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JPMorgan Fleming Indian Investment Trust plc

ANNUAL REPORT & ACCOUNTS – YEAR ENDED 30th SEPTEMBER 2004

JPMorgan Fleming
Asset Management

Results

+41.3% Return to shareholders[1] (2003: +72.1%)

+24.1% Return on net assets[2] (2003: +62.4%)

+15.0% Benchmark return[3,4] (2003: +49.3%)

[1]Change in share price with net dividends (if any) reinvested (Source: Standard & Poor's – www.funds.sp.com).
[2]Change in net asset value per share with net dividends (if any) reinvested (Source: Fundamental Data – www.funddata.com).
[3]Change in value with net dividends (if any) reinvested (Source: MSCI).
[4]The Company's benchmark is the MSCI India Index in sterling terms. Comparison of the Company's performance is made with this benchmark. 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 track this index and, consequently, there may be some divergence between its performance and that of the Company.

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Chairman's Statement

Philip Daubeney CHAIRMAN

Following the support of shareholders for the continuation of the Company for a further five year period at the Annual General Meeting in January 2004, I was delighted to be able to report in my interim statement that 13,342,677 new ordinary shares were allotted in February 2004 as a result of the exercise of warrants to subscribe for ordinary shares. I am confident that the faith in the Company shown by shareholders and warrantholders will prove well founded and that over the long-term the portfolio will continue to deliver positive returns for investors.

Year Under Review

In what has been a volatile year for the Indian equity market, I am pleased to be able to report on another profitable period for investors in the Company's shares, with the Investment Manager producing a return on net assets of +24.1%. This compares favourably with the return of +15.0% from the Company's benchmark, the MSCI India Index (in sterling terms). The return to shareholders over the period was +41.3%, which reflected both the underlying portfolio performance and the narrowing of the discount from 14.1% to 2.1%.

The main factors for the outperformance of the Company's net asset value have been the positive effects of the Investment Manager's stock and sector selection. These are the product of an investment process based on active stock selection, combined with disciplined portfolio construction and risk controls.

Following a strong fourth quarter of 2003, it was no surprise that the markets consolidated in early 2004 in anticipation of the pending national election. The surprising election of a coalition under the leadership of the Congress Party resulted in an initial downward move in the market. However, the coalition has held together well for the last nine months under the leadership of Manmohan Singh. Despite political uncertainty, the disappointing monsoon season in 2004 and increased interest rates, the market has regained its confidence supported by continued growth in corporate earnings. The Board shares the Investment Manager's optimism that the medium to long term prospects for investing in India remain good.

The Investment Managers, in their Report on pages 4 and 5, set out in more detail a review of the underlying portfolio and their outlook for the future.

Gearing

As indicated in my last annual statement, on 8th April 2004 the Company entered into a one year $15m borrowing facility with The Royal Bank of Scotland. The loan bears interest at a floating rate and has been used by the Investment Manager on a tactical basis. As shown on page 5, gearing added 0.4% to the Company's performance during the year under review. If the facility was fully utilised as at 30th November 2004, the Company would be 107% geared. The actual gearing level at that date was 99%.

Board of Directors

On 22nd September 2004, Mr Hugh Bolland was appointed as a Director of the Company. Hugh is a non-executive director of Fidelity Asian Values Trust plc, having previously been employed by Schroder Investment Management Limited for thirty years until 2000. He was Chief Executive between 1995 and 1998, Vice Chairman between 1998 and 2000, and a member of Schroder plc's Group Executive Committee from 1996 to 1999. Hugh is a valuable addition to the Company's Board and I would therefore urge shareholders to vote in favour of his election at the forthcoming Annual General Meeting.

The Directors retiring by rotation are Mr Vijay Joshi and myself. The Nomination Committee of the Board, consisting of those Directors who are not up for election or re-election by rotation, have met to consider the attributes of each individual and, following this review, recommend to shareholders that the Directors should be elected or re-elected, as the case may be.

JPMorgan Fleming Asset Management

The Board has reviewed the investment management, secretarial and marketing services provided to the Company by J.P. Morgan Fleming Asset Management (UK) Limited ('JPMFAM'). This annual review has included their performance record, management processes, investment style, resources and risk control mechanisms. The Board was satisfied with the results of this review and therefore in the opinion of the Directors, the continuing appointment of JPMFAM for the provision of these services is in the interests of shareholders as a whole.

Authority to Repurchase or Issue the Company's Shares

At last year's Annual General Meeting shareholders gave the Directors authority to repurchase the Company's shares for cancellation. Although no such repurchases took place during the year, due to the narrowing of the discount and the portfolio's underlying outperformance of its benchmark, the Board continues to believe that a facility to reduce discount volatility is important, and is therefore seeking approval from shareholders to renew the authority at the forthcoming Annual General Meeting.

As approved by shareholders at last year's Annual General Meeting, shares repurchased in the future might not be cancelled but rather held as treasury shares and subsequently re-issued at a premium. Purchases of shares to be held in treasury will be made in accordance with the Listing Rules of the UK Listing Authority and the Companies (Acquisitions of Own Shares) (Treasury Shares) Regulations 2003 as amended.

At last year's Annual General Meeting, shareholders also granted Directors the authority to issue shares for cash should the shares trade at a premium to net asset value, such authority to last until 27th January 2009. Although no such shares have been issued under this authority since it was granted, the Company's shares have recently traded at a premium to net asset value. The Board has established guidelines relating to the issue of shares and if the conditions are met, this authority will be utilised to enhance the Company's net asset value per share and therefore benefit existing shareholders. To supplement this authority the Board proposes to re-issue treasury shares when appropriate, as re-issuing shares out of treasury would be cheaper since they will avoid the necessity of the Company paying listing fees to the London Stock Exchange and the UK Listing Authority. The Board will only buy back shares at a discount to their prevailing net asset value, and issue shares when they trade at a premium to their net asset value, so as not to prejudice remaining shareholders.

Annual General Meeting

This year's Annual General Meeting will be held at 10 Aldermanbury, London EC2V 7RF at 12 noon on Wednesday 19th January 2005. As in previous years, in addition to the formal part of the meeting, there will be a presentation by Ted Pulling and Rukhshad Shroff, who will answer questions on the portfolio and performance. There will also be an opportunity to meet the Board and representatives of JPMorgan Fleming.

If you have any detailed or technical questions, it would be helpful if you could raise them in advance with the Company Secretary at Finsbury Dials, 20 Finsbury Street, London EC2Y 9AQ. Shareholders who are unable to attend the AGM are encouraged to use their proxy votes.

Philip Daubeney
Chairman 10th December 2004

Investment Managers' Report

Edward Pulling
INVESTMENT MANAGER

Rukhshad Shroff
INVESTMENT MANAGER

The year in Review

The year was a tumultuous one for Indian equities. Nevertheless, it has been a profitable 12 months for investors in India and the Trust.

The year began with a very strong three months between October and December 2003, and the market eventually peaked in mid January 2004. The backdrop of strong earnings, which has been a feature throughout this year, accelerating economic reforms, low interest rates and ample liquidity propelled the market 30% higher during October to December 2003. Of particular interest was the month of December, when domestic mutual funds were net buyers after several months of consistent net selling. The market gained more than 15% as a result.

After such a strong run, it was no surprise that the market consolidated between January and April 2004, especially since the nation was preparing for a national election. What was entirely unexpected was the result of the election. The BJP-led coalition lost to an apparently weaker and less prepared coalition under the leadership of the Congress Party. The market was severely jolted by this, losing 17% in two trading days. Although the combination of Dr Manmohan Singh as Prime Minister and Mr Chidambaram as Finance Minister is hard to beat, the fact that the new government would be dependent on the Communist parties was thought not to bode well for stability or for reform momentum. Several steps by the new government added to concerns, such as the dissolution of the privatisation ministry and banks being directed to lend to the rural sector.

As well as digesting this political change, corporate India and the markets had to deal with the disappointing monsoon this year, after a good season in 2003. With the overall monsoon 13% below normal, growth estimates for agriculture and overall GDP were revised down, to between 5.5-6.5% for the year ended March 2005 (compared to 8.2% for fiscal 2004).

Finally, unexpectedly high oil prices led to an increase in inflation, which eventually fed through to higher interest rates. The yield on the 10 year government bond, which had stayed steady at around 5.3%, began rising and is currently at about 7.5%.

Yet none of these adversities managed to keep the market down. The combination of strong corporate performance, with earnings growth averaging a healthy 20%+, and strong appetite for Indian stocks from foreign investors, helped the market to reverse most of its initial losses by September 2004.

Performance

Once again, performance has been satisfactory. The market is up 24% in local currency, the Trust has outperformed and the discount to NAV has narrowed.

Among the sectors that added to performance were automobiles (particularly Mahindra & Mahindra), construction materials (Gujarat Ambuja) and pharmaceuticals (Cipla, Sun Pharmaceuticals and Glaxo). Being underweight in the consumer staples sector also added substantial value.

The biggest detractor of value was our underweight exposure to banks. While we did have a large exposure to Indian IT services, we do regret not having an even larger holding, given how strongly the sector has performed.

