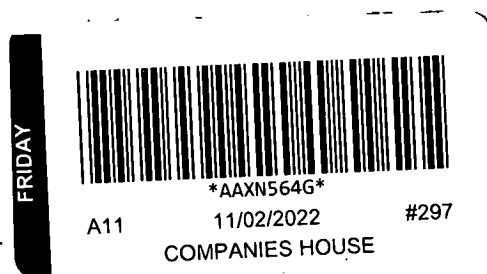

JPMorgan Indian Investment Trust plc

Annual Report & Financial Statements for the year ended 30th September 2021



KEY FEATURES

Your Company

Objective

Capital growth from investments in India.

Investment Policies

- To invest in a diversified portfolio of equity and equity-related securities of Indian companies and also in companies which earn a material part of their revenues from India.
- To invest no more than 15% of gross assets in other investment companies (including investment trusts).
- Further details on investment policies, risk management and investment restrictions and guidelines are given in the Business Review on page 24.

Benchmark

MSCI India Index expressed in sterling terms.

Risk

Investors should note that there can be significant economic and political risks inherent in investing in a single emerging economy such as India. As such, the Indian market can exhibit more volatility than developed markets and this should be taken into consideration when evaluating the suitability of the Company as a potential investment.

Capital Structure

At 30th September 2021, the Company's share capital comprised 99,473,851 Ordinary shares of 25p each, including 21,818,991 shares held in Treasury.

IFRS 10

International Financial Reporting Standard ('IFRS') 10 was amended for reporting periods beginning on or after 1st January 2016. The amended IFRS 10 requires the Company, as an 'investment entity', to account for its subsidiary as an 'investment held at fair value through profit or loss' rather than consolidating.

As a consequence of the amendment to IFRS 10, the financial statements in this Annual Report and Financial Statements are presented on a 'company-only' basis with comparatives also presented on a 'company-only' basis. Supplementary information is given in Note 24, starting on page 84.

Continuation Vote

The Company's Articles require that, at the Annual General Meeting to be held in 2024 and at every fifth year thereafter, the Directors propose a resolution that the Company continues as an investment trust.

A performance-related conditional tender offer will be made to shareholders for up to 25% of the Company's outstanding share capital, at net asset value ("NAV") less costs if, over the five years from 1 October 2020, the Company's NAV total return in sterling on a cum income basis does not exceed the total return of the benchmark in sterling terms plus 0.5% per annum over the five year period on a cumulative basis. If the tender offer was triggered, it would be subject to shareholder approval at the relevant time.

Any tender offer would also be conditional on shareholders approving the Company's continuation vote in 2024.

Management Company and Company Secretary

The Company employs JPMorgan Funds Limited ('JPMF' or the 'Manager') as its Alternative Investment Fund Manager and Company Secretary. JPMF delegates the management of the Company's portfolio to JPMorgan Asset Management (UK) Limited ('JPMAM').

Financial Conduct Authority ('FCA') regulation of 'non-mainstream pooled investments'

The Company currently conducts its affairs so that the shares issued by JPMorgan Indian Investment Trust plc can be recommended by Independent Financial Advisers to ordinary retail investors in accordance with the FCA rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future.

The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust. The Company's ordinary shares are not considered to be 'complex instruments' under the FCA's 'Appropriateness' rules and guidance in the Conduct of Business sourcebook.

Association of Investment Companies ('AIC')

The Company is a member of the AIC.

Website

The Company's website, which can be found at www.jpmindian.co.uk, includes useful information on the Company, such as daily prices, factsheets and current and historic half year and annual reports.

“

While the near term outlook undoubtedly continues to depend on the trajectory of the pandemic, the investment case for India remains compelling in the long term. From a top down perspective, this remains an early stage growth economy with a long runway of growth for the foreseeable future.”

Rajendra Nair,
Investment Manager,
JPMorgan Indian Investment Trust plc

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“

JPMAM's in-house research team covers over 100 companies, with a cumulative market capitalisation of c. US\$1.7tn, almost 65% of the total market. We focus on superior quality businesses, which we expect to grow profitably over the long term. This means that when economically sensitive stocks rally strongly, our portfolio has the potential to lag the performance of the benchmark, which contains fewer premium and quality companies and more low quality, often structurally challenged businesses.”

Ayaz Ebrahim
Investment Manager,
JPMorgan Indian Investment Trust plc

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Why invest in the JPMorgan Indian Investment Trust plc

Our heritage and our team

JPMorgan Indian Investment Trust plc is the largest London-listed Indian equity fund focusing purely on Indian companies. The Company provides exposure to a market to which it is difficult to gain direct access, through a growth-orientated portfolio of Indian equities. Seasoned Indian equities experts, Rajendra Nair and Ayaz Ebrahim, bring with them deep investment experience, complemented by the insights of J.P. Morgan Asset Management's extensive network of emerging markets specialists. Their on-the-ground experience and in-depth knowledge of local markets enable them to make longer-term appraisals of companies and not be side tracked by short-term volatility.

Our Investment Approach

The Company's managers invest in good quality businesses with superior growth prospects, holding them for the long-term to benefit from the growth potential of the Indian economy. Investment in India presents an exciting opportunity for long-term growth, given its increasingly affluent population and companies supported by a young and educated workforce. The investment managers look to capitalise on this potential, concentrating on companies that are well-managed and benefit from the long-term growth opportunity of India.

55

Years of combined
industry experience
between the
Investment Managers

90

Investment professionals
across
emerging markets
and Asia

336

Meetings with
Indian companies
in 2020¹

48.1%

Active share²

¹ COVID-19 has meant that the meetings have been more limited in 2021, with the majority being conducted virtually, where practicable.

² Active share is a measurement of the difference in the Company's portfolio compared to the benchmark index.

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NOTE: THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should seek your own personal financial advice from your stockbroker, bank manager, solicitor or other financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser. If you have sold or otherwise transferred all your ordinary shares in JPMorgan Indian Investment Trust plc, please forward this document, together with the accompanying documents, immediately to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

FINANCIAL HIGHLIGHTS

TOTAL RETURNS

	2021	2020	3 Years Cumulative	5 Years Cumulative
<u>Return to shareholders^{1,A}</u>	+45.4%	-23.2%	+31.9%	+31.6%
<u>Return on net assets^{2,A}</u>	+43.2%	-16.2%	+33.6%	+34.5%
<u>Benchmark return^{3,A}</u>	+46.8%	-4.2%	+55.9%	+79.3%
<u>Net asset return compared to benchmark return^A</u>	-3.6%	-12.0%	-22.3%	-44.8%

¹ Source: Morningstar.

² Source: Morningstar/J.P.Morgan, using net asset value per share.

³ Source: MSCI. The Company's benchmark is the MSCI India Index expressed in sterling terms.

^A Alternative performance measure.

A glossary of terms and alternative performance measures is provided on pages 97 and 98.

SUMMARY OF RESULTS

	2021	2020	% change
Net asset value, share price, discount and market data at 30th September			
Shareholders' funds (£'000)	763,913	536,697	+42.3
Net asset value per share ^A	983.7p	687.1p	+43.2
Share price	831.0p	571.5p	+45.4
Share price discount to net asset value per share ^A	15.5%	16.8%	
Shares in issue – excluding shares held in Treasury	77,654,860	78,107,465	-0.6
Profit/(loss) for the year ended 30th September			
Revenue profit/(loss) attributable to shareholders (£'000) ¹	738	(111)	
Revenue profit/(loss) per share ^{1, A}	0.95p	(0.13)p	
Profit/(loss) attributable to shareholders (£'000)	229,908	(109,113)	
Total earnings/(loss) per share	296.03p	(124.61)p	
Net cash at 30th September^{2, A}			
	(1.6)%	(1.1)%	
Ongoing charges^{3, A}			
	0.83%	1.02%	

¹ Figures are calculated at the group level, which is consistent with prior year calculations. See page 84.

² Gearing is calculated at the group level, which is consistent with prior year calculations. Details of the basis of calculation are given on page 97.

³ Ongoing charges are calculated at the group level, which is consistent with prior year calculations. Details of the basis of calculation are given on page 98.

^A Alternative performance measure ('APM').

A glossary of terms and alternative performance measures is provided on pages 97 and 98.

Rosemary Morgan
Chairman

Results

Following a recovery of the equity market in India this year, the Company produced a total return on net assets ('NAV') of +43.2%. The total return to shareholders was +45.4% for the period, reflecting the narrowing of the share price discount to net asset value over the year from 16.8% at the beginning of the year to 15.5% at the period end. The share price rose sharply from 571.5p to 831.0p over the year.

Although the absolute performance of the Company was positive over the 12 months to 30th September 2021, it underperformed the benchmark index by 3.6%. The Investment Managers comment in their report on this underperformance, which arose in large part from the strong recovery in lower-quality cyclical businesses which are more highly weighted in the benchmark than the Company's portfolio.

The Board has investigated in detail the reasons for the underperformance of the portfolio and after conducting a review of the Investment Managers' investment process and the resources of the team the Board believes that the changes put in place since Ayaz Ebrahim became co-manager need more time to deliver outperformance of the portfolio. The Board therefore considers that the continuing appointment of JPMAM for the provision of investment management services is in the best interests of shareholders. However, in view of the investment underperformance issues outlined above, the Board is keeping the manager's performance under constant scrutiny.

Investment Managers and Team Changes

Rajendra Nair continues to manage the Company's investments. With effect from 1st August 2020, Raj was joined as co-manager by another highly experienced investment professional, Ayaz Ebrahim, who is the co-head of the Asia Pacific Regional team within the JPMAM Emerging Markets and Asia Pacific ('EMAP') equities team. The appointment of Ayaz Ebrahim as joint Investment Manager last year provides greater oversight of the construction and risk metrics of the portfolio.

In their report which follows, the Investment Managers set out the key factors affecting the portfolio's performance as well as the Indian economy and equity market over the financial year and give their view of the prospects for the future.

Discount and Share Repurchases

The discount at which the Company's shares trade narrowed over the course of the year, from 16.6% to 15.5%.

At the AGM held in February 2021, shareholders gave approval for the Company to renew the Directors' authority to repurchase up to 14.99% of the Company's shares for cancellation or into Treasury on an ongoing basis. The Company repurchased 452,605 shares into Treasury during the reporting period. Since the year end, 272,338 shares have been bought back for holding in Treasury.

The Board regularly considers the merits of buying back shares in order to manage the level and volatility of the discount and will buy back shares if the discount is out of line with the peer group and markets are orderly. As shares are only bought back at a discount to the prevailing net asset value, share buybacks benefit shareholders as they increase the net asset value per share.

The Board believes that such a facility is an important tool in the management of discount volatility and is, therefore, seeking approval from shareholders to renew the authority to repurchase the Company's shares at the forthcoming AGM.

Gearing

The Company has a floating rate loan facility to provide the Investment Managers with the flexibility to gear the portfolio when they think it is appropriate to do so. As at 30th September 2021, the Group's portfolio held 1.6% net cash, i.e. was 98.4% invested. At the time of writing, the Group's portfolio is approximately 3.5% net cash.

Management Fee

Following a review of the management fee in October 2020, the Board agreed a reduction in the management fee with the Manager, backdated to take effect from 1st February 2020. The current annual rate is 0.75% on the first £300million of gross assets and 0.6% on gross assets in excess of £300million. The fee is calculated and paid monthly.

Continuation Vote and Conditional Tender Offer

The Company's Articles require that at the Annual General Meeting to be held in 2024, and at every fifth year thereafter, the Directors propose a resolution that the Company continues as an investment trust. In addition, as announced on 26th January 2021, following consultation with the Company's advisers, a tender offer will be made to shareholders for up to 25% of the Company's outstanding share capital, at NAV less costs if, over the five years from 1st October 2020, the Company's NAV total return in sterling on a cum income basis does not exceed the total return of the benchmark index plus 0.5% per annum over the five year period on a cumulative basis. If the tender offer is triggered, it will be subject to shareholder approval at the relevant time. Any tender offer will also be conditional on shareholders approving the Company's continuation vote in 2024.

The Board

Nimi Patel retired from the Board at the AGM last February. As previously reported, Hugh Sandeman will step down from the Board at the conclusion of the AGM in February 2022. Therefore, in anticipation of his retirement, the Board started a recruitment process in the autumn and expects to announce the appointment of a new director in due course.

Jeremy Whitley will succeed Hugh as the Senior Independent Director upon his retirement.

In accordance with corporate governance best practice, all Directors, other than Hugh, will stand for reappointment at the forthcoming AGM.

On behalf of the Board, I would like to express our gratitude and appreciation to Hugh for the significant contribution he has made to the Board's work since he joined the Board in 2010 and wish him well for the future.

Mauritius Subsidiary and Taxation

As has been explained previously, the India-Mauritius tax treaty was amended with effect from May 2017 since when the advantages of investing in India via Mauritius have, to a large degree, been removed. The process to move the Company's assets to the UK parent company was accelerated during the year. All holdings except one delisted investment at nil value were transferred by the year end, leading to 100% of the Group's investments held directly by the parent company. Note 24 on pages 84 to 89 explains the current position relating to the Mauritius Subsidiary.

IFRS 10

Consistent with the past four financial years, the financial statements of the Company contained in this Annual Report have been prepared in accordance with the amended IFRS 10. As a result, the financial statements do not consolidate our Mauritian subsidiary.

As a consequence of the non-consolidation of the Mauritian subsidiary's financial statements, it is the Board's view that these financial statements do not disclose the full cost of operating the enterprise or the total level of our liabilities. Therefore, we continue to seek to provide shareholders with a fuller picture of the combined operations of the Company and its subsidiary during the year, and their combined financial position as at 30th September 2021, by including in note 24 supplemental information and reconciliations to the statutory financial statements, i.e. figures which are comparable to those which were reported in years prior to 2017. As this information is within the notes to the financial statements it is audited. The Board again encourages shareholders to consider these figures if they want to judge how the Company has performed this year, alongside the statutory financial statements.

The transfer before 30th September 2021 of the remainder of the investment portfolio from the Mauritian subsidiary to the Company, as referred to above, will have the effect of simplifying the financial statements going forward. In time, the supplemental information shown in note 24 will be rendered unnecessary, although it will continue to be required in the next financial year as comparative figures will still be affected.

Annual General Meeting

A more familiar format for the AGM may be permissible for this year and, to that end, the AGM is scheduled to be held on Thursday, 3rd February 2022 at 12.00 noon at 60 Victoria Embankment, London EC4Y 0JP. The Board will continue to monitor COVID-19 developments closely and attendance at the physical meeting may be still restricted, depending on the Government's guidelines at the time.

We strongly advise all shareholders to consider their own personal circumstances before attending the AGM in person. For shareholders wishing to follow the AGM proceedings but choosing not to attend, we will be able to welcome you through conferencing software. Details on how to register, together with access details, will be available shortly on the Company's website: www.jpmindian.co.uk or by contacting the Company Secretary at invtrusts.cosec@jpmorgan.com.

Shareholders viewing the meeting online will not be able to vote and we therefore encourage all shareholders to exercise their votes in advance by completing and submitting their proxy form. Shareholders are encouraged to send any questions ahead of the AGM via the Company Secretary.

If there are any changes to the above AGM arrangements, the Company will update shareholders through the Company's website and, as appropriate, through an announcement on the London Stock Exchange.

Outlook

While the pandemic has yet to run its course in India, we hope the situation can soon return to some normality. The Board and the investment managers remain confident about the prospects for generating positive shareholder returns from investing in Indian stocks based on the country's demographics, huge potential for infrastructure development, educated population and technological innovation.

Rosemary Morgan
Chairman

17th December 2021

Rajendra Nair
Investment Manager

The year in review

2021 has been a year of extremes. A devastating second wave of the COVID-19 pandemic severely impacted the economy in the first half of the year, yet Indian equity markets looked beyond the country's immediate travails to reach all-time highs. In this environment of extreme dichotomy between real activity and financial market behaviour, your Company realised exceptionally high returns in absolute terms – its net asset value rose by 43.2% and its share price rose 45.4% over the financial year ended 30th September 2021. However, performance lagged the benchmark, the MSCI Indian Index (in GBP terms), which returned an even more impressive 46.8% over the period.

This underperformance arises in large part from the trust's focus on superior quality businesses, which we expect to grow profitably over the long term. This means that our portfolio will often differ markedly from the benchmark, which contains fewer premium and quality companies and more low quality, often structurally challenged, businesses. Our performance will therefore differ at times from the benchmark, as it has done over the past few years, which has impacted the long term performance. However, the Company's investment strategy adopts a long-term approach based on the view that superior quality companies, with scope to grow over many years, will outperform over the long run and reward investors for their patience.

Ayaz Ebrahim
Investment Manager

In this report, we review recent performance and portfolio positioning in more detail and consider the outlook for Indian equity markets over the coming year and longer term.

Market Review

The financial year ending 30th September 2021 was a turbulent one for India, in which the pandemic continued to have a major impact on the country. The year began on a positive note, as the first wave of the pandemic passed, and economic activity began to recover rapidly. However, a vicious second wave significantly impacted the country between February and May 2021. To give context to the severity of the second wave, the number of cases peaked at just over 400,000 cases per day in May, four times higher than at the peak of the first wave in September 2020, making India the worst affected nation in terms of daily case numbers. In response to this crisis, Indian state governments imposed tight restrictions that severely disrupted the economy. However, economic activity began to normalise in the last few months of the financial year, as the second wave receded and restrictions were gradually eased.

Inflation was volatile over the financial year due to the economic disruption caused by the pandemic. It briefly crossed the upper end of the Reserve Bank of India's (RBI) 2-6% target range in late 2020 and mid-2021. However, the RBI's Monetary Policy Committee (MPC) maintained an accommodative stance to support growth, leaving rates unchanged throughout the year.

Indian corporate earnings broadly tracked the trajectory of economic activity, although globally oriented businesses were insulated to some extent from the pandemic-induced shock to the domestic economy. Rising input prices led to margin pressure across several sectors towards the end of the review period and near-term earnings forecasts were downgraded accordingly, although earnings are expected to rebound strongly over the next couple of years, as the economic recovery continues to gather momentum.

As in other major markets, Indian equity investors looked beyond the immediate grim economic and social circumstances towards the prospect of a robust post-pandemic recovery. Share prices rose to all-time highs, supported by abundant liquidity and strong investment inflows, particularly from retail investors. The MSCI India Index's return of 46.8% during the financial year significantly outperformed Asian and emerging market indices. Mid and small cap companies outpaced large caps during this period, again thanks to strong retail demand. The market's exuberant mood encouraged a rise in initial public offerings (IPOs), and the high-profile listing of several internet businesses such as **Zomato**, a leading food delivery services, and **Nykaa**, an online cosmetics retailer, fuelled the general market euphoria. We participated in both these listings (see below for further discussion).

Spotlight on stocks and sectors

In the second half of 2020 and early 2021, before the onset of the pandemic's second wave, we selectively increased the portfolio's exposure to quality cyclicals that would benefit from the economic recovery we anticipated. Acquisitions included cement companies **ACC Ltd**, and **Ambuja Cement**, and financial names such as **ICICI Bank** and **Shriram Transport Finance**, which provides commercial vehicle financing. However, the pandemic's second wave delayed the projected recovery for many months. Companies reliant on the domestic recovery therefore lagged globally focused cyclicals, which benefited from the more decisive rebound experienced by other economies. This lag in the returns of domestically oriented cyclicals was the key reason for the Company's relative underperformance over the past year.

At a sector level, the portfolio's overweight allocation and stock selection in financials was the largest detractor from relative returns. Financials is our largest sectoral overweight and this sector was hit by concerns that the severe disruption to economic activity caused by the pandemic would undermine asset quality. However, these concerns have not materialised. After the second wave peaked in May 2021, risks to the sector subsided as activity began to recover. Stock selection also detracted from relative performance, due in large part to our underweight in **Bajaj Finance group**. This company is an expensive, but well-run wholesale lender, which escaped the sector's travails, and was re-rated further due to the perception as a quasi-fintech business.

The portfolio's lack of exposure to the commodities sector, the portfolio's second largest underweight, after energy also detracted from relative performance at the sectoral level during the year. The global rise in commodity prices drove strong absolute and relative performance from companies such as steelmakers **Tata Steel** and **JSW Steel**, **Hindalco**, an aluminium producer, and **Vedanta**, a metals and mining company. We do not hold any of these companies, as they do not meet our quality and growth criteria. At the stock level, the Company's overweight in **Maruti Suzuki**, an auto manufacturer, was another detractor, as the rise in input prices squeezed margins and demand for cars declined sharply during the pandemic.

These adverse influences on relative performance were partially offset by the positive impact of other positions, most notably our underweight in **Reliance Industries**, a leading conglomerate with interests in refining, petrochemicals, telecom and retail which was the largest positive contributor to relative performance. This stock lagged the market due to its expensive valuation, following significant outperformance in the preceding three years. The Company's holdings in several domestic cyclicals such as **Ultratech Cement** and **Larsen & Toubro**, an engineering and construction company, also enhanced returns, supported by expectations of a normalisation in economic activity.

The underweight in the healthcare sector was another key contributor to relative performance. The pharmaceuticals sector lagged due to persistent pricing pressure in the US generics business. Stock selection was also a positive contributor as the holdings in a couple of healthcare services names such as **Apollo Hospitals** and **Dr. Lal Pathlabs** did extremely well due to the pandemic.

The outperformance of mid and small cap stocks benefitted several portfolio positions, such as **L&T Technology Services**, which provides engineering and related research and development services, and **Kajaria Ceramics**, a supplier of building products. All these names boosted returns over the review period.

Portfolio positioning and recent investment activity

Despite recent underperformance, we have maintained our focus on superior companies with attractive valuations and positive long term growth prospects. At a sector level, there have not been any significant changes in positioning over the past year.

Financials remains the portfolio's largest exposure in absolute terms and relative to the benchmark. Holdings in this sector fall in three key categories:

1. Premium financials: Including core holdings in privately owned banks such as **HDFC Bank**, **Kotak Bank** and **Housing Development Finance Corp (HDFC)**. These businesses will all benefit from the post-pandemic recovery, and in addition, their long-term growth prospects are attractive, as they have the capacity to gain market share from weaker, state-owned banks, which remain structurally challenged.

2. Cyclically oriented financials: Including names such as **ICICI Bank, Axis Bank, IndusInd Bank and Shriram Transport Finance**, which should do well as economic activity rebounds.
3. Individual businesses with strong long-term growth drivers, but not excessively dependent on a cyclical recovery: Including companies such as **HDFC Life Insurance**, India's largest life insurer, **Multi Commodity Exchange**, the leading commodity derivatives exchange, and **CRISIL**, a subsidiary of Standard & Poors ratings agency and the leading ratings agency franchise in India.

Information technology services companies such as **Tata Consultancy Services** and **Infosys Technologies** are another key position. These are well-run businesses with favourable long-term growth runways, as they are well-placed to benefit from growing global demand for technology services. However, we have trimmed our exposure recently, taking some profits following strong performance over the past year.

We have also maintained our exposure to **domestic cyclical sectors** such as industrials (**Larsen & Toubro**) and building materials (**ACC Ltd, Ambuja Cement and Ultratech Cement**), which should benefit from the economic recovery.

Conversely, the Company is underweight the **commodity sector**. As noted above, this hurt relative performance over the past year; however, we believe that the valuations of commodity companies have run ahead of fundamentals, and some businesses in the sector are poorly run. As such, they do not align with our quality/growth-oriented approach.

Energy is another notable underweight mainly manifested in our below-index exposure to **Reliance Industries**. This company is undergoing a very interesting metamorphosis from a refining and petrochemical giant into a collection of technology oriented businesses straddling telecom, online retail and green energy. However, we remain cautious about its prospects. Despite the stock's recent underperformance, valuations are still factoring in a lot of positives, while ignoring the execution risks intrinsic to its newer ventures.

We are also increasingly cautious about the outlook for mid and small cap stocks, as absolute and relative valuations are near lifetime highs. As a result, we have trimmed our exposure to some of these holdings.

The portfolio's main thematic driver is the significant and sustained growth in domestic **consumption** likely over the coming decades. This offers many opportunities for investors with a long-term horizon. The trust has an exposure to this theme through a variety of businesses in several sectors, including **automotives (Maruti Suzuki and Bajaj Auto)**. While this sector has struggled over the past year due to squeezed margins and constrained demand, it is well placed to benefit from the near-term recovery, while longer term demand will be supported by the continued growth of India's middle class. Furthermore, the transition to electric vehicles should generate significant opportunities (as well as some threats) over the next decade.

The consumption theme is also the motivating factor in the trust's position in **United Spirits**, an alcoholic drinks company, which is a subsidiary of Diageo. The consumption of alcoholic beverages is low in India and is likely to grow steadily over the long term. In addition, this business is effectively a duopoly, as Diageo and Pernod Ricard account for bulk of the spirits market. Other consumption focused positions include **Titan Company**, India's largest commercial jeweler, and **Jubilant Foodworks**, the master franchisee of Domino's Pizza in India.

Recent portfolio acquisitions inspired by the consumption theme include **Britannia Industries**, India's largest biscuits brand. This is a well-run business with a promising growth outlook, but its performance lagged over the past year. As a result, valuations have become attractive from a long-term perspective, although the business faces some near-term challenges due to margin pressure from rising input prices. We also participated in the initial public offerings (IPOs) of two consumer-oriented tech businesses - Zomato, a food delivery business and Nykaa, an online retailer of beauty products. These businesses are both at an early stage of development, with very good prospects of becoming significantly larger over the next decade and beyond, as demand for their services increases.

Gearing

Given the high valuation of the current Indian equity market, we continue to maintain a cautious approach to gearing. The Group currently has a net cash position of 1.6%, which is more conservative than its net cash position of 1.1% as at 30th September 2020.

