

**REPORT OF THE US SECURITIES AND EXCHANGE COMMISSION (SEC) TO THE
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID) CONCERNING
TECHNICAL ASSISTANCE TO INDIA UNDER THE FINANCIAL INSTITUTIONS
REFORMS AND EXPANSION PROJECT, PHASE II**

**PASA NUMBER 386-P-00-01-00087-00
PROJECT NUMBER 386-0531**

FOR THE QUARTER ENDED MARCH 31, 2007

The SEC provides technical assistance to India pursuant to a Participating Agency Service Agreement (PASA) with USAID dated May 4, 2001. This report describes the SEC's activities under the PASA for the quarter ending March 31, 2007.

ACTIVITIES DURING THE QUARTER

- On March 9, 2007, the SEC sent a draft report to the Securities and Exchange Board of India (SEBI) on how various aspects of the self-regulatory concept may be used to strengthen regulatory oversight of the securities market and market participants in India. The SEBI provided some comments and suggested changes. The SEC expects the final report by the end of May.
- The SEC conducted a training program on Investment Company Regulation, Examination and Enforcement On March 20-23, 2007 in Mumbai, India. Five SEC Official conducted the training, which included such topics as registration of investment company's securities, regulation of advertising and sales literature, responsibilities of an investment company's board of directors, valuation of portfolios of investment companies, portfolio management and internal operations of investment companies.

REIMBURSABLE SEC EXPENSES

The SEC will submit a claim for reimbursement of **\$23,274** under the PASA for the quarter ending March 31, 2007.

July 6, 2007

Respectfully submitted,



Dr. Robert M. Fisher
Assistant Director
Office of International Affairs

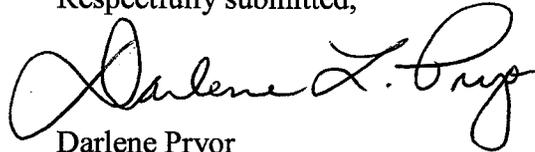
**FINANCIAL REPORT FOR THE QUARTER ENDING
March 31, 2007**

Attached, please find the financial report for the quarter ending March 31, 2007 detailing reimbursable activities under the SEC's agreement with USAID concerning technical assistance to India.

This line item report provides information regarding obligations and expenditures for the quarter ending on the above date, as well as cumulative obligations, expenditures, and outstanding obligations under the agreement through that date.

July 6, 2007

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Darlene L. Pryor". The signature is fluid and cursive, with a large initial "D" and "P".

Darlene Pryor
Management Analyst
SEC Office of the Executive Director