Outlook

We now believe that India is on the threshold of achieving a sustainable 6-7% pa economic growth rate. The diversification of growth drivers, which includes increased consumption from a rapidly growing and more affluent middle class, a new corporate capital expenditure cycle, a reform-aided boost to infrastructure investment, and rising exports of both industrial goods & services raises our confidence level in the long term growth trajectory. As this growth unfolds, we believe India's equity market capitalisation will increase (from current levels of about 48% of GDP) driven by two factors: first, more companies are expected to list on the stock exchange (TCS and NTPC being recent examples) and second, increased participation from both domestic retail and institutional investors will increase the demand for and valuation of equities as an asset class.

While risks remain and short-term corrections in the market are to be expected, the factors described above are powerful enough to sustain the market's longer-term momentum. In addition to emphasising themes such as the structurally changing power sector, infrastructure investment and corporate capital expenditure, we will continue to look for attractive stocks in India's fertile market.

Performance attribution for the year to 30th September 2004

	1 Year %
Net asset value total return in sterling terms	24.1
Benchmark total return in sterling terms[1]	15.0
Relative return	9.1
Analysis of relative return	
– Allocation effect	7.8
– Stock selection effect	3.9
– Gearing/cash effect	0.4
– Management fee and other expenses	(2.5)
– Other/residual item	(0.5)
Total	**9.1**

Source: Frank Russell/JPMFAM/Fundamental Data
[1]This is based on the MSCI Index

Definitions

Performance attribution: *Analyses how the Company achieved its recorded performance relative to its benchmark.*

Allocation effect: *Measures the impact of allocating assets differently to those in the benchmark, via the portfolio's weighting in different sectors or asset types.*

Stock selection effect: *Measures the effect of investing in securities to a greater or lesser extent than their weighting in the benchmark, or of investing in securities outside the benchmark.*

Gearing/cash effect: *Measures the impact on returns of borrowings, cash balances or cash substitutes on the Company's relative performance.*

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

Other/residual item: *Arises when there is a divergence between total return as calculated by the AITC/Fundamental Data, and total return as calculated by the attribution generating system. This is a result of methodology differences with respect to the treatment of income and cashflows and timing differences.*

Edward Pulling and Rukhshad Shroff
Investment Managers 10th December 2004

Report & Accounts

Facts

OBJECTIVE

Capital growth from investments in India.

POLICIES

To invest in a diversified portfolio of equity and equity-related securities of Indian companies.

To invest also in companies which 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.

To invest no more than 15% of gross assets in other listed investment companies (including investment trusts).

To use gearing 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.

BENCHMARK

The performance benchmark over the period under review was the MSCI India Index expressed in sterling.

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 considering the suitability of the Company as a potential investment.

CAPITAL STRUCTURE

The Company has an authorised ordinary share capital of 200,000,000 shares of 25p each, of which 83,941,392 were in issue at the year end.

CONTINUATION VOTE

Under the Company's Articles of Association, the Directors are required to propose a resolution that the Company continues as an investment trust at the Annual General Meeting to be held in 2009 and at every fifth year thereafter.

MANAGEMENT COMPANY

The Company employs J.P. Morgan Fleming Asset Management (UK) Limited to manage its assets.

AITC

The Company is a member of the Association of Investment Trust Companies.

Figures

Summary of Results

	2004	2003	% CHANGE
TOTAL RETURNS for the year to 30th September			
Return to shareholders[1]	**+41.3%**	+72.1%	
Return on net assets[2]	**+24.1%**	+62.4%	
Benchmark return[3,4]	**+15.0%**	+49.3%	
ASSETS at 30th September			
Shareholders' funds (£'000)	**104,811**	67,573	+55.1
Number of ordinary shares in issue	**83,941,392**	67,144,792	+25.0
Net asset value per ordinary share	**124.86p**	100.64p	+24.1
Ordinary share price	**122.25p**	86.50p	+41.3
Discount of ordinary share price to net asset value	**2.1%**	14.1%	
REVENUE for the year to 30th September			
Gross revenue return (£'000)	**1,756**	1,065	+64.9
Net revenue available for ordinary shareholders (£'000)	**(220)**	(182)	
Earnings per ordinary share	**(0.28)p**	(0.26)p	
Dividends per ordinary share	**nil**	nil	
Exchange rates	**£1 = Rs83.2393**	£1 = Rs76.0256	
	US$ = Rs46.00	US$ = Rs45.76	
ACTUAL GEARING FACTOR[5]	**98.8%**	101.2%	
TOTAL EXPENSE RATIO[6]	**2.1%**	2.2%	

[1]Change in share price with net dividends (if any) reinvested (Source: Standard & Poor's – www.funds.sp.com).
[2]Change in net asset value per share with net dividends (if any) reinvested (Source: Fundamental Data – www.funddata.com).
[3]Change in value with net dividends (if any) reinvested (Source: MSCI).
[4]The Company's benchmark is the MSCI India Index in sterling terms. Comparison of the Company's performance is made with this benchmark. 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 track this index and, consequently, there may be some divergence between its performance and that of the Company.
[5]Investments expressed as a percentage of ordinary shareholders' funds. Shows the effect of gearing on the undiluted net asset value if the assets were to increase by 100%.
[6]Management fees and all other operating expenses (including tax relief, where allowable, but excluding interest payments) expressed as a percentage of average net assets over the financial year.

Performance and Discount

Ten Year Performance

Figures have been rebased to 100 at
30th September 1994

Performance Relative to Benchmark Index

Figures have been rebased to 100 at
30th September 1994

Premium/(Discount) to Net Asset Value

Financial Record

As at 30th September	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	**2004**
Ordinary shareholders' funds (£'000)	80,576	52,213	43,995	55,267	44,255	69,556	81,856	49,452	48,236	67,573	**104,811**
Net asset value per ordinary share (p)	95.9	61.1	47.7	59.9	48.0	84.8	103.4	62.8	62.0	100.6	**124.9**
Ordinary share price (p)	96.0	67.5	49.5	55.0	35.8	61.8	79.5	50.3	50.3	86.5	**122.3**
Premium/(discount) (%)	0.1	10.5	3.8	(8.2)	(25.5)	(27.2)	(23.1)	(20.0)	(18.9)	(14.1)	**(2.1)**
Actual gearing (%)[1]	91.2	105.1	91.6	97.1	98.6	105.3	90.3	104.3	96.6	101.2	**98.8**
Total Expense Ratio (%)[1]	1.64	2.06	2.11	1.89	2.24	1.86	1.78	1.96	1.99	2.15	**2.05**
Year ended 30th September											
Gross revenue return (£'000)	1,147	1,309	1,411	637	765	851	1,198	999	941	1,065	**1,756**
Earnings/(loss) per ordinary share (p)	0.56	(0.28)	(0.27)	(0.54)	(0.35)	(0.36)	(1.12)	(0.54)	(0.46)	(0.26)	**(0.28)**
Dividend per ordinary share (net) (p)	0.45	nil	nil	nil	nil	nil	nil	nil	nil	nil	**nil**
Rebased to 100 at 30th September 1994[2]											
Net asset value per ordinary share[3]	100.00	63.71	49.74	62.46	50.05	88.43	107.82	65.48	64.65	104.90	**130.23**
Ordinary share price[4]	100.00	70.31	51.56	57.29	37.29	64.37	82.81	52.39	52.39	90.10	**127.39**
MSCI India Index in sterling terms[5]	100.00	70.85	63.47	72.27	47.28	78.33	78.05	51.26	51.56	74.88	**84.39**

1 Definitions are shown on page 8.

2 Capital only.

3 Source: JPMFAM.

4 Source: FT.

5 Source: MSCI.

Ten Largest Group Investments

at 30th September 2004

Company	Description	Market Value £'000	%[1]
Infosys Technologies	Information Technology	9,206	8.8
Reliance Industries	Energy	8,957	8.5
Bharat Heavy Electrical	Industrials	5,509	5.3
Satyam Computer Services	Information Technology	5,064	4.8
Gujarat Ambuja Cement (GDR)	Materials	4,668	4.5
Larsen & Toubro	Industrials	4,193	4.0
Wipro	Information Technology	4,134	3.9
Sun Pharmaceutical	Healthcare	3,757	3.6
Associated Cement	Materials	3,747	3.6
HDFC Bank	Financials	3,700	3.5
		52,935	**50.5**

[1]Based on total assets less current liabilities of £104.8m.

Group Portfolio Analysis

at 30th September 2004

Sector	**Portfolio September 2004 %**	**Benchmark September 2004 %**	Portfolio September 2003 %	Benchmark September 2003 %
Information Technology	**21.3**	**20.3**	25.6	17.6
Industrials	**14.8**	**5.8**	17.0	5.1
Energy	**14.6**	**22.1**	11.1	19.1
Consumer Discretionary	**11.4**	**9.6**	9.8	8.0
Materials	**11.3**	**6.7**	11.4	5.5
Healthcare	**10.9**	**7.3**	10.9	9.4
Financials	**7.5**	**14.8**	11.7	17.1
Utilities	**2.8**	**2.8**	1.6	2.1
Consumer Staples	**2.4**	**9.0**	—	14.2
Telecommunication Services	**1.8**	**1.6**	1.6	1.9
Net current assets/(liabilities)	**1.2**	**—**	(1.2)	—
Media	**—**	**—**	0.5	—

Based on total assets less current liabilities of £104.8m (2003: £67.6m).

