

MORGAN STANLEY INDIA INVESTMENT FUND, INC.  
Form N-Q  
May 29, 2018

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-08238

Morgan Stanley India Investment Fund, Inc.  
(Exact name of registrant as specified in charter)

522 Fifth Avenue, New York, New York  
(Address of principal executive offices)

10036  
(Zip code)

John H. Gernon

522 Fifth Avenue, New York, New York 10036  
(Name and address of agent for service)

Registrant's telephone number, including area code: 212-296-0289

Date of fiscal year end: December 31,

Date of reporting period: March 29, 2018

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**Item 1. Schedule of Investments.**

The Registrant's schedule of investments as of the close of the reporting period prepared pursuant to Rule 12-12 of Regulation S-X is as follows:

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Morgan Stanley India Investment Fund, Inc.

Portfolio of Investments

First Quarter Report

March 29, 2018<sup>α</sup> (unaudited)

	Shares	Value (000)
<b>Common Stocks (97.0%)</b>		
<b>Aerospace &amp; Defense (1.4%)</b>		
Bharat Electronics Ltd.	3,113,114	\$ 6,832
<b>Air Freight &amp; Logistics (1.0%)</b>		
Allcargo Logistics Ltd.	2,231,821	5,079
<b>Auto Components (3.6%)</b>		
Motherson Sumi Systems Ltd.	3,597,728	17,260
<b>Automobiles (2.6%)</b>		
Bajaj Auto Ltd.	301,806	12,747
<b>Banks (16.6%)</b>		
HDFC Bank Ltd.	832,306	24,738
ICICI Bank Ltd.	5,646,686	24,264
IndusInd Bank Ltd.	1,139,830	31,623
		80,625
<b>Capital Markets (4.0%)</b>		
IIFL Holdings Ltd.	1,135,126	12,487
Motilal Oswal Financial Services Ltd.	141,437	2,195
Multi Commodity Exchange of India Ltd.	468,330	4,849
		19,531
<b>Chemicals (1.4%)</b>		
SH Kelkar & Co. Ltd. (a)	1,737,398	6,952
<b>Construction &amp; Engineering (4.4%)</b>		
Larsen & Toubro Ltd.	626,828	12,716
Voltas Ltd.	907,473	8,671
		21,387
<b>Construction Materials (5.9%)</b>		
Ramco Cements Ltd. (The)	1,235,984	13,792
Shree Cement Ltd.	59,398	14,791
		28,583
<b>Diversified Financial Services (4.1%)</b>		
L&T Finance Holdings Ltd.	8,110,331	19,698
<b>Electronic Equipment, Instruments &amp; Components (1.7%)</b>		
Redington India Ltd.	3,750,855	8,497
<b>Gas Utilities (8.3%)</b>		
GAIL India Ltd. (b)	668,146	3,389
GAIL India Ltd.	2,004,437	10,168
Indraprastha Gas Ltd.	6,248,071	26,933

		40,490
<b>Information Technology Services (5.8%)</b>		
Infosys Ltd.	958,076	16,719
Persistent Systems Ltd.	1,064,977	11,441
		28,160

