementary Prospectus is supplemental to, and should be read in conjunction with, the prospectus (comprising a summary, a registration document and a securities note) published by the Company on 20 December 2019 relating to a Share Issuance Programme of up to 125 million Ordinary Shares in aggregate (the "**Prospectus**"). Except as expressly stated herein, or unless the context otherwise requires, the definitions used or referred to in the Prospectus also apply in this Supplementary Prospectus.

The Company and each of the Directors, whose names appear on page 7 of this Supplementary Prospectus, accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Supplementary Prospectus is in accordance with the facts and the Supplementary Prospectus makes no omission likely to affect its import.

ASHOKA INDIA EQUITY INVESTMENT TRUST PLC

(Incorporated in England and Wales with company no. 11356069 and registered as an investment company under section 833 of the Companies Act 2006)

SUPPLEMENTARY PROSPECTUS

Share Issuance Programme of up to 125 million Ordinary Shares in aggregate

Investment Manager

Acorn Asset Management Ltd

Sponsor, Broker and Placing Agent

Peel Hunt LLP

Peel Hunt LLP ("**Peel Hunt**"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and for no-one else and will not regard any other person (whether or not a recipient of this Supplementary Prospectus or the Prospectus) as its client and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing any advice in relation to the Share Issuance Programme and any Admission and the other arrangements referred to in the Prospectus and this Supplementary Prospectus.

Apart from the responsibilities and liabilities, if any, which may be imposed on Peel Hunt by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, Peel Hunt does not make any representation, express or implied, in relation to, nor accepts any responsibility whatsoever for, the contents of this Supplementary Prospectus or the Prospectus or for any other statement made or purported to be made by it or on its behalf in connection with the Company, the Ordinary Shares, the Share Issuance Programme or any Admission. Peel Hunt (together with its affiliates) accordingly, to the fullest extent permissible by law, disclaims all and any responsibility or liability (save for any statutory liability) whether arising in tort, contract or otherwise which it might otherwise have in respect of this Supplementary Prospectus or the Prospectus or any other statement.

Prospective investors should rely only on the information contained in this Supplementary Prospectus and the Prospectus. No person has been authorised to give any information or make any representations other than those contained in this Supplementary Prospectus and the Prospectus and, if given or made, such information or representations must not be relied upon as having been so authorised by the Company, the Investment Manager, the Investment Adviser or Peel Hunt or any of their respective affiliates, officers, directors, employees or agents. Without prejudice to the Company's obligations under the Prospectus Regulation Rules, the Listing Rules, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules neither the delivery of this Supplementary Prospectus nor any subscription for or purchase of Ordinary Shares made pursuant to the Share Issuance Programme shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since, or that the information contained herein is correct at any time subsequent to, the date of this Supplementary Prospectus.

The Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**US Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S under the US Securities Act ("**Regulation S**")), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. The Ordinary Shares are being offered or sold outside the United States to persons who are not US Persons in reliance on Regulation S. In addition, the Company has not been and will not be registered under the United States Investment Company Act of 1940, (as amended) (the "**US Investment Company Act**"), and the recipient of this document will not be entitled to the benefits of that Act. This document must not be distributed into the United States or to US Persons. Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved of these securities or determined if this document is truthful or complete. Any representation to the contrary is a US criminal offence.

The Ordinary Shares are not being offered or sold to persons resident in India and will not be registered and/or approved by the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India (the "**RBI**") or any other governmental / regulatory authority in India and may not be offered or sold within India or to, or for the account or benefit of, persons resident in India (as defined under Foreign Exchange Management Act, 1999 ("**FEMA**"), its rules, regulations and notifications). As per the SEBI (Foreign Portfolio Investors) Regulations, 2019 and the Operational Guidelines issued thereunder, persons resident in India, Non Resident Indians ("**NRIs**") and Overseas Citizens of India ("**OCIs**") cannot be a beneficial owner of a Foreign Portfolio Investor ("**FPI**"). Neither the RBI nor any other regulatory authority in India has approved or disapproved of these securities or determined if this document is truthful or complete nor do they intend to do so. Any investor who is a person resident in India or NRI or OCI will be entirely responsible for determining its eligibility to invest in the Ordinary Shares.