Shareholder Analysis

at 30th September 2004

	Number of shares	% holding
Unit Trusts	11,296,970	13.5
Pension Funds	5,013,912	6.0
Insurance	2,257,401	2.7
Other Institutions	1,696,459	2.0
Charities	1,474,585	1.8
Investment Trusts	1,453,371	1.7
JPMorgan Fleming Elect	500,000	0.6
Total Institutions	**23,692,698**	**28.3**
Market Makers	1,328,457	1.5
Custodians	341,300	0.4
Stocklending	65,000	0.1
Clearing	21,000	0.0
Total Market Trading Accounts	**1,755,757**	**2.0**
Private Client Brokers	17,849,771	21.3
Retail Investors holding shares directly or through nominee accounts*	26,685,956	31.8
Individuals in the Investment Trust Share Plan[1]	10,699,668	12.8
Individuals in the Investment Trust Individual Savings Account[1]	1,934,817	2.3
Individuals in the Investment Trust Pension Account[1]	1,239,170	1.4
Individuals in the Investment Trust Personal Equity Plan[1]	83,555	0.1
Total Retail Holdings	**58,492,937**	**69.7**
Total Shares in Issue	**83,941,392**	**100.0**

*Includes shares below threshold of 10,000 shares.

[1]Savings product managed by JPMorgan Fleming.

Source: Thompson Financial

List of Group Investments

at 30th September 2004

Company	Market Value £'000
Information Technology	
Infosys Technologies	9,206
Satyam Computer Services	5,064
Wipro	4,134
HCL Technologies	2,196
Mphasis BFL	1,430
Datamatics Technologies	245
Total Information Technology	**22,275**
Industrials	
Bharat Heavy Electrical	5,509
Larsen & Toubro	4,193
Asea Brown Boveri	1,812
Punjab Tractors	1,290
Tata Motors	989
Container Corporation	810
Saw Pipes	473
Exide Industries	451
Total Industrials	**15,527**
Energy	
Reliance Industries	8,957
Reliance Energy	2,618
Bharat Petroleum	1,996
Hindustan Petroleum	962
Petronet	793
Total Energy	**15,326**
Consumer Discretionary	
Mahindra & Mahindra	3,387
Indian Hotels	3,093
Bajaj Auto	1,913
Indian Rayon	1,100
Tata Engineering & Locomotion	1,035
Maruti	681
Titan Industries	443
ITC Hotels	304
DC Design[1]	1
Total Consumer Discretionary	**11,957**

Company	Market Value £'000
Materials	
Gujarat Ambuja Cement (GDR)	4,668
Associated Cement	3,747
Hindalco Industries	1,613
Sesa Goa	1,467
Ultratech Cemco	370
Total Materials	**11,865**
Healthcare	
Sun Pharmaceutical	3,757
Ranbaxy Laboratories	2,912
CIPLA	2,329
GlaxoSmithKline	1,456
Cadila Healthcare	510
Divi's Laboratorie	412
Total Healthcare	**11,376**
Financials	
HDFC Bank	3,700
Kotak Mahindra Finance	2,374
State Bank of India	1,482
Housing Development Finance	311
Total Financials	**7,867**
Utilities	
Tata Power	2,011
PTC India	875
Total Utilities	**2,886**
Consumer Staples	
ITC	2,527
Total Consumer Staples	**2,527**
Telecommunication Services	
Bharti Tele-Ventures	1,914
Total Telecommunication Services	**1,914**
Total	**103,520**

[1]Unquoted

Board of Directors

Philip Daubeney (Chairman)*†#
Born 1938
Chairman since September 2002 and a Director since April 1994
He was formerly chief executive of ICI (India).

David Baker*†#
Born 1942
A Director since April 1994
Former managing director of Sun Life Investment Management Services Ltd.

Hugh Bolland*†#
Born 1946
A Director since September 2004
Currently serving as a director of Fidelity Asian Values plc and Ark Group Limited. Previously a director of Schroder Investment Management Limited, Schroder European Property Advisors Limited, Schroder Property Investment Limited and Schroder Split Fund plc.

Pierre Dinan#
Born 1937
A Director since December 2002
He is a senior partner of the Mauritian chartered accountants firm De Chazal Du Mee (DCDM) where he is head of the marketing and economics services division. He is also a director of Multiconsult, a global business management services company and a wholly owned subsidiary of DCDM. Multiconsult are employed to act as secretary and administrator to the Company's wholly owned subsidiary JPMorgan Fleming Indian Investment Company (Mauritius) Limited.

Vijay Joshi*†#
Born 1941
A Director since May 1995
Fellow of Merton College, Oxford and a previous economic adviser to the Indian Ministry of Finance.

Iain Saunders#
Born 1947
A Director since April 1994
He worked for JPMorgan Fleming Asset Management and its predecessor companies from 1971 to 2001, retiring as Deputy Chairman. Companies associated with the Manager with whom he has a connection are the JPMorgan Fleming American Investment Trust, of which he is a Director, and the Czech and Slovak Investment Company and a number of Luxembourg SICAVs, of which he is Chairman. He is also Chairman of Baring Emerging Europe plc and MB Asia Select Fund and is a director of Aberdeen Asia Smaller Companies Investment Trust.

* Members of the Audit Committee.
† Considered independent of the manager.
\# Member of Nomination Committee.

Directors' Report

Business of the Company

The Company carries on business as an investment trust and was approved by the Inland Revenue as an investment trust in accordance with Section 842 of the Income and Corporation Taxes Act 1988 for the year ended 30th September 2003. In the opinion of the Directors, the Company has subsequently conducted its affairs so that it should continue to qualify. The Company will continue to seek approval under Section 842 of the Income & Corporation Taxes Act 1988 each year.

Approval for the year ended 30th September 2003 is subject to review, should there be any subsequent enquiry under Corporation Tax Self Assessment. The Company is not a close company for taxation purposes. The Company is an investment company within the meaning of Part VIII of the Companies Act 1985.

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

A review of the Company's activities and prospects is given in the Chairman's Statement on pages 1 to 3 and in the Investment Managers' Report on pages 4 and 5.

Revenue

Consolidated gross revenue for the year totalled £1,756,000 (2003: £1,065,000) but after deducting management expenses, interest and taxation there was a deficit of £220,000 (2003: £182,000). This, when transferred to the revenue reserve, increases the deficit to £3,755,000 (2003: £3,431,000) as at 30th September 2004. In view of this, no dividend is being declared.

Going Concern

After making enquiries, the Directors consider that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place for its management to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Payment Policy

It is the Company's policy to obtain the best terms for all business and therefore there are no standard payment terms. In general the Company agrees with its suppliers the terms on which business will take place and it is the Company's policy to abide by these terms. As at 30th September 2004, the Company had no outstanding trade creditors.

Directors

The Directors of the Company at the end of the year, together with their interests in its shares, all beneficially owned, are given below:

	30th September 2004	1st October 2003
PEG Daubeney (Chairman)	7,147	7,147
DE Baker	15,285	10,285
P Dinan	—	—
VR Joshi	3,900	3,900
IOS Saunders	53,100	10,000
HW Bolland	10,000	—

No changes in the above holdings have been recorded by any Director to the date of this report.

Hugh Bolland was appointed on 22nd September this year, at which date he held no shares in the Company. In accordance with the Articles of Association, Hugh Bolland will be offering himself for election at the forthcoming Annual General Meeting.

In accordance with the Company's Articles, the Directors retiring by rotation are Mr Philip Daubeney and Mr Vijay Joshi. Both are eligible and offer themselves for re-election by shareholders at the Annual General Meeting.

During the year, an insurance policy has been maintained by the Company which indemnified the Directors of the Company against potential liabilities arising in the conduct of their duties.

Acquisition of the Company's Own Shares

The Company did not repurchase any shares for cancellation during the year. A special resolution to renew the Company's authority to repurchase shares will be put to shareholders for approval at the Annual General Meeting as detailed on page 22.

Management and Management Fee
The Manager, J.P. Morgan Fleming Asset Management (UK) Limited ("JPMFAM") is a wholly-owned subsidiary of JPMorgan Chase Bank which, through other subsidiaries, also provides banking, dealing and custodian services to the Company. The contract with the Manager can be terminated on one year's notice.

The Manager is remunerated at a rate of 1.2% per annum of the Company's assets less liabilities and is paid monthly in arrears.

When the Company invests in funds managed or advised by JPMFAM or any of its associated companies they are excluded from the calculation and therefore attract no fee.

Notifiable Share Interests
As at the date of this report, the following had declared a notifiable interest in the Company's issued ordinary share capital:

Shareholder	Number of shares held	%
J.P. Morgan Chase & Co	6,881,478	8.2
The Emerging Markets Country Fund	2,747,000	3.3

Auditors
The Company's auditors, Deloitte & Touche LLP, have expressed their willingness to continue in office and a resolution to re-appoint them and authorise the Directors to determine their remuneration for the ensuing year will be proposed at the forthcoming Annual General Meeting.

