

Gabelli SRI Green Fund, Inc.

Shareholder Commentary June 30, 2009



John M. Segrich, CFA and Chris Desmarais

To Our Shareholders,

In the second quarter of 2009, the Fund's focus on "green investing" paid off, as the rebound in shares that began in March continued through the quarter. In particular, our thesis that governments around the world are vying for green leadership continued to unfold. For the second quarter of 2009, the Gabelli SRI Green Fund's net asset value ("NAV") per share soared 28.59% versus gains of 22.12% and 22.54% for the FTSE KLD Global Sustainability Index and the MSCI AC World Index, respectively.

Comparative Results

Average Annual Returns through June 30, 2009 (a)(d)

	Quarter	Six Months	1 Year	Since Inception (6/1/07)
Gabelli SRI Green Fund	28.59%	22.97%	(3.45)%	(10.54)%
FTSE KLD Global Sustainability Index	22.12	7.55	(27.77)	(23.39)*
MSCI AC World Index	22.54	9.59	(28.86)	(18.85)
Class A	28.43	23.00	(3.40)	(10.51)
Class C	21.05(b)	15.93(b)	(8.95)(b)	(13.02)(b)
Class I	28.29	22.64	(4.06)	(11.11)
	27.29(c)	21.64(c)	(5.02)(c)	(11.11)
	28.55	23.13	(3.28)	(10.31)

In the current prospectus, the gross expense ratios for Class AAA, A, C, and I Shares are 11.07%, 11.07%, 11.82%, and 10.82%, respectively. The net expense ratios after contractual reimbursements by the Adviser, are 2.01%, 2.01%, 2.76%, and 1.76%, respectively. Class AAA and I Shares do not have a sales charge. The maximum sales charge for Class A and C Shares is 5.75% and 1.00%, respectively.

(a) **Returns represent past performance and do not guarantee future results.** Total returns and average annual returns reflect changes in share price and reinvestment of distributions and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. Performance returns for periods of less than one year are not annualized. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end. Performance results have been enhanced by expense reimbursements provided by the Adviser. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing.** The FTSE KLD Global Sustainability Index is a broadly diversified, sector-neutral global benchmark based on environmental, social and governance (ESG) rankings. The MSCI All Country (AC) World Index is a market capitalization weighted index representing both developed and emerging markets. You cannot invest directly in the FTSE KLD Global Sustainability and the MSCI AC World Indices. Dividends are considered reinvested. You cannot invest directly in an index.

(b) Includes the effect of the maximum 5.75% sales charge at the beginning of the period.

(c) Performance results include the deferred sales charge for the Class C Shares upon redemption at the end of the period of 1% of the Fund's NAV per share at the time of purchase or sale, whichever is lower.

(d) The Fund's fiscal year end is March 31.

* From September 28, 2007, the inception date of the FTSE KLD Global Sustainability Index.

Our Approach

At Gabelli, we believe that socially responsible investing is the integration of personal values and societal concerns with each investment decision. As a Firm, our twenty years of experience in socially responsible investing gives us perspective on the market, while our internal social screening process allows us to find companies not only with business value, but social value as well. By marrying research driven fundamental investing with the Fund's social guidelines, we are confident that we will be able to earn a return for our shareholders over the long term.

COMMENTARY

China Rising

We saw several key announcements from China to provide support for its alternative energy industry. China increased its 2020 targets for renewable power generation across the board. They are now targeting 100,000MW of installed wind capacity by 2020 (up from the total installed base of approximately 12,000MW at the end of 2008). We believe China is on track to double its new installations in 2009 and have positioned the portfolio appropriately. American Superconductor (3.8% of net assets as of June 30, 2009) sells into the Chinese wind power market and is benefiting from the success of local turbine manufacturers – they provide the electrical components to Sinoval, the largest Chinese turbine manufacturer. Additionally, they provide infrastructure to modernize the electric grid so that it can handle the power from renewable generation.

In solar, there were several announcements (and more speculation) with regard to the government support for the developing industry. Since the end of the first quarter, we have seen China announce a feed-in tariff (where the government will guarantee a price at which they purchase electricity from solar power generation), subsidies for the cost of panels, and even announce several large provincial projects to stimulate growth. Moreover, the local banks are providing significant support to the local solar companies, as they represent a large portion of the job growth in each region. We expect this trend to continue through the coming years and believe that China will continue to increase its targets for renewable generation periodically.