PERFORMANCE ATTRIBUTION

FOR THE YEAR ENDED 30TH SEPTEMBER 2021

	%	%
Contributions to total returns		
Benchmark return		46.8
Stock and Sector allocation	(0.2)	
Gearing/(net cash) ¹	(3.0)	
Investment Manager contribution		(3.2)
Portfolio return^A		43.6
Management fee/other expenses	(0.5)	
Share buybacks/issuance	0.1	
Return on net assets^A		43.2
Return to shareholders^A		45.4

Source: Factset, J.P. Morgan and Morningstar. All figures are on a total return basis.

Performance attribution analyses how the Company achieved its recorded performance relative to its benchmark.

¹ Includes impact of CGT provision of -1.6%.

^A Alternative performance measure ('APM').

A glossary of terms and alternative performance measures is provided on pages 97 and 98.

Outlook

Following the exceptional performance of Indian equity markets over the past year, some near-term volatility is possible. This could be triggered by any one of several potentially adverse influences. For instance, valuations, on both a price to earnings and price to book basis, are now at 10-year highs in absolute terms and relative to Asian indices and emerging markets more broadly. This implies a limited margin of safety, particularly if high global inflation proves more than transitory and interest rates begin to rise. The Indian economy has always been prone to bouts of high inflation and under such a scenario, the market could be vulnerable to a correction, especially if higher interest rates dampen recovery momentum. Higher than expected inflation could also put pressure on companies' margins in instances where businesses are unable or unwilling to pass on higher costs to consumers. In fact, this is already happening, causing some downgrades in near-term earnings forecasts, although earnings are nonetheless expected to recover strongly over the next couple of years.

There is also the risk of a third wave of COVID-19 inflections, particularly in the wake of the festive season. However, our base case remains that the economic impact of another wave is likely to be limited and short-lived, as a significant part of the adult population is likely to be vaccinated by early next year, and we are looking forward to a year in which the domestically oriented cyclical stocks in our portfolio, including financials, industrials, building materials and auto manufacturers, perform well as economy activity rebounds.

Whatever the possible trigger, long term investors will appreciate that episodes of volatility are inevitable in emerging markets like India, and, in fact, should be welcomed to the extent that they generate attractive entry points to interesting investment opportunities. History shows that such patient investors have been rewarded handsomely - the Company has delivered compound annual returns of almost 9.5% and 14% (in GBP) over the past 10 and 20 years respectively.

While India's economic recovery should support performance in the near-term, there are several reasons why we expect the portfolio's record of strong returns to continue over the longer term:

1. With an annual per capita GDP of only around \$2,000, India remains an early-stage growth economy, with the potential to continue to expand rapidly over coming decades.
2. India's equity markets offer a large, diverse and growing investable universe. The attractive long-term macro backdrop offers many of these companies the opportunity to become significantly larger businesses over the next decade.
3. The technology revolution, which has transformed most major economies over the past decade, is at an embryonic stage in India. As the adoption of technology increases, the impact on every facet of India's economy will be profound. For example, new and innovative financial technology (fintech) startups are beginning to change the way Indians make payments, invest and borrow.

Our research process is oriented towards identifying the opportunities created by these mega trends playing out in India, and we believe our quality/growth investment approach remains appropriate given that India is only in the early stages of development. We are therefore confident of the Company's ability to continue delivering attractive levels of capital growth over the long-term.

We sincerely thank shareholders for their ongoing support.

Rajendra Nair, CFA
Ayaz Ebrahim
Investment Managers

17th December 2021

J.P.Morgan Asset Management's approach to ESG

Introduction

ESG is an acronym which stands for Environmental, Social and Governance. It has become a convenient measure for describing the broad field of sustainability in the corporate sector and is widely used when assessing the environmental impact of businesses, when considering how companies acquit themselves in respect of their broad social responsibilities and when reviewing the practices and standards used in governing corporate organisations.

Awareness of these issues has increased significantly in recent years among investment practitioners and their clients, and indeed in society at large, and our practices at J.P.Morgan Asset Management have been at the forefront of these developments. In these pages we explain how our approach has developed and how it is applied for the benefit of shareholders across the J.P.Morgan range of investment trusts.

The basics: what is ESG?

E is for Environmental. This component considers a company's impact on the world we live in, relating to the quality and functioning of the natural environment and natural systems.

S is for Social. Social factors address the way that companies act within society; this includes the way that employee interests are managed, and the broader impact a company has on society.

G is for Governance. This component relates to how companies are managed. It considers the measures that protect shareholder interests as well as the way any company meets regulatory and other external obligations.

The table below provides illustrative examples of ESG issues in each of the **E**, **S** and **G** categories:

Environmental	Social	Governance
Carbon pollution and emissions	Human rights	Board structure: effectiveness, diversity, independence
Environmental regulations (and adherence)	Diversity	Executive pay and criteria
Climate change policies	Health and safety	Shareholder rights
Sustainable sourcing of materials	Product safety	Financial reporting and accounting standards
Recycling	Employee management	How a business is run
Renewable energy use	Employee well-being	
Water and waste management	Commitment to communities	

Why do we integrate ESG into our investment processes?

Consideration of sustainability is intrinsic to our long term approach to investment. When we invest our clients' assets, we have to make judgements about the future risks and rewards of any investment. Those risks and rewards have always included the factors shown in the table above, and indeed all ESG factors, because all of them have the potential to affect the future value of a security. A business that produces huge amounts of carbon emissions or plastic waste, for example, is likely to find itself the subject of scrutiny from regulators and consumers and failure to anticipate this and to change will likely bring a loss of value for shareholders in the long run. The same is true of businesses that neglect their social responsibilities, or fail in matters of governance. In all these instances, investors will eventually assign a higher discount rate to future cash flows, with consequences for the price of that company's securities.

How do we integrate ESG into our investment processes?

We integrate ESG considerations across all three parts of our qualitative assessment of a business.

Firstly we assign each business a **strategic classification** which is a label of franchise quality that ranges from Premium (best) to Quality and then to Trading and Structurally Challenged. This label is arrived at after a thorough examination of Economics, Duration and Governance. Environmental and Social issues have always been part of our assessment of Duration, along with broader considerations like the competitive and regulatory landscape faced by the business.

Strategic Classification: Portfolio vs. Benchmark

Source: J.P.Morgan Asset Management as 30th September 2021.

Secondly our research analysts complete a **98 question risk profile** for each of the 1,000+ companies that we cover. Two thirds of these questions relate to environmental, social and governance issues with the remainder considering broader aspects of risk such as financial risk and regulatory risk. The graph below splits the portfolio and the benchmark based on how exposed they are to each quintile (equal groupings of 20%) of the risk profile responses.

Risk Profile: Portfolio vs. Benchmark

Source: J.P. Morgan Asset Management as at 30th September 2021.

Thirdly, our analysts complete an ESG materiality score for every stock under coverage. The materiality framework splits our investable universe into over 50 sub-industries with companies scored only on the ESG issues that are likely to be financially material to the industry in which they operate. For example we analyse software companies on issues cyber security and carbon footprint of data centres of their data centres, while we focus more on environmental and safety issues for commodity extraction and processing names.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ('ESG') REPORT

ESG Materiality Score: Portfolio vs. Benchmark

Source: J.P.Morgan Asset Management as at 30th September 2021.

Finally, the three qualitative assessment tools above feed into various parts of our valuation framework. This allows us to increase discount rates when valuing businesses with higher levels of ESG risks.

Engagement

Consideration of ESG issues should not be seen as a purely reactive activity in investment. It also involves active engagement with investee companies to promote standards, principles and outcomes that we would like to see companies demonstrate in practice.

The purpose of this report is to explain how we are setting about achieving these aspirations and to share examples of progress as we continue to seek ever more productive corporate engagement. We have five Investment Stewardship Principles. They are set by our Global Sustainable Investing Function and are principles we believe will have universal applicability and stand the test of time, and are as follows:

We hope the case studies set out below help illustrate how these principles and frameworks work together to create a coherent and effective approach to corporate engagement. The companies mentioned are all held in your company's portfolio, and are just a few examples of the ongoing dialogue that we maintain with all the companies in which we invest on your behalf.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ('ESG') REPORT

Britannia Industries is a branded food producer in India. We first engaged with the company to ask them to publish a sustainability report on a visit to meet their CEO at the corporate HQ in India in March 2019. We did this because, as is often the case, we were aware how much good work the company did that was not being disclosed to the market.

We have continually pushed the company on this point and were therefore pleased to see it publish its inaugural sustainability report in the third quarter of 2021. We spent some time analysing the disclosures which can form the basis of our future engagements with the company. For example in the last two years it has reduced the intensity of its GFG emissions (0.23 tCO₂/unit to 0.2 tCO₂/unit) and water usage (1.24L/Kg to 0.97 L/Kg); this is encouraging but now we can benchmark the data to peers and push for further improvement where relevant.

HDFC Bank is the largest private sector bank in India. We have engaged with the company to encourage better disclosures on its ESG efforts, especially in terms of diversity and better disclosure in relation to carbon-intensive sectors. Even though the bank is aware of its responsibilities and is making positive strides in this regard, lack of disclosure regarding their efforts impacts their ESG rankings. The bank has published a target to increase female participation to 25% of the workforce by 2025. They believe that flexible working arrangements should encourage women to continue working as the age bracket of 30-40 years sees the highest drop-out rate for them. While the bank does not yet disclose carbon-intensive data, they have notified us that this exposure is not significant.

The Carbon Scorecard

The table below is the MSCI CARBON ESG FOOTPRINT CALCULATOR.

	Carbon Emissions tons CO ₂ e/USDm invested	Total Carbon Emissions tons CO ₂ e
JPMorgan Indian Investment Trust	130.1	134,284
MSCI India	317.8	328,017
Aim/Purpose	<i>What is my portfolio's normalised carbon footprint per million dollars invested?</i>	<i>What is my portfolio's total carbon footprint?</i>
Description	Normalized measure of a portfolio's contribution to climate change that enables comparisons with a benchmark, between multiple portfolios, and over time, regardless of portfolio size.	Measures the carbon footprint of a portfolio - i.e. the total carbon emissions for which an equity portfolio is responsible - by summing up the proportionate carbon emissions of portfolio companies based on the investor's ownership share.

Source: MSCI, J.P. Morgan Asset Management. Table as of 30th September 2021 based on data from MSCI as at that date.

Proxy Voting

J.P. Morgan Asset Management exercises the voting rights of shares held in all client portfolios, where entrusted with this responsibility. We seek to vote in a prudent and diligent manner, based exclusively on our reasonable judgement of what will best serve the financial interests of our clients. So far as is practicable, we will vote at all meetings called by the companies in which we are invested.

We believe that corporate governance is integral to our investment process. We examine the share structure and voting structure of the companies in which we invest, as well as the board balance, oversight functions and remuneration policy. For full details, please see the J.P. Morgan Asset Management Corporate Governance Policy & Voting Guidelines, copies of which are available on request, or to download from our website.

JPMorgan Indian Investment Trust plc: Voting at shareholder meetings over the year to 30th September 2021

	For	Against	Abstain	Against/ Abstain Total	Did not vote	Total Items	% Against/ Abstain
Routine Business	126	1	0	1	4	131	0.76
Director Related	127	19	0	19	4	150	13
Capitalisation	23	0	0	0	0	23	0
Reorganisation and Mergers	18	0	1	1	0	19	5
Non-salary Compensation	51	9	1	10	0	61	16
Miscellaneous	19	0	0	0	2	21	0
TOTAL	364	29	2	31	10	405	7.7

The following examples should help illustrate some of the principles which inform our voting:

United Spirits, a subsidiary of Diageo, is the leading manufacturer and distributor of alcoholic beverages in India. We voted in favor of the appointment and remuneration of the new CEO as opposed to ISS's recommendation of voting against the same. ISS thought that the remuneration cap being proposed was excessive as per industry standards as it was for a period of 3 years. We voted 'For' the resolution as we believe that the 'Target CTC' for the CEO was not excessive when compared to other heads of leading FMCG (fast moving consumer goods) companies in India. One needs to compensate adequately when looking to attract competent talent and we expect the board to be fair and just in deciding the final compensation, which would be based on results delivered by the CEO. At the same time, we voted 'Against' the resolution to approve commission payments to Non-Executive Directors, in line with ISS recommendation. The resolution once approved would be valid in perpetuity, with shareholders unable to review the same in future. This would have been against best practice and detrimental to shareholders' rights.

Reliance is a leading conglomerate in India with presence across petrochemicals, refining, telecom, retail, e-commerce and a recent foray into renewable energy. In line with the recommendation from ISS we voted against appointment of two directors due to their long tenures. Directors who stay on the board of a company for a very long time are deemed non-independent and could start acting in concert with the promoters. Our internal policy deems any director who stays on the board for more than nine consecutive years as non-independent. With the two directors deemed non-independent, the board's independence norms would have been violated based on the proposed resolution. We believe independence of the board is of paramount importance for benefit of shareholders and therefore voted against the resolution.

Castrol is the leading lubricants player in India and a subsidiary of British Petroleum. We voted against the appointment and remuneration for a Whole-time director (WTD) as there was no cap on the quantum of variable remuneration which could be paid to him every year. Even though the variable remuneration would have been based on his performance, the lack of cap or any measure of payment would have provided discretionary powers to the board towards the WTD's compensation. We thought this was not in line with the best practice and voted against the same, in line with ISS.

The future

We know that our shareholders, including the Directors of your Company, see attention to ESG factors as critical in their assessment of us as investment manager. We expect ESG to remain a dominant theme within the financial services industry going forward. The course being taken by regulators suggests that its importance will only increase in years to come. Our research process and the investment judgements we make will continue to reflect that and to evolve as necessary. In investing your Company's assets, however, we have always looked for companies with the ability to create value in a sustainable way and that will not change.

J.P.Morgan Asset Management

17th December 2021

PERFORMANCE

TEN YEAR PERFORMANCE

FIGURES HAVE BEEN REBASED TO 100 AT 30TH SEPTEMBER 2011

¹ Source: Morningstar.

² Source: Morningstar/J.P. Morgan, using net asset value per share.

³ Source: MSCI. The Company's benchmark is the MSCI India Index expressed in sterling.

TEN YEAR PERFORMANCE RELATIVE TO BENCHMARK

FIGURES HAVE BEEN REBASED TO 100 AT 30TH SEPTEMBER 2011

¹ Source: Morningstar.

² Source: Morningstar/J.P. Morgan, using net asset value per share.

³ Source: MSCI. The Company's benchmark is the MSCI India Index expressed in sterling.

TEN YEAR FINANCIAL RECORD

TEN YEAR FINANCIAL RECORD

At 30th September	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Shareholders' funds (£'m)	473.7	488.2	382.6	530.8	605.0	770.7	840.0	770.1	857.6	535.0	763.9
Net asset value per share (p) ^A	398.7	419.1	361.6	502.2	572.3	731.8	797.8	736.5	820.1	687.1	983.7
Share price (p)	358.3	374.0	308.0	444.8	502.0	631.5	707.0	630.0	744.0	571.5	831.0
Share price discount to net asset value per share (%) ^A	10.1	10.8	14.8	11.4	12.3	13.7	11.4	14.5	9.3	16.8	15.5
(Net cash)/gearing (%) ^{1,A}	(2.8)	(2.7)	(2.8)	5.5	1.5	7.0	7.4	0.3	(5.4)	(1.1)	(1.6)
£/INR exchange rate ²	76.3	85.6	101.1	99.9	99.6	86.4	87.6	94.5	87.3	95.4	100.1
Year ended 30th September											
Gross revenue return (£'000) ^{3,A}	7,201	6,333	5,886	6,676	6,137	6,759	9,353	8,340	9,269	7,629	7,755
Revenue (loss)/earnings per share (p) ^{3,A}	(1.36)	(0.66)	(1.21)	0.53	(2.21)	(1.75)	(1.37)	(2.06)	(0.10)	(0.13)	0.95
Ongoing charges (%) ^{1,A}	1.50	1.49	1.52	1.27	1.24	1.22	1.19	1.09	1.06	1.02	0.83
Rebased to 100 at 30th September 2011											
Total return to shareholders ^{4,A}	100.0	104.4	86.0	124.1	140.1	176.2	197.3	175.8	207.6	159.5	231.9
Total return on net assets ^{5,A}	100.0	105.1	90.7	126.0	143.5	183.5	200.1	184.7	205.6	172.3	246.8
Benchmark total return ^{6,A}	100.0	103.7	90.6	124.5	125.4	155.2	171.6	178.4	197.8	189.5	278.2

¹ All figures presented at the group level. Details of the basis of calculation are given on page 97.

² Source: Bloomberg.

³ All figures presented at the group level. See page 84.

⁴ Source: Morningstar/J.P. Morgan.

⁵ Source: Morningstar/J.P. Morgan, using net asset value per share.

⁶ Source: MSCI. The Company's benchmark is the MSCI India Index expressed in sterling terms.

^A Alternative performance measure ('APM').

A glossary of terms and alternative performance measures is provided on pages 97 and 98.

PORTFOLIO INFORMATION

TEN LARGEST INVESTMENTS

AS AT 30TH SEPTEMBER

Company	Sector	2021 Valuation		2020 Valuation	
		£'000	% ¹	£'000	% ¹
Infosys	Information Technology	83,401	11.1	54,028	10.2
Housing Development Finance	Financials	72,466	9.6	45,449	8.6
Reliance Industries	Energy	60,796	8.1	41,916	7.9
Tata Consultancy Services	Information Technology	53,610	7.1	55,141	10.4
ICICI Bank ²	Consumer Staples	49,203	6.5	5,196	1.0
Axis Bank	Financials	28,536	3.8	18,704	3.5
Larsen & Toubro ²	Industrials	27,805	3.7	17,547	3.3
Kotak Mahindra Bank	Financials	27,746	3.7	19,344	3.6
Hindustan Unilever ²	Consumer Staples	24,752	3.3	16,887	3.2
Bharti Airtel ²	Communication Services	24,660	3.3	13,361	2.5
Total		452,975	60.2		

¹ Based on total investments at the group level of £752.0m (2020: £530.7m).

² Not included in ten largest investments at 30th September 2020.

At 30th September 2020, the value of the ten largest investments amounted to £321.5 million representing 60.6% of total investments.

The above top ten has been prepared on a 'look-through' basis to include investments held by the subsidiary.

SECTOR ANALYSIS

AS AT 30TH SEPTEMBER

	2021		2020	
	Portfolio % ¹	Benchmark %	Portfolio % ¹	Benchmark %
Financials	33.0	25.6	26.1	21.7
Information Technology	18.2	17.7	20.6	18.8
Energy	9.4	12.4	9.5	18.8
Consumer Discretionary	9.2	7.7	11.8	8.4
Industrials	8.4	4.3	7.2	2.7
Consumer Staples	7.4	9.4	9.6	11.2
Materials	6.2	9.8	5.7	7.6
Communication Services	3.3	3.4	2.5	2.6
Health Care	3.1	5.2	4.6	6.1
Utilities	1.8	4.1	1.7	1.9
Real Estate	–	0.4	0.7	0.2
Total	100.0	100.0	100.0	100.0

¹ Based on total investments at the group level of £752.0m (2020: £530.7m).

At 30th September 2020, the above sector analysis has been prepared on a 'look-through' basis to include investments held by the subsidiary.

LIST OF INVESTMENTS AT 30TH SEPTEMBER 2021

	Value £'000		Value £'000
FINANCIALS		INDUSTRIALS	
Housing Development Finance	72,466	Larsen & Toubro	27,805
ICICI Bank	49,203	L&T Technology Services	7,732
Axis Bank	28,536	Kajaria Ceramics	7,335
Kotak Mahindra Bank	27,746	TeamLease Services	5,494
HDFC Bank	18,280	Cummins India	5,324
HDFC Life Insurance	13,777	ABB India	4,876
Shriram Transport Finance	10,386	Gujarat Pipavav Port	4,473
IndusInd Bank	7,930		63,039
Multi Commodity Exchange of India	7,276		
CRISIL	6,542	CONSUMER STAPLES	
Motilal Oswal Financial Services	6,322	Hindustan Unilever	24,752
	248,464	United Spirits	22,006
		Britannia Industries	8,617
			55,375
INFORMATION TECHNOLOGY			
Infosys	83,401	MATERIALS	
Tata Consultancy Services	53,610	UltraTech Cement	18,449
	137,011	Ambuja Cements	13,529
		ACC	10,909
ENERGY		Castrol India	3,377
Reliance Industries	60,796		46,264
Bharat Petroleum	9,656		
	70,452	COMMUNICATION SERVICES	
CONSUMER DISCRETIONARY		Bharti Airtel	25,052
Maruti Suzuki India	23,634		25,052
Titan	14,286	HEALTH CARE	
Jubilant Foodworks	11,957	Apollo Hospitals Enterprise	11,943
Bajaj Auto	9,864	Dr Lal PathLabs	6,785
Endurance Technologies	4,095	Biocon	4,881
Eicher Motors	3,340		23,609
Zomato	2,078	UTILITIES	
	69,254	Communication Services	13,517
			13,517
		TOTAL	752,037

Business Review

The Strategic Report's aim is to provide shareholders with information to assess how the Directors have performed their duty to promote the success of the Company during the year under review. To assist shareholders with this assessment, the Strategic Report sets out the structure and objective of the Company, its investment policies and risk management, investment restrictions and guidelines, performance and key performance indicators, share capital, the Company's environmental, social and ethical policy, principal risks and how the Company seeks to manage those risks and finally its long term viability.

Following an amendment to International Financial Reporting Standard 10 ('IFRS 10'), effective since the 2017 financial year, the Company has not been permitted to consolidate its subsidiary (see note 2(c) on page 64 for details). The financial statements and accompanying notes presented are 'Company-only' financial statements with the subsidiary shown as an investment held at fair value through profit or loss in the Statement of Financial Position.

To allow shareholders to compare the Company's performance and financial position with historically published figures which were prepared on a consolidated basis, the Company has produced supplemental information and reconciliations between the statutory 'Company-only' financial statements and figures that would have been published prior to the change to IFRS 10. These are disclosed in note 24 to the financial statements on pages 84 to 89. Performance measures referred to in this Business Review are calculated on this consolidated basis.

The Company's purpose, values, strategy and culture

The purpose of the Company is to provide a cost effective, sustainable investment vehicle for institutions and individuals who wish to invest in Indian companies, which outperforms its benchmark index over the longer term, taking account of wider issues including environmental, social and governance. To achieve this, the Board of Directors is responsible for employing and overseeing an investment management company that has appropriate resources and controls in place to meet the Company's investment objective. The Board's approach is designed to ensure that it comprises Directors from diverse backgrounds who have a breadth of relevant experience and contribute in an open boardroom culture that both supports and challenges the investment management company and its other third party suppliers.

Structure and Objective of the Company

JPMorgan Indian Investment Trust plc is an investment trust company that has a premium listing on the London Stock Exchange. Its objective is to achieve capital growth from investments in India. In seeking to achieve this objective the Company employs JPMF to actively manage the Company's assets. The Board has determined an investment policy and related guidelines and limits, as described below. It aims to outperform the MSCI India Index (expressed in sterling terms).

The Company is subject to legislation and regulations including UK company law, UK Financial Reporting Standards, the UK Listing, Prospectus, Disclosure Guidance and Transparency Rules, the Market Abuse Regulations, taxation law and the Company's own Articles of Association. The Company is an investment company within the meaning of Section 833 of the Companies Act 2006 and has been approved by HM Revenue & Customs as an investment trust (for the purposes of Sections 1158 and 1159 of the Corporation Tax Act 2010) for the year ended 30th September 2013 and future years. The Directors have no reason to believe that approval will not continue to be obtained. The Company is not a close company for taxation purposes.

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

Investment Policies and Risk Management

In order to achieve its investment objective and to seek to manage risk, the Company invests in a diversified portfolio and employs a Manager with a strong focus on research and company visits that enables it to identify what it believes to be the most attractive stocks in the market.

The Company does not invest more than 15% of its gross assets in other UK listed closed-ended investment funds (including investment trusts). The Company does not invest more than 10% of its gross assets in companies that themselves may invest more than 15% of their gross assets in UK listed closed-ended investment funds.

Investment Restrictions and Guidelines

The Board seeks to manage the Company's risk by imposing various investment limits and restrictions:

- The Company can invest in companies that earn a material part of their revenues from India.
- The Company will not invest in the other countries of the Indian sub-continent nor in Sri Lanka.

- A maximum investment, at the time of purchase, of 20% in any group.
- At the time of purchase, the maximum permitted exposure to any individual stock is 14.99% of total assets.
- No more than 10% of the Company's assets will be invested in unquoted investments.
- Gearing may be used when appropriate to increase potential returns to shareholders; the Company's gearing policy is to use short-term gearing for tactical purposes, up to a maximum level of 15% of shareholders funds.

Compliance with the Board's investment restrictions and guidelines is monitored regularly by the Manager and is reported to the Board on a monthly basis.

These limits and restrictions may be varied by the Board at any time at its discretion.

Performance

In the year to 30th September 2021, the Company produced a total return to shareholders of +45.4% (2020: -23.2%), and a total return on net assets of +43.2% (2020: -16.2%). This compares with the total return on the Company's benchmark index of +46.8% (2020: -4.2%). At 30th September 2021, the value of the investment portfolio at the group level was £752.0 million (2020: £530.7 million). The Investment Managers' Report on pages 9 to 13 includes a review of developments during the year as well as information on investment activity within the Company's portfolio and the factors likely to affect the future performance of the Company.

Total Income and Profit (Group Level)

Total profit for the year amounted to £257.1 million (2020: £100.5 million loss) and the net profit after deducting administration expenses, interest and taxation, amounted to £229.9 million (2020: £109.1 million loss). Net revenue profit for the year amounted to £0.7 million (2020: £0.1 million loss). Please refer to note 24 for details.

Key Performance Indicators ('KPIs')

The Board uses a number of financial KPIs to monitor and assess the performance of the Company. The principal KPIs are:

- **Performance against the benchmark index**
The principal objective is to achieve capital growth and out-performance relative to the benchmark. This is the most important KPI by which performance is judged.