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

Authority to repurchase the Company's Shares
The authority to repurchase up to 14.99 per cent of the Company's issued ordinary share capital will expire on 28th July 2005 unless it is renewed at the forthcoming AGM. The Board will seek shareholder approval at the AGM to renew this authority, which will last until 18th July 2006 or the conclusion of the Company's Annual General Meeting in 2006 or until the whole of the 14.99 per cent has been acquired, whichever is the earlier.

The full text of the resolution is set out in resolution 7 in the Notice of Meeting on page 22. Repurchases will be made at the discretion of the Board, and will only be made in the market at prices below the prevailing net asset value per ordinary share as and when market conditions are appropriate.

Shares repurchased in the future might not be cancelled but rather held as treasury shares and subsequently re-issued at a premium. Purchases of shares to be held in treasury will be made in accordance with the Listing Rules of the UK Listing Authority and the Companies (Acquisitions of Own Shares) (Treasury Shares) Regulations 2003 as amended.

The Directors consider that the renewal of the share repurchase authority is in the interests of shareholders as a whole and unanimously recommend that shareholders vote in favour of the resolution.

Aggregate Directors' Fees
The Articles of the Company currently restrict the aggregate remuneration of the Directors to £100,000 per annum. The current remuneration is £22,500 for the Chairman and £15,000 for the other Directors. Following the recent appointment of Hugh Bolland, the aggregate remuneration for six Directors for a full year would be £97,500. In order to allow for the possibility of a temporary increase in the number of Directors to accommodate succession planning and to give the Board some headroom for future increases in fees, it is proposed that the maximum aggregate limit be increased to £150,000 per annum. In this respect a resolution is set out in the Notice of Annual General Meeting on page 22.

By order of the Board
Richard Lewis, for and on behalf of
J.P. Morgan Fleming Asset Management (UK) Limited,
Secretary
10th December 2004

Corporate Governance

Introduction

Two important documents were published in July 2003: The London Stock Exchange's revised Combined Code on Corporate Governance for all listed companies and the Association of Investment Trust Companies' ('AITC') Code of Corporate Governance for Investment Trusts. Compliance with the revised Combined Code is mandatory for accounting periods commencing on or after 1st November 2003 and its aim is to improve investor confidence by enhancing the effectiveness of Boards. The AITC's Code of Corporate Governance complements the Combined Code and provides a framework of best practice for investment trusts.

The Board is responsible for ensuring the appropriate level of Corporate Governance and has put in place arrangements which it believes enable the Company to comply with the revised Combined Code and the AITC's Code of Corporate Governance. The following report outlines how the principles of the revised Combined Code were applied during the year, unless stated otherwise.

The Board

The Board consists of six non-executive Directors, chaired by Philip Daubeney, four of whom are considered to be independent of the Company's Manager, including the Chairman. The Board considers that, under the terms of the AITC Code, Iain Saunders and Pierre Dinan are not independent Directors.

The Board does not feel that it would be appropriate to adopt a policy whereby Directors serve for a limited period of time, given the specialist nature of the Company's investment universe. However, 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.

The Company has no executive Directors or employees and a management agreement between the Company and JPMFAM sets out matters over which the Manager has authority. This includes management of the Company's assets and the provision of accounting, company secretarial, administrative and some marketing services. All other matters are reserved for the approval of the Board.

The Board meets on at least four occasions during the year and between these meetings there is regular contact with the Manager who provides the Board with appropriate and timely management information. The Board regularly reviews both the performance of, and the contractual arrangements with, the Manager. The Directors also have access, where necessary, in the furtherance of their duties, to independent professional advice at the expense of the Company.

The table below details the number of Board and Audit Committee meetings attended by each Director. During the year there were six Board meetings, including a meeting devoted to strategy, and two Audit Committee meetings.

Director	Board meetings attended	Audit Committee meetings attended
Philip Daubeney	6	2
Iain Saunders'	6	n/a
David Baker	6	2
Vijay Joshi	6	1
Pierre Dinan'	6	n/a
Hugh Bolland*	1	n/a

' Not independent Directors and therefore precluded from acting as Members of the Audit Committee.

* Appointed as a Director on 22nd September 2004.

Directors are initially appointed until the following Annual General Meeting when, under the Company's Articles of Association, it is required that they be elected by shareholders. Thereafter, a Director's appointment will run for a term of three years. A Director may then be invited by the Board to serve for a further three years. A Director's continuing appointment is subject to re-election by shareholders on retirement by rotation in accordance with the Company's Articles of Association, which require that at least one third of the Board must retire by rotation each year.

The Board does not consider it necessary to appoint a senior independent director as all of the current Directors are non-executives.

Board Committees

The Board as a whole fulfils the functions of the Remuneration Committee. It reviews Directors' fees on a regular basis. The Remuneration Report is set out on page 20.

The Nomination Committee, which in any one year comprises of those Directors who are not standing for re-election at the next Annual General Meeting, will meet at least annually to ensure that the Board has a balance of skills to fulfill its fiduciary duties and to select and propose suitable candidates for appointment to the Board. A variety of sources will be used to ensure that a wide range of candidates are considered.

The Committee undertakes an annual performance evaluation to ensure that all members of the Board have devoted sufficient time and contributed adequately to the work of the Board and will consider whether Directors who retire by rotation should stand for re-election. The Chairman is evaluated by the other Directors. The Chairman of the Nomination Committee will attend the Annual General Meetings.

The Audit Committee, which consists entirely of independent non-executive Directors, meets at least twice each year. To ensure its independence from the Manager, the terms of reference of the Audit Committee exclude from its membership any Director who is employed by, or who is a former employee of, JPMFAM, or any of its subsidiaries or associated companies.

The Audit Committee reviews the actions and judgements of management in relation to the interim and annual financial statements and the Company's compliance with the Combined Code. It reviews the terms of the Management Agreement and examines the effectiveness of the Company's internal control systems, receives information from the Manager's Compliance department and reviews the scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external auditors. The Directors' statement on the Company's system of internal control is set out later.

The terms of reference for the Audit and Nomination Committees are available for inspection on request and at the Company's AGM.

Relations with Shareholders

The Board regularly monitors the shareholder profile of the Company.

The Company reports formally to shareholders twice a year by way of the Annual Report and Accounts and the Interim Report.

All shareholders have the right to attend the Company's Annual General Meeting at which the Directors and representatives of the Manager are available in person to meet with shareholders and answer questions. In addition, a presentation is given by the Investment Managers who review the Company's performance. During the year, the Company's Brokers, the Investment Manager and JPMFAM hold regular discussions with larger shareholders. The Directors are made fully aware of any views raised and responses are tailored as necessary.

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 40.

Internal Control

The Combined Code requires the Directors, at least annually, to conduct a review of the effectiveness of the Company's system of 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 internal control which is designed to safeguard the Company's assets, maintain proper accounting records and ensure that 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 mis-statement or loss.

Since investment management, custody of assets and all administrative services are provided to the Company by JPMFAM and its associates, the Company's system of internal control mainly comprises monitoring the services provided by JPMFAM and its associates, including the operating controls established by them, to ensure that they meet the Company's business objectives. The key elements designed to provide effective 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.

Management Agreements – Appointment of a Manager and Custodian, regulated by the Financial Services Authority (FSA), whose responsibilities are clearly defined in written agreements.

Management Systems – The Manager's system of internal control includes organisational agreements which clearly define the lines of responsibility, delegated authority, control procedures and systems. These are monitored by JPMFAM's Compliance department which regularly monitors compliance with FSA rules.

Investment Strategy – Authorisation and monitoring of the Company's investment strategy and exposure limits by the Board.

The Board keeps under review the effectiveness of the Company's system of internal control by monitoring the operation of the key operating controls of the Manager and its associates as follows:

- the Board, through the Audit Committee, reviews the terms of the Management Agreements and receives annual reports from JPMFAM's Compliance department;
- the Board reviews the report on the internal controls and the operations of its custodian, JPMorgan Chase Bank, which is independently reviewed; and
- the Directors review every six months an independent report on the internal controls and the operations of JPMFAM.

By the means of the procedures set out above, the Board confirms that it has reviewed the effectiveness of the Company's system of internal control for the year ended 30th September 2004 and to the date of approval of this Annual Report and Accounts.

Socially Responsible Investment

The following is a summary of JPMFAM's policy statement on socially responsible investment which has been noted by the Board:

> *Unless instructed otherwise, we believe it is our primary duty to act in the best financial interests of our clients and to achieve good financial returns consistent with an acceptable level of risk in the management of our clients' investments. A company run in the long-term interests of its shareholders with the objective of enhancing shareholder value over time will need to manage effectively relationships with its employees, suppliers and customers, to behave ethically and to have regard for the environment and society as a whole. In our pursuit of good financial returns for our clients, our investment managers take account of these and all other factors affecting the valuation of the companies in which they are currently invested or considering investment on behalf of clients.*

Corporate Governance and Voting Policy

The following, which has been reviewed and approved by the Board, is a summary of JPMFAM's statement on corporate governance and voting policy:

> *We at all times will try to protect our clients' best interests through the exercise of their votes. We seek to promote good practice on all corporate governance issues, with the overall aim of minimising corporate mismanagement and failure.*

Directors' Remuneration Report

Until 31st March 2004 the Chairman was paid at the rate of £15,000 per annum and the other Directors at the rate of £11,000 per annum. With effect from 1st April 2004 fees have been paid at the rate of £22,500 for the Chairman and £15,000 for the other Directors.