Solar Panel Prices Continue to Fall

While we continue to remain optimistic on the improving volumes for the industry, we remain quite cautious with regard to average selling prices, and therefore margins in the solar food chain. In particular, the market for polysilicon has moved from shortage into massive oversupply, and as a result the price of polysilicon has fallen from over \$450/Kg last fall to \$100/Kg during the first quarter, and is currently about \$60-70/Kg. As a result, we expected the crystalline solar panel makers to become much more cost competitive during the quarter, and also to be able to achieve better than expected margins. This played out in particular for the Chinese vendors at the expense of the Europeans, and the largest contributor to the portfolio performance during the period was Yingli Green Energy (YGE) (3.3%). By year-end we expect the price for polysilicon to approach \$50/Kg. At that level, we believe the best in class will be able to manufacture a solar module at a cost approaching \$1.15 to \$1.25 per watt. Tacking on a 20% gross margin would imply an average selling price of roughly \$1.45 to \$1.55 per watt, well below the \$3.75 to \$4.00 per watt level achieved in 2008. In our view, this dramatic reduction in prices coupled with improving economy and increased credit availability should drive acceleration in the deployment of solar on a global basis.

U.S. Support for Renewables Improving

The U.S. market also continued to show signs of improvement, with the low point for the industry likely reached during the first quarter. Off of this low base, we expect company fundamentals to improve quarter over quarter, although there will still be some air pockets along the way. In particular, while the stimulus bill provided

strong support for the industry, there have been some delays in the various programs – from loan guarantees to the cash credits in lieu of the Production Tax Credit (PTC). These delays have caused projects to be pushed out into the back half of the year and, in some cases, into 2010. This appears quite reasonable, as developers clearly want to wait to see the exact rules for claiming the credits and support. As such, the recovery appears more gradual than originally anticipated, although we do believe the stimulus effect will regain momentum in the second half of 2009. Additionally, there has been some positive movement forward on the climate bill through the House of Representatives, and we are optimistic that the bill will pass in some form. At some point, the U.S. needs to put a price on carbon emissions and take leadership and responsibility on this topic.

Where Are We Invested? Summary of Portfolio Holdings (Unaudited)

The following table presents portfolio holdings as a percent of net assets as of June 30, 2009:

Gabelli SRI Green Fund, Inc.

Alternative Generation	10.1%	Grid	10.5%
Battery	3.4%	Solar	18.4%
Biofuel	2.0%	Sustainability	10.0%
Cable	0.4%	Water	7.5%
Efficiency	11.1%	Wind	20.4%
Environmental	2.8%	Other Assets and Liabilities (Net)	2.1%
Financial	1.3%		<u>100.0%</u>

The Economy

Mark Twain’s observation that “History doesn’t repeat itself – at best it sometimes rhymes” has been invoked frequently as commentators search for parallels between the current economic crisis and those of the past. For the moment, a repeat of the Great Depression of the 1930s – with 25% unemployment, a one-third contraction in the money supply, and a collapse of global trade – appears to have been averted. Indeed, comfort that we have retreated from the brink of systemic collapse helped to fuel the second quarter rise in stocks around the world. That leaves us to look for other rhymes.

The National Bureau of Economic Research (NBER) identifies thirty-two recessions, lasting seventeen months on average, since 1854. Excluding the current period, there have been ten recessions since 1945, lasting ten months on average. When viewed against an extended backdrop, the twenty month old Great Recession of 2007-2009 looks almost garden variety, which is not to say it is a garden where anyone would like to spend much time. From the 19th century through the Great Depression, sharp and prolonged downturns occurred regularly and shared a number of characteristics. They were often preceded by speculative bubbles (real estate in 1819, railroads in 1893) and combined with financial panics (the Panic of 1907 made famous by the J.P. Morgan led rescue and, of course, the Crash of 1929). Many early panics included political upheaval and significant government intervention. We cannot make predictions about how the current downturn will be viewed in the future or when it will end, only that history tells us that it will end.

The present risks to the economy are clear: increasing joblessness, a continuing deflation in house prices, ballooning deficits with an attendant risk of rising interest rates, and the ever present threat of geopolitical unrest. Counterforces that should support recovery include nearly unprecedented fiscal and monetary stimulus, inventory restocking, emerging market growth, continued innovation, and productivity growth. Ironically, government has been both a problem and solution in past crises. The National Recovery Administration of the 1930s and price controls of the 1970s, among other heavy handed involvements, are generally thought to have delayed recoveries.

Coordinated action by the Federal Reserve and U.S. Treasury over the last year may have stabilized the markets in the short term, but we worry that regulatory overreach and increasing taxes could shrivel the “green shoots” present today, which brings to mind another cliché: “those who cannot learn from history are doomed to repeat it.”

Investment Scorecard

In the second quarter of 2009, the Fund gained 28.6%. We outperformed our benchmarks with the FTSE KLD Global Sustainability Index and the MSCI AC World Index up 22.12% and 22.54%, respectively.

The largest contributor to the performance of the Fund was Yingli Green Energy (3.3%), adding just over 260bp to the portfolio by returning approximately 125% during the period. Other key contributors included American Superconductor (3.8%), Vestas Wind Systems (4.9%), Solar Millennium (1.7%), and Johnson Controls (1.6%).