Performance Relative to Benchmark Index

FIGURES HAVE BEEN REBASED TO 100 AT 30TH SEPTEMBER 2011

Ten Year Performance

FIGURES HAVE BEEN REBASED TO 100 AT 30TH SEPTEMBER 2011

- **Performance against the Company's peers**

The Board also monitors the performance relative to a broad range of competitor funds.

- **Performance attribution**

The purpose of performance attribution analysis is to assess how the Company achieved its performance relative to its benchmark index, i.e. to understand the impact on the Company's relative performance of the various components such as asset allocation, stock selection and gearing. Details of the attribution analysis for the year ended 30th September 2021 are given in the Investment Managers' Report on page 12.

- **Share price discount to cum income net asset value ('NAV') per share**

The Board has for several years operated a share repurchase programme which seeks to address imbalances in supply of and demand for the Company's shares within the market and thereby seeks to reduce the volatility and absolute level of the share price discount to NAV per share at which the Company's shares trade. In the year to 30th September 2021, the shares traded between a discount of 11.6% and 16.8% (based on month end data).

The Board has the ability to repurchase shares into Treasury and to issue them at a later date at a premium to NAV.

Discount

- **Ongoing charges**

The ongoing charges are calculated at the group level and represent the management fee and all other operating expenses, excluding finance costs, expressed as a percentage of the average daily net assets during the year. The ongoing charges ratio for the year ended 30th September 2021 was 0.83% (2020: 1.02%). The Board reviews each year an analysis which shows a comparison of the Company's ongoing charges and its main expenses with those of its competitors.

Share Capital

The Directors have, on behalf of the Company, authority to issue new shares and shares out of Treasury, to repurchase shares to be held in Treasury and to repurchase shares for cancellation.

At 30 September 2021, the Company's issued share Capital comprised 99,473,851 Ordinary shares of 25p each, including 21,818,991 shares held in Treasury.

Since the year end, the Company repurchased 272,338 shares for holding in Treasury.

The Board will seek shareholder approval at the forthcoming Annual General Meeting to renew the Directors' authority to issue new shares and repurchase shares into Treasury or for cancellation. More details are given on pages 37 and 38 and the full text of the resolutions is set out on pages 94 and 95.

Board Diversity

When recruiting a new Director, the Board's policy is to appoint individuals on merit. Diversity is important in bringing an appropriate range of skills and experience to the Board. The Board's policy on diversity, including gender, is to take account of the benefits of this during the appointment process. The Board remains committed to appointing the most appropriate candidate and has met the Hampton-Alexander recommendation of having 33% female representation on the Board. At 30th September 2021, there were three male Directors and two female Directors on the Board.

Employees, Social, Community, Environmental and Human Rights Issues

The Company has a management contract with JPMF. It has no employees and all of its Directors are non-executive. The day to day activities are carried out by third parties. There are therefore no disclosures to be made in respect of employees. The Company itself has no premises, consumes no electricity, gas or diesel fuel and consequently does not have a measurable carbon footprint. As a low energy user under HMRC guidelines it is not required to disclose energy and carbon information. The Board notes the JPMAM policy statements in respect of Social, Community and Environmental and Human Rights issues and Greenhouse Gas Emissions and that JPMAM, is a signatory to the Carbon Disclosure Project and JPMorgan Chase is a signatory to the Equator Principles on managing social and environmental risk in project finance. See www.jpmorganinvestmenttrusts.co.uk/governance for further details.

An increasingly broad spectrum of investors now rightly focus on 'ESG' issues for their portfolios. They want to know that their managers are aware of these issues, that they take them into account in building their portfolios and that they raise issues directly with investee companies. The Company is aware of the focus on these issues with the Managers and how they integrate them into their investment process.

Companies that address ESG issues and adopt sustainable business practices are better placed to maximise their performance and create enduring value for shareholders. Corporate governance issues have the most direct bearing on the risk/reward profile of the Company's portfolio; as such it is the area most integrated into the Manager's investment process. However, environmental concerns and social issues are relevant and again the focus is on the economic impact of the involvement. The Manager engages in meaningful interactions with investee companies through dedicated meetings and exercises the Company's proxy votes in a prudent and diligent manner in the interests of our shareholders. Also see the Company's Corporate Governance and Voting Policy in the Directors Report on page 41 for further details on Proxy Voting and Stewardship/Engagement.

Greenhouse Gas Emissions

The Company is managed by JPMF with portfolio management delegated to JPMAM. It has no employees and all of its Directors are Non-executive, with the day-to-day activities being carried out by third parties. There are therefore no disclosures to be made in respect of employees. The Company has no premises, consumes no electricity, gas or diesel fuel and consequently does not have a measurable carbon footprint. It therefore qualifies as a low energy user and is exempt from reporting under the Streamlined Energy & Carbon Reporting requirements. JPMAM is also a signatory to the Carbon Disclosure Project. JPMorgan Chase is a signatory to the Equator Principles on managing social and environmental risk in project finance. The Company's MSCI Carbon ESG Footprint Calculator table is included in the ESG Report on page 17.

The Modern Slavery Act 2015 (the 'MSA')

The MSA requires companies to prepare a slavery and human trafficking statement for each financial year of the organisation. As the Company has no employees and does not supply goods and services, the MSA does not apply directly to it. The MSA requirements more appropriately relate to JPMF and JPMAM. JPMorgan's statement on the MSA can be found on the following website: <https://www.jpmorganchase.com/about/our-business/human-rights>

Corporate Criminal Offence

The Company maintains zero tolerance towards tax evasion. Shares in the Company are purchased through intermediaries or brokers, therefore no funds flow directly into the Company.

Principal and Emerging Risks

The Directors confirm that they have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. The risks identified, including emerging risks, and the ways in which they are managed or mitigated are summarised as follows. The impact of the COVID-19 pandemic is inherent in all of these risks and is discussed by the Board on a regular basis. The AIC Code of Corporate Governance requires the Audit Committee to put in place procedures to identify emerging risks. The key emerging risks identified are also summarised below.

With the assistance of the Manager, the Board has drawn up a risk matrix, which identifies the key risks to the Company. In assessing risks and how they can be mitigated, the Board has given particular attention to those risks that might threaten viability. These key risks fall broadly under the following categories:

- **Investment and Strategy**

An inappropriate investment strategy, or poor execution of that strategy, for example stock selection, asset allocation or the level of gearing, may lead to under-performance against the Company's benchmark index and competitor funds.

The Board manages these risks by diversification of investments through its investment restrictions and guidelines which are monitored and reported by the Manager. JPMF also provides the Directors with timely and accurate management information, including performance data and attribution analyses, revenue estimates, liquidity reports and shareholder analyses. The Board monitors the implementation and results of the investment process with the Investment Managers, who attend all Board meetings, and review data which show statistical measures of the Company's risk profile.

The Board is monitoring investment performance closely for improved results.

The Investment Managers employ gearing within a strategic range set by the Board.

- **Environmental and Climate Change**

Climate change is one of the most critical issues confronting asset managers and their investors today. Climate change may have a disruptive effect on the business models and profitability of individual investee companies, and indeed, whole sectors. Investors can no longer ignore the impact that the world's changing climate will have on their portfolios, with the impact of climate change on returns now inevitable. The Board is also mindful of the risk posed by the direct impact of climate change on the operations of the Manager and other major service providers.

The Manager's investment process integrates consideration of environmental, social and governance factors into decisions on which stocks to buy, hold or sell. This includes the approach investee companies take to recognising and mitigating climate change risks. In the Company's and Manager's view, companies that successfully manage climate change risks will perform better in the long-term. Consideration of climate change risks and opportunities is an integral part of the investment process. The Manager aims to influence the management of climate related risks through engagement and voting and is a participant of Climate Action 100+ and a signatory of the United Nations Principles for Responsible Investment.

Climate change could have a varying but significant impact on different regions, sectors and companies within India. The Investment Managers have set out the way in which environmental, social and governance issues are incorporated into their investment process on pages 14 to 19 and this is discussed with the Board.

- **Market**

The emergence of COVID-19 has highlighted the speed and extent of economic damage that can arise from a pandemic. While current hopes that vaccination programmes will control the virus appear well-placed, there is the risk that emergent strains may not respond to current vaccines and may be

more lethal and that they may spread as global travel opens up again.

The response to the Pandemic by the governments may potentially fail to mitigate the economic damage created by the Pandemic and public health responses to it, or may create new risks in their own right. The emergence of a number of vaccines gives hope that the world will be able eventually to live with the COVID-19 pandemic. Meeting the costs of support measures across the globe may see an increase in taxation which could be detrimental to investee companies, the appeal of savings and investment products (such as the Company) and to shareholders themselves. The support measures could also result in either significant levels of inflation in the medium term with a knock on effect on valuations and/or growth; or if they are not sufficient, they could lead to continued depressed levels of demand and deflation. Deflation would make the real price of the Company's debt rise and increase the effective debt burden.

The Board receives reports on the business continuity plans of the Manager and other key service providers. The effectiveness of these measures have been assessed throughout the course of the COVID-19 pandemic and the Board will continue to monitor developments as they occur and seek to learn lessons which may be of use in the event of future pandemics. The Board seeks to manage these risks through: a broadly diversified equity portfolio, appropriate asset allocation, reviewing key economic and political events and regulatory changes, active management of risk and the application of relevant policies on gearing and liquidity.

Market risk arises from uncertainty about the future prices of the Company's investments. It represents the potential loss that the Company might suffer through holding investments in the face of negative market movements. The Board monitors performance regularly as set out in the 'Investment Strategy' section above.

- **Legal and Regulatory**

In order to qualify as an investment trust, the Company must comply with Section 1158 of the Corporation Tax Act 2010 ('Section 1158'). Details of the Company's approval are given under 'Business of the Company' above. Were the Company to breach Section 1158, it would lose its investment trust status and, as a consequence, gains within the Company's portfolio would be subject to Capital Gains Tax. The Section 1158 qualification criteria are continually monitored by the Manager and the results reported to the Board each month.

The Company must also comply with the provisions of the Companies Act and, since its shares are listed on the London Stock Exchange, the UKLA Listing Rules and Disclosure Guidance and Transparency Rules ('DTRs'). A breach of the

Companies Act could result in the Company and/or the Directors being fined or the subject of criminal proceedings. Breach of the UKLA Listing Rules or DTRs could result in the Company's shares being suspended from listing which in turn would breach Section 1158.

The Board relies on the services of its Company Secretary and its professional advisers to ensure compliance with the Companies Act and the UKLA Listing Rules and DTRs.

- **Taxation**

Since the Company's launch, it used to hold the majority of its investments through its Mauritius based subsidiary company, thereby benefitting from the India/Mauritius Double Tax Treaty (the 'Treaty').

In May 2016 the Treaty was amended and the advantage of investing in India via Mauritius, whereby gains made on investments held for less than 12 months were not previously subject to capital gains tax, was removed. As a result, gains on the sale of investments held for less than 12 months are now taxed at the rate of 15%. In 2018, the Indian government announced the introduction of a 10% capital gains tax on realised gains from investments held for more than 12 months. Therefore, since May 2017, the advantages of investing in India via Mauritius have, to a large degree, been removed. In June/July 2021, the Company sold down all of its listed investments held through the Mauritian subsidiary company and bought them back in the UK parent company's portfolio leading to 100% of the Group's investments held directly by the parent company.

- **Corporate Governance and Shareholder Relations**

If the Company's share price lags the NAV by a significant level, this will result in lower returns to shareholders. The Board seeks to manage the volatility and absolute level of the discount by judicious use of its share repurchase authority, taking account of market conditions and the discount of companies in its peer group.

Details of the Company's compliance with Corporate Governance best practice, including information on relations with shareholders, are set out in the Corporate Governance Statement on pages 38 to 42.

- **Operational, including Cyber Crime**

Loss of key staff of the Manager, such as the Investment Managers, could affect the performance of the Company. In this respect the Board receives information on contingency and succession planning from JPMF. Disruption to, or failure of, the Manager's accounting, dealing or payments systems or the Depositary's or Custodian's records could prevent accurate reporting and monitoring of the Company's financial position.

Details of how the Board monitors the services provided by the Manager and its associates and the key elements designed to provide effective internal control are included in the Risk Management and Internal Control section of the Corporate Governance Statement on pages 40 and 41.

The threat of cyber attack, in all its guises, is regarded as at least as important as more traditional physical threats to business continuity and security. The Board has received a summary of the cyber security policies of its key third party service providers and JPMF has confirmed that the Company benefits directly or indirectly from all elements of JPMorgan's Cyber Security programme. The information technology controls around the physical security of JPMorgan's data centres, security of its networks and security of its trading applications are tested by independent review and reported on every six months against the Audit and Assurance Faculty 01/20 ('AAF') standard.

The risk of fraud or other control failures or weaknesses within the Manager or other service providers could result in losses to the Company. The Audit and Risk Committee receives independently audited reports on the Manager's and other service providers' internal controls, as well as a report from the Manager's Compliance function. The Company's management agreement obliges the Manager to report on the detection of fraud relating to the Company's investments and the Company is afforded protection through its various contracts with suppliers, including the Depositary's indemnification for loss or misappropriation of the parent Company's assets held in custody. The Company's Mauritian subsidiary company is not subject to the Alternative Investment Fund Managers Directive and therefore it has not appointed a depositary, but has its own custody agreement with similar indemnity provisions.

- **Financial**

The financial risks faced by the Company include market price risk, currency risk, interest rate risk, liability risk, credit risk and borrowing default risk. Further details are disclosed in note 21 on pages 77 to 83. The Company has exposure to foreign currency as part of the risk reward profile inherent in a company that invests overseas. The income and capital value of the Company's investments are affected by exchange rate movements.

- **Environmental, Social and Governance**

Underperformance as a result of environmental, social and governance risks. The Board acknowledges that there are risks associated with investment in companies which fail to conduct business in a responsible manner and, therefore, it ensures that the Manager takes account of environmental, social and governance factors as part of the investment process.

- **Political and Economic**

The Company faces risks from possible policy changes including the imposition of restrictions on the free movement of capital. The Board has been assured by the Manager that appropriate business continuity plans are in place, which are tested on a regular basis, to deal with such eventualities. The Board has identified border tensions in the region, leading to extreme market volatility and de-rating, as an emerging risk.

Emerging Risks

The Board considers the following as emerging risks facing the Company:

- **Global Pandemics**

COVID-19 has highlighted the speed and extent of economic damage that can arise from a pandemic. While current hopes that vaccination programmes will control the virus appear well-placed, there is the risk that emergent strains may not respond to current vaccines and may be more lethal and that they may spread as global travel opens up again.

The response to the Pandemic by the Indian government may fail to mitigate the economic damage created by the Pandemic and public health responses to it, or may create new risks in their own right.

The Board receives reports on the business continuity plans of the Manager and other key service providers. The effectiveness of these measures have been assessed throughout the course of the COVID-19 pandemic and the Board will continue to monitor developments as they occur and seek to learn lessons which may be of use in the event of future pandemics. The Board seeks to manage these risks through: a broadly diversified equity portfolio, appropriate asset allocation, reviewing key economic and political events and regulatory changes, active management of risk and the of relevant policies on gearing and liquidity.

Long Term Viability

The UK Corporate Governance Code and the AIC Code of Corporate Governance require the Board to assess the prospects of the Company over a longer period than the 12 months required by the 'Going Concern' provision.

The Company's current position and prospects are set out in the Chairman's Statement, the Investment Managers' Report and the Strategic Report. The principal and emerging risks are set out on pages 27 and 29.

The Board has taken account of the Company's current position, the principal and emerging risks that it faces, including climate change and the Covid-19 pandemic and their potential impact on its future development and prospects, and the mitigation

LONG TERM VIABILITY

measures which key service providers, including the Manager, have in place to maintain operational resilience and business continuity. Equity markets across the world initially fell significantly due primarily to concerns around the scale of the pandemic's impact on the global economy. Although the total cost of Covid-19 is currently hard to predict with any certainty, the Board does not believe that it calls into question the long term viability of the Company, particularly as the Company has no loan covenants or liabilities that cannot be readily met. As an investment company with a relatively liquid equity portfolio being capable of being realised fairly quickly and largely fixed ongoing charges which equate to a very small proportion of net assets, it would easily be able to meet its ongoing operating costs as they fall due. The Directors have assessed the prospects of the Company, to the extent that they are able to do so, over the next five years. They have made that assessment by considering those principal and emerging risks, the Company's investment objective and strategy, the investment capabilities of the Manager and the current outlook for the Indian economy and equity market.

In addition to the above, the Company carried out stress testing in connection with the Company's principal risks. The stress tests and scenarios considered the impact of severe market volatility on shareholders' funds. This included modelling substantial market falls, and significantly reduced market liquidity. The scenarios assumed that there would be no recovery in asset prices. The results demonstrated the impact on the Company's NAV, its expenses and its ability to meet its liabilities. In even the most stressed scenario, the Company was shown to have sufficient cash, or to be able to liquidate a sufficient portion of its listed holdings, in order to meet its liabilities as they fall due.

The Board has also taken into account the fact that the Company has a continuation vote at the 2024 Annual General Meeting and, with input from the Company's major shareholders and its brokers, the expectation is that the shareholders will vote in favour of continuation. Based on that information the Directors do not think that the continuation vote will impact on the Company's long term viability.

In determining the appropriate period of assessment the Directors had regard to their view that, given the Company's objective of achieving long term capital growth from investments in India, shareholders should consider the Company as a long term investment proposition. This is consistent with advice provided by investment advisers, that investors should consider investing in equities for a minimum of five years. Thus the Directors consider five years to be an appropriate time horizon to assess the Company's viability.

The Directors confirm that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the five year period of assessment.

By order of the Board
Divya Amin, for and on behalf of
JPMorgan Funds Limited
Company Secretary

17th December 2021

Duty to promote the success of the Company

Section 172 of the Companies Act 2006 requires that a Director must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members (i.e. shareholders) as a whole and in doing so, have regard (amongst other matters) to the likely consequences of any decision in the long term; the need to foster the Company's business relationships with suppliers, customers and others; the impact of the Company's operations on the community and the environment; the desirability of the Company maintaining a reputation for high standards of business conduct; and the need to act fairly as between members of the Company.

The Board is responsible for all decisions relating to the Company's investment objective and policies, gearing, discount management, corporate governance and strategy, and for monitoring the performance of the Company's third party service providers, including the Manager. The Board's philosophy is that the Company should foster a culture where all parties are treated fairly and with respect and the Board recognises the importance of keeping the interests of the Company's stakeholders, and of acting fairly between them, front of mind in its key decision making. As an externally managed investment company with no employees, the Board considers that the Company's key stakeholders are its shareholders, its Manager, its investee companies, and its other professional third party service providers (corporate broker, registrar, auditor, custodian and depository) and wider society. The Board believes the best interests of the Company are aligned with those of these key stakeholders as all parties wish to see and ultimately benefit from the Company achieving its investment objectives whilst carrying on business in compliance with the highest possible regulatory, legal, ethical and commercial standards.

The table below sets out details of the Company's engagement with these stakeholders:

Stakeholder Engagement

Shareholders

Continued shareholder engagement is critical to the continued existence of the Company and the successful delivery of its long term strategy. The Board is focused on fostering and maintaining good working relationships with shareholders and understanding the views of shareholders in order to incorporate them into the Board's strategic thinking and objectives. During the year, the Board, the Company's brokers, the Investment Managers and JPMF held regular discussions with shareholders. Full details on how the Board ensures it is fully apprised of shareholder views and how it engages with all shareholder groups can be found on page 40.

Manager

The principal supplier is the Manager, in particular the investment management team who are responsible for managing the Company's assets in order to achieve its stated investment objective. The Board maintains a good working relationship with the Manager, who also provides administrative support and promotes the Company through its investment trust sales and marketing teams. The Manager's investment management function is fundamental to the long term success of the Company through the pursuit of the investment objective. The Board monitors the Company's investment performance at each Board Meeting in relation to its objective and also to its investment policy and strategy. The Board also maintains strong lines of communication with the Manager via its dedicated company secretary and client director whose interactions extend well beyond the formal business addressed at each Board and Committee meeting. This enables the Board to remain regularly informed of the views of the Manager and the Company's shareholders (and vice versa). The Management Engagement Committee formally reviews the performance and engagement of the Manager at least annually and makes recommendations to the Board.

Investee companies

The Board is committed to responsible investing and actively monitors the activities of investee companies through its delegation to the Manager. In order to achieve this, the Manager has discretionary powers to exercise voting rights on behalf of the Company on all resolutions proposed by the investee companies. In respect of the year under review, the Manager voted at the majority of the annual general meetings and extraordinary meetings held during the year by the Company's portfolio companies (full details can be found in the ESG report on page 18). The Board monitors investments made and divested and questions the Manager's rationale for exposures taken and voting decisions made.

Other key service providers

The Board ensures that it promotes the success of the Company by engaging specialist third party suppliers, with appropriate capability, performance records, resources and controls in place to deliver the services that the Company requires for support in meeting relevant obligations and safeguarding the Company's assets. For this reason, the Board consider the Company's Custodian, Depository, Registrar, Auditor and Broker to be stakeholders. The Board maintains regular contact with its key external service providers, either directly, or via its dedicated company secretary or client director, and receives regular reporting from these providers at Board and Committee meetings. The Management Engagement Committee meets annually to review and appraise its key service providers.

DUTY TO PROMOTE THE SUCCESS OF THE COMPANY

Wider Society

Whilst strong long term investment performance is essential for an investment trust, the Board recognises that to provide an investment vehicle that is sustainable over the long term, both it and the Manager must have regard to ethical and environmental issues that impact society. Hence environmental, social and governance ('ESG') considerations are integrated into the Manager's investment process and will continue to evolve. Further details of the Manager's integrated approach to ESG can be found on pages 14 to 19.

The Directors confirm that they have considered their duty under Section 172 when making decisions during the financial year under review. Some of the key decisions and actions during the year which have required the Directors to have regard to applicable section 172 factors include:

Key Decisions and Actions

Tender Offer

The Board announced on 26 January 2021 that, following consultation with the Company's advisers, it intends to introduce a performance-related conditional tender offer. Under the proposal, a tender offer will be made to shareholders for up to 25% of the Company's outstanding share capital, at net asset value ("NAV") less costs if, over the next five years (from the start of the current financial year being 1 October 2020), the Company's NAV total return in sterling on a cum income basis does not exceed the total return of the MSCI India Index in sterling terms (the "Benchmark") plus 0.5% per annum over the five year period on a cumulative basis. If the tender offer were triggered, it would be subject to shareholder approval at the relevant time.

Any tender offer would also be conditional on shareholders approving the Company's continuation vote in 2024.

Succession Planning

The Board progressed its succession plans during the year resulting in the commencement of a recruitment process. The Company has engaged Sapphire Partners, a recruitment specialist in board level search, as part of the recruitment process. Sapphire Partners has no other connection to the Company or the Manager. Having served as a Director since 2010, Hugh Sandeman will retire from the Board at the Company's forthcoming Annual General Meeting. The Board believes that shareholder interests are best served by ensuring a smooth and orderly succession for the Board which serves to provide both continuity and refreshment whilst ensuring diversity of both background and experience.

Management Fee change

Previously, the management fee had been charged at 1% per annum on gross assets up to £300million and 0.75% on gross assets over £300million. However, following a review, the Board reached an agreement with JPMorgan Funds Limited, its Manager, to amend the Company's investment management fee arrangements in October 2020. With effect from 1st February 2020, the investment management fee has been charged at an annual rate of 0.75% on the first £300million of gross assets and 0.6% on gross assets in excess of £300million. The fee will continue to be calculated and paid monthly.

Mauritius Subsidiary Winding-up

The India-Mauritius tax treaty was amended with effect from May 2017 since when the advantages of investing in India via Mauritius have, to a large degree, been removed. The process to move the Company's assets to the UK parent company was accelerated during the year. All holdings except one delisted holding at nil value were transferred by the year end, leading to 100% of the Group's investments held directly by the parent company. Note 24 on pages 84 to 89 which explains the current position relating to the Mauritius Subsidiary.

Other Actions that Continue to Promote the Success of the Company

In addition, the Directors have kept under review the Company's other operating costs; continued to hold the Manager to account on investment performance; undertaken a robust review of the principal and emerging risks faced by the Company; and continued to encourage the Manager and the Broker to enhance its sales, marketing and PR efforts, having initiated a series of new promotional strategies to raise awareness of the Company.

Furthermore, throughout the course of the Covid-19 pandemic the Board has been in regular contact with the Manager, receiving regular updates on the operational effectiveness of the Manager and key service providers and on areas such as portfolio activity, portfolio liquidity, gearing and the discount to NAV at which the Company's shares trade.

For and on behalf of the Board
Rosemary Morgan
Chairman

17th December 2021

Directors' Report

BOARD OF DIRECTORS

Rosemary Morgan (Chair)*†§^

A Director since December 2013.

Last reappointed to the Board: 2021.

Remuneration: £36,000.

Formerly a manager of Japanese equity portfolios at AIB Govett, she worked in institutional marketing and client liaison at Fidelity International and was Head of Asia and Emerging Markets (Multi Manager Funds) at Royal Bank of Scotland. Chair of Nippon Active Value Fund plc and director of Schroder Asia Pacific Fund plc.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 2,973 Ordinary shares.

Jasper Judd*†§^ (Chairman of the Audit and Risk Committee)

A Director since January 2015.

Last reappointed to the Board: 2021.

Remuneration: £31,000.

A qualified chartered accountant. He latterly spent ten years at Brambles Limited, an Australian headquartered multinational company listed on the Australian Stock Exchange (and formerly on the London Stock Exchange), where he held senior finance and strategy roles, including global head of strategy, and was a member of the global Executive Committee. He is a Non-executive director of Dunedin Income Growth Investment Trust plc.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 3,000 Ordinary shares.