Directors' Remuneration – audited information

Director	2004 £	2003 £
Philip Daubeney	18,750	15,000
Iain Saunders	13,000	11,000
David Baker	13,000	11,000
Vijay Joshi	13,000	11,000
Pierre Dinan	13,000	8,250
Hugh Bolland[1]	—	—
F. Jacques Harel[2]	—	2,750

[1] Appointed to the Board on 22nd September 2004.
[2] Resigned from the Board on 31st December 2002.

The total Directors' fees of £70,750 (2003: £59,000) comprise £65,250 (2003: £45,250) in respect of aggregate emoluments paid to Directors and £5,500 (2003: £13,750) paid to third parties for making available the services of Directors.

Remuneration Policy – unaudited information

The Board as a whole fulfils the function of the Remuneration Committee which reviews fees on a regular basis. Reviews are based on information from independent surveys and the investment trust industry generally. The Directors' fees are not performance-related. The Articles stipulate that any increase in the maximum aggregate amount of Directors' fees requires both Board and shareholder approval. The Directors propose that the maximum aggregate amount be increased from its current level of £100,000 per annum to £150,000 per annum and a resolution proposing this will be put to shareholders at the Annual General Meeting to be held on 19th January 2005.

The Directors do not have service contracts with the Company, and did not throughout the year.

The Company does not operate any type of incentive 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. Directors 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.

A graph showing the Company's share price total return compared to that of its benchmark index over the past five years is shown below.

By order of the Board
Richard Lewis, for and on behalf of
J.P. Morgan Fleming Asset Management (UK) Limited
Secretary
10th December 2004

Directors' Responsibilities in Respect of the Accounts

United Kingdom company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and Group as at the end of the year and of the return for the year. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis, unless it is inappropriate to presume that the Company and Group will continue in business.

The Directors confirm that the accounts comply with the above requirements.

The Directors are responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy, at any time, the financial position of the Company and Group and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Notice of Annual General Meeting

Notice is hereby given that the eleventh Annual General Meeting of JPMorgan Fleming Indian Investment Trust plc will be held at 10 Aldermanbury, London EC2V 7RF on Wednesday 19th January 2005 at 12 noon for the following purposes:

1 To receive the Directors' Report, the Annual Accounts and the Auditors' Report for the year ended 30th September 2004.

2 To approve the Directors' Remuneration Report for the year ended 30th September 2004.

3 To elect Mr Hugh Bolland as a Director.

4 To re-elect Mr Philip Daubeney as a Director.

5 To re-elect Mr Vijay Joshi as a Director.

6 To re-appoint Deloitte & Touche LLP as Auditors to the Company and to authorise the Directors to agree their remuneration.

Special Business

To consider the following resolution which will be proposed as a Special Resolution:

7 THAT the Company be generally and, subject as hereinafter appears, unconditionally authorised in accordance with Section 166 of the Companies Act 1985 (the 'Act') to make market purchases (within the meaning of Section 163 of the Act) of its issued ordinary shares of 25p each in the capital of the Company.

PROVIDED ALWAYS THAT

(i) the maximum number of ordinary shares hereby authorised to be purchased shall be 12,582,814 or, if less, that number of shares which is equal to 14.99% of the Company's issued 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 25p;

(iii) the maximum price which may be paid for an ordinary share shall be an amount equal to 105 per cent 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 share is purchased;

(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 18th July 2006 unless the authority is renewed at the Company's Annual General Meeting in 2006 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 and may make a purchase of ordinary shares pursuant to any such contract notwithstanding such expiry.

To consider the following resolution which will be proposed as an Ordinary Resolution:

8 THAT in accordance with Article 72 of the Articles of Association, the aggregate Directors' fees payable should be increased from £100,000 to £150,000 per annum with immediate effect.

By order of the Board
Richard Lewis, for and on behalf of
J.P. Morgan Fleming Asset Management (UK) Limited,
Secretary
10th December 2004

Notes

1 A shareholder entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and on a poll vote on their behalf. A proxy need not be a shareholder of the Company. The lodging of a form of proxy does not prevent a shareholder from attending and voting if they so wish.

2 Proxy forms must be lodged not less than 48 hours before the meeting at the office of the Registrar.

3 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 48 hours before the time of 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 then, to be so entitled, shareholders must be entered on the Company's register of members at the time which is 48 hours before the time fixed for the adjourned meeting or, if the Company gives notice of the adjourned meeting, at the time specified in that notice.

4 Admittance to the meeting will be restricted to shareholders. Guests will only be admitted by prior agreement.

Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JPMORGAN FLEMING INDIAN INVESTMENT TRUST PLC

We have audited the financial statements of JPMorgan Fleming Indian Investment Trust Plc for the year ended 30th September 2004 which comprise the consolidated statement of total return, the balance sheets, the consolidated cash flow statement, the statement of accounting policies and the related notes 1 to 17. These financial statements have been prepared under the accounting policies set out therein. We have also audited the information in the part of the directors' remuneration report that is described as having been audited.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. They are also responsible for the preparation of the other information contained in the annual report including the directors' remuneration report. Our responsibility is to audit the financial statements and the part of the directors' remuneration report described as having been audited in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the directors' remuneration report described as having been audited have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company and other members of the group is not disclosed.

We review whether the corporate governance statement reflects the company's compliance with the seven provisions of the Combined Code specified for our review by the Listing Rules of the Financial Services Authority, and we report if it does not. We are not required to consider whether the board's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the group's corporate governance procedures or its risk and control procedures.

We read the directors' report and the other information contained in the annual report for the above year as described in the contents section including the unaudited part of the directors' remuneration report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements and the part of the directors' remuneration report described as having been audited. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the company and the group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements and the part of the directors' remuneration report described as having been audited are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the directors' remuneration report described as having been audited.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of affairs of the company and the group as at 30th September 2004 and of the return of the group for the year then ended; and
- the financial statements and part of the directors' remuneration report described as having been audited have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

DELOITTE & TOUCHE LLP

Chartered Accountants and Registered Auditors
London
10th December 2004

Consolidated Statement of Total Return

for the year ended 30th September 2004

	Notes	2004 Revenue £'000	2004 Capital £'000	2004 Total £'000	2003 Revenue £'000	2003 Capital £'000	2003 Total £'000
Realised (losses)/gains on investments	11	–	(34,745)	(34,745)	–	5,178	5,178
Net unrealised gains on investments	11	–	49,684	49,684	–	22,571	22,571
Currency translation difference	11	–	5,303	5,303	–	(3,993)	(3,993)
Currency losses on cash and short-term deposits held during the year	11	–	(58)	(58)	–	(34)	(34)
Other capital charges	11	–	(65)	(65)	–	(38)	(38)
Exchange adjustments	11	–	(14)	(14)	–	1,567	1,567
Unrealised exchange gain on intercompany loan		–	–	–	–	153	153
Realised gain on intercompany loan	11	–	557	557	–	–	–
Income from investments	1	1,730	–	1,730	1,055	–	1,055
Other income	1	26	–	26	10	–	10
Gross return		1,756	20,662	22,418	1,065	25,404	26,469
Management fee	2	(1,143)	–	(1,143)	(607)	–	(607)
Other administrative expenses	3	(771)	–	(771)	(557)	–	(557)
Interest payable	4	(23)	–	(23)	(40)	–	(40)
(Loss)/return before taxation		(181)	20,662	20,481	(139)	25,404	25,265
Taxation	5	(39)	–	(39)	(43)	–	(43)
Transfer (from)/to reserves		(220)	20,662	20,442	(182)	25,404	25,222
(Loss)/return per ordinary share	6	(0.28)p	26.45p	26.17p	(0.26)p	36.49p	36.23p

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

No operations were acquired or discontinued in the year.

The notes on pages 29 to 39 form part of these accounts.

Consolidated Balance Sheet

at 30th September 2004

	Notes	2004 £'000	2003 £'000
ASSETS EMPLOYED			
Fixed assets			
Investments at valuation	7	**103,520**	68,417
Current assets			
Debtors	8	**1,753**	429
Cash and short-term deposits		**2,901**	224
		4,654	653
Creditors			
Amounts falling due within one year	9	**(3,363)**	(1,497)
Net current assets/(liabilities)		**1,291**	(844)
Total net assets		**104,811**	67,573
FINANCED BY			
Capital and reserves			
Called-up share capital	10	**20,985**	16,786
Share premium	11	**12,600**	3
Other reserve	11	**41,929**	41,929
Warrant reserve	11	**—**	5,886
Exercised warrant reserve	11	**5,886**	—
Capital reserve – realised	11	**(73,684)**	(13,445)
Capital reserve – unrealised	11	**94,578**	13,573
Capital redemption reserve	11	**6,272**	6,272
Revenue reserve	11	**(3,755)**	(3,431)
Total equity shareholders' funds		**104,811**	67,573
Net asset value per ordinary share	12	**124.86p**	100.64p

The accounts on pages 24 to 39 were approved by the Directors on 10th December 2004 and are signed on their behalf by:

PEG Daubeney
Chairman

The notes on pages 29 to 39 form part of these accounts.