Neither this Supplementary Prospectus nor the Prospectus constitutes an offer to sell, or the solicitation of an offer to acquire or subscribe for, Ordinary Shares in any jurisdiction where such offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the Investment Manager, the Investment Adviser or Peel Hunt. The Ordinary Shares have not been, and will not be, registered under the securities laws, or with any securities regulatory authority of, any member state of the EEA other than the United Kingdom, or any province or territory of any Restricted Jurisdiction. Subject to certain exceptions, the Ordinary Shares may not, directly or indirectly, be offered, sold, taken up or delivered in, into or from any member state of the EEA other than the United Kingdom, any Restricted Jurisdiction or to or for the account or benefit of any national, resident or citizen or any person resident in any member state of the EEA other than the United Kingdom, or any Restricted Jurisdiction. Neither this Supplementary Prospectus nor the Prospectus constitutes an offer to sell or a solicitation of an offer to purchase or subscribe for Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. The distribution of this Supplementary Prospectus or the Prospectus in other jurisdictions may be restricted by law and therefore persons into whose possession this Supplementary Prospectus or the Prospectus comes should inform themselves of and observe any restrictions.

Copies of this Supplementary Prospectus will be available on the Company's website and the National Storage Mechanism of the FCA at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

12 October 2020

Events arising since publication of the Prospectus

This Supplementary Prospectus is being published in relation to the Share Issuance Programme. This Supplementary Prospectus is a regulatory requirement under the Prospectus Regulation Rules following the publication of the Company's report and accounts for the financial year ended 30 June 2020. This Supplementary Prospectus has been approved for publication by the FCA.

A. Significant new factors

Report and accounts for the financial year ended 30 June 2020

On 28 September 2020, the Company published its annual report and audited accounts for the financial year ended 30 June 2020 (the "**2020 Annual Report**"). By virtue of this Supplementary Prospectus, the parts of the 2020 Annual Report referenced in this Supplementary Prospectus are incorporated into, and form part of, the Prospectus. The parts of the 2020 Annual Report not referenced in this Supplementary Prospectus are either not relevant for investors or are covered elsewhere in the Prospectus.

Historical financial information incorporated by reference

Historical financial information relating to the Company on the matters referred to below is included in the 2020 Annual Report as set out in the table below and is expressly incorporated by reference into this Supplementary Prospectus and the Prospectus.

	Year ended 30 June 2020
	(audited)
<i>Nature of information</i>	<i>Page No(s)</i>
Investment Objective, Financial Information and Performance Summary	2
Chairman's Statement	3-4
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Top Ten Holdings	9
Directors' Report	23-27
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Directors, Investment Manager and Advisers	75

Selected financial information

The key audited figures that summarise the financial condition of the Company in respect of the year ended 30 June 2020, which have been extracted without material adjustment from the historical financial information referred to above, are set out in the following table.

<u>Audited Statement of Financial Position</u>	<i>As at 30 June 2020 (£'000)</i>	<i>As at 30 June 2019 (£'000)</i>
Non-current assets:		
Investments held at fair value through profit or loss	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	(128)	(120)
Non-current liabilities		
Performance fee provision	(2,887)	(52)
Capital gains deferred tax provision	(1,001)	(811)
Total liabilities	(4,016)	(983)
Net assets	70,450	54,530
Net asset value per Ordinary Share	104.1 pence	108.8 pence

<u>Audited Statement of Comprehensive Income</u>	<i>Year ended 30 June 2020 (£'000)</i>	<i>Period from 11 May 2018 to 30 June 2019 (£'000)</i>
(Losses)/gains on investments	(48)	6,075
(Losses)/gains on currency movements	(66)	364
Income	586	279
Total income	472	6,718
Performance fees	(2,835)	(52)
Operating expenses	(554)	(474)
Operating (loss)/profit before taxation	(2,917)	6,192
Taxation	(478)	(811)
(Loss)/profit for the year/period	(3,395)	5,381
(Loss)/earnings per Ordinary Share	(5.53) pence	11.43 pence

Operating and financial review

The 2020 Annual Report included, on the pages specified in the table below, descriptions of the Company's financial condition (in both capital and revenue terms), details of the Company's investment activity and portfolio exposure, and changes in its financial condition for the year.

	Year ended 30 June 2020
	(audited)
Nature of information	Page No(s)
Chairman's Statement	3-4
Investment Manager's Report	5-8
Top Ten Holdings	9

Update to risk factors

The "Risk Factors" section of the Registration Document is hereby supplemented by adding the following additional risk factor to the section headed "Risks relating to the Company's portfolio":

The Company's financial performance and prospects may be adversely affected by COVID-19, the long-term impact of which is currently unknown