Hugh Sandeman*†§^ (Senior Independent Director, Chairman of the Remuneration Committee)

A Director since October 2010.

Last reappointed to the Board: 2021.

Remuneration: £26,000.

Intention to retire in 2022.

Over 25 years experience in investment banking, based in New York, Tokyo, London and Frankfurt principally with Dresdner Kleinwort. He is Senior Adviser to Langham Capital Limited and a Senior Visiting Fellow & Head of Practice, Executive MSC in International Strategy at LSE IDEAS.

Connections with the Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 19,000 ordinary shares.

Vanessa Donegan*†§^

A Director since February 2020.

Last reappointed to the Board: 2021.

Remuneration: £26,000.

Non-executive director of Herald Investment Management, Invesco Asia Trust PLC and Fidelity China Special Situations PLC. Joined Allied Dunbar Assurance in 1986 and became a Founder Executive Director of Threadneedle Investments when Allied Dunbar Assurance merged with Eagle Star in 1994. She remained with the group, which later became Columbia Threadneedle Investments, until her retirement in 2018, holding various senior positions, including Head of Asia Pacific Equities, EMEA.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 8,155 ordinary shares.

Jeremy Whitley*†‡§^

A Director since February 2020.

Last reappointed to the Board: 2021

Remuneration: £26,000.

Non-executive director and chairman of the audit committee of The Scottish Oriental Smaller Companies Trust plc and Non-executive director of Polar Capital Global Healthcare Trust plc. Head of UK and European equities at Aberdeen Asset Management from 2009 until 2017. Previous roles there included Senior Investment Manager on the global equities team as well as the Asian equities team, based in Singapore, where he was lead manager of the Edinburgh Dragon Trust.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 5,000 ordinary shares.

* Member of the Audit and Risk Committee

† Member of the Nomination Committee

‡ Considered by the Board to be independent

§ Member of the Remuneration Committee

^ Member of the Management Engagement Committee

The Directors present their report and the audited financial statements for the year ended 30th September 2021.

Management of the Company

The Manager and Company Secretary is JPMorgan Funds Limited ('JPMF'), a company authorised and regulated by the FCA. The active Management of the Company's assets is delegated by JPMF to an affiliate JPMorgan Asset Management (UK) Limited ('JPMAM'). The Manager is a wholly-owned subsidiary of JPMorgan Chase Bank which, through other subsidiaries, also provides marketing, banking, dealing and custodian services to the Company.

The Manager is employed under a contract which can be terminated on six months' notice for performance reasons and 12 months for all other reasons, without penalty. If the Company wishes to terminate the contract on shorter notice, the balance of remuneration is payable by way of compensation.

The Board has evaluated the performance of the Manager and confirms that it is satisfied that the continuing appointment of the Manager is in the interests of shareholders as a whole. In arriving at this view, the Management Engagement Committee considered the investment strategy and process of the Manager, noting performance against the benchmark over the long term and the quality of the support that the Company receives from JPMF.

The Alternative Investment Fund Managers Directive ('AIFMD')

JPMF is the Company's alternative investment fund manager ('AIFM'). It is approved as an AIFM by the Financial Conduct Authority ('FCA'). For the purposes of the AIFMD the Company is an alternative investment fund ('AIF'). JPMF has delegated responsibility for the day-to-day management of the Company's portfolio to JPMAM. The Company has appointed The Bank of New York Mellon (International) Limited ('BNY') as its depository. BNY has appointed JPMorgan Chase Bank, N.A. as the Company's custodian. BNY is responsible for the oversight of the custody of the Company's assets and for monitoring its cash flows.

The AIFMD requires certain information to be made available to investors in AIFs before they invest and requires that material changes to this information be disclosed in the annual report of each AIF. An Investor Disclosure Document, which sets out information on the Company's investment strategy and policies, leverage, risk, liquidity, administration, management, fees, conflicts of interest and other shareholder information is available on the Company's website at www.jpmindividual.co.uk

There have been no material changes (other than those reflected in these financial statements) to this information requiring disclosure. Any information requiring immediate disclosure pursuant to the AIFMD will be disclosed to the London Stock Exchange through a primary information provider.

The Company's leverage and JPMF's remuneration disclosures are set out on pages 91 and 92.

Management Fee

The management fee is charged at the rate of 0.75% on the first £300 million of gross assets and 0.60% on gross assets in excess of £300 million. Fees are paid monthly in arrears. Investments in funds managed or advised by the Manager or any of its associated companies are excluded from the calculation and therefore attract no additional management fee.

Directors

The Directors of the Company who held office at the end of the year are detailed on pages 34 and 35. Nimi Patel retired from the Board on 2nd February 2021.

Details of Directors' beneficial shareholdings may be found in the Directors' Remuneration Report on page 47.

In accordance with corporate governance best practice, all Directors will retire at the forthcoming Annual General Meeting, and, being eligible, offer themselves for reappointment, with the exception of Hugh Sandeman who is retiring. The Management Engagement Committee, having considered their qualifications, performance and contribution to the Board and its Committees, confirms that each Director standing for reappointment who held office at the year end continues to be effective and to demonstrate commitment to the role. The Board recommends to shareholders that they be reappointed.

Director Indemnification and Insurance

As permitted by the Company's Articles of Association, each Director has the benefit of an indemnity which is a qualifying third party indemnity, as defined by Section 234 of the Companies Act 2006. The indemnities were in place during the year and as at the date of this report.

An insurance policy is maintained by the Company which indemnifies the Directors of the Company against certain liabilities arising in the conduct of their duties. There is no cover against fraudulent or dishonest actions.

Disclosure of information to Auditors

In the case of each of the persons who are Directors of the Company at the time when this report was approved:

- (a) so far as each of the Directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditors are unaware, and
- (b) each of the Directors has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information (as defined) and to establish that the Company's auditors are aware of that information.

The above confirmation is given and should be interpreted in accordance with the provision of Section 418(2) of the Companies Act 2006.

Independent Auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as Auditors to the Company and a resolution proposing their reappointment and authorising the Directors to determine their remuneration for the ensuing year will be put to shareholders at the Annual General Meeting.

Section 992 Companies Act 2006

The following disclosures are made in accordance with Section 992 Companies Act 2006.

Capital Structure and Voting Rights

Capital Structure

The Company's capital structure is summarised on the inside cover of this report.

Voting Rights in the Company's shares

Details of the voting rights in the Company's shares as at the date of this report are given in note 16 to the Notice of Annual General Meeting on page 96.

Notifiable Interests in the Company's Voting Rights

At the year end, the following had declared a notifiable interest in the Company's voting rights:

Shareholders	Number of voting rights	%
City of London Investment Management Company Limited	22,539,728	29.03

Since the year end, no changes to the notifiable interests in the Company's voting rights have been disclosed by any shareholders.

The rules concerning the appointment and replacement of Directors, amendment of the Articles of Association and powers to issue or buy back the Company's shares are contained in the Articles of Association of the Company and the Companies Act 2006.

There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no agreements between holders of securities regarding their transfer known to the Company; no agreements which the Company is party to that affect its control following a takeover bid; and no agreements between the Company and its directors concerning compensation for loss of office.

Listing Rule 9.8.4R

Listing Rule 9.8.4R requires the Company to include certain information on, inter alia, share issuance and significant contracts. Such disclosures must be in an identifiable section of the Annual Report or a cross reference table indicating where the information is set out. The Directors confirm that there are no such disclosures to be made in this report.

Annual General Meeting

The notice covering the Annual General Meeting of the Company to be held on 3rd February 2022 is given on pages 94 to 96. The full text of the Resolutions is set out in the notice of meeting.

Resolutions relating to the following items of special business will be proposed at the forthcoming Annual General Meeting ('AGM'):

(i) Authority to issue relevant securities and disapply pre-emption rights (resolutions 10 and 11)

The Directors will seek renewal of the authority at the AGM to issue up to 3,869,126 new shares or shares held in Treasury other than by a pro rata issue to existing shareholders up to an aggregate nominal amount of £967,282, such amount being equivalent to approximately 5% of the issued share capital. The full text of the resolutions is set out in the Notice of Meeting on page 94. Any share issues would only be made at prices greater than the NAV, thereby increasing the assets underlying each share and spreading the Company's administrative expenses, other than the management fee which is charged on the value of the Company's assets, over a greater number of shares. The issue proceeds would be available for investment in line with the Company's investment policies.

(ii) Authority to repurchase the Company's shares (resolution 12)

The authority to repurchase up to 14.99% of the Company's issued share capital, renewed by shareholders at the 2021 Annual General Meeting, will expire on 1st August 2022 unless renewed at the forthcoming Annual General Meeting. The Directors

consider that the renewal of the authority is in the interests of shareholders as a whole as the repurchase of shares at a discount to NAV enhances the NAV of the remaining shares. The Board will therefore seek shareholder approval at the Annual General Meeting to renew this authority, which will last until 2nd August 2023 or until the whole of the 14.99% has been acquired, whichever is the earlier. The full text of the resolution is set out in the Notice of Meeting on pages 94 and 95. Repurchases will be made at the discretion of the Board, and will only be made in the market at prices below the prevailing NAV per share, thereby enhancing the NAV of the remaining shares, as and when market conditions are appropriate.

Recommendation

The Board considers that resolutions 10 to 13 are likely to promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that you vote in favour of the resolutions as they intend to do, where voting rights are exercisable, in respect of their own beneficial holdings which amount in aggregate to 38,128 shares representing approximately 0.05% of the existing issued share capital of the Company.

Corporate Governance Statement

Compliance

The Board is committed to high standards of corporate governance. It has considered the principles and provisions of the AIC Code of Corporate Governance published in 2019 (the 'AIC Code'), which addresses the principles and provisions set out in the UK Corporate Governance Code (the 'UK Code') published in 2018, as they apply to investment trust companies. It considers that reporting against the AIC Code, therefore, provides more appropriate information to the Company's shareholders. The Board confirms that the Company has complied with the principles and provisions of the AIC Code, in so far as they apply to the Company's business, throughout the year under review. As all of the Company's day-to-day management and administrative functions are outsourced to third parties, it has no executive directors, employees or internal operations and therefore has not reported in respect of the following:

- the role of the executive directors and senior management;
- executive directors' and senior management's remuneration; and
- the workforce

Role of the Board

A management agreement between the Company and JPMF sets out the matters over which the Manager has authority. This includes management of the Company's assets and the provision of accounting, company secretarial, administration and some marketing services. All other matters are reserved for the approval of the Board. A formal schedule of matters reserved to the Board for decision has been approved. This includes determination and monitoring of the Company's investment objectives and policy and its future strategic direction, gearing policy, management of the capital structure, appointment and removal of third party service providers, review of key investment and financial data and the Company's corporate governance and risk control arrangements.

The Board has procedures in place to deal with potential conflicts of interest and, consistent with The Bribery Act 2010, has adopted appropriate procedures designed to prevent bribery. It confirms that the procedures have operated effectively during the year under review.

The Board meets at least quarterly during the year and additional meetings are arranged as necessary. Full and timely information is provided to the Board to enable it to function effectively and to allow Directors to discharge their responsibilities.

There is an agreed procedure for Directors to take independent professional advice if necessary and at the Company's expense. This is in addition to the access that every Director has to the advice and services of the Company Secretary, JPMF, which is responsible to the Board for ensuring that the Board procedures are followed and that applicable rules and regulations are complied with.

Board Composition

The Board, chaired by Rosemary Morgan, consists entirely of non-executive Directors, all of whom are considered to be independent of the Company's Manager, including the Chairman. The Directors have a breadth of investment knowledge, business and financial skills and experience relevant to the Company's business. Brief biographical details of each Director are set out on pages 34 and 35. In order to achieve a balance of skills, experience, length of service and ages, it is the Board's policy to induct new Directors to provide an orderly succession over time and it has an appropriate succession plan in place.

A review of Board composition and balance is included as part of the annual performance evaluation of the Board, details of which may be found below. The Senior Independent Director, leads the evaluation of the performance of the Chairman and is available to shareholders if they have concerns that cannot be resolved through discussion with the Chairman.

Reappointment of Directors

The skills and experience that each Director brings to the Board, and hence why their contributions are important to the long term success of the Company, are summarised below.

Resolution 4 is for the reappointment of Vanessa Donegan. She joined the Board in February 2020 and has over three decades of experience in investment management, including many years experience in Asia Pacific equities.

Resolution 5 is for the reappointment of Jasper Judd. He joined the Board in January 2015 and has served for almost six years as a Director. Jasper is a qualified accountant and has many years experience in senior finance and strategy roles.

Resolution 6 is for the reappointment of Rosemary Morgan. She joined the Board in December 2013 and has served for seven years as Director, succeeding Richard Burns as Chair of the Board in February 2020. Rosemary has many years experience in the management of equity portfolios and institutional marketing.

Resolution 7 is for the reappointment of Jeremy Whitley. He joined the Board in February 2020 and has almost thirty years experience in investment management, including a period based in Singapore where he managed Asian equities.

The Board confirms that each of the Directors standing for reappointment at the forthcoming AGM continue to contribute effectively and recommends that shareholders vote in favour of their reappointment.

Tenure

Directors are initially appointed until the following Annual General Meeting when, under the Company's Articles of Association, it is required that they be reappointed by shareholders. Thereafter, a Director's reappointment is subject to the performance evaluation carried out each year and the approval of shareholders at each Annual General Meeting, in accordance with corporate governance best practice.

The Board has a succession plan in place and believes in regular refreshment of the Board and its Committees and in the benefits of having a diverse range of experience, skills, length of service and backgrounds (see our diversity policy on page 26).

The Board is also of the view that length of service will not necessarily compromise the independence or contribution of directors of an investment trust company or, indeed, its chairman. Continuity and experience can add significantly to the strength of the board especially in times of market turbulence. The Board has noted the inference of provisions in the UK Corporate Governance Code that non executive directors who have served for more than nine years should be presumed not to be independent. However, the AIC does not believe that this presumption is necessarily appropriate for investment companies and therefore does not recommend that long-serving directors be prevented from forming part of an investment trust board. In normal

circumstances the Chairman and Directors are expected to serve for a nine-year term, but this may be adjusted for reasons of continuity and orderly succession.

The terms and conditions of Directors' appointments are set out in formal letters of appointment, copies of which are available for inspection on request at the Company's registered office and at the Annual General Meeting.

A schedule of interests for each Director is maintained by the Company and reviewed at every Board meeting. New interests are considered carefully, taking into account the circumstances surrounding them and, if considered appropriate, are approved.

Induction and Training

On appointment, the Manager and Company Secretary provide all Directors with induction training. Thereafter regular briefings are provided on changes in regulatory requirements that affect the Company and Directors, who are encouraged to attend industry and other seminars covering issues and developments relevant to investment trusts. A review of the Directors' training needs are carried out as part of the annual evaluation process.

Meetings and Committees

The Board delegates certain responsibilities and functions to committees. Details of membership of committees are shown with the Directors' profiles on pages 34 and 35. Directors who are not members of committees may attend by invitation.

The table below details the number of Board, Audit and Risk Committee, Nomination Committee, Remuneration Committee and Management Engagement Committee meetings attended by each Director. During the year there were four Board meetings, three Audit and Risk Committee meetings and one meeting of each of the Nomination Committee, the Remuneration Committee, and the Management Engagement Committee:

Meetings Attended

Director	Board Meetings Attended	Audit and Risk Committee Meetings Attended	Nomination Committee Meetings Attended	Remuneration Committee Meetings Attended	Management Engagement Committee Meetings Attended
Vanessa Donegan	4	3	1	1	1
Jasper Judd	4	3	1	1	1
Rosemary Morgan	4	3	1	1	1
Nimi Patel ¹	2	1	1	-	1
Hugh Sandeman	4	3	1	1	1
Jeremy Whitley	4	3	1	1	1

In addition to the scheduled Board and Committee meetings, there have been a number of meetings with the Investment Managers throughout the year, outside of the usual meeting cycle.

¹ Retired on 2nd February 2021 AGM.

Board Committees

Nomination Committee

The Nomination Committee, chaired by Rosemary Morgan, consists of all of the Directors and meets at least annually to ensure that the Board has an appropriate balance of skills and experience to carry out its fiduciary duties and to select and propose suitable candidates for appointment when necessary. The appointment process takes account of the benefits of diversity, including gender.

The Committee conducts an annual performance evaluation of the Board and its Committees to ensure that all Directors have devoted sufficient time and contributed adequately to the work of the Board and its Committees. The evaluation of the Board considers the balance of experience, skills, independence, corporate knowledge, its diversity, including gender, and how it works together.

An evaluation process consisting of questionnaires covering the Board, the Chairman and the Audit and Risk Committee was conducted in 2021. The Senior Independent Director, Hugh Sandeman, led the evaluation of the performance of the Chairman and is available to shareholders if they have concerns that cannot be resolved through discussions with the Chairman. Overall, this evaluation led the Committee to conclude that all Directors devoted sufficient time and contributed satisfactorily to the work of the Board. The exercise further highlighted that the Board has a relevant balance of experience and knowledge of investment markets, legal regulation and financial accounting and continues to work in a collegiate and effective manner.

Remuneration Committee

The Remuneration Committee, Chaired by Hugh Sandeman, meets annually to review Directors' fees and makes recommendations to the Board as and when appropriate, in relation to remuneration policy and implementation.

Audit and Risk Committee

The report of the Audit and Risk Committee is set out on pages 43 and 44.

Management Engagement Committee

The Management Engagement Committee was established in 2019 and its meeting was convened for the first time in December 2020. It is chaired by Rosemary Morgan and comprises all of the Directors. It conducts a formal evaluation of the Manager on an annual basis. The evaluation, which was previously carried out by the Board, includes consideration of the investment strategy and process of the Investment Manager, performance over the long term, and the quality of support that the Company receives from JPMF. As a result of the evaluation process, the Committee confirms that it is satisfied that the continuing appointment of the Manager is in the interests of shareholders as a whole. The Committee also reviews the contractual terms and performance of its other key suppliers.

Terms of Reference

All of the Board committees have written terms of reference which define clearly their respective responsibilities, copies of which are available on the Company's website and for inspection on request at the Company's registered office and at the Company's Annual General Meeting.

Relations with Shareholders

The Board regularly monitors the shareholder profile of the Company. It aims to provide shareholders with a full understanding of the Company's activities and performance and reports formally to shareholders twice a year by way of the half year and annual report and financial statements. This is supplemented by the daily publication, through the London Stock Exchange, of the net asset value of the Company's shares.

All shareholders have the opportunity and are encouraged to attend the Company's Annual General Meeting at which the Directors and representatives of the Manager are available in person to meet shareholders and answer their questions. In addition, a presentation is given by the Investment Managers who review the Company's performance. The Company's brokers, the Investment Managers and the Manager hold regular discussions with larger shareholders. The Directors are made fully aware of their views. The Chairman and Directors make themselves available as and when required to address shareholder queries. The Directors may be contacted through the Company Secretary whose details are shown on page 100.

The Company's annual report and financial statements is published in time to give shareholders at least 20 working days notice of the Annual General Meeting. Shareholders wishing to raise questions in advance of the meeting are encouraged to submit questions via the Company's website or write to the Company Secretary at the address shown on page 100.

Details of the proxy voting position on each resolution will be published on the Company website shortly after the Annual General Meeting.

Risk Management and Internal Control

The AIC Code of Corporate Governance requires the Directors, at least annually, to review the effectiveness of the Company's system of risk management and internal control and to report to shareholders that they have done so. This encompasses a review of all controls, which the Board has identified as including business, financial, operational, compliance and risk management.

The Directors are responsible for the Company's system of risk management and internal control, which is designed to safeguard the Company's assets, maintain proper accounting records and ensure that financial information used within the business, or published, is reliable. However, such a system can only be designed to manage rather than eliminate the risk of failure

to achieve business objectives and therefore can only provide reasonable, but not absolute, assurance against fraud, material misstatement or loss.

Since investment management, custody of assets and all administrative services are provided to the Company by JPMF and its associates, the Company's system of risk management and internal control mainly comprises monitoring the services provided by JPMF and its associates, including the operating controls established by them, to ensure they meet the Company's business objectives. There is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company (see Principal and Emerging Risks on pages 27 to 29). This process, which was in place during the year under review, accords with the Financial Reporting Council's guidance. Given the foregoing, and in common with most investment trust companies, the Company does not have an internal audit function of its own. The Manager's internal audit department conducts regular and rigorous reviews of the various functions within its asset management business. Any significant findings that are relevant to the Company and/or the Manager's investment trust business are reported to the Board.

The key elements designed to provide effective risk management and internal control are as follows:

- **Financial Reporting**
Regular and comprehensive review by the Board of key investment and financial data, including management accounts, revenue projections, analysis of transactions and performance comparisons.
- **Information Technology Systems**
The Manager and the Company's other suppliers have security systems in place to protect the Company's information. Information technology controls are tested and reported on regularly by independent third parties.
- **Management Agreement**
Appointment of a manager and custodian regulated by the FCA, whose responsibilities are clearly defined in a written agreement.
- **Management Systems**
The Manager's system of risk management and internal control includes organisational agreements which clearly define the lines of responsibility, delegated authority, control procedures and systems. These are monitored by the Manager's Compliance department which regularly monitors compliance with FCA rules.
- **Investment Strategy**
The Board authorises and monitors the Company's investment strategy and exposure limits.

The Board, either directly or through the Audit and Risk Committee, keeps under review the effectiveness of the Company's system of risk management and internal control by monitoring the operation of the key operating controls of the Manager and its associates as follows:

- reviews the terms of the management agreement and receives regular reports from the Manager's Compliance department;
- reviews reports on the internal controls and the operations of its custodian, JPMorgan Chase Bank, which is itself independently reviewed;
- reviews every six months an independent report on the internal controls and the operations of the Manager; and
- reviews half yearly reports from the Company's Depositary.

By means of the procedures set out above, the Board confirms that it has reviewed the effectiveness of the Company's system of risk management and internal control for the year ended 30th September 2021 and to the date of approval of this Annual Report and Financial Statements.

During the course of its review of the system of risk management and internal control, the Board has not identified or been advised of any failings or weaknesses which it has determined to be significant.

Corporate Governance and Voting Policy

The Company delegates responsibility for voting to JPMAM. The following information *in italics* is a summary of JPMAM's policy statements on corporate governance, voting policy and stewardship/engagement issues, which has been reviewed and noted by the Board. Details on social and environmental issues are included in the Strategic Report on page 26.

Corporate Governance

JPMAM believes that corporate governance is integral to its investment process. As part of its commitment to delivering superior investment performance to clients, it expects and encourages the companies in which it invests to demonstrate the highest standards of corporate governance and best business practice. JPMAM examines the share structure and voting structure of the companies in which it invests, as well as the board balance, oversight functions and remuneration policy. These analyses then form the basis of JPMAM's proxy voting and engagement activity.

Proxy Voting

JPMAM manages the voting rights of the shares entrusted to it as it would manage any other asset. It is the policy of JPMAM to vote in a prudent and diligent manner, based exclusively on reasonable judgement of what will best serve the financial interests of clients. So far as is practicable, JPMAM will vote at all of the meetings called by companies in which it is invested.

Stewardship/Engagement

JPMAM believes effective investment stewardship can materially contribute to helping build stronger portfolios over the long term for our clients. At the heart of JPMAM's approach lies a close collaboration between our portfolio managers, research analysts and investment stewardship specialists to engage with the companies in which JPMAM invests. Regular engagement with JPMAM's investee companies through investment-led stewardship has been a vital component of JPMAM's active management heritage. JPMAM continues to exercise active ownership through regular and ad hoc meetings, and through its voting responsibilities.

JPMAM's formal stewardship structure is designed to identify risks and understand its portfolio companies' activities, in order to enhance value and mitigate risks associated with them. JPMAM has identified five main investment stewardship priorities it believes have universal applicability and will stand the test of time: governance; strategy alignment with the long term; human capital management; stakeholder engagement; and climate risk. Within each priority area, JPMAM identified related themes it is seeking to address over a shorter time frame. These themes will evolve as JPMAM engages with companies to understand issues and promote best practice. This combination of long-term priorities and evolving, shorter-term themes provides JPMAM with a structured and targeted framework to guide its investors and investment stewardship teams globally as JPMAM engages with investee companies around the world.

JPMAM is also committed to reporting more widely on our activities, including working closely with the Financial Reporting Council ('FRC') on the best practices laid out in the UK Stewardship Code and on embodying those principles. While JPMAM is not yet a signatory to the recently revised 2020 Stewardship Code, its current focus is on ensuring its reporting to the FRC reflects the most robust standards.

JPMAM's Voting Policy and Corporate Governance Guidelines are available on request from the Company Secretary or can be downloaded from JPMAM's website: <https://am.jpmorgan.com/gb/en/asset-management/institutional/about-us/investment-stewardship/>

Audit and Risk Committee Report

Role and Composition

The Audit and Risk Committee, chaired by Jasper Judd and comprising all of the Directors, meets at least twice each year. The members of the Audit and Risk Committee consider that at least one member has recent and relevant financial experience and that the Committee as a whole has competency relevant to the sector in which the Company operates.

The Committee reviews the actions and judgements of the Manager in relation to the half year and annual financial statements and the Company's compliance with the UK Corporate Governance Code. It examines the effectiveness of the Company's risk management and internal control systems, receives information from the Manager's Compliance department and reviews the scope and results of the external audit, its effectiveness and cost effectiveness, the balance of audit and non-audit services and the independence and objectivity of the external Auditors. In the Directors' opinion the Auditors are considered independent. In order to safeguard the Auditors' objectivity and independence, any significant non-audit services are carried out through a partner other than the audit engagement partner. The Audit and Risk Committee also receives confirmations from the Auditors, as part of their reporting, with regard to their objectivity and independence. The Audit and Risk Committee also has a primary responsibility for making recommendations to the Board on the reappointment and removal of external auditors.

Risk Management and Internal Control

The Audit and Risk Committee also examines the effectiveness of the Company's risk management and internal control systems and the Directors' statement on this is set out on pages 40 and 41.