Parent Company Statement of Total Return

for the year ended 30th September 2004

	Notes	2004 Revenue £'000	2004 Capital £'000	2004 Total £'000	2003 Revenue £'000	2003 Capital £'000	2003 Total £'000
Realised (losses)/gains on investments	11	–	(39,802)	(39,802)	–	226	226
Net unrealised gains on investments	11	–	60,640	60,640	–	25,547	25,547
Currency losses on cash and short-term deposits held during the year	11	–	(40)	(40)	–	(2)	(2)
Other capital charges	11	–	(1)	(1)	–	(1)	(1)
Unrealised exchange gain on intercompany loan	11	–	–	–	–	153	153
Realised gain on intercompany loan	11	–	557	557	–	–	–
Income from investments	1	132	–	132	20	–	20
Other income	1	6	–	6	3	–	3
Gross return		138	21,354	21,492	23	25,923	25,946
Management fee	2	(643)	–	(643)	(328)	–	(328)
Other administrative expenses	3	(377)	–	(377)	(334)	–	(334)
Interest payable	4	(30)	–	(30)	(61)	–	(61)
(Loss)/return before taxation		(912)	21,354	20,442	(700)	25,923	25,223
Taxation	5	–	–	–	(1)	–	(1)
Transfer (from)/to reserves		(912)	21,354	20,442	(701)	25,923	25,222
(Loss)/return per ordinary share		(1.17)p	27.29p	26.12p	(1.01)p	37.23p	36.22p

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

No operations were acquired or discontinued in the year.

The revenue column of this statement is the profit and loss statement of the Company.

The notes on pages 29 to 39 form part of these accounts.

Parent Company Balance Sheet

at 30th September 2004

	Notes	2004 £'000	2003 £'000
ASSETS EMPLOYED			
Fixed assets			
Investments at valuation	7	**105,466**	71,723
Current assets			
Debtors	8	**639**	44
Cash and short-term deposits		**663**	73
		1,302	117
Creditors			
Amounts falling due within one year	9	**(1,957)**	(4,267)
Net current liabilities		**(655)**	(4,150)
Total net assets		**104,811**	67,573
FINANCED BY			
Capital and reserves			
Called-up share capital	10	**20,985**	16,786
Share premium	11	**12,600**	3
Other reserve	11	**41,929**	41,929
Warrant reserve	11	**—**	5,886
Exercised warrant reserve	11	**5,886**	—
Capital reserve – realised	11	**(64,460)**	7,238
Capital reserve – unrealised	11	**87,226**	(5,826)
Capital redemption reserve	11	**6,272**	6,272
Revenue reserve	11	**(5,627)**	(4,715)
Total equity shareholders' funds		**104,811**	67,573
Net asset value per ordinary share	12	**124.86p**	100.64p

The accounts on pages 24 to 39 were approved by the Directors on 10th December 2004 and are signed on their behalf by:

PEG Daubeney
Chairman

The notes on pages 29 to 39 form part of these accounts.

Consolidated Cash Flow Statement

for the year ended 30th September 2004

	Note 14	2004 £'000	2003 £'000
Operating activities			
Cash received from investments		**1,581**	1,035
Deposit interest received		**23**	23
Management fee paid		**(1,077)**	(626)
Directors' fees		**(71)**	(59)
Other cash payments		**(605)**	(564)
Net cash outflow from operating activities		**(149)**	(191)
Servicing of finance			
Interest paid		**(26)**	(37)
Net cash outflow from servicing of finance		**(26)**	(37)
Taxation			
Taxation paid		**(16)**	–
Total tax paid		**(16)**	–
Capital expenditure and financial investment			
Purchases of investments		**(64,419)**	(38,210)
Sales of investments		**50,143**	41,359
Other capital charges		**(61)**	(79)
Net cash (outflow)/inflow from capital expenditure and financial investment		**(14,337)**	3,070
Net cash (outflow)/inflow before financing		**(14,528)**	2,842
Financing			
Changes in short-term loan		**226**	1,182
Repurchase of shares		**–**	(5,885)
Exercise of warrants		**16,796**	–
Net cash inflow/(outflow) from financing		**17,022**	(4,703)
Increase/(decrease) in cash for the year		**2,494**	(1,861)

The notes on pages 29 to 39 form part of these accounts.

Notes to the Accounts

at 30th September 2004

ACCOUNTING POLICIES

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the prior year, is set out below:

i. Basis of accounting

The accounts are prepared under the historic cost convention, modified to include the revaluation of investments and in accordance with applicable accounting standards and with the Statement of Recommended Practice (SORP) 'Financial statements of investment trust companies' as issued by the AITC in January 2003.

ii. Basis of consolidation

The consolidated statement of total return and balance sheet include the financial statements of JPMorgan Fleming Indian Investment Trust plc and its wholly-owned subsidiary undertaking.

iii. Valuation of investments

Quoted investments are valued at middle market prices or, where relevant, the last traded price. Where trading in the securities of an investee company is suspended, the investment is valued at the Board's estimate of its net realisable value. Unlisted investments have been included at Directors' valuation. The subsidiary undertaking is carried at its net asset value in the parent company balance sheet.

Realised surpluses or deficits on the disposal of investments and permanent impairments in the value of investments are taken to capital reserve – realised, and unrealised surpluses and deficits on the revaluation of investments are taken to the capital reserve – unrealised.

iv. Foreign currency

Transactions denominated in foreign currencies are recorded in the local currency at actual exchange rates as at the date of the transaction or, where appropriate, at the rate of exchange in the related forward exchange contract. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the year end or, where appropriate, at the rate of exchange in a related forward exchange contract. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the capital reserve or in the revenue account, depending on whether the gain or loss is of a capital or revenue nature.

For the purposes of consolidation the closing rate method is used, under which translation gains or losses are shown as a movement on the capital reserve. The accounts of the overseas subsidiary undertaking are translated at the closing exchange rate.

v. Income

Income from investments is included in the revenue account on an ex-dividend basis. Interest receivable on bonds is dealt with on an accruals basis. Unfranked income is included in the revenue account gross before deduction of income tax.

vi. Expenses

All expenses are accounted for on an accruals basis. Expenses are charged through the revenue account except as follows:

- expenses which are incidental to the acquisition of an investment are included within the cost of the investment; and
- expenses which are incidental to the disposal of an investment are deducted from the disposal proceeds of the investment.

vii. Taxation

Current tax, including UK and foreign tax, is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Provision is made for deferred taxation, using the full provision method, on all material timing differences to the extent that it is probable that a liability will crystallise.

Deferred tax is recorded in accordance with FRS19 'Deferred Tax'.

Deferred tax is provided on all timing differences that have originated but not reversed by the balance sheet date. A deferred tax asset is only recognised to the extent that it is regarded as recoverable.

	Group 2004 £'000	Group 2003 £'000	Parent 2004 £'000	Parent 2003 £'000
1. Income				
Income from investments				
Overseas dividends	**1,701**	1,055	**125**	20
Overseas interest	**29**	—	**7**	—
	1,730	1,055	**132**	20
Other income				
Deposit interest	**26**	10	**6**	3
Total income	**1,756**	1,065	**138**	23
Total income comprises:				
Dividends	**1,701**	1,055	**125**	20
Interest	**29**	—	**7**	—
Other income	**26**	10	**6**	3
Total income	**1,756**	1,065	**138**	23
Analysis of income from investments:				
Listed overseas	**1,730**	1,055	**132**	20
	1,730	1,055	**132**	20

	Group 2004 £'000	Group 2003 £'000	Parent 2004 £'000	Parent 2003 £'000
2. Management fee				
Management fee	**1,077**	574	**577**	295
Irrecoverable VAT thereon	**66**	33	**66**	33
	1,143	607	**643**	328

Details of the terms of the management agreement are given on page 16.

	Group 2004 £'000	Group 2003 £'000	Parent 2004 £'000	Parent 2003 £'000
3. Other administrative expenses				
Other management expenses	**675**	464	**287**	247
Directors' fees[1]	**71**	59	**71**	59
Auditors' remuneration	**22**	22	**16**	16
Irrecoverable VAT	**3**	12	**3**	12
	771	557	**377**	334

[1]Full disclosure is given in the Directors' Remuneration Report on page 20.

	Group		Parent	
	2004	2003	**2004**	2003
	£'000	£'000	**£'000**	£'000
4. Interest payable				
On short-term loans	**23**	40	**30**	61

	Group		Parent	
	2004	2003	**2004**	2003
	£'000	£'000	**£'000**	£'000
5. Taxation				
Foreign tax	**39**	45	**—**	1
Prior year adjustment	**—**	(2)	**—**	—
	39	43	**—**	1

The tax charge in these financial statements has been calculated on the basis that the Group benefits from the Mauritian Indian tax treaty. As reported in previous years, access to treaty relief on this basis was challenged but the Indian Supreme Court has recently quashed this action. The Directors therefore believe that the Group will continue to obtain treaty relief.

