

**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 DECEMBER 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 December 31, 2007.

**ACTIVITIES DURING THE QUARTER**

The SEC conducted four technical assistance and training programs for the SEBI in December 2007. December 10-13, 2007, the SEC conducted a four-day training program in Mumbai on Securities Market Oversight and Enforcement. Fifty-five participants from the Indian regulator as well as the Stock Exchanges and the Depositories attended. Topics covered included broker-dealer compliance, hedge funds regulatory concerns, broker-dealer and investment adviser inspections, insider trading and market manipulation.

December 13-14, the SEC conducted a two-day training program in New Delhi on Corporate Finance and Corporate Disclosure. Twenty-five officials for SEBI regional offices attended. Topics covered included The Offering Process, Financial Fraud, Asset Backed Securities and Corporate Governance.

On December 10, the SEC and SEBI staff conducted its first joint RAVE inspection of a registered investment adviser in Mumbai. On December 6, 2007, the SEBI also hosted a Chief Compliance (CCO) Outreach program for U.S. registered Investment Advisors located in Asia conducted by the SEC. The SEC staff covered such topics as conducting a compliance risk assessment, establishing and testing compliance controls and common deficiencies found in SEC examinations. On December 7, 2007, the SEC staff met with SEBI staff to discuss about its various efforts to reach out to registered entities including investment advisers and broker-dealers.

**REIMBURSABLE SEC EXPENSES**

The SEC will submit a claim for reimbursement of \$ 366 under the PASA for the quarter ending December 31, 2007. Please note that during this current period/quarter there is an obligation of \$117,512, which will be eventually expended and billed to USAID the following quarters.

January 14, 2008

Respectfully submitted, ,



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

Financial Report

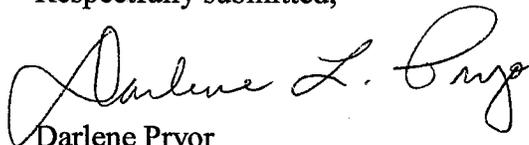
**FINANCIAL REPORT FOR THE QUARTER ENDING  
December 31, 2007**

Attached, please find the financial report for the quarter ending December 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.

January 14, 2008

Respectfully submitted,



Darlene Pryor  
Management Analyst  
SEC Office of the Executive Director