



powerSHARES®
Xchange Traded Funds™

PowerShares India Exchange-Traded Fund Trust 2011 Semi-Annual Report to Shareholders

April 30, 2011

PowerShares India Portfolio (PIN)

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Frequency Distribution of Discounts & Premiums

Since inception through April 30, 2011

Ticker	Fund Name	Inception	Days	Closing Price Above NAV (bps)					
				0-24 Basis Points	25-49 Basis Points	50-99 Basis Points	100-149 Basis Points	150-199 Basis Points	200+ Basis Points
PIN	PowerShares India Portfolio	03/05/08	797	95	112	162	72	33	26
				Closing Price Below NAV (bps)					
				-0-24 Basis Points	-25-49 Basis Points	-50-99 Basis Points	-100-149 Basis Points	-150-199 Basis Points	-200+ Basis Points
				88	57	88	34	17	13

Fees and Expenses

As a shareholder of the PowerShares India Exchange-Traded Fund Trust (the “Fund”), you incur a unitary management fee. The expense example below is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio and to compare these costs with the ongoing costs of investing in other funds.

The example is based on an investment of \$1,000 invested at the beginning of the period and held through the six-month period ended April 30, 2011.

Actual Expenses

The first line in the following table provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading “Expense Paid During the Six-Month Period” to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line in the following table provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an assumed annualized rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only, and do not reflect any transactional costs such as sales charges and brokerage commissions. Therefore the second line in the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Beginning Account Value November 1, 2010	Ending Account Value April 30, 2011	Annualized Expense Ratio Based on the Six-Month Period	Expenses Paid During the Six-Month Period (1)
Actual	\$1,000.00	\$951.30	0.78%	\$3.77
Hypothetical (5% return before expenses)	\$1,000.00	\$1,020.93	0.78%	\$3.91

- (1) Expenses are calculated using the annualized expense ratio, which represents the ongoing expenses as a percentage of net assets for the six-months ended April 30, 2011. Expenses are calculated by multiplying the Fund’s annualized expense ratio by the average account value for the period; then multiplying the result by 181 and then dividing by 365.

Portfolio Composition

PowerShares India Portfolio

Sector Breakdown (% of the Fund's Net Assets) as of April 30, 2011 (Unaudited)

Energy	28.7
Information Technology	16.7
Materials	10.9
Financial Services	9.9
Utilities	7.3
Industrials	7.2
Consumer Discretionary	5.6
Telecommunication Services	4.9
Health Care	4.4
Consumer Staples	4.4
Non-Convertible Debentures, Time Deposits and other liabilities less assets	(0.0)

Consolidated Schedule of Investments

PowerShares India Portfolio

April 30, 2011 (Unaudited)

Number of Shares		Value	Number of Shares		Value
	Common Stocks—100.0%			Common Stocks (Continued)	
	<i>India—100.0%</i>			<i>India (Continued)</i>	
	Consumer Discretionary—5.6%			Health Care—4.4%	
2,950,472	ITC, Ltd.	\$ 12,838,874	869,793	Cipla, Ltd.	\$ 6,098,289
639,303	Mahindra & Mahindra, Ltd.	11,003,270	160,546	Dr. Reddy's Laboratories, Ltd.	6,045,665
283,308	Tata Motors, Ltd.	8,022,201	402,658	Ranbaxy Laboratories, Ltd.	4,180,940
		<u>31,864,345</u>	866,746	Sun Pharmaceutical Industries, Ltd.	9,113,428
					<u>25,438,322</u>
	Consumer Staples—4.4%			Industrials—7.2%	
3,120,729	Hindustan Unilever, Ltd.	20,175,515		Adani Enterprises, Ltd.	5,269,206
53,233	Nestlé India, Ltd.	4,779,773	370,984	Bharat Heavy Electricals, Ltd.	8,517,218
		<u>24,955,288</u>	188,003	Jaiprakash Associates, Ltd.	4,332,190
	Energy — 28.7%		2,069,668	Larsen & Toubro, Ltd.	5,857,515
1,018,868	Cairn India, Ltd. (a)	8,088,266	162,366	Reliance Infrastructure, Ltd.	6,139,855
1,320,996	Coal India, Ltd.	11,388,978	412,073	Siemens India, Ltd.	5,501,688
1,351,356	Essar Oil, Ltd. (a)	4,041,995	280,234	Sterlite Industries (India), Ltd.	5,600,827
554,331	Gail India, Ltd.	5,955,156	1,362,909		<u>41,218,499</u>
2,390,478	Indian Oil Corp., Ltd.	18,382,054		Information Technology—16.7%	
7,040,912	Oil & Natural Gas Corp., Ltd.	48,807,860		Infosys Technologies, Ltd.	51,095,357
230,252	Oil India, Ltd.	7,274,953	779,028	Oracle Financial Services Software, Ltd. (a)	3,211,898
2,687,409	Reliance Industries, Ltd.	59,880,931	70,440	Tata Consultancy Services, Ltd.	22,697,192
		<u>163,820,193</u>	863,200	Wipro, Ltd.	18,470,589
	Financial Services—9.9%		1,814,838		<u>95,475,036</u>
203,293	Axis Bank, Ltd.	5,917,636		Materials—10.9%	
390,315	HDFC Bank, Ltd.	20,259,481		Asian Paints, Ltd.	3,969,854
892,218	Housing Development Finance Corp., Ltd.	14,286,788	63,253	Hindalco Industries, Ltd.	3,647,867
435,377	ICICI Bank, Ltd.	10,918,150	746,715	Hindustan Zinc, Ltd.	13,362,552
1,534,929	Infrastructure Development Finance Co., Ltd.	5,037,164	4,131,645	Jindal Steel & Power, Ltd.	9,896,971
		<u>56,419,219</u>	659,028	JSW Steel, Ltd.	4,754,221
			222,914		

See Notes to Consolidated Financial Statements.