Let’s Talk Stocks

The following are stock specifics on selected holdings of our Fund. Favorable earnings prospects do not necessarily translate into higher stock prices, but they do express a positive trend that we believe will develop over time. Individual securities mentioned are not necessarily representative of the entire portfolio. For the following holdings, the percentage of net assets and their share prices are presented in U.S. dollars or in U.S. dollar equivalents as of June 30, 2009.

EDP Renováveis (2.2% of net assets as of June 30, 2009) (EDPR - \$10.24 - Lisbon Stock Exchange) is the world’s fourth largest wind developer with over 5GW of installed capacity. In the U.S., it operates under the Horizon Wind brand. It builds, owns, and operates wind farms, selling the power to utilities under power purchase agreements (in the U.S.) or on fixed price contracts (in Europe) depending on the regional tariff structure. In 2008, the U.S. implemented close to 8GW of wind generation and EDP Renováveis has a cumulative installed capacity in the U.S. of over 2GW. Due to the recent changes in the tax code and the government support for the wind industry (through the American Recovery and Reinvestment Act), we expect an acceleration of wind development in the second half of 2009 and through 2010. EDP Renováveis remains one of our preferred stocks to gain exposure to this sector as the company’s strong balance sheet and experience in the industry make it the blue chip partner for utilities looking to deploy wind power.

FPL Group Inc. (1.3%) (FPL - \$56.86 - NYSE) is expected to be one of the biggest beneficiaries of pending climate change policy. FPL’s non-regulated subsidiary, NextEra Energy Resources (formerly FPL Energy), is the nation’s largest builder, owner, and operator of wind farms. NextEra benefits from a competitive advantage in wind development and a pipeline of future wind farms totaling roughly 30,000 megawatts. FPL’s regulated utility, Florida Power & Light Company, is one of the largest, best operated, and historically faster growing utilities in the U.S. While the recession has hit Florida’s economy hard, a pending rate case will reset rates based on current sales levels, recognize the sizeable investments the company has made, and lead to strong regulated utility growth in 2010. In addition, FPL has one of the stronger balance sheets in the utility industry and it is one of the few companies in the sector to raise its dividend every year for the past decade.

Johnson Controls (1.6%) (JCI - \$162.20 - NYSE) is the world’s largest provider of building efficiency control solutions with a service staff 2x the size of the nearest competitor, capable of helping businesses control energy costs and implement “green” solutions. Further, the company’s business model is built around support of institutional buildings (as opposed to commercial construction). Additionally, they are leveraging their market-leading share in automotive batteries into Li-Ion battery development with first commercial battery for Mercedes this year. The company has ample liquidity after raising over \$750 million in a convertible note and equity unit offering earlier this year.

MEMC Electronics (1.0%) (WFR - \$17.81 - NYSE) is one of the world's leading producers of polysilicon and silicon based wafers for the semiconductor and solar industries. During the past few quarters, the company has seen a dramatic slowdown in both segments of its business as semiconductor volumes contracted and the solar market ground to a standstill due to lack of project financing. Moreover, due to oversupply in the industry, MEMC has seen several of its solar contracts renegotiated to lower price points (but with higher volumes). As a result, margins have collapsed and the shares have suffered. We believe fundamentals for both the semiconductor and solar industry have bottomed in first quarter, and while price pressure is likely to remain in 2009 on the solar side, a volume based recovery should support the share price. Moreover, the company has approximately \$5.50 net cash per share.

Yingli Green Energy (3.3%) (YGE - \$13.55 - NYSE), based in China, is the lowest cost producer of silicon based solar panels. Due to its vertical integration, Yingli is able to process silicon into a finished solar panel for only \$0.80 per watt. In 2008, with the price of silicon well above \$400/kilogram, Yingli's products were not cost competitive relative to the rest of the industry, not to mention as compared with First Solar. However, since the price of silicon has declined to approximately \$100/kilogram in the first quarter of 2009, Yingli has been able to aggressively reduce price while still maintaining a healthy margin. As such, we believe the company will become one of the leading solar producers in 2009. A further reduction in the price of silicon (which we expect through the remainder of the year) will reinforce the company's low cost business model and allow them to gain additional market share.

Sincerely,



Chris Desmarais
Co-Portfolio Manager



John Segrich, CFA
Co-Portfolio Manager

August 17, 2009

Note: The views expressed in this Shareholder Commentary reflect those of the Portfolio Managers only through the end of the period stated in this Shareholder Commentary. The Portfolio Managers' views are subject to change at any time based on market and other conditions. The information in this Shareholder Commentary represents the opinions of the Portfolio Managers and is not intended to be a forecast of future events, a guarantee of future results, or investment advice. Views expressed are those of the Portfolio Managers and may differ from those of other portfolio managers or of the Firm as a whole. This Shareholder Commentary does not constitute an offer of any transaction in any securities. Any recommendation contained herein may not be suitable for all investors. Information contained in this Shareholder Commentary has been obtained from sources we believe to be reliable, but cannot be guaranteed.

