

INDIA FUND INC
Form N-CSRS
September 05, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM N-CSR
CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES**

Investment Company Act file number 811-08266

The India Fund, Inc.

(Exact name of registrant as specified in charter)

345 Park Avenue

New York, NY 10154

(Address of principal executive offices) (Zip code)

Simpson Thacher & Bartlett LLP

425 Lexington Avenue

New York, NY 10017

(Name and address of agent for service)

Registrant's telephone number, including area code: 212-583-5344

Date of fiscal year end: December 31, 2007

Date of reporting period: June 30, 2007

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Reports to Stockholders.

The Report to Shareholders is attached herewith.

The India Fund, Inc.

August 27, 2007

Dear Fund Shareholder,

We are pleased to provide you with the unaudited financial statements of The India Fund, Inc. (the Fund) for the six months ended June 30, 2007. The Fund's net asset value (NAV) closed at \$49.99 on June 30, 2007, representing an increase of 17.21% (after taking the Fund's dividend into account) from the NAV on December 31, 2006, which was \$42.65. The S&P/IFC Investable India Index* gained 20.09%, driven by large-cap companies like Reliance Industries and Bharti Airtel, which were both up approximately 33% for the six months ended June 30, 2007.

Thus far, 2007 has been an exciting year for India-dedicated investors, with the country's share market indices hitting new highs. For the 12 months ended March 31, 2007, the economy expanded 9.2%, the highest growth rate ever recorded. Corporate earnings are on track to grow approximately 22%** in the current fiscal year, and though the market's forward price-to-earnings ratio (PE ratio) remains above its historical average at 14.4x**, Indian stocks continue to trade at a modest PEG multiple (i.e., PE ratio/earnings-per-share growth) of only 0.7x. Partly due to overheating worries as well as stubbornly high inflation, the Reserve Bank of India has raised interest rates by 125 basis points since the beginning of the year. Yet despite this monetary tightening, investor sentiment remains positive due to strong underlying fundamentals. In fact, foreign portfolio investment for the six months ended June 30, 2007 reached \$5.7 billion, which represents 70% of the amount received in all of 2006.

Looking ahead, we believe India's robust manufacturing and service sectors will continue to lead the country's growth, with both strong domestic-driven and export-driven demand helping to sustain momentum. The economy's recent performance has been particularly impressive considering that structural reforms have actually been slowing recently, with continued resistance from political parties to opening up key sectors to foreign investors. Also, domestic politics have resulted in the government selectively interfering in what normally should be market-driven pricing. We believe such policies are generally counter-productive and, if not curtailed, could ultimately jeopardize the economy's ability to sustain high single-digit growth rates.

We remain bullish on India's growth story, but with a full appreciation of the short-term challenges that lie ahead. We believe the Reserve Bank of India needs to be convinced that inflation is under control and that growth is well-balanced before it begins lowering interest rates. In addition, the 8% year-to-date appreciation of the Indian rupee versus the U.S. dollar appears to be making life more challenging for India's exporters, including the important information

THE INDIA FUND, INC.

technology sector. We believe further currency appreciation could start having an unwelcome, negative impact on India's export growth. Finally, although India's economy is not as export-driven as other Asian economies, the country cannot be entirely shielded from the current volatility in global markets. Nevertheless, we continue to be optimistic regarding both India's medium-term and long-term growth prospects.

On behalf of the Board of Directors, we thank you for your participation and continued support of the Fund. If you have any questions, please do not hesitate to visit our website at www.blackstone.com or call our toll-free number, 1-866-800-8933.

Sincerely,

Prakash Melwani
Director and President

* Please note that the benchmark is an unmanaged index. Investors cannot directly invest in the index. The index does not reflect transaction costs or manager fees.

** Source: Factset, IFC Investable

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. There is no guarantee that the Fund's or any other investment technique will be effective under all market conditions.