Auditor Appointment and Tenure

Representatives of the Company's Auditors attend the Audit and Risk Committee meeting at which the draft annual report and financial statements are considered and also engage with Directors as and when required. Having reviewed the performance of the external Auditors, including assessing the quality of their work, timing and communications and work with the Manager, the Committee considered it appropriate to recommend their reappointment. The Board supported this recommendation which will be put to shareholders at the forthcoming Annual General Meeting.

The Board reviews and approves the Auditors' fees and any non-audit services provided by the independent auditors and assesses the impact of any non-audit work on the ability of the auditor to remain independent. No non-audit work was provided to the Company in the year. Details of the Auditors' fees are disclosed in note 6 on page 68. PricewaterhouseCoopers LLP were appointed on 29th January 2015. The audit engagement partner rotates at least every five years in accordance with ethical guidelines and 2021 is the second year for the current partner.

Financial Statements and Significant Accounting Matters

During its review of the Company's financial statements for the year ended 30th September 2021, the Audit and Risk Committee considered the following significant issues, in particular those communicated by the Auditors during their reporting:

Significant issue	How the issue was addressed
Valuation, existence and ownership of investments	The valuation of investments is undertaken in accordance with the accounting policies, disclosed in note 2(e) to the financial statements on page 65. Controls are in place to reconcile regularly records to custodian books.
Recognition of investment income	The recognition of investment income is undertaken in accordance with accounting policy note 2(f) to the financial statements on page 65.
Compliance with Sections 1158 and 1159 Corporation Tax Act 2010 ('Section 1158 and 1159')	Approval for the Company as an investment trust under Sections 1158 and 1159 for financial years commencing on or after 1st October 2013 has been obtained and ongoing compliance with the eligibility criteria is monitored on a regular basis.
Amendment to International Financial Reporting Standard 10 ('IFRS 10')	To provide shareholders with a fuller picture of the combined operations of the Company and its subsidiary during the year, the Company has produced the reconciliations between the statutory 'Company-only' financial statements and figures that would have been published prior to the change to IFRS 10. These reconciliations are disclosed in note 24 to the financial statements on pages 84 to 89.

DIRECTORS' REPORT

Significant issue	How the issue was addressed
The risk that the global economic disruption caused by COVID-19 will affect the Company's ability to continue in operation due to the impact on the share price of portfolio companies or the ability of key service providers (including the Manager, the Depositary, the Custodian, the Fund Accountant, the Brokers and the Registrar) to maintain business continuity and continue to provide appropriate service levels	<p>The Audit and Risk Committee has reviewed the impact of market volatility related to the continuing COVID-19 pandemic on the Company's portfolio and receives regular updates on portfolio performance from the portfolio managers. The Committee has also reviewed the portfolio's liquidity and revenue and expense forecasts in light of the ongoing COVID-19 pandemic. It considers that the Company's business model remains viable and that the Company has sufficient resources to continue in operation and to meet all liabilities as they fall due.</p> <p>The Audit and Risk Committee has further reviewed the Company's borrowing facilities and notes that the Company has continually met its financial covenants in respect of these facilities and has a wide margin before any relevant thresholds are reached.</p> <p>The Audit and Risk Committee is confident that the Company has appropriate controls and processes in place to manage the principal risks and uncertainties identified above and to maintain its operating model for the foreseeable future, notwithstanding the global economic challenges posed by the continuing COVID-19.</p>
Impending liquidation of the Mauritius subsidiary company	<p>In June/July 2021, the Mauritius subsidiary company liquidated its portfolio of investments and transferred the cash up to the Company via share buy backs. The Company has rebalanced the portfolio at the "group" level by purchasing the investments that the Mauritius subsidiary company sold.</p> <p>During 2022, it is expected that the Mauritius subsidiary company will be fully liquidated and its operations wound down.</p>

The Board was made fully aware of any significant financial reporting issues and judgements made in connection with the preparation of the financial statements.

Going Concern

In accordance with The Financial Reporting Council's guidance on going concern and liquidity risk, including its COVID-19 guidance, the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern.

The Board has, in particular, considered the impact of heightened market volatility since the COVID-19 outbreak but does not believe the Company's going concern status is affected.

The Directors believe that, having considered the Company's investment objective (see page 24), risk management policies (see pages 77 to 83), capital management policies and procedures

(see page 83), principal and emerging risks (see pages 27 to 29) and the nature of the portfolio and expenditure projections, taking into account the impact of COVID-19 on the revenue expected from underlying investments in these projections, the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future. The Company's investments are in quoted securities which are readily realisable and exceed its liabilities significantly. Gearing levels and compliance with loan notes covenants are reviewed by the Board on a regular basis. The Company's key third party suppliers, including its Manager, are not experiencing any operational difficulties to adversely affect their services to the Company. In addition, the Board has considered the continued impact of COVID-19 and believes that this will have a limited financial impact on the Company's operational resources and existence. For these reasons, the Directors consider that there is reasonable evidence to continue to adopt the going concern basis of accounting in preparing the Company's financial statements. They have not identified any material uncertainties to the Company's ability to continue to do so over a period of at least 12 months from the date of approval of these financial statements.

Fair, Balanced and Understandable

Having taken all available information into consideration and having discussed the content of the annual report and accounts with the Alternative Investment Fund Manager, Investment Managers, Company Secretary and other third party service providers, the Audit and Risk Committee has concluded that the annual report and financial statements for the year ended 30th September 2021, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy, and has reported these findings to the Board.

Divya Amin

By order of the Board
Divya Amin, for and on behalf of
JPMorgan Funds Limited,
Company Secretary

17th December 2021

Directors' Remuneration

DIRECTORS' REMUNERATION REPORT

The Board presents the Directors' Remuneration Report for the year ended 30th September 2021, which has been prepared in accordance with the requirements of Section 421 of the Companies Act 2006.

The law requires the Company's Auditors to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such. The Auditors' opinion is included in the Independent Auditors' Report on pages 51 to 58.

Directors' Remuneration Policy

The law requires that the Directors' Remuneration Policy is subject to a triennial binding vote. However the Board has decided to seek approval annually and therefore an ordinary resolution to approve this policy will be put to shareholders at the forthcoming Annual General Meeting. The policy subject to the vote is set out in full below and is currently in force.

The Board's policy for this and subsequent years is that Directors' fees should properly reflect the time spent by the Directors on the Company's business and should be at a level to ensure that candidates of a high calibre are recruited to the Board. The Chairman of the Board and the Chairman of the Audit and Risk Committee are paid higher fees than the other Directors, reflecting the greater time commitment involved in fulfilling those roles.

The Remuneration Committee reviews Directors' fees on a regular basis and makes recommendations to the Board as and when appropriate. Reviews are based on information provided by the Manager and industry research carried out by third parties on the level of fees paid to the directors of the Company's peers and within the investment trust industry generally. The involvement of remuneration consultants has not been deemed necessary as part of these reviews. The Company has no Chief Executive Officer and no employees and therefore there was no consultation of employees, and there is no employee comparative data to provide, in relation to the setting of the remuneration policy for Directors.

There are no performance-related elements to their fees and the Company does not operate any type of incentive, share scheme, award or pension scheme and therefore no Directors receive bonus payments or pension contributions from the Company or hold options to acquire shares in the Company. The Directors do not have service contracts with the Company, they are not granted exit payments and are not paid compensation for loss of office. No other payments are made to Directors, other than the reimbursement of reasonable out-of-pocket expenses incurred in connection with attending the Company's business.

In the year under review Directors' Fees were paid at the following rates: Chairman £36,000; Audit and Risk Committee Chairman £31,000; and other Directors £26,000. Fees were last increased with effect from 1st October 2018.

With effect from 1st October 2021, Directors' annual fees have been revised to the following annual rates: Chairman £38,000; Chairman of the Audit and Risk Committee £32,500; and, other Directors £27,000.

The Company's Articles of Association provide that any increase in the maximum aggregate annual limit on Directors' fees, currently £200,000, requires both Board and shareholder approval.

The Company has not sought shareholder views on its remuneration policy. The Remuneration Committee considers any comments received from shareholders on remuneration policy on an ongoing basis and takes account of those views.

The terms and conditions of Directors' appointments are set out in formal letters of appointment which are available for review at the Company's Annual General Meeting and the Company's registered office. Details of the Board's policy on tenure are set out on page 39.

Directors' Remuneration Policy Implementation

The Directors' Remuneration Report, which includes details of the Directors' remuneration and its implementation, is subject to an annual advisory vote and therefore an ordinary resolution to approve this report will be put to shareholders at the forthcoming Annual General Meeting. There have been no changes to the policy compared with the year ended 30th September 2020 and no changes are proposed for the year ending 30th September 2022.

At the Annual General Meeting held on 2nd February 2021, of the votes cast 99.8% were in favour of (or granted discretion to the Chairman who voted in favour of) both the Remuneration Report and the Remuneration Policy and 0.2% votes were against both resolutions. Abstentions received were less than 0.1% of the votes cast.

Details of voting on both the Remuneration Policy and the Directors' Remuneration Report from the 2022 Annual General Meeting will be given in the annual report for the year ending 30th September 2022.

Details of the implementation of the Company's remuneration policy are given below.

Single total figure of remuneration

A single figure for the total remuneration of each Director is set out in the table below, together with the prior year comparative.

Single total figure table¹

Directors' Name	2021		2020	
	Fees	Taxable expenses ²	Fees	Taxable expenses ²
	£	£	£	£
Richard Burns ³	–	–	12,560	–
Jasper Judd	31,000	–	31,000	–
Rosemary Morgan ⁴	36,150	–	32,902	–
Hugh Sandeman	26,000	–	26,000	–
Jeremy Whitley ⁵	26,000	–	17,333	–
Vanessa Donegan ⁵	26,000	–	17,333	–
Nimi Patel ⁶	8,883	–	26,000	–
Total	154,033	–	163,128	–

¹ Audited information. All remuneration is fixed. Other subject headings for the single figure table as prescribed by regulation are not included because there is nothing to disclose in relation thereto.

² Taxable travel and subsistence expenses incurred in attending Board and Committee meetings.

³ Retired from the Board on 5th February 2020.

⁴ Appointed Chairman on 5th February 2020. Adjustment in 2021 to account for change to Chairman.

⁵ Appointed to the Board on 1st February 2020.

⁶ Retired from the Board on 2nd February 2021.

DIRECTORS' REMUNERATION REPORT

Annual Percentage Change in Directors' Remuneration

The following table sets out the annual percentage change in Directors' fees for the year to 30th September 2021:

Directors' Name	% Change for year to 30 September 2021	% Change for year to 30 September 2020
Richard Burns ¹	n/a	n/a
Jasper Judd	–	–
Rosemary Morgan ²	–	–
Hugh Sandeman	–	–
Jeremy Whitley ³	–	n/a
Vanessa Donegan ³	–	n/a
Nimi Patel ⁴	n/a	–

¹ Retired from the Board on 5th February 2020.

² Appointed Chairman on 5th February 2020.

³ Appointed to the Board on 1st February 2020.

⁴ Retired from the Board on 2nd February 2021.

A table showing the total remuneration for the Chairman over the five years ended 30th September 2021 is below:

Remuneration for the Chairman over the five years ended 30th September 2021

Year ended 30th September	Fees	Performance related benefits received as a percentage of maximum payable
2021	£36,000	n/a
2020	£36,000	n/a
2019	£36,000	n/a
2018	£34,000	n/a
2017	£34,000	n/a

Directors' Shareholdings¹

There are no requirements pursuant to the Company's Articles of Association for the Directors to own shares in the Company. The beneficial share holdings of the Directors are detailed below. The Directors have no other share interests or share options in the Company and no share schemes are available.

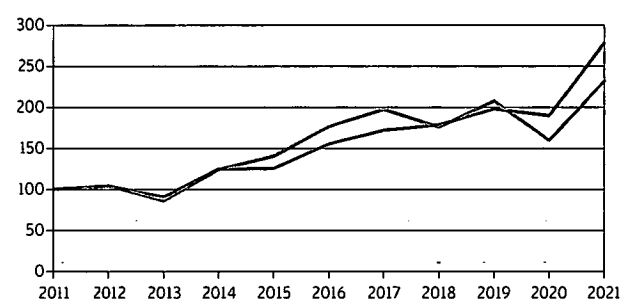
Director's Name	30th September 2021	1st October 2020 or at date of appointment
Vanessa Donegan	8,155	8,155
Jasper Judd	3,000	3,000
Rosemary Morgan	2,973	2,978
Nimi Patel ²	–	46,737
Hugh Sandeman	19,000	19,000
Jeremy Whitley	5,000	5,000
Total	38,128	84,870

¹ Audited information.

² Retired from the Board on 2 February 2021.

A graph showing the Company's share price total return compared with its benchmark, the MSCI India Index, expressed in sterling terms over the last ten years, is shown below. The Board believes that this index is the most appropriate for performance comparison purposes because of those available, it is the best comparator.

Ten Year Share Price and Benchmark Total Return Performance to 30th September 2021



Source: Morningstar/J.P.Morgan/MSCI.

— Share price total return.
- - Benchmark total return.

A table showing actual expenditure by the Company on remuneration and distributions to shareholders for the year and the prior year is below:

Expenditure by the Company on remuneration and distributions to shareholders

	Year ended 30th September	
	2021	2020
Remuneration paid to all Directors	£154,033	£163,128
Distribution to shareholders=		
– by way of dividend	n/a	n/a
– by way of share repurchases	£2,693,000	£211,819,000

Divya Amin

By order of the Board
Divya Amin, for and on behalf of
JPMorgan Funds Limited,
Company Secretary

17th December 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the financial statements in accordance with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board (IASB). Under company law the Directors must not approve the accounts unless they are satisfied that, taken as a whole, the annual report and accounts provide the information necessary for shareholders to assess the Company's performance, business model and strategy and that they give a true and fair view of the state of affairs of the Company and of the total return or loss of the Company for that period. In order to provide these confirmations, and in preparing these financial statements, the Directors must be satisfied that, taken as a whole, the annual report and accounts are fair, balanced and understandable; and the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as issued by the International Accounting Standards Board (IASB) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business;

and the Directors confirm that they have done so.

The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies

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

The accounts are published on the www.jpmindian.co.uk website, which is maintained by the Company's Manager. The maintenance and integrity of the website maintained by the Manager is, so far as it relates to the Company, the responsibility of the 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 Annual Report since they were initially presented on the website. The Annual Report is prepared in accordance with UK legislation, which may differ from legislation in other jurisdictions.

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

Each of the Directors, whose names and functions are listed on pages 34 and 35, confirms that, to the best of his or her knowledge the financial statements, which have been prepared in accordance with IFRS and applicable law, give a true and fair view of the assets, liabilities, financial position and return or loss of the Company.

The Board confirms that it is satisfied that the annual report and financial statements taken as a whole are fair, balanced and understandable and provide the information necessary for shareholders to assess the position and performance, business model and strategy of the Company.

For and on behalf of the Board
Rosemary Morgan
Chairman

17th December 2021

Independent auditors' report to the members of JPMorgan Indian Investment Trust plc

Report on the audit of the financial statements

Opinion

In our opinion, JPMorgan Indian Investment Trust plc's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2021 and of its result and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report & Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 30 September 2021; the Statement of Comprehensive Income, the Statement of Cash Flows, and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit & Risk Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

We have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- The Company is a standalone Investment Trust Company and engages JPMorgan Funds Limited (the "Manager") to manage its assets.
- We conducted our audit of the financial statements using information from JPMorgan Chase Bank N.A., (the "Administrator") to whom the Manager has, with the consent of the Directors, delegated the provision of certain administrative functions.
- We tailored the scope of our audit taking into account the types of investments within the Company, the involvement of the third parties referred to above, the accounting processes and controls, and the industry in which the Company operates.
- We obtained an understanding of the control environment in place at both the Manager and the Administrator and adopted a fully substantive testing approach using reports obtained from the Administrator.

Key audit matters

- Valuation and existence of investments
- Income from investments

Materiality

- Overall materiality: £7,636,000 (2020: £5,360,000) based on 1% of net assets.
- Performance materiality: £5,727,000.

INDEPENDENT AUDITORS' REPORT

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the 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) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Consideration of the impact of COVID-19, which was a key audit matter last year, is no longer included because of reduced uncertainty of the impact of COVID-19 in the current year as markets and economies continue to recover. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Valuation and existence of investments	
Refer to the Accounting Policies (page 65) and the Notes to the financial statements (pages 70 and 71).	We tested the valuation of the listed equity investments by agreeing the prices used in the valuation to independent third party sources.
Investments at year-end consisted of investments held at fair value through profit or loss which comprised listed equity investments valued at £752 million and investment in subsidiary held at fair value through profit or loss which comprised the holding in JPMorgan Indian Investment Company (Mauritius) Limited valued at £5 million.	We tested the valuation of the investment in subsidiary held at fair value through profit or loss by agreeing it to the net asset value of the audited Statement of Financial Position of the entity. Our work included consideration of the planned closure of the subsidiary.
We focused on the valuation and existence of investments because investments represent the principal element of the net asset value as disclosed in the Statement of Financial Position within in the financial statements.	We tested the existence of the investment portfolio by agreeing investment holdings to an independent confirmation.
We also focussed on the accounting policy for the valuation of investments held at fair value through profit or loss as incorrect application could indicate a misstatement in the valuation of investments.	We assessed the accounting policy for investments held at fair value through profit or loss for compliance with accounting standards and performed testing to check that investments are accounted for in accordance with the stated accounting policy.
	We did not identify any material matters to report.

Key audit matter

How our audit addressed the key audit matter

Income from investments

Refer to the Accounting Policies (page 65) and the Notes to the financial statements (pages 68 and 71).

We focused on the accuracy, occurrence and completeness both of net capital gains on investments and of dividend income.

ISAs (UK) presume there is a risk of fraud in income recognition. We considered this risk to relate to the risk of overstating investment gains and the misclassification of dividend income as either capital or revenue due to the pressure management may feel to achieve a certain level of capital or income growth in line with the objective of the Company.

We also focussed on the accounting policy for investment income recognition and its presentation in the Statement of Comprehensive Income as set out in the requirements of The Association of Investment Companies Statement of Recommended Practice (the "AIC SORP") as incorrect application could indicate a misstatement in income recognition.

We assessed the accounting policy for income recognition for compliance with accounting standards and the AIC SORP, and determined that income from investments has been accounted for in accordance with the stated accounting policy.

We tested the accuracy of dividend receipts by agreeing the dividend rates from listed investments to independent third-party data. No material misstatements were identified.

We tested occurrence by testing that all dividends recorded in the year had been declared in the market by investment holdings, and we traced a sample of dividends received to bank statements. Our testing did not identify any material misstatements.

To test for completeness, we tested that the appropriate dividends had been received in the year by reference to independent data of dividends declared for all dividends during the year. Our testing did not identify any unrecorded dividends.

We also tested the allocation and presentation of dividend income between the revenue and capital return columns of the Statement of Comprehensive Income in line with the requirements set out in the AIC SORP by determining reasons behind dividend distributions. Our procedures did not identify any material misstatements.

The gains/losses on investments held at fair value comprise realised and unrealised gains/losses. For unrealised gains and losses, we tested the valuation of the portfolio at the year-end, together with testing the reconciliation of opening and closing investments. For realised gains/losses, we tested a sample of disposals by agreeing the proceeds to bank statements and we re-performed the calculation of a sample of realised gains/losses. This testing approach would have identified if gains or losses had been misstated as a result of fraudulent activity.

We did not identify any material matters to report.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of classification of special dividends and considering future events that are inherently uncertain.

INDEPENDENT AUDITORS' REPORT

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall company materiality	£7,636,000 (2020: £5,360,000).
How we determined it	1% of net assets
Rationale for benchmark applied	We have applied this benchmark, a generally accepted auditing practice for investment trust audits, in the absence of indicators that an alternative benchmark would be appropriate and because we believe this provides an appropriate and consistent year-on-year basis for our audit.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% of overall materiality, amounting to £5,727,000 for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit & Risk Committee that we would report to them misstatements identified during our audit above £577,000 (2020: £536,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- evaluating the Directors' risk assessment and whether it has addressed the relevant ongoing threats presented by COVID-19;
- evaluating the Directors' assessment of potential operational impacts, considering their consistency with other available information and our understanding of the business and assessed the potential impact on the financial statements;
- reviewing the Directors' assessment of the company's financial position in the context of its ability to meet future expected operating expenses, their assessment of liquidity as well as their review of the operational resilience of the Company and oversight of key third-party service providers; and
- assessing the implication of significant reductions in net assets as a result of market performance on the ongoing ability of the Company to operate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 September 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;

INDEPENDENT AUDITORS' REPORT

- The directors' explanation as to their assessment of the company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the company and its environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit & Risk Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of section 1158 of the Corporation Tax Act 2010, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue (investment income and capital gains) or to increase net asset value. Audit procedures performed by the engagement team included:

- discussions with the Manager and Audit and Risk Committee, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- reviewing relevant committee meeting minutes, including those of the Board and Audit and Risk Committee;
- review of financial statement disclosures to underlying supporting documentation;
- identifying and testing manual journal entries posted by the Administrator during the preparation of the financial statements; and
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; 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.

We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT

Appointment

Following the recommendation of the Audit & Risk Committee, we were appointed by the members on 29 January 2015 to audit the financial statements for the year ended 30 September 2015 and subsequent financial periods. The period of total uninterrupted engagement is seven years, covering the years ended 30 September 2015 to 30 September 2021.

Thomas Norrie

Thomas Norrie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

17 December 2021

Financial Statements

STATEMENT OF COMPREHENSIVE INCOME

Following an amendment to International Financial Reporting Standard 10 ('IFRS 10'), which became effective from the 2017 financial year, the Company is no longer permitted to consolidate its subsidiary (see note 2(c) for details). The financial statements and accompanying notes 1 to 23 presented in this section are 'Company-only' financial statements with the subsidiary shown as an investment held at fair value through profit or loss in the Statement of Financial Position.

To allow shareholders to compare the Company's performance and financial position with historically published figures which were prepared on a consolidated basis, the Group's Statement of Comprehensive Income, the Group's Statement of Financial Position and reconciliations between the statutory 'Company-only' financial statements and the Group figures that would have been published prior to the change to IFRS 10 are disclosed in note 24.

FOR THE YEAR ENDED 30TH SEPTEMBER 2021

	Notes	Revenue £'000	2021 Capital £'000	Total £'000	Revenue £'000	2020 Capital £'000	Total £'000
Gains/(losses) from investments held at fair value through profit or loss	10(d)	—	247,654	247,654	—	(107,444)	(107,444)
Net foreign currency losses		—	(702)	(702)	—	(363)	(363)
Income from investments	4	6,336	—	6,336	3,051	—	3,051
Interest receivable and similar income	4	6	—	6	47	—	47
Total income/(loss)		6,342	246,952	253,294	3,098	(107,807)	(104,709)
Management fee	5	(2,587)	—	(2,587)	(1,408)	—	(1,408)
Other administrative expenses	6	(745)	—	(745)	(911)	—	(911)
Profit/(loss) before finance costs and taxation		3,010	246,952	249,962	779	(107,807)	(107,028)
Finance costs	7	(231)	—	(231)	(608)	—	(608)
Profit/(loss) before taxation		2,779	246,952	249,731	171	(107,807)	(107,636)
Taxation	8	(989)	(18,833)	(19,822)	(359)	(1,118)	(1,477)
Net profit/(loss)		1,790	228,119	229,909	(188)	(108,925)	(109,113)
Earnings/(loss) per share	9	2.31p	293.72p	296.03p	(0.21)p	(124.40)p	(124.61)p

The Company does not have any income or expense that is not included in the net profit/(loss) for the year. Accordingly the 'Net profit/(loss)' for the year, is also the 'Total comprehensive income/(expense)' for the year, as defined in IAS1 (revised).

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the year.

The 'Total' column of this statement represents the Company's Statement of Comprehensive Income, prepared in accordance with IFRS. The supplementary 'Revenue' and 'Capital' columns are prepared under guidance published by the Association of Investment Companies.

Details of revenue and capital items, together with the associated reserves are contained in note 16.

All of the profit/(loss) and total comprehensive income/(expense) is attributable to the equity shareholders of JPMorgan Indian Investment Trust plc, the Company. There are no minority interests.

This is the Company's Statement of Comprehensive Income. The Group's Statement of Comprehensive Income is disclosed in note 24 on page 84. Together with reconciliations between the Company's and the Group's statements this information has been included following an amendment to IFRS 10 (see note 2) which became effective from the 2017 financial year.

The notes on pages 64 to 89 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30TH SEPTEMBER 2021

	Called up share capital £'000	Share premium £'000	Other reserve £'000	Exercised warrant reserve £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
At 30th September 2019	31,404	97,316	41,929	5,886	6,362	698,869	(24,137)	857,629
Shares bought back and cancelled	(6,536)	–	(41,929)	–	6,536	(168,073)	–	(210,002)
Repurchase of shares into Treasury	–	–	–	–	–	(1,817)	–	(1,817)
Loss for the year	–	–	–	–	–	(108,925)	(188)	(109,113)
At 30th September 2020	24,868	97,316	–	5,886	12,898	420,054	(24,325)	536,697
Repurchase of shares into Treasury	–	–	–	–	–	(2,693)	–	(2,693)
Profit for the year	–	–	–	–	–	228,119	1,790	229,909
At 30th September 2021	24,868	97,316	–	5,886	12,898	645,480	(22,535)	763,913

This is the Company's Statement of Changes in Equity. The Group's Statement of Changes in Equity has not been included following an amendment to IFRS 10 (see note 2) which became effective from the 2017 financial year.