On 11 March 2020, the World Health Organisation announced that the outbreak of COVID-19 (commonly referred to as Coronavirus) had been declared a global pandemic. The long-term impacts of the outbreak are unknown and rapidly evolving. A widespread health crisis could continue to adversely affect the UK, Indian and global economies, resulting in a substantial decline in financial markets. The future development of the outbreak is highly uncertain and there is no assurance that the outbreak will not have a material adverse impact on the future results of the Company. The Company invests primarily in securities listed on stock exchanges in India and listed securities of companies with a Significant Presence in India. Any further decline in the Indian economy as a result of COVID-19 could harm investee entities' businesses or their future financial performance, which would in turn affect the Company's investments and returns. In addition, any further deterioration in the global financial markets could lead to significant declines in employment, household wealth, consumer demand and lending and as a result could adversely affect economic growth in India and elsewhere and negatively affect the Company's investments. The extent of the impact of COVID-19 will depend on the continued range of the virus, infection rates, the severity and mortality rates of the virus, the timing and efficacy of a vaccine, the steps taken in the UK, India and globally to prevent the spread of the virus as well as fiscal and monetary stimuli offered by the UK and Indian governments and governments globally.

B. Supplements to the Summary

As a result of the publication of the 2020 Annual Report, the summary document which forms part of the Prospectus is hereby supplemented as follows:

2.	Key information on the issuer				
b.	What is the key financial information regarding the issuer?				
	Table 1: Additional information relevant to closed end funds				
	Share Class	Total NAV*	No. of shares*	NAV per share*	Historical performance of the Company*
	Ordinary	£70.45 million	67,648,500	104.14p (including current financial year revenue items)	During the year ended 30 June 2020, the Company delivered Net Asset Value and share price total returns of -4.3 per cent. and -9.6 per cent., respectively, compared to a total return of -16.0 per cent. for the MSCI India IMI Index (Sterling).
	* As at 30 June 2020.				
	Table 2: Income statement for closed end funds				
	<u>Audited Statement of Comprehensive Income</u>	<i>Year ended 30 June 2020</i> (£'000)	<i>Period from 11 May 2018 to 30 June 2019</i> (£'000)		
	(Losses)/gains on investments	(48)	6,075		
	(Losses)/gains on currency movements	(66)	364		
	Income	586	279		
	Total income	472	6,718		
	Performance fees	(2,835)	(52)		
	Operating expenses	(554)	(474)		
	Operating (loss)/profit before taxation	(2,917)	6,192		
	Taxation	(478)	(811)		
	(Loss)/profit for the year/period	(3,395)	5,381		
	(Loss)/earnings per Ordinary Share	(5.53) pence	11.43 pence		
	Table 3: Balance sheet for closed end funds				
	<u>Audited Statement of Financial Position</u>	<i>As at 30 June 2020</i> (£'000)	<i>As at 30 June 2019</i> (£'000)		
	Non-current assets:				
	Investments held at fair value through profit or loss	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	(128)	(120)
Non-current liabilities		
Performance fee provision	(2,887)	(52)
Capital gains deferred tax provision	(1,001)	(811)
Total liabilities	(4,016)	(983)
Net assets	70,450	54,530
Net asset value per Ordinary Share	104.1 pence	108.8 pence

C. Significant change

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

Save as disclosed above, there has been no significant change in the financial position of the Company since 30 June 2020, being the end of the last financial period for which audited financial statements of the Company have been published.

D. Additional information

Withdrawal rights

In accordance with Article 23(2) of the Prospectus Regulation, investors who have agreed before this Supplementary Prospectus was published to purchase or subscribe for Ordinary Shares the allotment of which has not become fully unconditional have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplementary Prospectus was published, to withdraw their agreement. Any such investors should contact the Company Secretary.

Responsibility

The Company, whose registered office appears below, and the Directors, whose names appear below, accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Supplementary Prospectus is in accordance with the facts and the Supplementary Prospectus makes no omission likely to affect its import.

The Directors of the Company are:

Andrew Watkins (Non-executive Chairman)
 Jamie Skinner (Non-executive Director)
 Dr. Jerome Booth (Non-executive Director)
 Rita Dhut (Non-executive Director)

The registered office of the Company is at:

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

Documents available for inspection

Copies of this Supplementary Prospectus, the Prospectus and the 2020 Annual Report are available for inspection on the Company's website at www.ashokaindiaequity.com and, until the Share Issuance Programme closes, during usual business hours on any day (Saturdays, Sundays and public holidays excepted) at the offices of Stephenson Harwood LLP, 1 Finsbury Circus, London EC2M 7SH, United Kingdom.

General

To the extent that there is any inconsistency between any statement in or incorporated by reference in this Supplementary Prospectus and any other statement in or incorporated by reference in the Prospectus, the statements in or incorporated by reference in this Supplementary Prospectus will prevail.

Save as disclosed in this Supplementary Prospectus, no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

12 October 2020