Minimum Initial Investment – \$1,000

The Fund's minimum initial investment for regular accounts is \$1,000. There are no subsequent investment minimums. No initial minimum is required for those establishing an Automatic Investment Plan. Additionally, the Fund and other Gabelli/GAMCO Funds are available through the no-transaction fee programs at many major brokerage firms. The Fund imposes a 2% redemption fee on shares sold in seven days or less of a purchase. See the prospectus for more details.

www.gabelli.com

Please visit us on the Internet. Our homepage at www.gabelli.com contains information about GAMCO Investors, Inc., the Gabelli/GAMCO Mutual Funds, IRAs, 401(k)s, current and historical quarterly reports, closing prices, and other current news. We welcome your comments and questions via e-mail at info@gabelli.com.

You may sign up for our e-mail alerts at www.gabelli.com and receive early notice of quarterly report availability, news events, media sightings, and mutual fund prices and performance. The Fund's daily net asset value is available in the financial press and each evening after 6:00 PM (Eastern Time) by calling 800-GABELLI (800-422-3554). The Fund's Nasdaq symbol is SRIGX for Class AAA Shares. Please call us during the business day for further information.

e-delivery

We are pleased to offer electronic delivery of Gabelli fund documents. Direct shareholders of our open end mutual funds can now elect to receive their Annual, Semiannual, and Quarterly Fund Reports, Manager Commentaries, and Prospectuses via e-delivery. For more information or to sign up for e-delivery, please visit our website at www.gabelli.com.

Multi-Class Shares

Class AAA Shares are no-load shares offered directly by selected broker/dealers. Class A and Class C Shares are targeted to the needs of investors who seek advice through financial consultants. Class I Shares are available solely to certain institutions which invest directly with the Fund. The minimum initial investment amount for Class I Shares is \$500,000. The Board of Directors determined that expanding the types of Fund shares available through various distribution options would enhance the ability of the Fund to attract additional investors.

Top Ten Holdings (Percent of Net Assets) June 30, 2009

Vestas Wind Systems A/S 4.9%	A-Power Energy Generation Systems Ltd. 2.3%
American Superconductor Corp. 3.8%	EDP Renováveis SA 2.2%
Telvent Git SA 3.7%	Apple Inc. 2.0%
Yingli Green Energy Holding Co. Ltd., ADR 3.3%	Waterfurnace Renewable Energy Inc. 2.0%
Acciona SA 2.5%	STEC Inc. 2.0%

We have separated the shareholder commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the shareholder commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com/funds.

GABELLI FAMILY OF FUNDS

VALUE

Gabelli Asset Fund

Seeks to invest primarily in a diversified portfolio of common stocks selling at significant discounts to their private market value. The Fund's primary objective is growth of capital. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

Gabelli Blue Chip Value Fund

Seeks long term growth of capital through investment primarily in the common stocks of established companies which are temporarily out of favor. The fund's objective is to identify a catalyst or sequence of events that will return the company to a higher value. (Multiclass)

Portfolio Manager: Barbara Marcin, CFA

GAMCO Westwood Equity Fund

Seeks to invest primarily in the common stock of well seasoned companies that have recently reported positive earnings surprises and are trading below Westwood's proprietary growth rate estimates. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Susan M. Byrne

FOCUSED VALUE

Gabelli Value Fund

Seeks to invest in securities of companies believed to be undervalued. The Fund's primary objective is long-term capital appreciation. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

SMALL CAP VALUE

Gabelli Small Cap Fund

Seeks to invest primarily in common stock of smaller companies (market capitalizations at the time of investment of \$2 billion or less) believed to have rapid revenue and earnings growth potential. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

GAMCO Westwood SmallCap Equity Fund

Seeks to invest primarily in smaller capitalization equity securities – market caps of \$2.5 billion or less. The Fund's primary objective is long-term capital appreciation. (Multiclass)

Portfolio Manager: Nicholas F. Galluccio

Gabelli Woodland Small Cap Value Fund

Seeks to invest primarily in the common stocks of smaller companies (market capitalizations generally less than \$3.0 billion) believed to be undervalued with shareholder oriented management teams that are employing strategies to grow the company's value. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Elizabeth M. Lilly, CFA

GROWTH

GAMCO Growth Fund

Seeks to invest primarily in large cap stocks believed to have favorable, yet undervalued, prospects for earnings growth. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Howard F. Ward, CFA

GAMCO International Growth Fund

Seeks to invest in the equity securities of foreign issuers with long-term capital appreciation potential. The Fund offers investors global diversification. (Multiclass)

Portfolio Manager: Caesar Bryan

AGGRESSIVE GROWTH

GAMCO Global Growth Fund

Seeks capital appreciation through a disciplined investment program focusing on the globalization and interactivity of the world's marketplace. The Fund invests in companies at the forefront of accelerated growth. The Fund's primary objective is capital appreciation. (Multiclass)