Consolidated Schedule of Investments (Continued)

PowerShares India Portfolio

April 30, 2011 (Unaudited)

Number of Shares		Value
Common Stocks (Continued)		
<i>India (Continued)</i>		
<i>Materials (Continued)</i>		
1,760,187	NMDC, Ltd.	\$ 10,868,055
767,489	Sesa Goa, Ltd.	5,433,090
1,923,926	Steel Authority of India, Ltd.	6,944,670
260,369	Tata Steel, Ltd.	3,626,852
		<u>62,504,132</u>
<i>Telecommunication Services—4.9%</i>		
2,631,253	Bharti Airtel, Ltd.	22,608,007
2,404,981	Reliance Communications, Ltd.	5,471,923
		<u>28,079,930</u>
<i>Utilities—7.3%</i>		
1,278,892	Adani Power, Ltd. (a)	3,275,687
6,979,964	NHPC, Ltd.	4,080,789
4,852,350	NTPC, Ltd.	20,006,410
2,208,748	Power Grid Corporation of India, Ltd.	5,220,268
1,582,172	Reliance Power, Ltd. (a)	4,673,338
146,065	Tata Power Co., Ltd.	4,317,697
		<u>41,574,189</u>
	Total Common Stocks	
	(Cost \$444,827,681)	<u>571,349,153</u>
Face Value		
Non-Convertible Debentures—0.0%		
<i>Health Care—0.0%</i>		
\$ 921,912	Dr. Reddy's Laboratories, Ltd. (a)	
	9.25%, 3/24/14 (Cost \$53,997)	<u>102,272</u>
Short-Term Instruments—0.0%		
<i>Time Deposits—0.0%</i>		
3,427	Brown Brothers Harriman	
	0.03%, 5/02/11 (Cost \$3,427)	<u>3,427</u>
	Total Investments—100.0%	
	(Cost \$444,885,105)	<u>571,454,852</u>
	Liabilities, less cash and other assets—(0.0)%	<u>(234,029)</u>
	Net Assets—100.0%	<u><u>\$571,220,823</u></u>

Footnotes to the Consolidated Schedule of Investments:

(a) Non-income producing security.

See Notes to Consolidated Financial Statements.

Consolidated Statement of Assets and Liabilities

PowerShares India Portfolio

April 30, 2011 (Unaudited)

ASSETS:

Investments, at value	\$571,454,852
Cash	3,596,095
Foreign currencies, at value	115,046
Receivables:	
Dividends	43,598
Interest	173
Total Assets	<u>575,209,764</u>

LIABILITIES:

Payables:	
Investments purchased	3,622,584
Accrued unitary management fee	366,357
Total Liabilities	<u>3,988,941</u>

NET ASSETS

\$571,220,823

NET ASSETS CONSIST OF:

Shares of beneficial interest	\$489,023,239
Undistributed net investment income (loss)	(4,260,709)
Undistributed net realized gain (loss)	(40,112,208)
Net unrealized appreciation	126,570,501

Net Assets

\$571,220,823

Shares of beneficial interest outstanding (unlimited shares of \$0.01 par value authorized)	23,900,000
Net asset value	<u>\$ 23.90</u>

Share price	<u>\$ 23.94</u>
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Investments, at cost	<u>\$444,885,105</u>
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Foreign currencies, at cost	<u>\$ 114,477</u>
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See Notes to Consolidated Financial Statements.

Consolidated Statement of Operations

PowerShares India Portfolio

For the Six Months Ended April 30, 2011 (Unaudited)

INVESTMENT INCOME:

Dividend income	\$ 2,308,906
Interest income	<u>502</u>
Total Income	<u>2,309,408</u>

EXPENSES:

Unitary management fee	<u>2,067,755</u>
Net Investment Income	<u>241,653</u>

REALIZED AND UNREALIZED GAIN (LOSS):

Net realized gain (loss) from:	
Investments	(9,867,381)
Foreign currencies	<u>6,138</u>
Net realized gain (loss)	<u>(9,861,243)</u>
Net change in unrealized appreciation (depreciation) from:	
Investments	(16,597,308)
Foreign currencies	<u>1,057</u>
Net change in unrealized appreciation (depreciation)	<u>(16,596,251)</u>
Net realized and unrealized gain (loss)	<u>(26,457,494)</u>
Net increase (decrease) in net assets resulting from operations	<u><u>\$(26,215,841)</u></u>

See Notes to Consolidated Financial Statements.