2

Fundamental Periodic Repurchase Policy

The Fund has adopted the following fundamental policy regarding periodic repurchases:

- a) The Fund will make offers to repurchase its shares at semi-annual intervals pursuant to Rule 23c-3 under the Investment Company Act of 1940, as amended from time to time (Offers). The Board of Directors may place such conditions and limitations on Offers as may be permitted under Rule 23c-3.
- b) 14 days prior to the last Friday of the Fund s first and third fiscal quarters, or the next business day if such Friday is not a business day, will be the deadline (the Repurchase Request Deadline) by which the Fund must receive repurchase requests submitted by stockholders in response to the most recent Offer.
- c) The date on which the repurchase price for shares is to be determined (the Repurchase Pricing Date) shall occur no later than the last Friday of the Fund s first and third fiscal quarters, or the next business day if such day is not a business day.
- d) Offers may be suspended or postponed under certain circumstances, as provided for in Rule 23c-3.

(For further details, see Note F to the Financial Statements.)

THE INDIA FUND, INC.

Schedule of Investments

June 30, 2007
(Unaudited)**COMMON STOCKS (96.55% of holdings)**

NUMBER OF SHARES	SECURITY	PERCENT OF HOLDINGS	COST	VALUE
	India	96.51%		
	Apparel Manufacturers	0.26%		
211,705	Crew B.O.S. Products, Ltd.		\$ 825,433	\$ 783,092
154,919	House of Pearl Fashion, Ltd.+		1,931,439	1,119,266
350,000	Provogue (India), Ltd.**		3,564,477	3,847,400
			6,321,349	5,749,758
	Beverages Alcoholic	0.47%		
325,688	United Spirits, Ltd.		7,132,697	10,320,617
			7,132,697	10,320,617
	Beverages-Non Alcoholic	0.08%		
1,151,250	McLeod Russel India, Ltd.+		3,183,309	1,735,603
			3,183,309	1,735,603
	Building & Construction	1.69%		
133,762	B.L. Kashyap and Sons, Ltd.		3,084,879	5,545,733
676,365	C&C Constructions, Ltd.+**		4,000,008	3,277,574
224,150	GMR Infrastructure, Ltd.+		2,088,345	4,116,182
803,992	IVRCL Infrastructures and Projects, Ltd.		3,601,586	7,080,025
770,063	KEC International, Ltd.		8,878,928	10,518,349
763,800	Madhucon Projects, Ltd.		5,199,722	3,981,456
601,900	Nagarjuna Construction Co., Ltd.		2,781,681	2,633,566
			29,635,149	37,152,885
	Capital Goods	0.05%		
39,000	Everest Kanto Cylinder, Ltd.		1,046,187	1,043,383
			1,046,187	1,043,383
	Cement	1.83%		
258,748	ACC, Ltd.		4,056,121	5,932,573

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658,389	Binani Industries, Ltd.		3,327,401	3,369,742
389,494	Grasim Industries, Ltd.		16,336,415	25,227,812
1,000,000	Sagar Cements, Ltd. (Preferential shares)**		4,291,361	3,036,278
120,650	UltraTech Cement, Ltd.		2,657,051	2,666,283
			30,668,349	40,232,688
	Chemicals	0.37%		
1,073,300	United Phosphorus, Ltd.		8,148,011	8,198,481
			8,148,011	8,198,481

THE INDIA FUND, INC.

Schedule of Investments (continued)

June 30, 2007
(Unaudited)

COMMON STOCKS (continued)

NUMBER OF SHARES	SECURITY	PERCENT OF HOLDINGS	COST	VALUE
	India (continued)			
	Computer Hardware	0.44%		
920,914	HCL Infosystems, Ltd.		\$ 3,779,961	\$ 4,291,682
473,450	Moser-Baer India, Ltd.		4,051,229	5,432,280
			7,831,190	9,723,962
	Computer Services	0.56%		
969,800	NIIT Technologies, Ltd.		3,727,623	12,292,904
			3,727,623	12,292,904
	Computer Software & Programming	12.25%		
3,194,477	Infosys Technologies, Ltd.		59,665,018	151,317,538
40,500	Infosys Technologies, Ltd., Sponsored ADR		2,012,226	2,040,390
730,000	KPIT Cummins Infosystems, Ltd.		1,422,760	2,486,060
4,522,517	Satyam Computer Services, Ltd.		35,478,419	51,890,546
719,222	SSI, Ltd.+		1,696,904	2,845,808
915,858	Tanla Solutions, Ltd.		7,353,237	8,891,541
721,012	Tata Consultancy Services, Ltd.		20,055,938	20,345,541
2,327,500	Wipro, Ltd.		23,244,441	29,631,299
			150,928,943	269,448,723
	Consumer Non-Durables	2.67%		
6,215,899	Hindustan Unilever, Ltd.		29,074,050	28,822,602
7,883,725	ITC, Ltd.		21,125,571	29,945,670
			50,199,621	58,768,272
	Diversified Financial Services	2.21%		
725,700	Indiabulls Financial Service, Ltd.		2,056,367	10,475,454
5,299,165	Infrastructure Development Finance Co., Ltd.		8,886,145	17,109,820
3,944,532	Power Finance Corporation+		11,522,742	14,314,697
247,667	Reliance Capital, Ltd.		3,631,545	6,617,122