Team Managed

MICRO-CAP

GAMCO Westwood Mighty MitesSM Fund

Seeks to invest in micro-cap companies that have market capitalizations of \$300 million or less. The Fund's primary objective is long-term capital appreciation. (Multiclass)

Team Managed

EQUITY INCOME

Gabelli Equity Income Fund

Seeks to invest primarily in equity securities with above average market yields. The Fund pays monthly dividends and seeks a high level of total return with an emphasis on income. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

GAMCO Westwood Balanced Fund

Seeks to invest in a balanced and diversified portfolio of stocks and bonds. The Fund's primary objective is both capital appreciation and current income. (Multiclass)

Co-Portfolio Managers: Susan M. Byrne
Mark Freeman, CFA

GAMCO Westwood Income Fund

Seeks to provide a high level of current income as well as long-term capital appreciation by investing in income producing equity and fixed income securities. (Multiclass)

Portfolio Manager: Barbara Marcin, CFA

SPECIALTY EQUITY

GAMCO Global Convertible Securities Fund

Seeks to invest principally in bonds and preferred stocks which are convertible into common stock of foreign and domestic companies. The Fund's primary objective is total return through a combination of current income and capital appreciation. (Multiclass)

Team Managed

GAMCO Global Opportunity Fund

Seeks to invest in common stock of companies which have rapid growth in revenues and earnings and potential for above average capital appreciation or are undervalued. The Fund's primary objective is capital appreciation. (Multiclass)

Team Managed

Gabelli SRI Green Fund

Seeks to invest in common and preferred stocks meeting guidelines for social responsibility (avoiding defense contractors and manufacturers of alcohol, abortifacients, gaming, and tobacco products) and sustainability (companies engaged in climate change, energy security and independence, natural resource shortages, organic living, and urbanization). The Fund's primary objective is capital appreciation. (Multiclass)

Co-Portfolio Managers: Christopher C. Desmarais
John M. Segrich, CFA

SECTOR

GAMCO Global Telecommunications Fund

Seeks to invest in telecommunications companies throughout the world – targeting undervalued companies with strong earnings and cash flow dynamics. The Fund's primary objective is capital appreciation. (Multiclass)

Team Managed

GAMCO Gold Fund

Seeks to invest in a global portfolio of equity securities of gold mining and related companies. The Fund's objective is long-term capital appreciation. Investment in gold stocks is considered speculative and is affected by a variety of worldwide economic, financial, and political factors. (Multiclass)

Portfolio Manager: Caesar Bryan

Gabelli Utilities Fund

Seeks to provide a high level of total return through a combination of capital appreciation and current income. (Multiclass)

Team Managed

MERGER AND ARBITRAGE

Gabelli ABC Fund

Seeks to invest in securities with attractive opportunities for appreciation or investment income. The Fund's primary objective is total return in various market conditions without excessive risk of capital loss. (No-load)

Portfolio Manager: Mario J. Gabelli, CFA

Gabelli Enterprise Mergers and Acquisitions Fund

Seeks to invest in securities believed to be likely acquisition targets within 12–18 months or in arbitrage transactions of publicly announced mergers or other corporate reorganizations. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

CONTRARIAN

GAMCO Mathers Fund

Seeks long-term capital appreciation in various market conditions without excessive risk of capital loss. (No-load)

Portfolio Manager: Henry Van der Eb, CFA

Comstock Capital Value Fund

Seeks capital appreciation and current income. The Fund may use either long or short positions to achieve its objective. (Multiclass)

Portfolio Manager: Martin Weiner, CFA

FIXED INCOME

GAMCO Westwood Intermediate Bond Fund

Seeks to invest in a diversified portfolio of bonds with various maturities. The Fund's primary objective is total return. (Multiclass)

Portfolio Manager: Mark Freeman, CFA

CASH MANAGEMENT-MONEY MARKET

Gabelli U.S. Treasury Money Market Fund

Seeks to invest exclusively in short-term U.S. Treasury securities. The Fund's primary objective is to provide high current income consistent with the preservation of principal and liquidity. (No-load)

Co-Portfolio Managers: Judith A. Raneri
Ronald S. Eaker

An investment in the above Money Market Fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

The Funds may invest in foreign securities which involve risks not ordinarily associated with investments in domestic issues, including currency fluctuation, economic, and political risks.

To receive a prospectus, call **800-GABELLI** (422-3554). Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing.

Gabelli SRI Green Fund, Inc.

One Corporate Center
Rye, New York 10580-1422

800-GABELLI

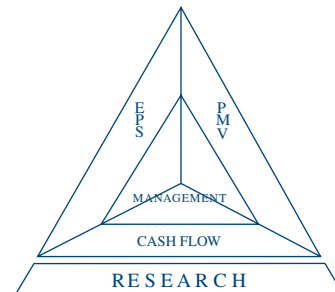
800-422-3554

fax: 914-921-5118

website: www.gabelli.com

e-mail: info@gabelli.com

Net Asset Value per share available daily by calling
800-GABELLI after 7:00 P.M.