The notes on pages 64 to 89 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AT 30TH SEPTEMBER 2021

	Notes	2021 £'000	2020 £'000
Non current assets	10		
Investments held at fair value through profit or loss		752,037	267,416
Investment in subsidiary held at fair value through profit and loss		5,019	274,780
		757,056	542,196
Current assets			
Financial assets: Derivative financial instruments		8	-
Other receivables	11	1,759	483
Cash and cash equivalents	12	26,366	27,810
		28,133	28,293
Current liabilities			
Other payables	13	(227)	(2,138)
Net current assets		27,906	26,155
Total assets less current liabilities		784,962	568,351
Non current liabilities			
Provision for capital gains tax	14a	(21,049)	(1,654)
Bank loan	14b	-	(30,000)
		(21,049)	(31,654)
Net assets		763,913	536,697
Amounts attributable to shareholders			
Called up share capital	15	24,868	24,868
Share premium	16	97,316	97,316
Exercised warrant reserve	16	5,886	5,886
Capital redemption reserve	16	12,898	12,898
Capital reserves	16	645,480	420,054
Revenue reserve	16	(22,535)	(24,325)
Total shareholders' funds		763,913	536,697
Net asset value per share	17	983.7p	687.1p

This is the Company's Statement of Financial Position. The Group's Statement of Financial Position is disclosed in note 24 on page 85. Together with reconciliations between the Company's and the Group's statements this information has been included following an amendment to IFRS 10 (see note 2) which became effective from the 2017 financial year.

The financial statements on pages 60 to 89 were approved by the Directors and authorised for issue on 17th December 2021 and signed on their behalf by:

Rosemary Morgan

Rosemary Morgan
Director

The notes on pages 64 to 89 form an integral part of these financial statements.

Registered in England. No: 2915926.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30TH SEPTEMBER 2021

	2021 £'000	2020 £'000
Operating activities		
Profit/(loss) before taxation	249,731	(107,636)
Deduct dividends received	(6,336)	(3,051)
Deduct interest received	(6)	(47)
Add interest paid	231	608
(Deduct gains)/add losses on investments held at fair value through profit or loss	(247,654)	107,444
Decrease/(increase) in prepayments, VAT and other receivables	181	(219)
Increase/(decrease) in other payables	58	(4)
Net cash outflow from operating activities before interest and taxation	(3,795)	(2,905)
Interest paid	(257)	(635)
Tax (paid)/recovered	(764)	58
Dividends received	5,215	2,871
Interest received	6	47
Net cash inflow/(outflow) from operating activities	405	(564)
Investing activities		
Purchases of investments held at fair value through profit or loss	(387,431)	(251,421)
Sales of investments held at fair value through profit or loss	419,838	440,931
Settlement of foreign currency contracts	(7)	–
Net cash inflow from investing activities	32,400	189,510
Financing activities		
Repurchase of shares for cancellation	–	(210,002)
Repurchase of shares into Treasury	(4,249)	(261)
Drawdown of loan	20,000	30,000
Repayment of loan	(50,000)	–
Net cash outflow from financing activities	(34,249)	(180,263)
(Decrease)/increase in cash and cash equivalents	(1,444)	8,683
Cash and cash equivalents at the start of the year	27,810	19,127
Cash and cash equivalents at the end of the year	26,366	27,810

The notes on pages 64 to 89 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2021

1. Principal Activity

The principal activity of the Company is that of an investment holding company within the meaning of Section 1158 of the Corporation Tax Act 2010.

2. Basis of Preparation

(a) Basis of accounting

The Company's financial statements have been prepared in accordance with the Companies Act 2006 and International Financial Reporting Standards ('IFRS'), which comprise standards and interpretations approved by the International Accounting Standards Board ('IASB'), the International Accounting Standards and Standing Interpretations Committee and interpretations approved by the International Accounting Standards Committee ('IASC').

The financial statements have been prepared on the going concern basis. In forming this opinion, the directors have considered any potential impact of the COVID-19 pandemic on the going concern and viability of the Company. In making their assessment, the Directors have reviewed income and expense projections and the liquidity of the investment portfolio, and considered the mitigation measures which key service providers, including the Manager, have in place to maintain operational resilience particularly in light of COVID-19. The disclosures on going concern in the Directors' Report on page 44 form part of these financial statements. The principal accounting policies adopted are set out below. Where presentational guidance set out in the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the 'SORP') issued by the Association of Investment Companies ('AIC') 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.

The Company's share capital is denominated in sterling and this is the currency in which its shareholders operate and expenses are generally paid. The Directors have therefore determined the functional currency to be sterling.

(b) Accounting Standards

The following standards, amendments and interpretations to existing standards are effective for annual periods beginning on or after 1st January 2021. The Company did not early adopt any new or amended standards/interpretations for the year ended 30th September 2021.

- IAS 1 and IAS 8 Amendments: Definition of Material

New standards, amendments and interpretations issued but not yet endorsed by the EU

- IFRS 9, IAS 39 and IFRS 7 Amendments: Interest Rate Benchmark Reform

The Company did not early adopt any new or amended standards/interpretations for the year ended 30th September 2021.

(c) Amendments to IFRS 10, IFRS 12 and IAS 28 – Investment Entities: Applying the Consolidation Exception

The Company has a 100% ownership interest in JPMorgan Indian Investment Company (Mauritius) Limited ('the subsidiary') which is incorporated, in Mauritius. Historically, the subsidiary was consolidated with the Company and presented in Group Financial Statements.

Following amendments to IFRS 10 'Consolidated Financial Statements', a Company that operates as an 'investment entity' is no longer permitted to consolidate its subsidiary company. The Company meets the definition of an investment entity and therefore has not consolidated its subsidiary. With effect from the 2017 financial year, the subsidiary company is shown as an investment held at fair value through profit or loss in the Statement of Financial Position.

To allow shareholders to compare the Company's performance as reported in this Annual Report and Financial Statements with historically published figures, which were prepared on a consolidated basis, the Company has prepared the Group's Statement of Comprehensive Income, the Group's Statement of Financial Position and notes reconciling between those Group figures and the statutory company-only figures. These are disclosed in note 24 on pages 84 to 89.

Please refer to the Glossary of terms and alternative performance measures on page 98 for the definition of an 'investment entity'.

(d) Presentation of the Statement of Comprehensive Income

In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the Statement of Comprehensive Income between items of a revenue nature and a capital nature has been presented alongside the Statement of Comprehensive Income. In accordance with the Company's status as a UK investment company under Section 833 of the Companies Act 2006, net capital returns may not be distributed by way of dividend.

Additionally, the net revenue is the measure the Directors believe appropriate in assessing compliance with certain requirements set out in Section 1158 of the Corporation Tax Act 2010.

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

Investments are recognised and derecognised on the trade date where a purchase or sale is under a contract whose terms require delivery within a timeframe established by the market concerned.

Investments are designated upon initial recognition as 'held at fair value through profit or loss'. At subsequent reporting dates investments are valued at fair values which are quoted bid market prices for investments traded in active markets. Fair values for unquoted investments, or for investments for which there is only an inactive market, are established by using various valuation techniques. These may include recent arm's length market transactions, the current fair value of another instrument that is substantially the same or discounted cash flow analysis or net asset value. Where there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, that technique is used.

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 'Gains or losses on investments held at fair value through profit or loss'. Transaction costs incurred on the acquisition and disposal of investments are also included within this caption.

Gains and losses on sales of investments, increases and decreases in the valuation of investments held at the year end, foreign exchange gains and losses and other capital receipts and payments are dealt within capital reserves.

The Company's investment in its subsidiary JPMorgan Indian Investment Company (Mauritius) Limited is held at fair value through profit or loss, which is deemed to be the net asset value of the subsidiary. See Note 20 for further information.

The subsidiary company holds a portfolio of listed investments which are measured at their quoted bid prices. The financial statements of the subsidiary are prepared for the same reporting year end as the Company, using consistent accounting policies.

(f) Income

Dividends receivable from equity shares are included in the revenue column of the Statement of Comprehensive Income on an ex-dividend basis except where, in the opinion of the Directors, the dividend is capital in nature, in which case it is included in the capital column.

Overseas dividends are included gross of any withholding tax.

Special dividends are looked at individually to ascertain the reason behind the payment. This will determine whether they are treated as revenue or capital.

Income from fixed interest debt securities is recognised using the effective interest method.

Interest receivable is included in the revenue column on an accruals basis.

(g) Expenses

All expenses and interest payable are accounted for on an accruals basis. All administration expenses and finance costs, including the management fee and interest payable, are charged to the revenue column of the Statement of Comprehensive Income.

One-off expenses that are capital in nature are charged to the capital.

2. Basis of Preparation *(continued)*

(h) Financial instruments

Cash and cash equivalents may comprise cash and demand deposits which are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value. Liquidity funds are considered cash equivalents as they are held for cash management purposes as an alternative to cash.

Other receivable and payables are recognised at fair value through profit or loss. They do not carry any interest, are short term in nature and are accordingly stated at nominal value, with receivables reduced by appropriate allowances for estimated irrecoverable amounts.

Interest bearing bank loans are recorded as the proceeds received net of direct issue costs. Other payables are non interest bearing, short term in nature and are accordingly stated at nominal value.

Finance costs, including any premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in profit or loss using the effective interest method.

(i) Taxation

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

Deferred tax 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 balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is more likely than not that taxable profits will be available against which deductible temporary differences can be utilised.

Investment trusts which have approval under Section 1158 of the Corporation Tax Act 2010 are not liable for taxation on capital gains in the UK. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that, on the balance of probabilities, it is not likely that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Gains and losses on sale of investments purchased and sold in India after 1st April 2017 are liable to capital gains tax in India.

At each year end date, a provision for capital gains tax is calculated based upon the Company's realised and unrealised gains and losses. There are two rates of tax: short-term and long-term. The short-term rate of tax is applicable to investments held for less than 12 months and the long-term rate of tax is applicable to investments held for more than 12 months.

The provision is recognised in the Statement of Financial Position and the year-on-year movement in the provision is recognised in the Statement of Comprehensive Income.

(j) Foreign currency

For the purpose of the financial statements, the results and financial position are expressed in sterling which is the functional currency of the Company.

Transactions in currencies other than sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items and non monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Gains or losses arising on retranslation are included in net profit or loss for the year and presented as revenue or capital as appropriate.

(k) Value Added Tax (VAT)

Irrecoverable VAT is included in the expense on which it has been suffered. Recoverable VAT is calculated using the partial exemption method based on the proportion of zero rated supplies to total supplies.

(l) Share repurchases

The cost of repurchasing shares including the related stamp duty is charged to capital reserves and dealt with in the statement of changes in equity. Transactions are accounted for on a trade date basis. If shares are repurchased for cancellation, the nominal value of the repurchased shares is deducted from share capital.

3. Significant accounting judgements and estimates

The preparation of the financial statements requires the Company to make estimations where uncertainty exists. It also requires the Company to exercise judgement in the process of applying the accounting policies. The following areas are considered to involve a higher degree of judgement or complexity:

Fair value of holding in subsidiary

The Directors use their judgement in selecting an appropriate valuation technique for financial instruments not quoted on an active market. Valuation techniques commonly used by market practitioners are applied such that the investment holding in the subsidiary is held at net asset value which the Directors judge as appropriate. This is based on the following:

- The value of the subsidiary is almost entirely determined by the value of its underlying investments.
- These investments are all held at fair value through profit or loss as they are all equity investments listed on the Indian stock exchange.
- Their fair values are quoted bid market prices.

The other assets and liabilities within the subsidiary are all held at fair value. Please see note 20 for details.

Qualification as an 'investment entity' under Amendments to IFRS 10, 'Consolidated financial statements'

The Directors have used their judgement and concluded that the Company and its Mauritian subsidiary both qualify as an 'investment entity' under the amendment to IFRS 10 'Consolidated financial statements', effective from the 2017 financial year, based on the following:

- The Company is listed on the Stock Exchange and both entities have one or more investors for the purpose of providing investment management services;
- The business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- The investments held by the Company as well as most of the investments held in the subsidiary are publicly listed companies and all are valued on a fair value basis.

Consequently, these financial statements are presented on a company-only basis with the subsidiary shown as an investment at fair value through profit or loss. Prior to 2017, the financial statements were presented on a consolidated basis. To maintain comparability, the consolidated view is presented as supplemental information in note 24.

Provision for capital gains tax

In 2018, the Indian government announced the introduction of a 10% capital gains tax on realised gains from investments held for more than 12 months and a 15% capital gains tax on realised gains from investments held for less than 12 months.

The Directors have used their judgement in determining an appropriate provision to account for the unrealised tax liability that will crystallise once an investment is sold. As at the year-end date, the portfolio is bifurcated between investments held for more than 12 months and investments held for less than 12 months. The investments held for more than 12 months plus 90% of the investments held for less than 12 months is deemed to be liable to 10% capital gains tax. The remaining 10% of the investments held for less than 12 months is deemed to be liable for 15% capital gains tax.

The gain or loss is determined by comparing the market value as at the year end date with its cost at the purchase date.

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

NOTES TO THE FINANCIAL STATEMENTS

4. Investment and other income

	2021 £'000	2020 £'000
Investment income		
Dividends from investments listed overseas	6,336	3,051
Other income		
Interest from liquidity funds	6	47
Total income	6,342	3,098

5. Management fee

	2021 £'000	2020 £'000
Management fee	2,587	1,408

Details of the basis of calculation of the management fee are given in the Directors' Report on page 36.

6. Other administrative expenses

	2021 £'000	2020 £'000
Administration expenses	474	622
Directors' fees ¹	154	163
Depositary fees ²	78	88
Auditors' remuneration for audit services ³	39	38
	745	911

¹ Full disclosure is given in the Directors' Remuneration Report on page 46.

² Includes £4,000 (2020: £13,000) irrecoverable VAT.

³ Includes £2,000 (2020: £6,000) irrecoverable VAT.

7. Finance costs

	2021 £'000	2020 £'000
Interest on bank loan and overdrafts	231	608

8. Taxation

(a) Analysis of tax charge for the year

	Revenue £'000	2021 Capital £'000	Total £'000	2020 Total £'000
Capital gains tax	–	18,833	18,833	1,118
Overseas withholding tax	989	–	989	359
Total tax charge for the year	989	18,833	19,822	1,477

(b) Factors affecting total tax charge for the year

The total tax for the year is lower (2020: higher) than the Company's applicable rate of corporation tax for the year of 19% (2020: 19%). The difference is explained below.

	2021 £'000	2020 £'000
Profit/(loss) before taxation	249,731	(107,636)
Corporation tax at 19% (2020: 19%)	47,449	(20,451)
Effects of:		
Non taxable capital (gains)/losses	(46,921)	20,483
Movement in excess management expenses	676	548
Non taxable overseas dividends	(1,204)	(580)
Overseas withholding tax	989	359
Capital gains tax	18,833	1,118
Total tax charge for the year	19,822	1,477

(c) Provision for deferred taxation

Deferred tax provisions have been made in relation to the Indian capital gains tax on unrealised gains or losses of investments. The Company has not provided for UK deferred tax on any realised and unrealised gains or losses of investments as it is exempt from UK tax on these items due to its status as Investment Company.

(d) Factors that may affect future tax charges

The Company has an unrecognised deferred tax asset of £6,894,000 (2020: £4,636,000) based on a prospective corporation tax rate of 25% (2020: 19%). The March 2021 Budget announced an increase to the main rate of corporation tax to 25% from 1 April 2023. This increase in the standard rate of corporation tax was substantively enacted on 24th May 2021 and became effective from 2nd June 2021.

The unrecognised deferred tax asset has arisen due to the cumulative excess of deductible expenses over taxable income. Given the composition of the Company's portfolio, it is not likely that this asset will be utilised in the foreseeable future and therefore no asset has been recognised in the financial statements.

For further information on developments relating to taxation please refer to the Chairman's Statement on page 7.

NOTES TO THE FINANCIAL STATEMENTS

9. Earnings/(loss) per share

	2021 £'000	2020 £'000
Earnings/(loss) per share is based on the following:		
Revenue profit/(loss)	1,790	(188)
Capital profit/(loss)	228,119	(108,925)
Total profit/(loss)	229,909	(109,113)
Weighted average number of shares in issue	77,666,181	87,558,783
Revenue earnings/(loss) per share	2.31p	(0.21)p
Capital earnings/(loss) per share	293.72p	(124.40)p
Total earnings/(loss) per share	296.03p	(124.61)p

10. Non current assets

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

	2021 £'000	2020 £'000
Investments listed on a recognised stock exchange	752,037	267,416
Investment in subsidiary held at fair value	5,019	274,780
Total investments held at fair value through profit or loss	757,056	542,196

	2021 £'000	2020 £'000
Opening book cost	295,412	256,372
Opening investment holding gains	246,784	576,216
Opening valuation	542,196	832,588
Movements in the year:		
Purchases at cost	387,044	251,808
Sales proceeds	(419,845)	(434,769)
Gains/(losses) on investments	247,661	(107,431)
Closing valuation	757,056	542,196
Closing book cost	554,793	295,412
Closing investment holding gains	202,263	246,784
Total investments held at fair value through profit or loss	757,056	542,196

The company received £419,845,000 (2020: £434,769,000) from investments sold in the year. The book cost of these investments when they were purchased was £127,664,000 (2020: £212,768,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

NOTES TO THE FINANCIAL STATEMENTS

(b) Transaction costs

	2021 £'000	2020 £'000
Transaction costs on purchases	518	415
Transaction costs on sales	122	99
	640	514

The above costs comprise mainly brokerage commission.

(c) Investment in subsidiary company

	2021 £'000	2020 £'000
Historic cost of investment in Subsidiary ¹	24,259	49,993
Opening cumulative contributions to Subsidiary	30,730	63,329
Opening cumulative holding gains	219,791	568,237
Opening valuation	274,780	681,559
Sale of shares in the Subsidiary ²	(272,460)	(350,835)
Net movement in investment holding gains and losses	2,699	(55,944)
Closing valuation	5,019	274,780

¹ The historic cost of the investment in the subsidiary represents the cost of the ordinary shares and warrants subscribed on its incorporation in 1994.

² Represents shares bought back by the Subsidiary which did not impact upon the Company's ownership interest of its subsidiary company.

The Company owns 100% of the ordinary share capital of its subsidiary company, JPMorgan Indian Investment Company (Mauritius) Limited, an investment company registered in Mauritius.

(d) Gains/(losses) on investments held at fair value through profit or loss

	2021 £'000	2020 £'000
Realised gains on sales of investments	292,182	222,001
Net change in unrealised gains and losses on investments	(44,521)	(329,432)
Other capital charges	(7)	(13)
Total gains/(losses) on investments held at fair value through profit or loss	247,654	(107,444)

11. Current assets

	2021 £'000	2020 £'000
Derivative financial assets		
Forward foreign currency contracts	8	—
	8	—
Other receivables		
Prepayments and accrued income	1,759	483
	1,759	483

The Directors consider that the carrying amount of other receivables approximates to their fair value.

NOTES TO THE FINANCIAL STATEMENTS

12. Cash and cash equivalents

	2021 £'000	2020 £'000
Cash held in liquidity funds	20,600	24,000
Cash held at bank	5,766	3,810
	26,366	27,810

13. Other payables

	2021 £'000	2020 £'000
Securities purchased awaiting settlement	—	387
Repurchase of shares for future settlement	—	1,556
Bank loan interest payable	5	31
Other creditors and accruals	222	164
	227	2,138

The Directors consider that the carrying amount of other payables approximates to their fair value.

14a. Non current liabilities: Provision for capital gains tax

	2021 £'000	2020 £'000
Provision for capital gains tax	21,049	1,654
	21,049	1,654

The increase from 2020 is driven by the increase in the fair value of the Investments held at fair value through profit or loss, of which a significant contributor was the purchase of investments previously held by the Mauritius subsidiary company. Some of these investments were previously exempt from capital gains tax due to grandfathering rules. With their disposal by the Mauritian subsidiary and re-purchase by the Company, these same investments are no longer exempted by the grandfathering rules and are now subject to capital gains tax.

14b. Non current liabilities: Bank loan

	2021 £'000	2020 £'000
Bank loan	—	30,000
	—	31,654

The Company has a £30 million loan facility with ING, expiring in August 2022. Under the terms of the facility, the parent company may draw down at an interest rate of a daily compounded rate based on a risk free rate, SONIA, plus a margin and mandatory costs. At 30th September 2021, £nil was drawn down (2020: £30.0 million).

NOTES TO THE FINANCIAL STATEMENTS

15. Called up share capital

	2021 £'000	2020 £'000
Allotted and fully-paid share capital		
Ordinary shares of 25p each		
Opening balance of 78,107,465 (2020: 104,574,940) Ordinary shares excluding shares held in Treasury	19,527	26,144
Repurchase of nil shares for cancellation (2020: 26,143,735)	—	(6,536)
Repurchase of 452,605 shares into Treasury (2020: 323,740)	(113)	(81)
Sub total	19,414	19,527
Opening balance of 21,366,386 (2020: 21,042,646) Ordinary shares held in Treasury	5,341	5,260
Repurchase of 452,605 shares into Treasury (2020: 323,740)	113	81
Closing balance¹	24,868	24,868

¹ Comprises 99,473,851 (2020: 99,473,851) Ordinary shares of 25p each including 21,818,991 (2020: 21,366,386) shares held in Treasury.

16. Reserves

FOR THE YEAR ENDED 30TH SEPTEMBER 2021

	Share premium £'000	Exercised warrant reserve ¹ £'000	Capital redemption reserve ² £'000	Capital reserve ³ £'000	Revenue reserve ⁴ £'000
Opening balance	97,316	5,886	12,898	420,054	(24,325)
Realised foreign currency losses on cash and short term deposits	—	—	—	(709)	—
Unrealised gains on forward foreign currency contracts	—	—	—	7	—
Realised gains on sales of investments	—	—	—	292,182	—
Net movement in investment holding gains	—	—	—	(44,521)	—
Repurchase of shares into Treasury	—	—	—	(2,693)	—
Other capital charges	—	—	—	(7)	—
Capital gains tax	—	—	—	(18,833)	—
Net profit for the year	—	—	—	—	1,790
Closing balance	97,316	5,886	12,898	645,480	(22,535)

¹ Exercised warrant reserve is a non-distributable reserve created on the issue of warrants on its incorporation in 1994.

² Capital redemption reserve is a non-distributable reserve used for the purpose of financing share buybacks.

³ Capital reserves comprise gains and losses on sales of investments and holding gains and losses on investments held at the year end.

⁴ Revenue reserve represents the distributable reserve from which dividends may be paid when in a positive position and there are amounts available for distribution. There are no distributable reserves this year.

17. Net asset value per share

	2021 £'000	2020 £'000
Net assets (£'000)	763,913	536,697
Number of shares in issue excluding shares held in Treasury	77,654,860	78,107,465
Net asset value per share	983.7p	687.1p

The Company will only re-issue shares held in Treasury at a premium and therefore these shares have no dilutive potential.

18. Contingent liabilities and capital commitments

There were no contingent liabilities or capital commitments at the balance sheet date (2020: £nil).

19. Transaction with the Manager and related parties

Details of the Group and the subsidiary's transactions with the Manager and related parties are given in note 24 on page 89.

Details of the management contract are set out in the Directors' Report on page 36.

The management fee rate for the Company and subsidiary was reduced in October 2020, but deemed effective from February 2020. The excess paid between February 2020 to October 2020 was treated as a prepayment and credited against later management fee invoices. The management fee payable to the Manager for the year was £2,587,000 (2020: £1,408,000).

Included in other administration expenses in note 6 on page 68 are safe custody fees payable to JPMorgan Chase Bank, N.A. as custodian of the Company amounting to £256,000 (2020: £185,000) of which £128,000 (2020: £35,000) was outstanding at the year end.

The Manager carries out some of its dealing transactions through group subsidiaries. These transactions are carried out at arms' length. The commission payable to JPMorgan Securities for the year by the Company was £18,000 (2020: £17,000) of which £nil (2020: £nil) was outstanding in Company's financial statements at the year end.

Handling charges payable on dealing transactions undertaken by overseas sub custodians on behalf of the Company amounted to £7,000 (2020: £13,000) during the year, of which £1,000 (2020: £2,000) was outstanding at the year end.

The Company also holds cash in the JPMorgan Sterling Liquidity Fund. At 30th September 2021, the holding in JPMorgan Sterling Liquidity Fund was valued at £20,600,000 (2020: £24,000,000). During the year, the Company made purchases in this fund amounting to £126,100,000 (2020: £164,600,000) and sales on this fund amounting to £129,500,000 (2020: £159,300,000). Income receivable from this fund amounted to 6,000 (2020: £47,000) of which £nil (2020: £nil) was outstanding at the year end. JPMorgan earns no management fee on this fund.

At the year end, the Company held bank balances of £5,766,000 with JPMorgan Chase Bank, N.A. (2020: £3,392,000). A net amount of interest of £nil (2020: £nil) was receivable by the Company during the year, of which £nil (2020: £nil) was outstanding at the year end.

During the year, the subsidiary bought back 2,709,304 shares from the Company (see note 10c for details).

Details of the Directors' shareholdings and the remuneration payable to Directors are given in the Directors' Remuneration Report on pages 45 and 46.

20. Disclosures regarding financial instruments measured at fair value

The disclosures required by the IFRS 13: 'Fair Value Measurement' are given below. The Company's financial instruments within the scope of IFRS 13 that are held at fair value comprise its investment portfolio.

The investments are categorised into a hierarchy consisting of the following three levels:

Level 1 – valued using unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 – valued by reference to valuation techniques using other observable inputs not included within Level 1.

Level 3 – valued by reference to valuation techniques using unobservable inputs.

The recognition and measurement policies for financial instruments measured at fair value are consistent with those disclosed in the last annual financial statements.

Categorisation within the hierarchy has been determined on the lowest level input that is significant to the fair value measurement of the relevant asset. Details of the valuation techniques used are given in note 2(e).