		26,096,799	48,517,093
	Diversified Industries	0.82%	
119,750	Aban Offshore, Ltd.	6,652,225	8,856,840
743,690	Elecon Engineering Co., Ltd.	4,532,215	9,100,855
69,339	NEPC India, Ltd. GDR+	3,467	13,868
		11,187,907	17,971,563

THE INDIA FUND, INC.

Schedule of Investments (continued)

June 30, 2007
(Unaudited)**COMMON STOCKS (continued)**

NUMBER OF SHARES	SECURITY	PERCENT OF HOLDINGS	COST	VALUE
	India (continued)			
	Electronics & Electrical Equipment	9.95%		
419,745	ABB, Ltd.		\$ 1,438,932	\$ 11,288,360
289,468	Bharat Electronics, Ltd.		8,993,058	13,005,537
2,693,824	Bharat Heavy Electricals, Ltd.		15,865,059	101,743,902
107,685	Easun Reyrolle Relays & Devices, Ltd.		1,494,460	2,674,840
860,000	HBL Nife Power Systems, Ltd.		3,995,531	6,113,069
949,110	Indo Tech Transformers, Ltd.		5,250,807	9,527,804
3,116,174	Jyoti Structures, Ltd.		1,983,003	14,154,863
3,566,335	Kei Industries, Ltd. +		5,246,922	7,381,795
3,059,150	NTPC, Ltd.		11,494,201	11,443,411
1,154,981	Reliance Energy, Ltd.		14,342,361	17,415,108
518,984	Siemens India, Ltd.		6,519,089	17,792,827
483,195	UTV Software Communications, Ltd.		5,968,790	6,242,294
			82,592,213	218,783,810
	Engineering	2.06%		
756,804	Jaiprakash Associates, Ltd.		7,794,790	13,764,718
2,147,507	Thermax, Ltd.		3,395,021	26,693,890
1,812,400	Voltas, Ltd.		2,119,712	4,950,697
			13,309,523	45,409,305
	Finance	13.76%		
507,600	Bank of Baroda		2,969,207	3,368,213
2,588,850	Bank of India		8,804,478	14,794,791
61,050	Corporation Bank		503,723	486,271
2,719,300	Dena Bank, Ltd.		3,068,362	3,118,073
1,064,163	HDFC Bank, Ltd.		13,905,893	29,894,025
1,679,648	Housing Development Finance Corp., Ltd.		20,122,406	83,727,736
3,555,891	ICICI Bank, Ltd.		33,241,085	83,406,609
1,466,881	Indian Bank		3,048,706	4,590,362
59,300	Jammu and Kashmir Bank, Ltd.		1,019,038	981,866
313,150	Kotak Mahindra Bank, Ltd.		4,573,650	5,170,791

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921,500	Oriental Bank of Commerce	4,122,303	5,105,554
884,631	Punjab National Bank, Ltd.	9,661,534	11,724,850
4,581,290	South Indian Bank, Ltd.	7,372,841	14,297,022
742,750	State Bank of India	3,596,997	27,816,993
45,550	State Bank of India GDR	525,435	4,016,599
183,600	UTI Bank, Ltd.	1,393,049	2,727,346
500,000	UTI Bank, Ltd. 144A GDR	2,955,000	7,375,000
		120,883,707	302,602,101

THE INDIA FUND, INC.