Consolidated Statements of Changes in Net Assets

PowerShares India Portfolio

	For the Six Months Ended April 30, 2011 (Unaudited)	For the Year Ended October 31, 2010
OPERATIONS:		
Net investments income	\$ 241,653	\$ 2,380,038
Net realized gain (loss)	(9,861,243)	(10,485,576)
Net change in unrealized appreciation (depreciation)	<u>(16,596,251)</u>	<u>101,910,603</u>
Net increase (decrease) in net assets resulting from operations	<u>(26,215,841)</u>	<u>93,805,065</u>
DISTRIBUTIONS TO SHAREHOLDERS FROM:		
Net investment income	<u>(4,229,961)</u>	<u>(2,018,433)</u>
SHAREHOLDER TRANSACTIONS:		
Proceeds from shares sold	104,977,221	281,433,021
Value of shares repurchased	(52,064,285)	(83,842,168)
Transaction fees	<u>599,984</u>	<u>1,449,573</u>
Net increase in net assets resulting from shares transactions	<u>53,512,920</u>	<u>199,040,426</u>
Increase in Net Assets	23,067,118	290,827,058
NET ASSETS:		
Beginning of period	<u>548,153,705</u>	<u>257,326,647</u>
End of period	<u>\$571,220,823</u>	<u>\$548,153,705</u>
Accumulated net investment income (loss) at end of period	<u>\$ (4,260,709)</u>	<u>\$ (272,401)</u>
CHANGES IN SHARES OUTSTANDING:		
Shares sold	4,500,000	12,500,000
Shares repurchased	(2,250,000)	(3,900,000)
Shares outstanding, beginning of period	<u>21,650,000</u>	<u>13,050,000</u>
Shares outstanding, end of period	<u>23,900,000</u>	<u>21,650,000</u>

See Notes to Consolidated Financial Statements.

Financial Highlights

PowerShares India Portfolio

	For the Six Months Ended April 30, 2011 (Unaudited)	For the Year Ended October 31, 2010 2009		For the Period March 4, 2008 ^(a) through October 31, 2008
PER SHARE OPERATING PERFORMANCE:				
Net asset value at beginning of period	\$ 25.32	\$ 19.72	\$ 12.18	\$ 25.00
Net investment income ^(b)	0.01	0.13	0.12	0.12
Net realized and unrealized gain (loss)	(1.27)	5.51	7.39	(13.01)
Total from investment operations	(1.26)	5.64	7.51	(12.89)
Distributions to shareholders from:				
Net investment income	(0.19)	(0.12)	(0.07)	(0.09)
Return of capital	—	—	—	0.00 ^(c)
Total distributions	(0.19)	(0.12)	(0.07)	(0.09)
Transaction fees ^(b)	0.03	0.08	0.10	0.16
Net asset value at end of period	\$ 23.90	\$ 25.32	\$ 19.72	\$ 12.18
Share price at end of period ^(d)	\$ 23.94	\$ 25.40	\$ 19.31	\$ 12.24
NET ASSET VALUE, TOTAL RETURN^(e)	(4.87)%	29.09%	62.56%	(51.04)%
SHARE PRICE, TOTAL RETURN^(e)	(5.02)%	32.25%	58.40%	(50.81)%
RATIOS/SUPPLEMENTAL DATA:				
Net assets at end of period (000's omitted)	\$571,221	\$548,154	\$257,327	\$48,765
Ratio to average net assets of:				
Expenses	0.78% ^(f)	0.78%	0.78%	0.78% ^(f)
Net investment income	0.09% ^(f)	0.60%	0.69%	0.98% ^(f)
Portfolio turnover rate ^(g)	32%	40%	32%	22%

(a) Commencement of investment operations.

(b) Based on average shares outstanding.

(c) Amount represents less than \$0.005.

(d) The mean between the last bid and ask prices.

(e) Net asset value total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption on the last day of the period. Share price total return is calculated assuming an initial investment made at the share price at the beginning of the period, reinvestment of all dividends and distributions at share price during the period and sale at the share price on the last day of the period. Total investment return calculated for a period of less than one year is not annualized. The net asset value total return from Fund inception on March 5, 2008 (first day of exchange trading) to October 31, 2008 was (51.02)%. The share price total return from Fund inception to October 31, 2008 was (51.87)%.

(f) Annualized.

(g) Portfolio turnover rate is not annualized for periods less than one year and does not include securities received or delivered from processing creations or redemptions.

See Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements

PowerShares India Exchange-Traded Fund Trust

April 30, 2011 (Unaudited)

Note 1. Organization

PowerShares India Exchange-Traded Fund Trust (the “Trust”) was organized as a Massachusetts business trust on August 3, 2007 and is authorized to have multiple series of portfolios. The Trust is an open-end management investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”). The Trust currently consists of one portfolio, the PowerShares India Portfolio, an exchange-traded index fund (the “Portfolio”). The Portfolio carries out its investment strategy by investing substantially all of its assets in PowerShares Mauritius, a wholly-owned subsidiary organized in Mauritius (the “Subsidiary”). The Subsidiary invests at least 90% of its total assets in securities that comprise the Indus India Index (or “Underlying Index”), American depository receipts (“ADRs”) and global depository receipts (“GDRs”) based on securities in the Underlying Index. Invesco PowerShares Capital Management LLC (the “Adviser”) serves as the investment adviser to both the Portfolio and the Subsidiary (collectively the “Fund”). Through such investment structure, the Fund expects to obtain benefits from a tax treaty between Mauritius and India. To obtain benefits under the treaty, the Subsidiary must meet certain tests and conditions, including the establishment of Mauritius tax residence.