Board of Directors

Mario J. Gabelli, CFA
*Chairman and Chief
Executive Officer,
GAMCO Investors, Inc.*

Clarence A. Davis
*Chief Executive Officer,
Nestor, Inc.*

Vincent D. Enright
*Former Senior Vice President
and Chief Financial Officer
KeySpan Corp.*

Anthonie C. van Ekris
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Agnes Mullady
Treasurer

Peter D. Goldstein
Chief Compliance Officer

Distributor

Gabelli & Company, Inc.

Custodian

The Bank of New York Mellon

Legal Counsel

Paul, Hastings, Janofsky & Walker LLP

Gabelli SRI Green Fund, Inc.

This report is submitted for the general information of the shareholders of Gabelli SRI Green Fund, Inc. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

GAB1794Q209SC

SHAREHOLDER COMMENTARY
JUNE 30, 2009

Gabelli SRI Green Fund, Inc.

First Quarter Report (d) June 30, 2009

To Our Shareholders,

The net asset value (“NAV”) per Class AAA Share of The Gabelli SRI Green Fund, Inc. (the “Fund”) skyrocketed 28.6% versus an increase of 15.9% for the Standard & Poor’s (“S&P”) 500 Index during the quarter ended June 30, 2009.

Enclosed is the investment portfolio as of June 30, 2009.

Comparative Results

Average Annual Returns through June 30, 2009 (a)(d)

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(b) ***Includes the effect of the maximum 5.75% sales charge at the beginning of the period.***

(c) ***Performance results include the deferred sales charges for the Class C Shares upon redemption at the end of the quarter, six months, and one year periods of 1% of the Fund’s NAV per share at the time of purchase or sale, whichever is lower.***

(d) ***The Fund’s fiscal year end is March 31.***

We have separated the portfolio manager’s commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio manager’s commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com/funds.

Gabelli SRI Green Fund, Inc.
Schedule of Investments — June 30, 2009 (Unaudited)

<u>Shares</u>		<u>Market Value</u>	<u>Shares</u>		<u>Market Value</u>
	COMMON STOCKS — 100.0%			Other — 5.2%	
	Alternative Generation and Utilities — 11.6%			Autonomy Corp. plc†	\$ 59,104
700	Acciona SA	\$ 86,023	2,500	Cree Inc.†	49,963
10,000	ADA-ES Inc.†	39,900	2,600	Johnson Controls Inc.	56,472
10,000	Arrow Energy Ltd.†	28,606	1,500	Taiwan Semiconductor Manufacturing Co. Ltd., ADR	14,115
2,125	Companhia Energetica de Minas Gerais, ADR	28,560			<u>179,654</u>
800	EDF Energies Nouvelles SA	39,684		Retail — 2.0%	
7,500	EDP Renovaveis SA†	76,807	800	Amazon.com Inc.†	66,928
800	FPL Group Inc.	45,488		TOTAL EFFICIENCY	<u>387,367</u>
8,000	Iberdrola Renovables SA†	36,530		Environmental Services — 1.6%	
500	Northeast Utilities	11,155	1,300	Republic Services Inc.	31,733
		<u>392,753</u>	800	Waste Management Inc.	22,528
					<u>54,261</u>
	Batteries — 3.4%			Smart Grid — 10.8%	
5,000	BYD Co. Ltd., Cl. H†	19,806		Computer Software and Services — 3.8%	
2,000	China Ritar Power Corp.†	6,000	6,000	Telvent GiT SA	130,020
7,000	GS Yuasa Corp.	61,618		Other — 2.2%	
800	Sociedad Quimica y Minera de Chile SA, ADR	28,952	900	Badger Meter Inc.	36,900
		<u>116,376</u>	500	Valmont Industries Inc.	36,040
					<u>72,940</u>
	Biofuels — 2.1%			Utilities — 4.8%	
10,000	Gushan Environmental Energy Ltd., ADR	21,200	3,500	Comverge Inc.†	42,350
600	Novozymes A/S, Cl. B	48,715	1,500	EnerNOC Inc.†	32,505
		<u>69,915</u>	2,000	MYR Group Inc.†	40,440
			2,000	Quanta Services Inc.†	46,260
	Corporate Sustainability — 10.2%				<u>161,555</u>
	Food and Beverage — 7.4%			TOTAL SMART GRID	<u>364,515</u>
3,000	Danone, ADR	29,400		Solar — 18.7%	
1,000	Dr. Pepper Snapple Group Inc.†	21,190	3,500	5N Plus Inc.†	19,439
1,500	Nestlé SA	56,491	2,200	Abengoa SA	48,686
2,500	The Hain Celestial Group Inc.†	39,025	15,000	Akeena Solar Inc.†	19,200
2,500	United Natural Foods Inc.†	65,625	1,500	Applied Materials Inc.	16,455
2,000	Whole Foods Market Inc.	37,960	3,500	Corning Inc.	56,210
		<u>249,691</u>	8,000	JA Solar Holdings Co. Ltd., ADR†	37,600
	Health Care — 0.9%		400	Manz Automation AG†	22,726
1,000	Mead Johnson Nutrition Co., Cl. A†	31,770	2,000	MEMC Electronic Materials Inc.†	35,620
	Other — 1.9%		800	Phoenix Solar AG	36,912
3,500	Climate Exchange plc†	49,319	800	Roth & Rau AG†	26,048
400	SAP AG	16,088	10,000	SatCon Technology Corp.†	18,000
		<u>65,407</u>	500	SMA Solar Technology AG	37,014
	TOTAL CORPORATE SUSTAINABILITY	<u>346,868</u>	1,800	Solar Millennium AG†	59,088
	Efficiency — 11.4%		1,000	Suntech Power Holdings Co. Ltd., ADR†	17,860
	Computer Software and Services — 4.2%		2,600	Trina Solar Ltd., ADR†	66,638
500	Apple Inc.†	71,215	8,500	Yingli Green Energy Holding Co. Ltd., ADR†	115,175
3,000	STEC Inc.†	69,570			<u>632,671</u>
		<u>140,785</u>			