The actual tax charge for the Group reconciles to the tax charge on the Group Revenue before tax based on the standard rate of corporation tax of 30% as follows:

	Group	Group
	2004	2003
	%	%
Standard rate of UK corporation tax	**30.0**	30.0
Deferred tax movements not provided for	**(30.0)**	(30.0)
Overseas tax written off in accounts	**(21.5)**	(32.4)
Prior year adjustment	**—**	1.5
	(21.5)	(30.9)

The Company has an unrecognised deferred tax asset of £1,673,333 (2003: £1,420,378). This has arisen from deductible expenses exceeding taxable income.

It is unlikely that this asset will be fully utilised in the foreseeable future. Given the Company's status as an Investment Trust Company, and the intention to continue meeting the conditions required to obtain approval, the Company has not provided tax on any realised or unrealised gains and losses arising on investments.

		Group			Group	
	2004	**2004**	**2004**	2003	2003	2003
	Revenue	**Capital**	**Total**	Revenue	Capital	Total
	£'000	**£'000**	**£'000**	£'000	£'000	£'000
6. Return per ordinary share						
(Loss)/return attributable to ordinary shareholders	**(220)**	**20,662**	**20,442**	(182)	25,404	25,222
(Loss)/return per ordinary share[1]	**(0.28)p**	**26.45p**	**26.17p**	(0.26)p	36.49p	36.23p

[1]The return per ordinary share is based on the revenue on ordinary activities after taxation and on 78,127,184 ordinary shares, being the weighted average number of ordinary shares in issue during the year (2003: 69,623,927). As the warrants were exercised during the year, there is no diluted return per ordinary share.

	Group 2004 £'000	Group 2003 £'000	Parent 2004 £'000	Parent 2003 £'000
7. Investments				
Investments listed on a recognised investment exchange	**103,519**	67,823	**5,263**	845
Unlisted investments	**1**	594	**100,203**	70,878
	103,520	68,417	**105,466**	71,723

	Group[1] 2004 Listed overseas £'000	Group[1] 2004 Unlisted £'000	Group[1] 2004 Total £'000	Parent[2] 2004 Listed overseas £'000
Opening book cost	49,291	1,967	51,258	3,256
Currency translation difference	(3,770)	(162)	(3,932)	—
Restated opening book cost	45,521	1,805	47,326	3,256
Opening unrealised gains/(losses)	16,768	(1,211)	15,557	(2,411)
Opening valuation	62,289	594	62,883	845
Movements in the year:				
Purchases at cost	65,726	—	65,726	27,318
Sales – proceeds	(50,326)	(795)	(51,121)	(22,620)
Sales – realised gains/(losses)	2,014	202	2,216	(2,841)
Change in unrealised gains/(losses)	23,816	—	23,816	2,561
Closing valuation	103,519	1	103,520	5,263
Closing book cost	57,053	772	57,825	4,778
Closing unrealised gains/(losses)	46,466	(771)	45,695	485
Closing valuation	103,519	1	103,520	5,263

[1] Included in the decrease in unrealised gains during the year is £27,773,000 of prior year's gains which were realised during the year.

[2] Included in the decrease in unrealised gains during the year is £32,565,000 of prior year's gains which were realised during the year.

	Parent	
	2004	2003
	Total	Total
	£'000	£'000
Investment in subsidiary undertaking		
Opening book cost	**70,708**	74,701
Currency translation difference	**(5,805)**	(2,426)
Restated opening book cost	**64,903**	72,275
Opening unrealised depreciation	**170**	(29,316)
Opening valuation	**65,073**	42,959
Movements in the year:		
Gifted money to subsidiary[1]	**8,208**	—
Realised loss on expiry of warrants	**(36,961)**	—
Change in unrealised depreciation	**63,883**	27,919
Closing valuation	**100,203**	70,878

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

[1] As a result of the exercise of 16,796,600 warrants on the 2nd February 2004, the Company received a substantial cash inflow. The Board decided to transfer this cash to the 100% owned subsidiary by means of a capital gift, where it was invested directly in Indian equities.

	Group		Parent	
	2004	2003	**2004**	2003
	£'000	£'000	**£'000**	£'000
8. Debtors				
Securities sold for future settlement	**1,275**	297	**603**	—
Currency receivable on forward contracts	**257**	—	**—**	—
Taxation recoverable	**—**	14	**—**	—
Other debtors	**1**	36	**1**	36
Dividends and interest receivable	**220**	82	**35**	8
	1,753	429	**639**	44

	Group 2004 £'000	Group 2003 £'000	Parent 2004 £'000	Parent 2003 £'000
9. Creditors: Amounts falling due within one year				
Securities purchased for future settlement	**1,428**	121	**493**	–
Currency payable on forward contracts	**257**	–	–	–
Short-term loans	**1,364**	1,182	**1,363**	642
Loan interest payable	–	3	–	43
Amount owed to subsidiary company	–	–	–	3,521
Taxation payable	**21**	17	–	–
Accrued expenses	**277**	160	**101**	61
Other creditors	**16**	14	–	–
	3,363	1,497	**1,957**	4,267

	2004 £'000	2003 £'000
10. Share capital		
Authorised share capital		
200,000,000 ordinary shares of 25p each	**50,000**	50,000
	50,000	50,000
Allotted and fully-paid share capital		
Opening balance of 67,144,792 (2003: 77,844,792) ordinary shares of 25p each	**16,786**	19,461
Repurchase of nil (2003: 10,700,000) ordinary shares	–	(2,675)
Exercise of 16,796,600 warrants[1]	**4,199**	–
Closing balance of 83,941,392 (2003: 67,144,792) ordinary shares of 25p each	**20,985**	16,786

[1]On 2nd February 2004, warrantholders had a final right to exercise all or part of their holding of warrants and subscribe at £1 per share for fully paid ordinary shares of 25 pence each in the Company. 13,342,677 new ordinary shares of 25 pence each were allotted as a result of the exercise of 13,342,677 warrants. A trustee was appointed who exercised the remaining warrants leading to the allotment of a further 3,453,923 new ordinary shares.

The total number of ordinary shares in issue following the exercise of warrants was 83,941,392.

	Group 2004							
	Share premium £'000	Other reserve[1] £'000	Warrant reserve £'000	Exercised warrant reserve £'000	Capital reserve – realised £'000	Capital reserve – unrealised £'000	Capital redemption reserve £'000	Revenue reserve £'000
11. Reserves								
Opening balance	3	41,929	5,886	—	(13,445)	13,573	6,272	(3,431)
Exchange adjustment	—	—	—	—	1,692	(1,602)	—	(104)
Restated opening balance	3	41,929	5,886	—	(11,753)	11,971	6,272	(3,535)
Currency translation difference on consolidation of subsidiary	—	—	—	—	—	5,303	—	—
Currency losses on cash and short-term deposits held during the year	—	—	—	—	(58)	—	—	—
Unrealised gain on intercompany loan now realised	—	—	—	—	153	(153)	—	—
Realised gain on intercompany loan	—	—	—	—	557	—	—	—
Realised losses on investments	—	—	—	—	(34,745)[2]	—	—	—
Increase in unrealised gains	—	—	—	—	—	49,684	—	—
Transfer on disposal of investments	—	—	—	—	(27,773)	27,773	—	—
Other capital charges	—	—	—	—	(65)	—	—	—
Exercise of warrants	12,597	—	(5,886)[3]	5,886[3]	—	—	—	—
Retained net revenue for the year	—	—	—	—	—	—	—	(220)
Closing balance	12,600	41,929	—	5,886	(73,684)	94,578	6,272	(3,755)

[1]Created during the year ended 30th September 1999 following a cancellation of the share premium account.

[2]Represented by gains of £2,216,000 realised during the year on the Group's underlying investments and the loss of £36,961,000 realised during the year on the expiry of the subsidiary warrants owned by the parent Company.

[3]As all of the Company's warrants have now been exercised, the original warrant premium of £5,886,000 on launch of the Company back in 1994 has been transferred out of the warrant reserve into an exercised warrant reserve.