The Portfolio’s shares (“Shares”) are listed on the NYSE Arca, Inc. The Fund’s market price may differ to some degree from the net asset value (“NAV”) of the Shares of the Fund. Unlike conventional mutual funds, the Fund issues and redeems Shares on a continuous basis, at NAV, only in a large specified number of Shares, each called a “Creation Unit.” Creation Units are issued and redeemed generally for cash. Except when aggregated in Creation Units by Authorized Participants, Shares are not individually redeemable securities of the Fund.

The investment objective of the Fund is to seek investment results that correspond (before fees and expenses) generally to the price and yield of the Underlying Index.

Note 2. Significant Accounting Policies

The financial statements are prepared on a consolidated basis in conformity with Generally Accepted Accounting Principles (“GAAP”) in the United States of America, which requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements, including estimates and assumptions related to taxation. Actual results could differ from those estimates. In addition, the Fund monitors for material events or transactions that may occur or become known after the period end date and before the date the financial statements are released to print. All inter-company accounts and transactions have been eliminated in consolidation. The following is a summary of the significant accounting policies followed by the Fund in preparation of its consolidated financial statements.

A. Security Valuations

Securities, including restricted securities, are valued according to the following policies.

A security listed or traded on an exchange (except convertible bonds) is valued at its last sales price or official closing price as of the close of the customary trading session on the exchange where the security is principally traded, or lacking any sales or official closing price on a particular day, the security may be valued at the closing bid price on that day. Securities traded in the over-the-counter market are valued based on prices furnished by independent pricing services or market makers. Listed options, if no closing price is available, are valued at the mean between the last bid and ask prices from the exchange on which

Notes to Consolidated Financial Statements (Continued)

PowerShares India Exchange-Traded Fund Trust

April 30, 2011 (Unaudited)

they are principally traded. Options not listed on an exchange are valued by an independent source at the mean between the last bid and ask prices.

Investments in open-end registered investment companies not traded on an exchange are valued at the end of day NAV per share.

Debt obligations (including convertible bonds) and unlisted equities are fair valued using an evaluated quote provided by an independent pricing service. Evaluated quotes provided by the pricing service may be determined without exclusive reliance on quoted prices, and may reflect appropriate factors such as institution-size trading in similar groups of securities, developments related to specific securities, dividend rate, yield, quality, type of issue, coupon rate, maturity, individual trading characteristics and other market data. Short-term obligations, including commercial paper, having 60 days or less to maturity are recorded at amortized cost which approximates value. Debt securities are subject to interest rate and credit risks. In addition, all debt securities involve some risk of default with respect to interest and/or principal payments.

Foreign securities (including foreign exchange contracts) are converted into U.S. dollar amounts using the applicable exchange rates as of the close of the London world markets. If market quotations are available and reliable for foreign exchange traded equity securities, the securities will be valued at the market quotations. Because trading hours for certain foreign securities end before the close of the New York Stock Exchange ("NYSE"), closing market quotations may become unreliable. If between the time trading ends on a particular security and the close of the customary trading session on the NYSE, events occur that are significant and make the closing price unreliable, the Fund may fair value the security. If the event is likely to have affected the closing price of the security, the security will be valued at fair value in good faith using procedures approved by the Board of Trustees. Adjustments to closing prices to reflect fair value may also be based on a screening process of an independent pricing service to indicate the degree of certainty, based on historical data, that the closing price in the principal market where a foreign security trades is not the current value as of the close of the NYSE. Foreign securities meeting the approved degree of certainty that the price is not reflective of current value will be priced at the indication of fair value from the independent pricing service. Multiple factors may be considered by the independent pricing service in determining adjustments to reflect fair value and may include information relating to sector indices, ADRs and domestic and foreign index futures. Foreign securities may have additional risks including exchange rate changes, potential for sharply devalued currencies and high inflation, political and economical upheaval, the relative lack of issuer information, relatively low market liquidity and the potential lack of strict financial and accounting controls and standards.

Securities for which market prices are not provided by any of the above methods may be valued based upon quotes furnished by independent sources.

Securities for which market quotations are not readily available or are unreliable are valued at fair value as determined in good faith by or under the supervision of the Trust's officers following procedures approved by the Board of Trustees. Issuer specific events, market trends, bid/ask quotes of brokers and information providers and other market data may be reviewed in the course of making a good faith determination of a security's fair value.

Valuations change in response to many factors, including the historical and prospective earnings of the issuer, the value of the issuer's assets, general economic conditions, interest rates, investor perceptions and

Notes to Consolidated Financial Statements (Continued)

PowerShares India Exchange-Traded Fund Trust

April 30, 2011 (Unaudited)

market liquidity. Because of the inherent uncertainties of valuation, the values reflected in the consolidated financial statements may materially differ from the value received upon actual sale of those investments.

B. Other Risks

Replication Management Risk. Unlike many investment companies, the Fund does not utilize an investing strategy that seeks returns in excess of the Fund's respective Underlying Index. Therefore, the Fund would not necessarily sell a security unless that security is removed from the Underlying Index.

Non-Diversified Fund Risk. The Fund is considered non-diversified and can invest a greater portion of its assets in securities of individual issuers than a diversified fund. As a result, changes in the market value of a single investment could cause greater fluctuations in Share price than would occur in a diversified fund.