Schedule of Investments (continued)

June 30, 2007
(Unaudited)

COMMON STOCKS (continued)

NUMBER OF SHARES	SECURITY	PERCENT OF HOLDINGS	COST	VALUE
	India (continued)			
	Financial Services	0.19%		
331,766	Network 18 Fincap, Pvt, Ltd.+		\$ 772,928	\$ 4,189,892
			772,928	4,189,892
	Food	0.12%		
560,250	Lakshmi Energy & Foods, Ltd.		905,948	2,657,671
			905,948	2,657,671
	Hotels & Leisure	0.57%		
3,365,130	Indian Hotels Co., Ltd.		9,783,243	12,443,400
			9,783,243	12,443,400
	Machinery Electric Utility	0.10%		
115,305	EMCO, Ltd.		2,041,910	2,264,907
			2,041,910	2,264,907
	Media	1.68%		
669,000	Balaji Telefilms, Ltd.		3,607,811	3,678,658
2,353,275	Deccan Chronicle Holdings, Ltd.		10,590,322	13,636,312
2,681,548	Zee Telefilms, Ltd.		11,665,564	19,584,469
			25,863,697	36,899,439
	Metal Diversified	2.02%		
1,954,760	Ahmednagar Forgings, Ltd.		7,455,533	10,847,112
586,834	Hindustan Zinc, Ltd.		8,912,149	10,125,777
1,633,203	Sterlite Industries India, Ltd.		14,418,399	23,462,945
			30,786,081	44,435,834
	Petroleum Related	13.34%		

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345,700	Bharat Petroleum Corp., Ltd.	3,346,313	2,886,386
531,739	Indian Oil Corp., Ltd.	4,127,282	5,786,428
3,094,287	Oil and Natural Gas Corp., Ltd.	42,622,677	68,541,172
5,177,093	Reliance Industries, Ltd.	68,360,905	216,134,337
		118,457,177	293,348,323

THE INDIA FUND, INC.

Schedule of Investments (continued)

June 30, 2007
(Unaudited)**COMMON STOCKS (continued)**

NUMBER OF SHARES	SECURITY	PERCENT OF HOLDINGS	COST	VALUE
	India (continued)			
	Pharmaceuticals	3.70%		
568,385	Aurobindo Pharma, Ltd.		\$ 7,783,868	\$ 11,290,943
851,481	Dishman Pharmaceuticals & Chemicals, Ltd.		4,039,845	6,406,884
1,274,136	Dr. Reddy s Laboratories, Ltd.		19,804,392	20,521,012
791,465	Lupin, Ltd.		9,118,527	14,235,779
801,400	Panacea Biotec, Ltd.		6,620,971	8,362,777
270,812	Sun Pharma Advanced Research +		284,344	664,936
496,262	Sun Pharmaceutical Industries, Ltd.		9,297,359	12,454,224
785,250	Wockhardt, Ltd.		7,594,340	7,402,780
			64,543,646	81,339,335
	Publishing	0.05%		
600,000	Business India Publications		1,003,792	1,104,905
			1,003,792	1,104,905
	Real Estate Operation / Development	0.67%		
796,512	DLF, Ltd.+		10,244,314	10,267,480
443,950	Indiabulls Real Estate, Ltd.+		1,520,647	4,535,697
			11,764,961	14,803,177
	Shipbuilding	0.53%		
978,500	Bharati Shipyard, Ltd.		3,611,068	11,743,682
			3,611,068	11,743,682
	Steel	5.57%		
966,114	Jindal Saw, Ltd.		7,579,958	16,309,660
482,637	Jindal Steel & Power, Ltd.		12,482,279	41,055,697
1,057,643	JSW Steel, Ltd.		6,589,263	15,878,603
243,972	Shree Precoated Steels, Ltd.+		1,495,323	1,972,622
4,799,625	Steel Authority of India, Ltd.		10,636,171	15,449,778

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3,492,667	Sujana Metals Products, Ltd.+	1,005,030	3,001,494
3,492,667	Sujana Towers, Ltd.+	4,307,273	12,863,546
1,085,291	Tata Steel, Ltd.	12,639,775	15,913,959
		56,735,072	122,445,359

8

THE INDIA FUND, INC.