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<b>Machinery (11.2%)</b>		
Ashok Leyland Ltd.	11,939,090	26,823
Eicher Motors Ltd.	63,185	27,620
		54,443
<b>Media (4.3%)</b>		
Zee Entertainment Enterprises Ltd.	2,357,046	20,919
<b>Oil, Gas &amp; Consumable Fuels (7.7%)</b>		
Bharat Petroleum Corp., Ltd.	2,801,965	18,423
Petronet LNG Ltd.	5,280,221	18,809
		37,232
<b>Personal Products (4.0%)</b>		
Colgate-Palmolive India Ltd.	447,752	7,274
Emami Ltd.	85,516	1,409
Marico Ltd.	2,106,912	10,571
		19,254
<b>Pharmaceuticals (5.2%)</b>		
Cipla Ltd.	759,688	6,378
Eris Lifesciences Ltd. (a)(b)	902,776	11,089
Natco Pharma Ltd.	687,584	7,996
		25,463
<b>Thriffs &amp; Mortgage Finance (3.0%)</b>		
LIC Housing Finance Ltd.	1,760,580	14,489
<b>Transportation Infrastructure (0.8%)</b>		
Gateway Distriparks Ltd.	1,522,271	4,095
<b>Total Common Stocks (Cost \$326,064)</b>		471,736
<b>Short-Term Investment (0.4%)</b>		
<b>Investment Company (0.4%)</b>		
Morgan Stanley Institutional Liquidity Funds - Government Portfolio - Institutional Class (c) (Cost \$1,893)	1,892,883	1,893
<b>Total Investments (97.4%) (Cost \$327,957) (d)(e)(f)</b>		473,629
<b>Other Assets in Excess of Liabilities (2.6%)</b>		12,514
<b>Net Assets (100.0%)</b>		\$ 486,143

⌘ March 29, 2018 represents the last business day of the Fund's quarterly period.

(a) 144A security Certain conditions for public sale may exist. Unless otherwise noted, these securities are deemed to be liquid.

(b) Non-income producing security.

(c) The Fund invests in the Institutional Class of the Morgan Stanley Institutional Liquidity Funds - Government Portfolio - (the Liquidity Funds), an open-end management investment company managed by the Adviser. Advisory fees paid by the Fund are reduced by an amount equal to its pro-rata share of the advisory and administration fees paid by the Fund due to its investment in the Liquidity Funds. For the three months ended March 29, 2018, advisory fees paid were reduced by approximately \$1,000 relating to the Fund's investment in the Liquidity Funds.

(d) The approximate fair value and percentage of net assets, \$443,609,000 and 91.3%, respectively, represent the securities that have been fair valued under the fair valuation policy for international investments as described in the Notes to the Portfolio of Investments.



(e) The Fund is permitted to purchase and sell securities ( cross-trade ) from and to other Morgan Stanley Funds as well as other funds and client accounts for which the Adviser or an affiliate of the Adviser serves as investment adviser, pursuant to procedures approved by the Directors in compliance with Rule 17a-7 under the Act (the Rule ). Each cross-trade is executed at the current market price in compliance with provisions of the Rule. For the three months ended March 29, 2018, the Fund did not engage in any cross-trade transactions.

(f) At March 29, 2018, the aggregate cost for federal income tax purposes approximates the aggregate cost for book purposes. The aggregate gross unrealized appreciation is approximately \$167,890,000 and the aggregate gross unrealized depreciation is approximately \$22,218,000, resulting in net unrealized appreciation of approximately \$145,672,000.

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**Portfolio Composition**

<b>Classification</b>	<b>Percentage of Total Investments</b>
Other*	37.7%
Banks	17.0
Machinery	11.5
Gas Utilities	8.6
Oil, Gas & Consumable Fuels	7.9
Construction Materials	6.0
Information Technology Services	5.9
Pharmaceuticals	5.4
<b>Total Investments</b>	<b>100.0%</b>

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\* Industries and/or investment types representing less than 5% of total investments.

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Morgan Stanley India Investment Fund, Inc.