NOTES TO THE FINANCIAL STATEMENTS

The following tables set out the fair value measurements using the IFRS 13 hierarchy at the relevant year end:

	2021		2020	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	752,037	–	267,416	–
Level 2 ¹	8	–	–	–
Level 3	5,019	–	274,780	–
Total	757,064	–	542,196	–

¹ Forward foreign currency contracts

The Company's policy for determining transfers between levels is to ascertain the listing status and trading levels at each year end and for each investment determine if any changes have occurred that would necessitate a transfer.

The level 3 investment is the Company's subsidiary holding, JPMorgan Indian Investment Company (Mauritius) Limited. In accordance with the Company's accounting policy, the level 3 investment is held at fair value, which the Directors believe to be the net asset (book) value of the subsidiary. The Directors believe this to be appropriate based upon the financial position and recognition policies of the assets and liabilities of the subsidiary.

In order to assist the reader in understanding the fair value of the Company's subsidiary, set out below is a statement showing the financial position of the subsidiary at 30th September 2021:

	2021 £'000	2020 £'000
Non current assets		
Investments held at fair value through profit or loss	–	263,311
Current assets		
Other receivables	19	676
Cash and cash equivalents	5,064	10,863
	5,083	11,539
Current liabilities		
Other payables	(64)	(70)
Net current assets	5,019	11,469
Total assets less current liabilities	5,019	274,780
Net assets	5,019	274,780

Investments held at fair value through profit or loss are all equity investments listed on the Indian stock exchange. Their fair values are quoted bid market prices thus they are consistent with those set out in accounting policy 2(e) on page 65. These are level 1 financial instruments.

Other receivables are securities sold awaiting settlement, dividend and interest income receivables at year end and their fair value measurement are consistent with those set out in accounting policy 2(h) on page 66.

Cash and cash equivalents consist of cash and liquidity funds and their fair value measurement are consistent with those set out in accounting policy 2(h) on page 66.

Other payables consists of bank loan interest and other fees payable at year end and their fair value measurement are consistent with those set out in accounting policy 2(h) on page 66.

The significant unobservable input comprises the net asset value of the subsidiary. The information above sets out quantitative information around the net asset value of the entity, including references to fair values of the underlying assets and liabilities themselves. The net asset value is sensitive to movements in equity markets, for its portfolio of assets, and any fair value impact of bank debt which is held at amortised cost as a reasonable approximation to fair value.

20. Disclosures regarding financial instruments measured at fair value *continued*

Sensitivity analysis

Interest rate sensitivity

The following table illustrates the sensitivity of profit after taxation for the year and net assets to a 1% (2020: 1%) increase or decrease in interest rate in regards to the bank loan. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the bank loan held at the balance sheet date, with all other variables held constant.

	2021 £'000	2020 £'000
Effect of a 1% increase in interest rate		
Statement of comprehensive income – return after taxation		
Revenue return	–	(300)
Capital return	–	–
Total return after taxation for the year and net assets	–	(300)

	2021 £'000	2020 £'000
Effect of a 1% decrease in interest rate		
Statement of comprehensive income – return after taxation		
Revenue return	–	300
Capital return	–	–
Total return after taxation for the year and net assets	–	300

Other price risk sensitivity

The following table illustrates the sensitivity of profit after taxation for the year and net assets to an increase or decrease of 10% (2020: 20%) in the fair value of the subsidiary. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the subsidiary NAV and adjusting for change in the management fee, but with all other variables held constant.

	2021 £'000	2020 £'000
Effect of a 10% (2020: 20%) increase in fair value		
Statement of comprehensive income – return after taxation		
Revenue loss	(4)	(412)
Capital return	502	54,956
Total return after taxation for the year and net assets	498	54,544

	2021 £'000	2020 £'000
Effect of a 10% (2020: 20%) decrease in fair value		
Statement of comprehensive income – return after taxation		
Revenue return	4	412
Capital loss	(502)	(54,956)
Total loss after taxation for the year and net assets	(498)	(54,544)

21. Financial instruments' exposure to risk and risk management policies

As an investment trust, the Company invests in equities for the long term so as to secure its investment objective stated on the 'Features' page. In pursuing this objective, the Company is exposed to a variety of financial risks that could result in a reduction in the Company's net assets or a reduction in the profits available for dividends.

These financial risks include market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk.

The Directors' policy for managing these risks is set out below. The Company Secretary, in close cooperation with the Board and the Manager, coordinates the Company's risk management policy.

The objectives, policies and processes for managing the risks and the methods used to measure the risks that are set out below, have not changed from those applying in the previous year.

The Company's classes of financial instruments may comprise the following:

- investments in equity shares of Indian companies and other securities which are held in accordance with the Company's investment objective;
- investment in the subsidiary company;
- cash held in liquidity funds;
- short term receivables, payables and cash arising directly from its operations; and
- a credit facility for the purpose of raising finance for the Company's operations and providing leveraged returns for the Company's shareholders.

(a) Market risk

The fair value or future cash flows of a financial instrument held by the Company will fluctuate because of changes in market prices. This market risk comprises three elements – currency risk, interest rate risk and other price risk. Information to enable an evaluation of the nature and extent of these three elements of market risk is given in parts (i) to (iii) of this note, together with sensitivity analyses where appropriate. The Board reviews and agrees policies for managing these risks, and these policies have remained unchanged from those applying in the previous year. The Manager assesses the exposure to market risk when making each investment decision and monitors the overall level of market risk on the whole of the investment portfolio on an ongoing basis.

(i) Currency risk

Most of the Company's assets and income and certain of its liabilities are denominated in currencies other than sterling, which is the functional currency and the presentational currency of the Company. As a result, movements in exchange rates may affect the sterling value of those items.

Management of currency risk

The Manager monitors the Company's exposure to foreign currencies on a daily basis and reports to the Board, which meets on at least four occasions each year. The Manager measures the risk to the Company of the foreign currency exposure by considering the effect on the Company's net asset value and income of a movement in the rates of exchange to which the Company's assets, liabilities, income and expenses are exposed. Income denominated in foreign currencies is converted to sterling on receipt. The Company may use short term forward currency contracts to manage working capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

21. Financial instruments' exposure to risk and risk management policies *continued*

(a) Market risk *continued*

(i) Currency risk *continued*

Foreign currency exposure

The fair value of the Company's monetary items that have foreign currency exposure at 30th September are shown below. Where equity investments, which are not monetary items, are priced in a foreign currency, they have been included separately in the analysis so as to show the overall level of exposure.

	2021				
	Indian Rupees £'000	Singapore Dollar £'000	US Dollar £'000	Hong Kong Dollar £'000	Total £'000
Current assets	6,496	20	32	3	6,551
Creditors	(4,795)	–	(6)	–	(4,801)
Foreign currency exposure to net monetary items	1,701	20	26	3	1,750
Investments held at fair value	752,037	–	–	–	752,037
Total net foreign currency exposure	753,738	20	26	3	753,787
	2020				
	Indian Rupees £'000	Singapore Dollar £'000	US Dollar £'000	Hong Kong Dollar £'000	Total £'000
Current assets	629	–	49	3	681
Creditors	(387)	–	–	–	(387)
Foreign currency exposure to net monetary items	242	–	49	3	294
Investments held at fair value	264,111	3,864	–	–	267,975
Total net foreign currency exposure	264,353	3,864	49	3	268,269

The above year end amounts are broadly representative of the exposure to foreign currency risk during the current and comparative year.

In addition to the above, through its investment in the subsidiary company JPMorgan Indian Investment Company (Mauritius) Limited, the Company also has exposure to a further of £20,000 (2020: £263,421,000) of Indian Rupees.

Foreign currency sensitivity

The following tables illustrate the sensitivity of profit after taxation for the year and net assets with regard to the monetary financial assets and financial liabilities, equity investments and exchange rates. The sensitivity analysis is based on equity investments, monetary currency financial instruments held at each balance sheet date and assumes a 10% (2020: 10%) appreciation or depreciation in sterling against currencies to which the Company is exposed, which is deemed a reasonable illustration based on the volatility of exchange rates during the year.

NOTES TO THE FINANCIAL STATEMENTS

If sterling had weakened by 10% this would have had the following effect:

	2021 £'000	2020 £'000
Statement of comprehensive income return after taxation		
Revenue return	633	305
Capital return	175	29
Total return after taxation for the year	808	334
Investments held at fair value	75,204	26,798
Net assets	76,012	27,132

Conversely if sterling had strengthened by 10% this would have had the following effect:

	2021 £'000	2020 £'000
Statement of comprehensive income return after taxation		
Revenue loss	(633)	(305)
Capital loss	(175)	(29)
Total loss after taxation for the year	(808)	(334)
Investments held at fair value	(75,204)	(26,798)
Net assets	(76,012)	(27,132)

In the opinion of the Directors, the above sensitivity analysis with respect to monetary financial assets, financial liabilities and equity investments is broadly representative of the whole year.

(ii) Interest rate risk

Interest rate movements may affect the level of income receivable on cash deposits and liquidity funds and the interest payable on variable rate cash borrowings.

Management of interest rate risk

The Company does not normally hold significant cash balances. Short term borrowings are used when required. The Company may finance part of its activities through borrowings at levels approved and monitored by the Board. The possible effects on cash flows that could arise as a result of changes in interest rates are taken into account when the subsidiary borrows on its loan facility. However, amounts drawn down on this facility are for short term periods and therefore exposure to interest rate risk is not significant.

Interest rate exposure

The exposure of financial assets and liabilities to floating interest rates, giving cash flow interest rate risk when rates are reset, is shown below.

	2021 £'000	2020 £'000
Exposure to floating interest rates		
JPM Sterling Liquidity Fund	20,600	24,000
Cash held at bank	5,766	3,810
Bank loan	–	(30,000)
Total exposure	26,366	(2,190)

Interest receivable on cash balances, or payable on overdrafts, is at a margin below or above SONIA. (2020: Interest receivable on cash balances, or payable on overdrafts, is at a margin below or above LIBOR).

21. Financial instruments' exposure to risk and risk management policies *continued*

(a) Market risk *continued*

(ii) Interest rate risk *continued*

The following table illustrates the sensitivity of profit after taxation for the year and net assets to a 1% (2020: 1%) increase or decrease in interest rate in regards to monetary financial assets and financial liabilities. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the monetary financial instruments held at the balance sheet date, with all other variables held constant.

Effect of a 1% increase in interest rate:

	2021 £'000	2020 £'000
Statement of comprehensive income – return after taxation		
Revenue return/(loss)	264	(22)
Total return/(loss) after taxation for the year and net assets	264	(22)

Effect of a 1% decrease in interest rate:

	2021 £'000	2020 £'000
Statement of comprehensive income – return after taxation		
Revenue (loss)/return	(264)	22
Total (loss)/return after taxation for the year and net assets	(264)	22

In the opinion of the Directors, the above sensitivity analysis is broadly representative of the whole year as the level of exposure to floating interest rates may fluctuate.

(iii) Other price risk

Other price risk includes changes in market prices, other than those arising from interest rate risk or currency risk, which may affect the value of investments.

Management of other price risk

The Board meets on at least four occasions each year to consider the asset allocation of the portfolio and the risk associated with particular industry sectors. The investment management team has responsibility for monitoring the portfolio, which is selected in accordance with the investment objective and seeks to ensure that individual stocks meet an acceptable risk/reward profile.

Other price risk exposure

The exposure to changes in market prices at 30th September comprises holdings in equity investments as follows:

	2021 £'000	2020 £'000
Investments held at fair value through profit or loss	757,056	542,196

The above data is broadly representative of the exposure to other price risk during the current and comparative year.

Concentration of exposure to other price risk

An analysis of the company's investments is given on pages 22 and 23. This shows that the investments' value is entirely in India. Accordingly there is a concentration of exposure to that country. However it should be noted that an investment may not necessarily be wholly exposed to the economic conditions in its country of domicile.

NOTES TO THE FINANCIAL STATEMENTS

Other price risk sensitivity

The following table illustrates the sensitivity of profit after taxation for the year and net assets to an increase or decrease of 10% (2020: 20%) in the fair value of equity investments or a change in the sterling/rupee exchange rate. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on equity investments and adjusting for change in the management fee, but with all other variables held constant.

Effect of a 10% (2020: 20%) increase in fair value:

	2021 £'000	2020 £'000
Statement of comprehensive income – return after taxation		
Revenue loss	(454)	(650)
Capital return	75,706	108,440
Total return after taxation and net assets	74,252	107,790

Effect of a 10% (2020: 20%) decrease in fair value:

	2021 £'000	2020 £'000
Statement of comprehensive income – return after taxation		
Revenue return	454	650
Capital loss	(75,706)	(108,440)
Total loss after taxation and net assets	(74,252)	(107,790)

(b) Liquidity risk

This is the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management of the risk

Liquidity risk is not significant as the Company's assets comprise readily realisable securities, which can be sold to meet funding requirements if necessary. Short term flexibility is achieved through the use of overdraft facilities. The Board's policy is to remain fully invested in normal market conditions and that short term borrowings be used to manage short term liabilities and working capital requirements.

Contractual maturities of the financial liabilities at the year end, based on the earliest date on which payment can be required by the lender are as follows:

	2021			
	Less than three months £'000	More than three months but not more than one year £'000	More than one year £'000	Total £'000
Other payables				
Other creditors and accruals	222	–	–	222
Non current liabilities				
Bank loan interest payable	5	–	–	5
Provision for capital gains tax ¹	–	–	21,049	21,049
	227	–	21,049	21,276

NOTES TO THE FINANCIAL STATEMENTS

21. Financial instruments' exposure to risk and risk management policies *continued*

(b) Liquidity risk *continued*

	2020			
	Less than three months £'000	More than three months but not more than one year £'000	More than one year £'000	Total £'000
Other payables				
Purchases of investments for future settlement	387	—	—	387
Repurchase of shares for future settlement	1,556	—	—	1,556
Other creditors and accruals	164	—	—	164
Non current liabilities				
Bank loan interest payable	159	389	30,458	31,006
Provision for capital gains tax ¹	—	—	1,654	1,654
	2,266	389	32,112	34,767

¹ Although capital gains tax is a statutory obligation and not a contractual obligation, it is a liability of the Company that will impact upon the Company's liquidity and is therefore included in the table above.

(c) Credit risk

Credit risk is the risk that the counterparty to a transaction fails to discharge its obligations under that transaction which could result in a loss to the Company.

Management of credit risk

Portfolio dealing

The Company invests in markets that operate Delivery Versus Payment ("DVP") settlement. The process of DVP mitigates the risk of losing the principal of a trade during the settlement process. The Manager continuously monitors dealing activity to ensure best execution, a process that involves measuring various indicators including the quality of trade settlement and incidence of failed trades. Counterparty lists are maintained and adjusted accordingly.

Cash and cash equivalents

Counterparties are subject to regular credit analysis by the Manager and deposits can only be placed with counterparties that have been approved by JPMAM's Counterparty Risk Group. The Board regularly reviews the counterparties used by the Manager.

Cash and cash equivalents comprise balances held at JPMorgan Chase Bank, N.A. The liquidity funds which the company invests in have credit ratings of AAA.

Exposure to JPMorgan Chase

JPMorgan Chase Bank, N.A. is the custodian of the Company's assets. The Company's assets are segregated from JPMorgan Chase's own trading assets. Therefore these assets are designed to be protected from creditors in the event that JPMorgan Chase were to cease trading.

The Depositary, Bank of New York Mellon (International) Limited, is responsible for the safekeeping of all custodial assets of the Company and for verifying and maintaining a record of all other assets of the Company. However, no absolute guarantee can be given on the protection of all the assets of the Company.

Credit risk exposure

The amounts shown in the statement of financial position under investments in liquidity fund, other receivables and cash and cash equivalents represent the maximum exposure to credit risk at the current and comparative year ends.

NOTES TO THE FINANCIAL STATEMENTS

(d) Fair values of financial assets and financial liabilities

All financial assets and liabilities are either included in the statement of financial position at fair value, or the carrying amount in the statement of financial position is a reasonable approximation of fair value.

22. Capital management policies and procedures

The Company's capital comprises the following:

	2021 £'000	2020 £'000
Equity		
Share capital	24,868	24,868
Reserves	739,045	511,829
Total capital	763,913	536,697

The capital management objectives are to ensure that the company will continue as a going concern and to optimise capital return to the Company's equity shareholders. Gearing is permitted up to a maximum level of 15% of shareholders' funds.

	2021 £'000	2020 £'000
Investments held at fair value through profit or loss	757,056	542,196
Net assets	763,913	536,697
(Net Cash)/Gearing	(0.9%)	1.0%

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

- the planned level of gearing, which takes into account the Manager's views on the market;
- the covenants associated with bank loans, to ensure they are complied with at all times;
- the need to buy back equity shares, either for cancellation or to hold in Treasury, which takes into account the share price discount or premium; and
- the need for issues of new shares, including issues from Treasury.

23. Analysis of changes in net debt

	Year ended 30th September 2020 £'000	Transactions in the year £'000	Cashflow £'000	Foreign exchange gain/loss £'000	Year ended 30th September 2021 £'000
Bank loan	30,000	–	(30,000)	–	–
Repurchase of shares into treasury	–	4,249	(4,249)	–	–
	30,000	4,249	(34,249)	–	–

24. Supplemental information

Following an amendment to International Financial Reporting Standard 10 ('IFRS 10'), a Company that operates as an 'investment entity' is no longer permitted to consolidate a subsidiary company. The Company qualifies as an investment entity and as a result, with effect from the 2017 financial year onwards, the subsidiary company is shown as an investment held at fair value through profit or loss.

To allow shareholders to compare the Company's performance and financial position as reported in this Annual Report and Financial Statements with historically published figures which were prepared on a consolidated basis, the Company has produced the following supplemental information. The figures contained in this note are considered Alternative Performance Measures ('APM').

Reconciliations between the statutory company-only financial statements presented on pages 86 to 88 and the consolidated figures that would have been published prior to the change to IFRS 10 have been included to provide additional clarity and meaningful comparison.

GROUP STATEMENT OF COMPREHENSIVE INCOME^A

FOR THE YEAR ENDED 30TH SEPTEMBER 2021

	Notes	Revenue £'000	2021 Capital £'000	Total £'000	Revenue £'000	2020 Capital £'000	Total £'000
Gains/(losses) from investments held at fair value through profit or loss	e (iii)	–	251,026	251,026	–	(106,980)	(106,980)
Net foreign currency losses	e (iv)	–	(361)	(361)	–	(1,130)	(1,130)
Income from investments	a (i)	7,727	–	7,727	7,463	–	7,463
Interest receivable and similar income	a (ii)	28	–	28	166	–	166
Total income/(loss)		7,755	250,665	258,420	7,629	(108,110)	(100,481)
Management fee	b	(4,320)	–	(4,320)	(4,940)	–	(4,940)
Other administrative expenses	c	(1,046)	–	(1,046)	(1,448)	–	(1,448)
Profit/(loss) before finance costs and taxation		2,389	250,665	253,054	1,241	(108,110)	(106,869)
Finance costs	d	(231)	–	(231)	(608)	–	(608)
Profit/(loss) before taxation		2,158	250,665	252,823	633	(108,110)	(107,477)
Taxation	f	(1,419)	(21,495)	(22,914)	(744)	(892)	(1,636)
Net profit/(loss)		739	229,170	229,909	(111)	(109,002)	(109,113)
Earnings/(loss) per share		0.95p	295.08p	296.03p	(0.13)p	(124.48)p	(124.61)p

^A Alternative performance measure ('APM').

NOTES TO THE FINANCIAL STATEMENTS

GROUP AND COMPANY STATEMENT OF FINANCIAL POSITION^A

AT 30TH SEPTEMBER 2021

	Notes	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Non current assets					
Investments held at fair value through profit or loss	e(i)	752,037	530,727	752,037	267,416
Investments in subsidiary held at fair value through profit or loss	e(ii)	–	–	5,019	274,780
		752,037	530,727	757,056	542,196
Current assets					
Financial assets: Derivative financial instruments		8	–	8	–
Other receivables	g	1,778	1,159	1,759	483
Cash and cash equivalents	h	31,430	38,673	26,366	27,810
		33,216	39,832	28,133	28,293
Current liabilities					
Other payables	i	(291)	(2,208)	(227)	(2,138)
Net current assets		32,925	37,624	27,906	26,155
Total assets less current liabilities		784,962	568,351	784,962	568,351
Non current liabilities					
Provision for capital gains tax	j	(21,049)	(1,654)	(21,049)	(1,654)
Bank loan		–	(30,000)	–	(30,000)
		(21,049)	(31,654)	(21,049)	(31,654)
Net assets		763,913	536,697	763,913	536,697
Amounts attributable to shareholders[*]					
Called up share capital		24,868	24,868	24,868	24,868
Share premium		97,316	97,316	97,316	97,316
Exercised warrant reserve		5,886	5,886	5,886	5,886
Capital redemption reserve		12,898	12,898	12,898	12,898
Capital reserves		646,175	419,698	645,480	420,054
Revenue reserve		(23,230)	(23,969)	(22,535)	(24,325)
Total shareholders' funds		763,913	536,697	763,913	536,697
Net asset value per share		983.7p	687.1p	983.7p	687.1p

^A Alternative performance measure ('APM').

NOTES TO THE FINANCIAL STATEMENTS

24. Supplemental information *continued*

RECONCILIATIONS TO STATUTORY COMPANY FINANCIAL STATEMENTS

Throughout this section, 'Subsidiary' denotes JPMorgan Indian Investment Company (Mauritius) Limited

a (i). Income from investments:		2021	2020
	Page	£'000	£'000
Income from investments (Company-only) per Statement of Comprehensive Income	60	6,336	3,051
Add: Income from investments (Subsidiary)		1,391	4,412
Income from investments – Group^A		7,727	7,463
a (ii). Interest receivable and similar income:		2021	2020
	Page	£'000	£'000
Interest receivable and similar income (Company-only) per Statement of Comprehensive Income	60	6	47
Add: Interest receivable and similar income (Subsidiary)		22	119
Interest receivable and similar income – Group^A		28	166
b. Management fee:		2021	2020
	Page	£'000	£'000
Management fee (Company-only) per Statement of Comprehensive Income	60	(2,587)	(1,408)
Add: Management fee (Subsidiary)		(1,733)	(3,532)
Management fee – Group^A		(4,320)	(4,940)
c. Other administrative expenses:		2021	2020
	Page	£'000	£'000
Other administrative expenses (Company-only) per Statement of Comprehensive Income	60	(745)	(911)
Add: Other administrative expenses (Subsidiary)		(301)	(537)
Other administrative expenses – Group^A		(1,046)	(1,448)
d. Finance costs:		2021	2020
	Page	£'000	£'000
Finance costs (Company-only) per Statement of Comprehensive Income	60	(231)	(608)
Add: Finance costs (Subsidiary)		–	–
Finance costs – Group^A		(231)	(608)

^A Alternative performance measure ('APM').

NOTES TO THE FINANCIAL STATEMENTS

e. (i) Investments held at fair value through profit or loss:	Page	2021 £'000	2020 £'000
Investments held at fair value through profit or loss (Company-only) per Statement of Financial Position	62	752,037	267,416
Add: Investments held at fair value through profit or loss (Subsidiary)		–	263,311
Investments held at fair value through profit or loss – Group^A		752,037	530,727
e. (ii) Investment in subsidiary held at fair value through profit or loss:	Page	2021 £'000	2020 £'000
Investments in subsidiaries held at fair value through profit or loss (Company-only) per Statement of Financial Position	62	5,019	274,780
Less: Investment in subsidiary held at fair value through profit or loss by the Company, as this has been replaced by the individual asset and liability amounts		(5,019)	(274,780)
Investment in subsidiary held at fair value through profit or loss – Group		–	–
e. (iii) Gains/(losses) from investments held at fair value through profit or loss:	Page	2021 £'000	2020 £'000
Gains/(losses) from investments held at fair value through profit or loss (Company-only) per Statement of Comprehensive Income	60	247,654	(107,444)
Less: (unrealised gains)/add: Unrealised losses on the direct investment in the Subsidiary included within the Company only figures		(2,699)	55,944
Less: Gains on investments held at fair value through profit or loss based on historical cost on the direct investment in the Subsidiary included within the Company only figures		(286,475)	(238,771)
Add: Amounts recognised as investment holding gains in the previous year in respect of investments sold during the year on the direct investment in the Subsidiary included within the Company only figures		217,935	292,502
Add: gains/less: (losses) from investments held at fair value through profit or loss (Subsidiary)		74,611	(109,211)
Gains/(losses) from investments held at fair value through profit or loss – Group^A		251,026	(106,980)
e. (iv) Foreign exchange losses:	Page	2021 £'000	2020 £'000
Foreign exchange losses (Company-only) per Statement of Comprehensive Income	60	(702)	(363)
Add: Foreign exchange gains/(losses) (Subsidiary)		341	(767)
Foreign exchange losses – Group^A		(361)	(1,130)

^A Alternative performance measure ('APM').

NOTES TO THE FINANCIAL STATEMENTS

24. Supplemental information *continued*

f. Taxation:	Page	2021 £'000	2020 £'000
Revenue			
Overseas withholding tax (Company-only) per Statement of Comprehensive Income	60	(989)	(359)
Add: Overseas withholding tax (Subsidiary)		(430)	(385)
Total revenue		(1,419)	(744)
Capital			
Taxation (Company-only) per Statement of Comprehensive Income		(18,833)	(1,118)
Add: Taxation (Subsidiary)		(2,662)	226
Total capital		(21,495)	(892)
Taxation – Group^A		(22,914)	(1,636)
g. Other receivables:	Page	2021 £'000	2020 £'000
Other receivables (Company-only) per Statement of Financial Position	62	1,759	483
Add: Other receivables (Subsidiary)		19	676
Other receivables – Group^A		1,778	1,159
h. Cash and cash equivalents:	Page	2021 £'000	2020 £'000
Cash and cash equivalents (Company-only) per Statement of Financial Position	62	26,366	27,810
Add: Cash and cash equivalents (Subsidiary)		5,064	10,863
Cash and cash equivalents – Group^A		31,430	38,673
i. Other payables:	Page	2021 £'000	2020 £'000
Other payables (Company-only) per Statement of Financial Position	62	(227)	(2,137)
Add: Other payables (Subsidiary)		(64)	(70)
Other payables – Group^A		(291)	(2,207)
j. Provision for capital gains tax:	Page	2021 £'000	2020 £'000
Provision for capital gains tax (Company-only) per Statement of Financial Position	62	(21,049)	(1,654)
Add: Provision for capital gains tax (Subsidiary)		–	–
Provision for capital gains tax – Group^A		(21,049)	(1,654)

^A Alternative performance measure ('APM').