Concentration Risk. If the Fund concentrates its investments in an industry or group of industries, the value of the Fund's Shares may rise and fall more than the value of Shares of a fund that invests in a broader range of securities.

Non-Correlation Risk. The Fund's return may not match the return of its Underlying Index for a number of reasons. For example, the Fund incurs operating expenses not applicable to its Underlying Index, and incurs costs in buying and selling securities, especially when rebalancing the Fund's securities holdings to reflect changes in the composition of its Underlying Index. In addition, the performance of the Fund and its Underlying Index may vary due to asset valuation differences and differences between the Fund's portfolio and its Underlying Index resulting from legal restrictions, cost or liquidity constraints.

Pursuant to the methodology of the Index Provider used to calculate and maintain the Fund's Underlying Index, when a security in the Underlying Index reaches its limitation on foreign ownership, it will be removed from the Underlying Index that day. As a result, the Fund may be forced to sell securities at inopportune times or for prices other than at current market values or may elect not to sell such securities on the day that they are removed from the Underlying Index, due to market conditions or otherwise. Due to these factors, the variation between the Fund's annual return and the return of its Underlying Index may increase significantly.

Cash Transaction Risk. Unlike most exchange-traded funds ("ETFs"), the Fund currently effects creations and redemptions primarily for cash, rather than primarily in-kind because of the nature of the Fund's investments. As such, investments in the Fund's Shares may be less tax efficient than investments in conventional ETFs.

Investments in the securities of non-U.S. issuers involve risks beyond those associated with investments in U.S. securities. These additional risks include greater market volatility, the availability of less reliable financial information, higher transactional costs, taxation by foreign governments, decreased market liquidity and political instability. As the Fund will invest in securities denominated in foreign currencies, changes in currency exchange rates may negatively impact the Fund's returns.

Indian Securities Risk. Investment in Indian securities involves risks not typically associated with investments in securities of issuers in more developed countries, which may adversely affect the value of the Fund's assets. Such heightened risks include, among others, political and legal uncertainty, greater government control over the economy, currency fluctuations or blockage and the risk of nationalization or exportation of assets. In addition, religious and border disputes persist in India. Certain restrictions on

Notes to Consolidated Financial Statements (Continued)

PowerShares India Exchange-Traded Fund Trust

April 30, 2011 (Unaudited)

foreign investment may decrease the liquidity of the Fund's portfolio or inhibit the Fund's ability to track the Underlying Index. The Fund's investment in securities of issuers located or operating in India as well as its ability to track the Underlying Index may be limited or prevented, at times, due to the limits on foreign ownership imposed by the Reserve Bank of India ("RBI").

Regulatory Risk. The Adviser is a qualified foreign institutional investor ("FII") with the SEBI and the Subsidiary is registered as a sub-account with the SEBI in order to obtain certain benefits relating to the Fund's ability to make and dispose of investments. There can be no assurances that the Indian regulatory authorities will continue to grant such qualifications, and the loss of such qualifications could adversely impact the ability of the Fund to make investments in India.

The Subsidiary's investments will be made in accordance with investment restrictions prescribed under the FII regulation. If new policy announcements or regulations in India are made which require retrospective changes in the structure or operations of the Fund, these may adversely impact the performance of the Fund.

C. Foreign Currency

Investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts based upon the prevailing exchange rates on the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U.S. dollar amounts based upon prevailing exchange rates on the respective dates of such transactions. Unrealized gains and losses on investments which result from changes in foreign currency exchange rates have been included in the unrealized appreciation (depreciation) of investments. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date of investment securities transactions, foreign currency transactions and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amount actually received. The portion of foreign currency gains and losses related to fluctuation in exchange rates between the initial purchase trade date and subsequent sale date are not segregated in the Consolidated Statement of Operations from the effects of changes in market prices of those securities but are included in realized gains and losses on investment securities sold.

D. Federal Income Taxes

The Fund intends to continue to comply with the provisions of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of the Fund's taxable earnings to its shareholders. As such, the Fund will not be subject to Federal income taxes on otherwise taxable income (including net realized gains) that is distributed to the shareholders. Therefore, no provision for Federal income taxes is recorded in the financial statements.

Income and capital gain distributions are determined in accordance with Federal income tax regulations, which may differ from GAAP. These differences are primarily due to differing book and tax treatments for in-kind transactions, losses deferred due to wash sales and passive foreign investment company adjustments, if any.

The Fund files tax returns in the United States Federal jurisdiction and certain other jurisdictions. Generally, the Fund is subject to examinations by such taxing authorities for up to three years after the filing of the return for the tax period.