See accompanying notes to schedule of investments.

Gabelli SRI Green Fund, Inc.

Notes to Schedule of Investments (Unaudited)

1. Security Valuation. Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market's official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Directors (the "Board") so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC (the "Adviser").

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market but prior to the close of business on the day the securities are being valued. Debt instruments with remaining maturities of 60 days or less that are not credit impaired are valued at amortized cost, unless the Board determines such amount does not reflect the securities' fair value, in which case these securities will be fair valued as determined by the Board. Debt instruments having a maturity greater than 60 days for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded.

Statement of Financial Accounting Standard No. 157, "Fair Value Measurements" ("SFAS 157") that clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosures about the use of fair value measurements. The three levels of the fair value hierarchy under SFAS 157 are described below:

- Level 1 – quoted prices in active markets for identical securities;
- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and
- Level 3 – significant unobservable inputs (including the Fund's determinations as to the fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments by inputs used to value the Fund's investments as of June 30, 2009 is as follows:

<u>Valuation Inputs</u>	<u>Investments in Securities (Market Value) Assets</u>
Level 1 – Quoted Prices*	\$3,388,780

* Security and industry classifications are detailed in the Schedule of Investments.

There were no Level 3 investments at March 31, 2009 or June 30, 2009.

2. Derivative Financial Instruments. The Fund may invest in various derivative financial instruments and engage in various portfolio investment strategies for the purpose of increasing the income of the Fund, to protect against an anticipated decline in the value of its assets, hedging against changes in the value of its portfolio securities and in the value of securities it intends to purchase, or hedging against a specific transaction with respect to either the currency in which the transaction is denominated or another currency. Losses may arise if the value of the contract decreases due to an unfavorable change in the price of the underlying security or if the counterparty does not perform its duties under the contract. Investing in certain derivative financial instruments entails certain execution, market, liquidity, hedging, and tax risks. Participation in the options or futures markets and in currency exchange transactions involves investment risks and transaction costs to which the Fund would not be subject absent the use of these strategies. If the Adviser's prediction of movements in the direction of the securities, foreign currency, and interest rate markets is inaccurate, the consequences to the Fund may leave the Fund in a worse position than if it had not used such strategies.

The Fund is subject to equity price risk and foreign currency exchange rate risk in the normal course of pursuing its investment objectives by investing in various derivative financial instruments, as described below.

Swap Agreements. The Fund may enter into equity and contract for difference swap transactions for the purpose of increasing the income of the Fund or to hedge against an equity risk already present in the Fund. The use of swaps is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio security transactions. In a swap, a set of future cash flows are exchanged between two counterparties. One of these cash flow streams will typically be based on a reference interest rate combined with the performance of a notional value of shares of a stock. The other will be based on the performance of the shares of a stock. There is no assurance that the swap contract counterparties will be able to meet their obligations pursuant to the swap contracts, or that, in the event of default, the Fund will succeed in pursuing contractual remedies. The Fund thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to the swap contracts. The creditworthiness of the swap contract counterparties is closely monitored in order to minimize the risk. Depending on the general state of short-term interest rates and the returns of the Fund's portfolio securities at that point in time, such a default could negatively affect the Fund's ability to make dividend payments. In addition, at the time a swap transaction reaches its scheduled termination date, there is a risk that the Fund will not be able to obtain a replacement transaction or that the terms of the replacement will not be as favorable as on the expiring transaction. If this occurs, it could have a negative impact on the Fund's ability to make dividend payments. At June 30, 2009, there were no open swap agreements.