GROUP AND SUBSIDIARY'S TRANSACTIONS WITH THE MANAGER AND RELATED PARTIES

Details of the management contract are set out in the Directors' Report on page 36. the management fee payable to the Manager by the Group for the year was £4,320,000 (2020: £4,940,000) of which £10,000 was outstanding (2020: £775,000 was prepayment adjustment) in the financial statements at the year end. Please see note 19 for details.

Included in the administration expenses in note 24(c) on page 86 are safe custody fees payable to JPMorgan Chase as custodian of the Group amounting to £400,000 (2020: £565,000) of which £165,000 (2020: £80,000) was outstanding at the year end.

Handling charges payable on dealing transactions undertaken by overseas sub custodians on behalf of the Group amounted to £26,000 (2020: £70,000) during the year, of which £6,000 (2020: £6,000) was outstanding at the year end.

In addition, the subsidiary JPMorgan Indian Investment Company (Mauritius) Limited holds cash in the JPMorgan Sterling Liquidity Fund. At 30th September 2021, the holding was valued at £3,300,000 (2020: £8,700,000). During the year, the subsidiary made purchases in this fund amounting to £64,300,000 (2020: £27,700,000) and sales on this fund amounting to £69,700,000 (2020: £31,400,000). Income receivable from this fund amounted to £9,000 (2020: £119,000) of which £nil (2020: £nil) was outstanding at the year end. JPMorgan earns no management fee on these funds.

In June/July 2021, the Mauritius subsidiary company liquidated its portfolio of investments and transferred the cash up to the Company via share buy backs (see note 10c). The Company has rebalanced the portfolio at the "group" level by purchasing the investments that the Mauritius subsidiary company sold.

At the year end, the subsidiary held bank balances of £1,764,000 with JPMorgan Chase Bank, N.A. (2020: £2,163,000). Interest amounting to £14,000 was received by the subsidiary (2020: £nil) during the year.

ALTERNATIVE INVESTMENT FUND MANAGERS' DIRECTIVE ('AIFMD') DISCLOSURES (UNAUDITED)**Leverage**

For the purposes of the Alternative Investment Fund Managers Directive ('AIFMD'), leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a ratio between the Company's exposure and its net asset value and can be calculated on a gross and a commitment method in accordance with AIFMD. Under the gross method, exposure represents the sum of the Company's positions without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated after certain hedging and netting positions are offset against each other.

The Company is required to state its maximum and actual leverage levels, calculated as prescribed by the AIFMD, as at 30th September 2021, which gives the following figures:

	Gross Method	Commitment Method
Maximum limit	200%	200%
Actual	103%	104%

JPMorgan Funds Limited (the 'Management Company') is the authorised manager of JPM Indian Investment Trust plc (the 'Company') and is part of the J.P. Morgan Chase & Co. group of companies. In this section, the terms 'J.P. Morgan' or 'Firm' refer to that group, and each of the entities in that group globally, unless otherwise specified.

This section of the annual report has been prepared in accordance with the Alternative Investment Fund Managers Directive (the 'AIFMD'), the European Commission Delegated Regulation supplementing the AIFMD, and the 'Guidelines on sound remuneration policies' issued by the European Securities and Markets Authority under the AIFMD. The information in this section is in respect of the most recent complete remuneration period (the 'Performance Year') as at the reporting date.

This section has also been prepared in accordance with the relevant provisions of the Financial Conduct Authority Handbook (FUND 3.3.5).

Remuneration Policy

A summary of the Remuneration Policy currently applying to the Management Company (the 'Remuneration Policy Statement') can be found at <https://am.jpmorgan.com/gb/en/asset-management/gim/per/legal/emea-remuneration-policy>. This Remuneration Policy Statement includes details of how remuneration and benefits are calculated, including the financial and non-financial criteria used to evaluate performance, the responsibilities and composition of the Firm's Compensation and Management Development Committee, and the measures adopted to avoid or manage conflicts of interest. A copy of this policy can be requested free of charge from the Management Company.

The Remuneration Policy applies to all employees of the Management Company, including individuals whose professional activities may have a material impact on the risk profile of the Management Company or the Alternative Investment Funds it manages ('AIFMD Identified Staff'). The AIFMD Identified Staff include members of the Board of the Management Company (the 'Board'), senior management, the heads of relevant Control Functions, and holders of other key functions. Individuals are notified of their identification and the implications of this status on at least an annual basis.

The Board reviews and adopts the Remuneration Policy on an annual basis, and oversees its implementation, including the classification of AIFMD Identified Staff. The Board last reviewed and adopted the Remuneration Policy that applied for the 2020 Performance Year in June 2020 with no material changes and was satisfied with its implementation.

REGULATORY DISCLOSURES

Quantitative Disclosures

The table below provides an overview of the aggregate total remuneration paid to staff of the Management Company in respect of the 2020 Performance Year and the number of beneficiaries. These figures include the remuneration of all staff of JPMorgan Asset Management (UK) Ltd (the relevant employing entity) and the number of beneficiaries, both apportioned to the Management Company on an Assets Under Management ('AUM') weighted basis.

Due to the Firm's operational structure, the information needed to provide a further breakdown of remuneration attributable to the Company is not readily available and would not be relevant or reliable. However, for context, the Management Company manages 30 Alternative Investment Funds (with 5 sub-funds) and 2 UCITS (with 40 sub-funds) as at 31st December 2020, with a combined AUM as at that date of £21.4 billion and £22.5 billion respectively.

	Fixed remuneration	Variable remuneration	Total remuneration	Number of beneficiaries
All staff of the Management Company (\$'000s)	19,241	11,862	31,303	139

The aggregate 2020 total remuneration paid to AIFMD Identified Staff was USD \$63,330,000, of which USD \$5,620,000 relates to Senior Management and USD \$57,710,000 relates to other Identified Staff¹.

¹ Since 2017, the AIFMD identified staff disclosures includes employees of the companies to which portfolio management has been formally delegated in line with the latest ESMA guidance.

SECURITIES FINANCING TRANSACTIONS REGULATION ('SFTR') DISCLOSURES (UNAUDITED)

The Company does not engage in Securities Financing Transactions (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions) or total return swaps. Accordingly, disclosures required by Article 13 of the Regulation are not applicable for the year ended 30th September 2021.

Shareholder Information

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the twenty eighth Annual General Meeting of JPMorgan Indian Investment Trust plc will be held at 60 Victoria Embankment, London EC4Y 0JP on Thursday, 3 February 2022 at 12.00 noon for the following purposes:

1. To receive the Directors' Report, the Financial Statements and the Independent Auditors' Report for the year ended 30th September 2021.
2. To approve the Directors' remuneration policy.
3. To approve the Directors' Remuneration Report for the year ended 30th September 2021.
4. To reappoint Vanessa Donegan as a Director of the Company.
5. To reappoint Jasper Judd as a Director of the Company.
6. To reappoint Rosemary Morgan as a Director of the Company.
7. To reappoint Jeremy Whitley as a Director of the Company.
8. To reappoint PricewaterhouseCoopers LLP as Independent Auditors of the Company and to authorise the Directors to determine their remuneration.

Special Business

To consider the following resolutions:

Authority to allot new shares – Ordinary Resolution

9. THAT the Directors of the Company be and they are hereby generally and unconditionally authorised (in substitution of any authorities previously granted to the Directors), pursuant to and in accordance with Section 551 of the Companies Act 2006 (the 'Act') to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ('Rights') up to an aggregate nominal amount of £967,282, representing approximately 10% of the Company's issued Ordinary share capital, provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2022 unless renewed at a general meeting prior to such time, save that the Company may before such expiry make offers or agreements which would or might require shares to be allotted or Rights to be granted after such expiry and so that the Directors of the Company may allot shares and grant Rights in pursuance of such offers or agreements as if the authority conferred hereby had not expired.

Authority to disapply pre-emption rights – Special Resolution

10. THAT subject to the passing of Resolution 10 set out above, the Directors of the Company be and they are hereby empowered pursuant to Sections 570 to 573 of the Act to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred by Resolution 10 or by way of a sale of Treasury shares as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities for cash up to an aggregate nominal amount of £967,282 representing approximately 10% of the issued Ordinary share capital as at the date of the passing of this resolution at a price of not less than the net asset value per share and shall expire upon the expiry of the general authority conferred by Resolution 10 above, save that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and so that the Directors of the Company may allot equity securities pursuant to such offers or agreements as if the power conferred hereby had not expired.

Authority to repurchase the Company's shares – Special Resolution

11. THAT the Company be generally and, subject as hereinafter appears, unconditionally authorised in accordance with Section 701 of the Act to make market purchases (within the meaning of Section 693 of the Act) of its issued Ordinary shares on such terms and in such manner as the Directors may from time to time determine.

PROVIDED ALWAYS THAT

- (i) the maximum number of Ordinary shares hereby authorised to be purchased shall be 11,599,640 or if different, that number of Ordinary shares which is equal to 14.99% of the Company's issued Ordinary share capital as at the date of the passing of this Resolution;
- (ii) the minimum price which may be paid for an Ordinary share shall be 25 pence;
- (iii) the maximum price which may be paid for an Ordinary share shall be an amount equal to: (a) 105% of the average of the middle market quotations for an Ordinary share taken from and calculated by reference to the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Ordinary share is purchased; or (b) the price of the last independent trade; or (c) the highest current independent bid;

NOTICE OF ANNUAL GENERAL MEETING

- (iv) any purchase of Ordinary shares will be made in the market for cash at prices below the prevailing net asset value per Ordinary share (as determined by the Directors);
- (v) the authority hereby conferred shall expire on 2nd August 2023 unless the authority is renewed at the Company's Annual General Meeting in 2023 or at any other general meeting prior to such time; and
- (vi) the Company may make a contract to purchase Ordinary shares under the authority hereby conferred prior to the expiry of such authority which contract will or may be executed wholly or partly after the expiry of such authority and may make a purchase of Ordinary shares pursuant to any such contract.

Divya Amin

By order of the Board
Divya Amin, for and on behalf of
JPMorgan Funds Limited,
Secretary
17th December 2021

Notes

These notes should be read in conjunction with the notes on the reverse of the proxy form.

1. If law or Government guidance so requires at the time of the Meeting, the Chairman of the Meeting will limit, in his sole discretion, the number of individuals in attendance at the Meeting. In addition, the Company may still impose entry restrictions on certain persons wishing to attend the AGM in order to secure the orderly and proper conduct of the Meeting.
2. A member entitled to attend and vote at the Meeting may appoint another person(s) (who need not be a member of the Company) to exercise all or any of his rights to attend, speak and vote at the Meeting. A member can appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him. However, please note that, in the light of the ongoing COVID-19 pandemic and associated Government guidance, it may be the case that your vote will not be counted where a proxy other than the Chairman of the Meeting is appointed as additional third parties may not be permitted entry to the meeting.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Your proxy could be the Chairman, another director of the Company or another person who has agreed to attend to represent you. Details of how to appoint the Chairman or another person(s) as your proxy or proxies using the proxy form are set out in the notes to the proxy form. If a voting box on the proxy form is left blank, the proxy or proxies will exercise his/their discretion both as to how to vote and whether he/they abstain(s) from voting. Your proxy must attend the Meeting for your vote to count. Appointing a proxy or proxies does not preclude you from attending the Meeting and voting in person. However, please note that in the current circumstances, your vote may not be counted where a proxy other than the Chairman of the Meeting is appointed as additional third parties may not be permitted entry to the meeting.
4. Any instrument appointing a proxy, to be valid, must be lodged in accordance with the instructions given on the proxy form.
5. You may change your proxy instructions by returning a new proxy appointment. The deadline for receipt of proxy appointments also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same Meeting, the one which is last received (regardless of its date or the date of its signature) shall be treated as replacing and revoking the other or others as regards that share; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share.
6. To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), members must be entered on the Company's register of members as at 6.30 p.m. two working days prior to the Meeting (the 'specified time'). If the Meeting is adjourned to a time not more than 48 hours after the specified time applicable to the original Meeting, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned Meeting. If however the Meeting is adjourned for a longer period

NOTICE OF ANNUAL GENERAL MEETING

then, to be so entitled, members must be entered on the Company's register of members as at 6.30 p.m. two working days prior to the adjourned Meeting or, if the Company gives notice of the adjourned Meeting, at the time specified in that notice. Changes to entries on the register after this time shall be disregarded in determining the rights of persons to attend or vote at the meeting or adjourned meeting.

7. Entry to the Meeting will be restricted to shareholders and their proxy or proxies. No guests will be admitted.
8. A corporation, which is a shareholder, may appoint an individual(s) to act as its representative(s) and to vote in person at the Meeting (see instructions given on the proxy form). In accordance with the provisions of the Companies Act 2006, each such representative(s) may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is therefore no longer necessary to nominate a designated corporate representative. However, please note that, in the light of the COVID-19 pandemic, it might be the case that your vote will not be counted where a representative, other than the Chairman of the Meeting, is appointed as additional third parties might not be permitted entry to the meeting. Representatives should bring to the meeting evidence of their appointment, including any authority under which it is signed.
9. Members that satisfy the thresholds in Section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter relating to: (a) the audit of the Company's financial statements (including the Auditors' report and the conduct of the audit) that are to be laid before the AGM; or (b) any circumstances connected with the Independent Auditors of the Company ceasing to hold office since the previous AGM; which the members propose to raise at the meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's Independent Auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required to publish on its website pursuant to this right.
10. Pursuant to Section 319A of the Companies Act 2006, the Company must cause to be answered at the AGM any question relating to the business being dealt with at the AGM which is put by a member attending the meeting except in certain circumstances, including if it is undesirable in the interests of the Company or the good order of the meeting or if it would involve the disclosure of confidential information.
11. Under Sections 338 and 338A of the 2006 Act, members meeting the threshold requirements in those sections have the right to require the Company: (i) to give, to members of the Company entitled to receive notice of the Meeting, notice of a resolution which those members intend to move (and which may properly be moved) at the Meeting; and/or (ii) to include in the business to be dealt with at the Meeting any matter (other than a proposed resolution) which may properly be included in the business at the Meeting. A resolution may properly be moved, or a matter properly included in the business unless: (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of any inconsistency with any enactment or the Company's constitution or otherwise); (b) it is defamatory of any person; or (c) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be accompanied by a statement setting out the grounds for the request, must be authenticated by the person(s) making it and must be received by the Company not later than the date that is six clear weeks before the Meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.
12. A copy of this notice has been sent for information only to persons who have been nominated by a member to enjoy information rights under Section 146 of the Companies Act 2006 (a 'Nominated Person'). The rights to appoint a proxy cannot be exercised by a Nominated Person: they can only be exercised by the member. However, a Nominated Person may have a right under an agreement between him and the member by whom he was nominated to be appointed as a proxy for the Meeting or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.
13. In accordance with Section 311A of the Companies Act 2006, the contents of this notice of meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the AGM, the total voting rights members are entitled to exercise at the AGM and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website www.jpmindian.co.uk.
14. The register of interests of the Directors and connected persons in the share capital of the Company and the Directors' letters of appointment are available for inspection at the Company's registered office during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted). It will also be available for inspection at the Annual General Meeting. No Director has any contract of service with the Company.
15. You may not use any electronic address provided in this Notice of meeting to communicate with the Company for any purposes other than those expressly stated.
16. As an alternative to completing a hard copy Form of Proxy/Voting Instruction Form, you can appoint a proxy or proxies electronically by visiting www.sharevote.co.uk. You will need your Voting ID, Task ID and Shareholder Reference Number (this is the series of numbers printed under your name on the Form of Proxy). Alternatively, if you have already registered with Equiniti Limited's online portfolio service, Shareview, you can submit your Form of Proxy at www.shareview.co.uk. Full instructions are given on both websites.
17. As at 16th December 2021 (being the latest business day prior to the publication of this Notice), the Company's issued share capital, excluding those shares held in Treasury, consists of 77,382,522 Ordinary shares, carrying one vote each. Therefore the total voting rights in the Company are 77,382,522.

Electronic appointment – CREST members

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. See further instructions on the proxy form.

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES ('APMS') (UNAUDITED)

Return to Shareholders (APM)

Total return to shareholders, on a last traded price to last traded price basis, assuming that all dividends received were reinvested, without transaction costs, into the shares of the Company at the time the shares were quoted ex-dividend.

Total return calculation	Page	2021	2020
Opening share price (p)	5	571.5	744.0
Closing share price (p)	5	831.0	571.5
Total return to shareholders		45.4%	(23.2)%

Return on Net Assets (APM)

Total return on net asset value ('NAV') per share, on a bid value to bid value basis, assuming that all dividends paid out by the Company were reinvested, without transaction costs, into the shares of the Company at the NAV per share at the time the shares were quoted ex-dividend.

Total return calculation	Page	2021	2020
Opening NAV per share (p)	5	687.1	820.1
Closing NAV per share (p)	5	983.7	687.1
Total return on net assets		43.2%	(16.2)%

Benchmark return

Total return on the benchmark, on a closing-market value to closing-market value basis, assuming that all dividends received were reinvested, without transaction costs, in the shares of the underlying companies at the time the shares were quoted ex-dividend.

The benchmark is a recognised index of stocks which should not be taken as wholly representative of the Company's investment universe. The Company's investment strategy does not follow or 'track' this index and consequently, there may be some divergence between the Company's performance and that of the benchmark.

Net Asset Value per Share (APM)

This is determined by the value of the Company's net assets (total assets less total liabilities) divided by the number of ordinary shares in issue. Please see note 16 on page 73 for detailed calculations.

Gearing/(Net cash)

Gearing represents the excess amount above shareholders' funds of total investments, expressed as a percentage of the shareholders' funds. If the amount calculated is negative, this is shown as a 'net cash' position.

Gearing (Group)	Page	2021 £'000	2020 £'000	
Investments held at fair value through profit or loss	85	752,037	530,727	(a)
Net assets	85	763,913	536,697	(b)
(Net cash)/Gearing (c = a / b - 1)		(1.6)%	(1.1)%	(c)

Gearing (Company)	Page	2021 £'000	2020 £'000	
Investments held at fair value through profit or loss	62	757,056	542,916	(a)
Net assets	62	763,913	536,697	(b)
Gearing/(Net cash) (c = a / b - 1)		(0.9)%	1.0%	(c)

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES ('APMS') (UNAUDITED)

Ongoing Charges (APM)

The ongoing charges represent the management fee and all other operating expenses excluding finance costs payable, expressed as a percentage of the average of the daily cum-income net assets during the year and is calculated in accordance with guidance issued by the Association of Investment Companies.

Ongoing charges (Group)	Page	2021 £'000	2020 £'000	
Management Fee	84	4,320	4,940	
Other administrative expenses	84	1,046	1,448	
Total management fee and other administrative expenses		5,366	6,388	(a)
Average daily cum-income net assets		650,151	625,389	(b)
Ongoing charges (c = a / b)		0.83%	1.02%	(c)
Ongoing charges (Company)	Page	2021 £'000	2020 £'000	
Management Fee	60	2,587	1,408	
Other administrative expenses	60	745	911	
Total management fee and other administrative expenses		3,332	2,319	(a)
Average daily cum-income net assets		650,151	625,389	(b)
Ongoing charges (c = a / b)		0.51%	0.37%	(c)

Share Price (Discount)/Premium to Net Asset Value ('NAV') per Share (APM)

If the share price of an investment trust company is lower than the NAV per share, the shares are said to be trading at a discount. The discount is shown as a percentage of the NAV per share. The opposite of a discount is a premium (page 5).

Share price discount calculation	Page	2021	2020	
Share price (pence)	5	831.0	571.5	(a)
Net asset value per share (pence)	5	983.7	687.1	(b)
Share price discount to net asset value per share (c = a / b - 1)		(15.5)%	(16.8)%	(c)

Investment Entity

An entity that obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services; whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and measures and evaluates the performance of substantially all of its investments on a fair value basis.

Earnings/(Loss) Per Share

The earnings/(loss) per share represents the profit/(loss) after taxation divided by the weighted average number of shares in issue during the year. Please refer to note 9 (page 70) in the financial statements for the detailed calculation.

Performance attribution

Analysis of how the Company achieved its recorded performance relative to its benchmark.

Performance Attribution Definitions:

Sector allocation

Measures the impact of allocating assets differently from those in the benchmark, via the portfolio's weighting in different countries, sectors or asset types.

Stock selection

Measures the effect of investing in securities to a greater or lesser extent than their weighting in the benchmark, or of investing in securities which are not included in the benchmark.

Gearing/(Net cash)

Measures the impact on returns of borrowings or cash balances on the Company's relative performance.

Management fee/Other expenses

The payment of fees and expenses reduces the level of total assets, and therefore has a negative effect on relative performance.

You can invest in a J.P. Morgan investment trust through the following:

1. Via a third party provider

Third party providers include:

AJ Bell	Hargreaves Lansdown
Barclays Smart Investor	Interactive Investor
Charles Stanley Direct	Selftrade
Fidelity FundsNetwork	The Share Centre

Please note this list is not exhaustive and the availability of individual trusts may vary depending on the provider. These websites are third party sites and J.P. Morgan Asset Management does not endorse or recommend any. Please observe each site's privacy and cookie policies as well as their platform charges structure.

The Board encourages all of its shareholders to exercise their rights and notes that many specialist platforms, including the default options offered by JPMorgan, provide shareholders with the ability to continue to receive Company documentation, to vote their shares and to attend general meetings, at no cost. Please refer to your investment platform for more details, or visit the AIC's website at www.theaic.co.uk/aic/shareholder-voting-consumer-platforms for information on which platforms support these services and how to utilise them.

2. Through a professional adviser

Professional advisers are usually able to access the products of all the companies in the market and can help you find an investment that suits your individual circumstances. An adviser will let you know the fee for their service before you go ahead. You can find an adviser at unbiased.co.uk

You may also buy investment trusts through stockbrokers, wealth managers and banks.

To familiarise yourself with the Financial Conduct Authority (FCA) adviser charging and commission rules, visit fca.org.uk

Be ScamSmart

Investment scams are designed to look like genuine investments

Spot the warning signs

Have you been:

- contacted out of the blue
- promised tempting returns and told the investment is safe
- called repeatedly, or
- told the offer is only available for a limited time?

If so, you might have been contacted by fraudsters.

Avoid investment fraud

1 Reject cold calls

If you've received unsolicited contact about an investment opportunity, chances are it's a high risk investment or a scam. You should treat the call with extreme caution. The safest thing to do is to hang up.

2 Check the FCA Warning List

The FCA Warning List is a list of firms and individuals we know are operating without our authorisation.

3 Get impartial advice

Think about getting impartial financial advice before you hand over any money. Seek advice from someone unconnected to the firm that has approached you.

Remember: if it sounds too good to be true, it probably is!

Report a Scam

If you suspect that you have been approached by fraudsters please tell the FCA using the reporting form at www.fca.org.uk/consumers/report-scam-unauthorised-firm. You can also call the FCA Consumer Helpline on **0800 111 6768**

If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 or online at www.actionfraud.police.uk

Find out more at
www.fca.org.uk/scamsmart



INFORMATION ABOUT THE COMPANY

FINANCIAL CALENDAR

Financial year end	30th September
Final results announced	December
Half year end	31st March
Half year results announced	May
Dividends	N/A
Annual General Meeting	January/February

History

The Company was launched in May 1994, under the name of The Fleming Indian Investment Trust PLC, by a public offer of shares which raised £84 million before expenses. In February 2002, the Company changed its name to JPMorgan Fleming Indian Investment Trust plc. In November 2005 it adopted its present name JPMorgan Indian Investment Trust plc.

Company Numbers

Company registration number: 2915926
London Stock Exchange number: 0345035
ISIN: GB0003450359
Bloomberg Code: JII LN
LEI: 5493000HW8RIC2WBYK02

Market Information

The Company's net asset value ('NAV') is published daily via the London Stock Exchange. The Company's shares are listed on the London Stock Exchange. The market price is shown daily in the Financial Times and on the Company's website at www.jpmindian.co.uk where the share price is updated every fifteen minutes during trading hours.

Website

www.jpmindian.co.uk

Share Transactions

The Company's shares may be dealt in directly through a stockbroker or professional adviser acting on an investor's behalf.

Manager and Company Secretary

JPMorgan Funds Limited.

Company's Registered Office

60 Victoria Embankment
London EC4Y 0JP
Telephone: 020 7742 4000

For Company Secretarial and administrative matters, please contact Divya Amin.

Depository

The Bank of New York Mellon (International) Limited
1 Canada Square
London EC14 5AL

The Depository has appointed JPMorgan Chase Bank, N.A. as the Company's custodian.

Registrars

Equiniti Limited
Reference 1087
Aspect House
Spencer Road
West Sussex BN99 6DA
Telephone number: 0371 384 2327

Lines open 8.30 a.m. to 5.30 p.m. Monday to Friday. Calls to the helpline will cost no more than a national rate call to a 01 or 02 number. Callers from overseas should dial +44 121 415 0225.

Registered shareholders can obtain further details on individual holdings on the internet by visiting www.shareview.co.uk.

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside
London SE1 2RT

Brokers

Numis Securities Limited
The London Stock Exchange Building
10 Paternoster Square
London EC4M 7LT

aic

The Association of
Investment Companies A member of the AIC

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GB A117 | 12/21



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J.P.Morgan
Asset Management