**Notes to the Portfolio of Investments • March 29, 2018 (unaudited)**

**Security Valuation:** (1) An equity portfolio security listed or traded on an exchange is valued at its latest reported sales price (or at the exchange official closing price if such exchange reports an official closing price), and if there were no sales on a given day and if there is no official exchange closing price for that day, the security is valued at the mean between the last reported bid and asked prices if such bid and asked prices are available on the relevant exchanges. Listed equity securities not traded on the valuation date with no reported bid and asked prices available on the exchange are valued at the mean between the current bid and asked prices obtained from one or more reputable brokers or dealers. In cases where a security is traded on more than one exchange, the security is valued on the exchange designated as the primary market; (2) all other equity portfolio securities for which over-the-counter ( OTC ) market quotations are readily available are valued at the latest reported sales price (or at the market official closing price if such market reports an official closing price), and if there was no trading in the security on a given day and if there is no official closing price from relevant markets for that day, the security is valued at the mean between the last reported bid and asked prices if such bid and asked prices are available on the relevant markets. An unlisted equity security that does not trade on the valuation date and for which bid and asked prices from the relevant markets are unavailable is valued at the mean between the current bid and asked prices obtained from one or more reputable brokers or dealers; (3) certain portfolio securities may be valued by an outside pricing service/vendor approved by the Fund's Board of Directors (the Directors ). The pricing service/vendor may employ a pricing model that takes into account, among other things, bids, yield spreads, and/or other market data and specific security characteristics. Alternatively, if a valuation is not available from an outside pricing service/vendor, and the security trades on an exchange, the security may be valued at its latest reported sale price (or at the exchange official closing price if such exchange reports an official closing price), prior to the time when assets are valued. If there are no sales on a given day and if there is no official exchange closing price for that day, the security is valued at the mean between the last reported bid and asked prices if such bid and asked prices are available in the relevant exchanges; (4) when market quotations are not readily available, including circumstances under which Morgan Stanley Investment Management Inc. (the Adviser ) or Morgan Stanley Investment Management Company ( MSIM Company ) (the Sub-Adviser ), a wholly-owned subsidiary of Morgan Stanley, determines that the closing price, last sale price or the mean between the last reported bid and asked prices are not reflective of a security's market value, portfolio securities are valued at their fair value as determined in good faith under procedures established by and under the general supervision of the Directors. Occasionally, developments affecting the closing prices of securities and other assets may occur between the times at which valuations of such securities are determined (that is, close of the foreign market on which the securities trade) and the close of business of the New York Stock Exchange ( NYSE ). If developments occur during such periods that are expected to materially affect the value of such securities, such valuations may be adjusted to reflect the estimated fair value of such securities as of the close of the NYSE, as determined in good faith by the Directors or by the Adviser using a pricing service and/or procedures approved by the Directors; (5) quotations of foreign portfolio securities, other assets and liabilities and forward contracts stated in foreign currency are translated into U.S. dollar equivalents at the prevailing market rates prior to the close of the NYSE; and (6) investments in mutual funds, including the Morgan Stanley Institutional Liquidity Funds, are valued at the net asset value as of the close of each business day.

The Directors have responsibility for determining in good faith the fair value of the investments, and the Directors may appoint others, such as the Fund's Adviser or a valuation committee, to assist the Directors in determining fair value and to make the actual calculations pursuant to the fair valuation methodologies previously approved by the Directors. Under procedures approved by the Directors, the Fund's Adviser has formed a Valuation Committee whose members are approved by the Directors. The Valuation Committee provides administration and oversight of the Fund's valuation policies and procedures, which are reviewed at least annually by the Directors. These procedures allow the Fund to utilize independent pricing services, quotations from securities and financial instrument dealers, and other market sources to determine fair value.

The Fund has procedures to determine the fair value of securities and other financial instruments for which market prices are not readily available. Under these procedures, the Valuation Committee convenes on a regular and ad hoc basis to review such securities and considers a number of factors, including valuation methodologies and significant unobservable valuation inputs, when arriving at fair value. The Valuation Committee may employ a market-based

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approach which may use related or comparable assets or liabilities, recent transactions, market multiples, book values, and other relevant information for the investment to determine the fair value of the investment. An income-based valuation approach may also be used in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed. The Valuation Committee employs various methods for calibrating these valuation approaches including a regular review of valuation methodologies, key inputs and assumptions, transactional back-testing or disposition analysis, and reviews of any related market activity.