Notes to Consolidated Financial Statements (Continued)

PowerShares India Exchange-Traded Fund Trust

April 30, 2011 (Unaudited)

The Subsidiary continues to: (i) comply with the requirements of the tax treaty; (ii) be a tax resident of Mauritius; and (iii) maintain its central management and control in Mauritius, and therefore expects to be able to obtain the benefits of the treaty. As a result, after considering the benefit of the tax treaty, with respect to Indian taxes, the Fund is not expected to be subject to capital gains tax in India on the sale of Indian securities but is expected to be subject to Indian withholding tax on interest earned on Indian debt securities at rates that may vary from 10% to 42.23%, depending on the nature of the underlying debt security. Dividends from Indian companies are paid to the Fund free of Indian tax. With respect to Mauritian taxes, the Fund is expected to be subject to an effective rate of tax of 3% of its net dividend and interest income and is not expected to be subject to taxes on capital gains. There is no assurance that the terms of the treaty will not be subject to re-negotiation or a different interpretation of the treaty in the future or that the Subsidiary will continue to be deemed a tax resident by Mauritius, allowing favorable tax treatment. Any change in the provisions of this treaty or in its applicability to the Subsidiary could result in the imposition of withholding and other taxes on the Subsidiary by India, which would reduce the return to the Fund on its investment.

E. Investment Income and Investment Transactions

Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Investment transactions are recorded on the trade date. Realized gains and losses from the sale or disposition of securities are calculated on the specified identified cost basis. Corporate actions (including cash dividends) are recorded net of non-reclaimable foreign tax withholdings on the ex-dividend date.

F. Expenses

The Fund has agreed to pay the Adviser an annual unitary management fee. The Adviser has agreed to pay for substantially all expenses of the Fund, including the cost of transfer agency, custody, fund administration, legal, audit and other services, except for distribution fees, if any, brokerage expenses, taxes, interest and other extraordinary expenses.

G. Dividends and Distributions to Shareholders

The Fund declares and pays dividends from net investment income, if any, to its shareholders quarterly and records on ex-dividend date. The Fund distributes net realized taxable capital gains, if any, generally annually in cash and records on ex-dividend date. Such distributions on a tax basis are determined in conformity with income tax regulations which may differ from GAAP. Distributions in excess of tax basis earnings and profits, if any, are reported in the Fund's consolidated financial statements as return of capital.

Note 3. Investment Advisory Agreement and Other Agreements

The Trust has entered into an Investment Advisory Agreement with the Adviser, pursuant to which the Adviser has overall responsibility as the Fund's investment adviser for the selection and ongoing monitoring of the Fund's investments, managing the Fund's business affairs and providing certain clerical, bookkeeping and other administrative services.

The Fund has agreed to pay the Adviser an annual unitary management fee 0.78% of its average daily net assets, and the Adviser has agreed to pay for substantially all expenses of the Fund, including the cost of transfer agency, custody, fund administration, legal, audit and other services, except for distribution fees, if any, brokerage expenses, taxes, interest and other extraordinary expenses.

Notes to Consolidated Financial Statements (Continued)

PowerShares India Exchange-Traded Fund Trust

April 30, 2011 (Unaudited)

The Trust has entered into a Distribution Agreement with Invesco Distributors, Inc. (the “Distributor”), which serves as the distributor of Creation Units of the Fund on an agency basis. The Distributor does not maintain a secondary market in Shares. The Distributor is an affiliate of the Adviser.

The Adviser has entered into a licensing agreement for the Fund with the Indus Advisors LLC (the “Licensor”). The Underlying Index name trademark is owned by the Licensor. The trademark has been licensed to the Adviser for use with the Fund. The Fund is not sponsored, endorsed, sold or promoted by the Licensor and the Licensor makes no representation regarding the advisability of investing in the Fund. The Fund is not a party to the licensing agreement. The Trust has entered into a sub-licensing agreement under which the Fund may track its underlying index.

The Trust has entered into service agreements whereby Brown Brothers Harriman & Co. serves as administrator, custodian, fund accounting and transfer agent for the Fund.

Note 4. Additional Valuation Information

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, under current market conditions. GAAP establishes a hierarchy that prioritizes the inputs to valuation methods giving the highest priority to readily available unadjusted quoted prices in an active market for identical assets (Level 1) and the lowest priority to significant unobservable inputs (Level 3) generally when the market prices are not readily available or are unreliable. Based on the valuation inputs, the securities or other investments are tiered into one of three levels. Changes in valuation methods may result in transfers in or out of an investment’s assigned level:

Level 1 – Prices are determined using quoted prices in an active market for identical assets.

Level 2 – Prices are determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk, yield curves, loss severities, default rates, discount rates, volatilities and others.

Level 3 – Prices are determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs reflect the Fund’s own assumptions about the factors market participants would use in determining fair value of the securities or instruments and would be based on the best available information.

Notes to Consolidated Financial Statements (Continued)

PowerShares India Exchange-Traded Fund Trust

April 30, 2011 (Unaudited)

The following is a summary of the tiered valuation input levels, as of April 30, 2011. The level assigned to the securities valuations may not be an indication of risk of liquidity associated with investing in those securities. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

During the six months ended April 30, 2011, there were no significant transfers between investment levels.

Category	Level 1	Level 2	Level 3	Total
Equity Securities:				
Consumer Discretionary	\$ 31,864,345	\$ —	\$—	\$ 31,864,345
Consumer Staples	24,955,288	—	—	24,955,288
Energy	163,820,193	—	—	163,820,193
Financial Services	56,419,219	—	—	56,419,219
Health Care	25,438,322	—	—	25,438,322
Industrials	41,218,499	—	—	41,218,499
Information Technology	95,475,036	—	—	95,475,036
Materials	62,504,132	—	—	62,504,132
Telecommunication Services	28,079,930	—	—	28,079,930
Utilities	41,574,189	—	—	41,574,189
Non-Convertible Debentures	102,272	—	—	102,272
Time Deposits	—	3,427	—	3,427
Total Investments	<u>\$571,451,425</u>	<u>\$3,427</u>	<u>\$—</u>	<u>\$571,454,852</u>

Note 5. Federal Income Taxes

The amount and character of income and gains to be distributed are determined in accordance with income tax regulations, which may differ from GAAP. Reclassifications are made to the Fund's capital accounts to reflect income and gains available for distribution (or available capital loss carryforward) under income tax regulations. The tax character of distributions paid during the year and the tax components of net assets will be reported at the Fund's fiscal year-end.