Options. The Fund may purchase or write call or put options on securities or indices for the purpose of increasing the income of the Fund or to protect against an anticipated decline in the value of its assets. As a writer of put options, the Fund receives a premium at the outset and then bears the risk of unfavorable changes in the price of the financial instrument underlying the option. The Fund would incur a loss if the price of the underlying financial instrument decreases between the date the option is written and the date on which the option is terminated. The Fund would realize a gain, to the extent of the premium, if the price of the financial instrument increases between those dates. If a written call option is exercised, the premium is added to the proceeds from the sale of the underlying security in determining whether there has been a realized gain or loss. If a written put option is exercised, the premium reduces the cost basis of the security.

Gabelli SRI Green Fund, Inc.

Notes to Schedule of Investments (Continued) (Unaudited)

As a purchaser of put options, the Fund pays a premium for the right to sell to the seller of the put option the underlying security at a specified price. The seller of the put has the obligation to purchase the underlying security upon exercise at the exercise price. If the price of the underlying security declines, the Fund would realize a gain upon sale or exercise. If the price of the underlying security increases or stays the same, the Fund would realize a loss upon sale or at expiration date, but only to the extent of the premium paid.

In the case of call options, these exercise prices are referred to as “in-the-money,” “at-the-money,” and “out-of-the-money,” respectively. The Fund may write (a) in-the-money call options when the Adviser expects that the price of the underlying security will remain stable or decline during the option period, (b) at-the-money call options when the Adviser expects that the price of the underlying security will remain stable, decline or advance moderately during the option period, and (c) out-of-the-money call options when the Adviser expects that the premiums received from writing the call option will be greater than the appreciation in the price of the underlying security above the exercise price. By writing a call option, the Fund limits its opportunity to profit from any increase in the market value of the underlying security above the exercise price of the option. Out-of-the-money, at-the-money, and in-the-money put options (the reverse of call options as to the relation of exercise price to market price) may be utilized in the same market environments that such call options are used in equivalent transactions. At June 30, 2009, there were no open options.

Futures Contracts. The Fund may engage in futures contracts for the purpose of hedging against changes in the value of its portfolio securities and in the value of securities it intends to purchase. Upon entering into a futures contract, the Fund is required to deposit with the broker an amount of cash or cash equivalents equal to a certain percentage of the contract amount. This is known as the “initial margin.” Subsequent payments (“variation margin”) are made or received by the Fund each day, depending on the daily fluctuations in the value of the contract, which are included in unrealized appreciation/depreciation on investments and futures contracts. The Fund recognizes a realized gain or loss when the contract is closed.

There are several risks in connection with the use of futures contracts as a hedging instrument. The change in value of futures contracts primarily corresponds with the value of their underlying instruments, which may not correlate with the change in value of the hedged investments. In addition, there is the risk that the Fund may not be able to enter into a closing transaction because of an illiquid secondary market. At June 30, 2009, there were no open futures contracts.

Forward Foreign Exchange Contracts. The Fund may engage in forward foreign exchange contracts for the purpose of hedging a specific transaction with respect to either the currency in which the transaction is denominated or another currency as deemed appropriate by the Adviser. Forward foreign exchange contracts are valued at the forward rate and are marked-to-market daily. The change in market value is included in unrealized appreciation/depreciation on investments and foreign currency translations. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

Gabelli SRI Green Fund, Inc.

Notes to Schedule of Investments (Continued) (Unaudited)

The use of forward foreign exchange contracts does not eliminate fluctuations in the underlying prices of the Fund's portfolio securities, but it does establish a rate of exchange that can be achieved in the future. Although forward foreign exchange contracts limit the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might result should the value of the currency increase. In addition, the Fund could be exposed to risks if the counterparties to the contracts are unable to meet the terms of their contracts. At June 30, 2009, there were no open forward foreign exchange contracts.

3. Tax Information. At March 31, 2009, the Fund had net capital loss carryforwards for federal income tax purposes of \$20,405, which are available to reduce future required distributions of net capital gains to shareholders through 2017.

Under the current tax law, capital losses related to securities and foreign currency realized after October 31 and prior to the Fund's fiscal year end may be treated as occurring on the first day of the following year. For the year ended March 31, 2009, the Fund deferred capital losses of \$616,993.

Gabelli SRI Green Fund, Inc.

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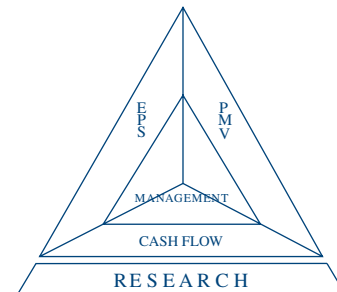
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Net Asset Value per share available daily by calling
800-GABELLI after 7:00 P.M.



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Paul, Hastings, Janofsky & Walker LLP

Gabelli SRI Green Fund, Inc.

This report is submitted for the general information of the shareholders of the Gabelli SRI Green Fund, Inc. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

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FIRST QUARTER REPORT
JUNE 30, 2009