Schedule of Investments (continued)

June 30, 2007
(Unaudited)

COMMON STOCKS (continued)

NUMBER OF SHARES	SECURITY	PERCENT OF HOLDINGS	COST	VALUE
India (continued)				
Telecommunications				
		9.72%		
6,515,160	Bharti Airtel, Ltd.+		\$ 48,898,380	\$ 133,726,548
2,866,003	Idea Cellular, Ltd.+		6,453,878	8,768,129
5,616,971	Reliance Communication, Ltd.+		38,482,101	71,309,431
	++ Shyam Telecom, Ltd.+		14	1
8	Shyam Telelink, Ltd.+		0	0
			93,834,373	213,804,109
Televisions				
		0.47%		
860,851	Dish TV India, Ltd.+		2,232,419	2,257,415
314,110	Television Eighteen India, Ltd.		1,636,309	6,926,578
981,236	Zee News, Ltd.+		549,452	1,105,855
			4,418,180	10,289,848
Textiles				
		0.65%		
1,505,271	Bombay Rayon Fashions, Ltd.		7,143,343	9,175,214
222,000	Eastern Silk Industries, Ltd.		1,436,579	1,666,601
1,437,232	S. Kumars Nationwide, Ltd. +		2,865,622	3,576,538
			11,445,544	14,418,353
Transportation				
		0.65%		
252,921	Container Corp. of India, Ltd.		9,911,468	14,414,836
			9,911,468	14,414,836
Vehicle Components				
		2.95%		
2,611,425	Amtek Auto, Ltd.		9,304,869	26,112,647
662,864	ANG Auto, Ltd.		4,156,122	4,391,967
291,670	Clutch Auto, Ltd. +		954,771	966,803
4,004,901	Cummins India, Ltd.		21,623,000	33,428,668
			36,038,762	64,900,085

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	Vehicles	4.06%		
352,796	Bajaj Auto, Ltd.		17,387,614	18,440,851
1,586,834	Mahindra & Mahindra, Ltd.		16,662,564	28,163,844
398,903	Maruti Udyog, Ltd.		7,799,233	7,278,247
2,156,143	Tata Motors, Ltd.		31,046,883	35,457,045
			72,896,294	89,339,987
	Total India		1,107,706,721	2,122,794,290

THE INDIA FUND, INC.

Schedule of Investments (continued)

**June 30, 2007
(Unaudited)****COMMON STOCKS (continued)**

NUMBER OF SHARES	SECURITY	PERCENT OF HOLDINGS	COST	VALUE
	Canada	0.04%		
	Petroleum Related	0.04%		
9,000	Niko Resources, Ltd.		\$ 667,683	\$ 819,540
	Total Canada		667,683	819,540
	TOTAL COMMON STOCKS		1,108,374,404	2,123,613,830

WARRANTS (0.16% of holdings)

	Beverages-Non Alcoholic	0.16%		
2,354,880	McLeod Russel Zero Point Warrants, 12/10/09		6,324,737	3,558,224
	TOTAL WARRANTS		6,324,737	3,558,224

SHORT-TERM INVESTMENTS (2.51% of holdings)

1,270,000	Banking Index Benchmark Exchange Traded Scheme Bank BeES		15,128,995	21,269,671
26,911,119	Birla Cash Plus Inst+		7,593,758	8,036,696
18,648,019	DWS Insta Cash Plus Inst Growth+		5,107,964	5,494,979
20,019,473	Prudential ICICI Liquid Plan Super Institutional Growth+		5,061,544	5,512,550
19,550,516	Reliance Liquidity Fund Growth Option+		5,061,544	5,503,955
345,801	Standard Chartered Liquidity Manager Plus Growth+		8,907,618	9,295,073
	TOTAL SHORT-TERM INVESTMENTS		46,861,423	55,112,924

BONDS (0.50% of holdings)

Par Value (000)	Finance	0.50%		
INR 460,000	ICICI Bank, Ltd., Bond Tier 1, 9.98%, 09/13/45		9,944,639	11,095,795
	TOTAL BONDS			