	Parent 2004							
	Share premium £'000	Other reserve £'000	Warrant reserve £'000	Exercised warrant reserve £'000	Capital reserve – realised £'000	Capital reserve – unrealised £'000	Redemption reserve £'000	Revenue reserve £'000
Opening balance	3	41,929	5,886	–	7,238	(5,826)	6,272	(4,715)
Currency losses on cash and short-term deposits held during the year	–	–	–	–	(40)	–	–	–
Realised losses on investments	–	–	–	–	(39,802)	–	–	–
Increase in unrealised gains	–	–	–	–	–	60,640	–	–
Exercise of warrants	12,597	–	(5,886)	5,886	–	–	–	–
Transfer on disposal of investments	–	–	–	–	(32,565)	32,565	–	–
Unrealised gain on intercompany loan now realised	–	–	–	–	153	(153)	–	–
Realised gain on intercompany loan	–	–	–	–	557	–	–	–
Other capital charges	–	–	–	–	(1)	–	–	–
Retained net revenue for the year	–	–	–	–	–	–	–	(912)
Closing balance	12,600	41,929	–	5,886	(64,460)	87,226	6,272	(5,627)

12. Net asset value per share

The net asset value per share at the year end is calculated as follows:

	Group			
	Net asset value per share		Net assets attributable	
	2004	2003	**2004**	2003
	p	p	**£'000**	£'000
Ordinary shares:				
Undiluted	**124.86**	100.64	**104,811**	67,573

The net asset value per ordinary share is based on net assets at the year end and on 83,941,392 ordinary shares, being the number of ordinary shares in issue at the year end (2003: 67,144,792).

	Group		Parent	
	2004	2003	**2004**	2003
	£'000	£'000	**£'000**	£'000
13. Reconciliation of movement in shareholders' funds				
Opening shareholders' funds	**67,573**	48,236	**67,573**	48,236
Total recognised gains for the year	**20,442**	25,222	**20,442**	25,222
Repurchase of shares	**—**	(5,885)	**—**	(5,885)
Exercise of warrants	**16,796**	—	**16,796**	—
Closing shareholders' funds	**104,811**	67,573	**104,811**	67,573

	Group	
	2004	2003
	£'000	£'000
14. Cash flow statement		
Reconciliation of revenue to net cash outflow from operating activities:		
Net revenue before interest payable and taxation	**(158)**	(99)
(Increase)/decrease in accrued income	**(138)**	14
Decrease/(increase) in other debtors	**35**	(3)
Decrease/(increase) in accrued expenses	**117**	(76)
Tax on unfranked investment income	**(5)**	(30)
Currency translation difference	**—**	3
	(149)	(191)
Reconciliation of net cash flow to movement in net debt:		
Increase/(decrease) in cash for the year	**2,494**	(1,861)
Cash inflow from changes in debt for the year	**(227)**	(1,182)
Currency translation difference	**18**	149
Movement in net debt for the year	**2,285**	(2,894)
Currency gain on intercompany loan upon consolidation	**268**	—
Currency losses on cash and short term deposits held during the year	**(58)**	(34)
Net (debt)/funds at beginning of the year	**(958)**	1,970
Closing net funds/(debt)	**1,537**	(958)

Analysis of net debt

	At 1st October 2003 £'000	Cash flow £'000	Non-cash movements £'000	**At 30th September 2004 £'000**
Cash and short-term deposits	224	2,494	183	**2,901**
Debt due within one year	(1,182)	(226)	44	**(1,364)**
Total	(958)	2,268	227	**1,537**

15. Contingent liabilities

At 30th September 2003 and 30th September 2004 there were no commitments of uncalled capital for either the Group or Parent Company.

16. Transactions with JPMorgan Fleming

Details of the rate of the management fee are set out on page 16. The management fee paid to JPMFAM for the year can be found in note 2, page 30. In addition, JPMFAM was paid £57,000 for shareholder services (2003: £58,000). Included within the figure shown as other management expenses in note 3 on page 30 is a safe custody fee of £350,429 which is payable to JPMorgan Chase as custodian of the Company (2003: £118,093).

JPMFAM carries out many transactions on behalf of the Company. Where some of these transactions are with JPMorgan Securities, an associated company, they are carried out on an arm's length basis. The Board satisfies itself that the terms of all transactions are at market competitive rates.

17. Financial Instruments

The Company's financial instruments comprise:

- Equity shares with Indian exposure. These are held in accordance with the Company's investment objectives and policies.
- Bank loans denominated in US dollars, the main purpose of which is to raise finance for the Company's operations.
- Short-term debtors, creditors and cash amounts arising directly from its operations.

As an investment trust, the Company invests in securities for the long-term. Accordingly it is, and has been throughout the year under review, the Company's policy that no short-term trading in investments or other financial instruments shall be undertaken. A review of the Company's investment strategy during the year is included in the Investment Manager's report on pages 4 and 5.

The main risks arising from the Company's financial instruments is market price risk which incorporates both foreign currency and interest rate risk. The Board's policy for managing these risks is summarised below. These policies have remained unchanged since the beginning of the year to which these financial statements relate.

Market price risk

Market risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Company might suffer through holding market positions in the face of price movements.

The Board meets regularly to consider the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors. An individual fund manager has responsibility for monitoring the existing portfolio selected in accordance with the Company's investment objectives and seeks to ensure that individual stocks meet an acceptable risk-reward profile.

Interest rate risk

The Company borrows at floating rates of interest.

Foreign currency risk

The Company has an exposure to foreign currency as part of the risk-reward inherent from a company that invests overseas.

The income and capital value of the Company's investments can be affected by exchange rate movements as some of the Company's assets and income are denominated in currencies other than sterling which is the Company's reporting currency.

The Board has identified three principal areas where foreign currency risk could impact the Company:

- movements in rates affect the value of investments;
- movements in rates affect short-term timing differences; and
- movements in rates affect the income received.

The Company may be subject to short-term exposure to exchange rate movements, for instance where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs.

Liquidity risk
The Company's assets comprise mainly realisable securities, which can be sold to meet funding requirements if necessary. Short-term flexibility is achieved through the use of overdraft facilities.

Currency exposures
An analysis of the Group's net assets by currency at 30th September 2004 is:

	INR *£m*	*US$* *£m*	*Total* *£m*
Investments	98.2	5.3	103.5
Net current assets/(liabilities)	0.8	(0.8)	—
Financial instruments outstanding at year end	99.0	4.5	103.5

An analysis of the Group's net assets by currency at 30th September 2003 is:

	INR *£m*	*US$* *£m*	*Total* *£m*
Investments	67.6	0.8	68.4
Net current assets/(liabilities)	0.1	(0.5)	(0.4)
Financial instruments outstanding at year end	67.7	0.3	68.0

Interest rate risk profile of financial assets and financial liabilities
All of the Group's financial assets are equity shares or other investments which neither pay interest nor have a maturity date.

Liabilities
There were no long-term fixed liabilities at the year end (2003: same). As at 30th September 2004 the Company had a short term floating rate loan repayable within one year. The interest payable is based on LIBOR plus a margin.

Fair value of financial instruments
Financial assets and liabilities are included in the balance sheet at values which represent fair values without exception.

Information about the Company

FINANCIAL CALENDAR

Financial year end	30th September
Interim results announced	May
Full year results announced	December
Dividend payable (if any)	None payable at present
Annual General Meeting	January

History

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

Company Numbers

Company registration number: 2915926
London Stock Exchange code: 0345035

Directors

Philip Daubeney (Chairman)
David Baker
Hugh Bolland
Pierre Dinan
Vijay Joshi
Iain Saunders

Manager and Secretary

J.P. Morgan Fleming Asset Management (UK) Limited

Company's Registered Office

Finsbury Dials, 20 Finsbury Street, London EC2Y 9AQ

Please contact Richard Lewis for company secretarial and administrative matters at the above address, or telephone 020 7742 6000.

Market Information

The Company's net asset values are published daily, via the London Stock Exchange.

The Company's shares are listed on the London Stock Exchange. The market price of the shares is shown daily in the Financial Times, The Daily Telegraph, The Times, The Independent and on the JPMorgan Fleming internet site at www.jpmorganfleming.com/its, where share prices are updated every fifteen minutes during trading hours.

Taxation

Investors who purchased shares on the launch of the Company should apportion 90.3% of the cost of their holding to the shares and 9.7% to the warrants. This ratio is based on the closing prices of the shares and warrants on 26th May 1994, which was their first day of trading on the London Stock Exchange.

Share Transactions

The Company's shares may be dealt in directly through a stockbroker or through a professional adviser acting on an investor's behalf. They may also be purchased and held through the JPMorgan Fleming Investment Trust Share Plan, Individual Savings Account (ISA) and Personal Equity Plan (PEP).

Registrars

Lloyds TSB Registrars, Reference 1087,
The Causeway, Worthing, West Sussex, BN99 6DA
Telephone: 0870 600 3984

Notifications of changes of address and enquiries regarding share certificates or dividend cheques should be made in writing to the Registrar quoting reference 1087.

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

Auditors

Deloitte & Touche LLP, Stonecutter Court,
1 Stonecutter Street, London EC4A 4TR

Brokers

Cazenove Securities, 20 Moorgate,
London EC2R 6DA
Telephone: 020 7155 8000

Saving Product Administrators

For queries on the JPMorgan Fleming ISA, PEP, Share Plan or Pension Account, see contact details on the reverse of this report.

The Company is a member of The Association of Investment Trust Companies.

JPMorgan Fleming Helpline

Freephone 0800 40 30 30 or 020 7742 9999

8.30 am to 6.00 pm Monday to Friday

JPMorgan Fleming Pension Helpline

Freephone 0800 413 176 or 01722 414 888

9.00 am to 5.00 pm Monday to Friday

Please use this service if you have any queries relating to the Pension Account.

Your telephone call may be recorded for your security.

www.jpmfindian.com