Capital loss carryforward is calculated and reported as of a specific date. Results of transactions and other activity after that date may affect the amount of capital loss carryforward actually available for the Fund to utilize. The ability to utilize capital loss carryforward in the future may be limited under the Internal Revenue Code and related regulations based on the results of future transactions.

The Fund had capital loss carryforward as of October 31, 2010, which expire on October 31 of each year as follows:

Expiration	Capital Loss Carryforward*
October 31, 2016	\$ 477,398
October 31, 2017	2,620,805
October 31, 2018	<u>2,587,911</u>
Total Capital loss carryforward	<u>\$5,686,114</u>

* Capital loss carryforward as of date listed is reduced for limitations, if any, to the extent required by the Internal Revenue Code.

Notes to Consolidated Financial Statements (Continued)

PowerShares India Exchange-Traded Fund Trust

April 30, 2011 (Unaudited)

At April 30, 2011, cost of investments on a tax basis, includes adjustments for financial reporting purposes, as of the most recently completed Federal Income tax reporting period-end.

Unrealized Appreciation (Depreciation) of Investment Securities on a Tax Basis	
Aggregate unrealized appreciation of investment securities	\$138,971,230
Aggregate unrealized (depreciation) of investment securities	<u>(12,401,483)</u>
Net unrealized appreciation of investment securities	<u>\$126,569,747</u>

Cost of investments for tax purposes is \$444,885,105.

Note 6. Investment Transactions

For the six months ended April 30, 2011, the cost of securities purchased and proceeds from sales of securities, excluding short-term securities and in-kind transactions, were \$220,448,120 and \$170,853,181, respectively. Gains on in-kind transactions are generally not considered taxable gains for Federal income tax purposes.

Note 7. Trustees' Fees

The Fund compensates each Trustee who is not an "interested person" as defined in the 1940 Act (an "Independent Trustee"). The Adviser, as a result of the unitary management fee, pays for such compensation. The Non-Independent Trustees of the Trust do not receive any Trustees' fees.

The Trust has adopted a deferred compensation plan (the "Plan"). Under the Plan, an Independent Trustee who has executed a Deferred Fee Agreement (a "Participating Trustee") may defer receipt of all or a portion of his compensation ("Deferral Fees"). Such Deferral Fees are deemed to be invested in select PowerShares Funds. The Deferral Fees payable to the Participating Trustee are valued as of the date such Fees would have been paid to the Participating Trustee. The value increases with contributions or with increases in the value of the Shares selected, and the value decreases with distributions or with declines in the value of the Shares selected.

Note 8. Capital

Shares are created and redeemed by the Trust only in Creation Unit size aggregations of 50,000 shares. Only Authorized Participants are permitted to purchase or redeem Creation Units from the Fund. Such transactions are generally for cash only. If an in-kind transaction is permitted, there will be a balancing cash component to equate the transaction to the NAV per Share of the Fund on the transaction date. Cash may be substituted equivalent to the value of certain securities generally when they are not available in sufficient quantity for delivery, not eligible for trading by the Authorized Participant or as a result of other market circumstances.

The Fund charges fixed and variable transaction fees for creations and redemptions which are treated as increases in capital.

Notes to Consolidated Financial Statements (Continued)

PowerShares India Exchange-Traded Fund Trust

April 30, 2011 *(Unaudited)*

Note 9. Indemnification

Under the Trust's organizational documents, its officers and Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Fund. Each Independent Trustee is also indemnified against certain liabilities arising out of the performance of his duties to the Trust pursuant to an Indemnification Agreement between the Independent Trustee and the Trust. Additionally, in the normal course of business, the Trust enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these agreements is unknown, as this would involve, future claims that may be made against the Trust that have not yet occurred. However, based on experience, the Trust believes the risk of loss to be remote.

Board Considerations Regarding Continuation of Investment Advisory Agreement

At a meeting held on April 14, 2011, the Board of Trustees of the PowerShares India Exchange-Traded Fund Trust (the “Trust”), including the Independent Trustees, unanimously approved the continuation of the Investment Advisory Agreement between Invesco PowerShares Capital Management LLC (the “Adviser”) and the Trust for PowerShares India Portfolio (the “Fund”).

The Trustees reviewed information from the Adviser describing: (i) the nature, extent and quality of services provided, (ii) the investment performance of the Fund and the Adviser, (iii) the costs of services provided and estimated profits realized by the Adviser, (iv) the extent to which economies of scale are realized as the Fund grows, (v) whether the fee level reflects any possible economies of scale for the benefit of Fund shareholders, (vi) comparisons of services rendered and amounts paid to other registered investment companies and (vii) any benefits realized by the Adviser from its relationship with the Fund. Based on all of the information considered and the conclusions reached, the Board, including the Independent Trustees, determined to approve the continuation of the Investment Advisory Agreement for the Fund. No single factor was determinative in the Board’s analysis.