**Fair Value Measurement:** Financial Accounting Standards Board ( FASB ) Accounting Standards Codification™ ( ASC ) 820, Fair Value Measurement ( ASC 820 ), defines fair value as the value that the Fund would receive to sell an investment or pay to transfer a liability in a timely transaction with an independent buyer in the principal market, or in the absence of a principal market, the most advantageous market for the investment or liability. ASC 820 establishes a three-tier hierarchy to distinguish between (1) inputs that reflect the assumptions market participants would use in valuing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in valuing an asset or liability developed based on the best information available in the circumstances (unobservable inputs) and to establish classification of fair value measurements for disclosure purposes. Various inputs are used in determining the value of the Fund's investments. The inputs are summarized in the three broad levels listed below.

- Level 1 unadjusted quoted prices in active markets for identical investments
- Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 significant unobservable inputs including the Fund's own assumptions in determining the fair value of investments. Factors considered in making this determination may include, but are not limited to, information obtained by contacting the issuer, analysts, or the appropriate stock exchange (for exchange-traded securities), analysis of the issuer's financial statements or other available documents and, if necessary, available information concerning other securities in similar circumstances

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities and the determination of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to each security.

The following is a summary of the inputs used to value the Fund's investments as of March 29, 2018:

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Investment Type	Level 1 Unadjusted quoted prices (000)	Level 2 Other significant observable inputs (000)	Level 3 Significant unobservable inputs (000)	Total (000)
<b>Assets:</b>				
<b>Common Stocks</b>				
Aerospace & Defense	\$	\$ 6,832	\$	\$ 6,832
Air Freight & Logistics		5,079		5,079
Auto Components		17,260		17,260
Automobiles		12,747		12,747
Banks		80,625		80,625
Capital Markets		19,531		19,531
Chemicals		6,952		6,952
Construction & Engineering		21,387		21,387
Construction Materials		28,583		28,583
Diversified Financial Services		19,698		19,698
Electronic Equipment, Instruments & Components		8,497		8,497
Gas Utilities	3,389	37,101		40,490
Information Technology Services		28,160		28,160
Machinery		54,443		54,443
Media		20,919		20,919
Oil, Gas & Consumable Fuels		37,232		37,232
Personal Products		19,254		19,254
Pharmaceuticals		25,463		25,463
Thriffs & Mortgage Finance		14,489		14,489
Transportation Infrastructure		4,095		4,095
<b>Total Common Stocks</b>	<b>3,389</b>	<b>468,347</b>		<b>471,736</b>
<b>Short-Term Investment</b>				
Investment Company	1,893			1,893
<b>Total Assets</b>	<b>\$ 5,282</b>	<b>\$ 468,347</b>	<b>\$</b>	<b>\$ 473,629</b>

Transfers between investment levels may occur as the markets fluctuate and/or the availability of data used in an investment's valuation changes. The Fund recognizes transfers between the levels as of the end of the period. As of March 29, 2018, the Fund did not have any investments transfer between investment levels. At March 29, 2018, the fair value of certain securities were adjusted due to developments which occurred between the time of the close of the foreign markets on which they trade and the close of business on the NYSE which resulted in their Level 2 classification.

**Item 2. Controls and Procedures.**

(a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures are sufficient to ensure that information required to be disclosed by the registrant in this Form N-Q was recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, based upon such officers' evaluation of these controls and procedures as of a date within 90 days of the filing date of the report.

(b) There were no changes in the registrant's internal control over financial reporting that occurred during the registrant's fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

**Item 3. Exhibits.**

(a) A separate certification for each principal executive officer and principal financial officer of the registrant are attached hereto.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Morgan Stanley India Investment Fund, Inc.

/s/ John H. Gernon  
John H. Gernon  
Principal Executive Officer  
May 17, 2018

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ John H. Gernon  
John H. Gernon  
Principal Executive Officer  
May 17, 2018

/s/ Francis Smith  
Francis Smith  
Principal Financial Officer  
May 17, 2018

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