Nature, Extent and Quality of Services. In evaluating the nature, extent and quality of the Adviser’s services, the Trustees reviewed information concerning the functions performed by the Adviser for the Fund, information describing the Adviser’s current organization and projected staffing, including operations assistance provided by the Adviser’s parent organization, Invesco Ltd., and the background and experience of the persons responsible for the day-to-day management of the Fund. The Trustees reviewed matters related to the Adviser’s execution of portfolio transactions on behalf of the Fund. The Trustees also reviewed information on the performance of the Fund and its underlying index through December 31, 2010, including reports on the correlation and tracking error between the underlying index and the Fund’s performance, as well as the Adviser’s analysis of the tracking error between the Fund and its underlying index. The Trustees noted that the correlation and tracking error for the Fund was within the targeted range set forth in the Trust’s registration statement. The Trustees concluded that the Fund was correlated to its underlying index and that the tracking error for the Fund was within an acceptable range given the Fund’s circumstances.

The Trustees also considered the services provided by the Adviser in its oversight of the Fund’s administrator, custodian and transfer agent. They noted the significant amount of time and effort the Adviser had devoted to structuring the Trust and overseeing the service providers for the Fund with India investment fund-related experience.

Based on their review, the Trustees concluded that the nature, extent and quality of services provided by the Adviser to the Fund under the Investment Advisory Agreement were appropriate and reasonable.

Fees, Expenses and Profitability. The Trustees reviewed and discussed the information provided by the Adviser on the Fund’s total expense ratio and unitary advisory fee, as compared to information compiled by the Adviser from Lipper Inc. databases on expense ratios of comparable emerging market exchange-traded funds (“ETFs”), open-end index funds and open-end actively-managed funds. The Trustees noted that the annual unitary advisory fee charged to the Fund is 0.78%, and that the Adviser pays all other operating expenses of the Fund and the wholly-owned subsidiary authorized under the Investment Advisory Agreement, except that the Fund and subsidiary pay their respective brokerage expenses, taxes, interest and extraordinary expenses. The Trustees noted that the Adviser represented that it does not provide investment advisory services to any clients other than the Fund and other ETFs overseen by the

Board Considerations Regarding Continuation of Investment Advisory Agreement (Continued)

Board. The Trustees noted that the Fund's advisory fee was higher than the median expense ratios of its ETF peer funds and open-end index peer funds, but lower than the median expense ratio of its open-end actively-managed peer funds. The Trustees noted that the Fund's advisory fee was reasonable because of the complexity of investing directly in the Indian market, other distinguishing factors of the Fund and the higher administrative, operational and management oversight costs for the Adviser. The Trustees also noted that a portion of the Fund's advisory fee was attributable to a significant license fee payable out of the unitary fee charged to the Fund. The Board concluded that the unitary advisory fee charged to the Fund was reasonable and appropriate in light of the services provided.

In conjunction with their review of the unitary advisory fee, the Trustees also considered information provided by the Adviser on the revenues received by the Adviser under the Investment Advisory Agreement. The Trustees reviewed information provided by the Adviser on its profitability as well as any profits or losses realized by the Adviser from its relationship to the Fund. The Trustees concluded that the estimated profitability to the Adviser of the advisory services provided to the Fund was not unreasonable.

Economies of Scale and Whether Fee Levels Reflect These Economies of Scale. The Trustees reviewed the information provided by the Adviser as to the extent to which economies of scale are realized as the Fund grows and whether fee levels reflect economies of scale for the benefit of shareholders. The Trustees reviewed the Fund's asset size and expense ratio. The Trustees noted that any reduction in fixed costs associated with the management of the Fund would be enjoyed by the Adviser, but a unitary fee provides certainty in expenses for the Fund. The Trustees considered whether the advisory fee rate for the Fund was reasonable in relation to the asset size of the Fund, and concluded that the flat advisory fee was reasonable and appropriate.

The Trustees noted that the Adviser had not identified any further benefits that it derived from its relationship with the Fund and had noted that it does not have any soft-dollar arrangements.

Based on all of the information considered and the conclusions reached, the Board, including the Independent Trustees, determined to approve the continuation of the Investment Advisory Agreement for the Fund. No single factor was determinative in the Board's analysis.

PROXY VOTING POLICIES AND PROCEDURES

A description of the Fund's proxy voting policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available, without charge and upon request, by calling (800) 983-0903. This information is also available on the Securities and Exchange Commission's (the "Commission") website at www.sec.gov.

Information regarding how the Fund voted proxies for portfolio securities, if applicable, during the most recent 12-month period ended June 30, is available, without charge and upon request, by (i) calling (800) 983-0903; or (ii) accessing the Trust's Form N-PX on the Commission's website at www.sec.gov.

QUARTERLY PORTFOLIOS

The Fund files its complete schedule of portfolio holdings with the Commission for the first and third quarters of each fiscal year on Form N-Q. The Form N-Qs will be available on the Commission's website at www.sec.gov. The Trust's Form N-Qs may also be reviewed and copied at the Commission's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330.

This report must be preceded or accompanied
by the most recent fund prospectus.

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