

AUDITORS' REPORT

To the Board of Directors of Trustees of

AIG GLOBAL INVESTMENT GROUP MUTUAL FUND - AIG INDIA TREASURY PLUS FUND

1. We have audited the attached balance sheet of AIG GLOBAL INVESTMENT GROUP MUTUAL FUND - AIG INDIA TREASURY PLUS FUND (the 'Scheme') as at March 31, 2008 and also the revenue account for the period ended on that date annexed thereto. These financial statements are the responsibility of the management of AIG Global Asset Management Company (India) Private Limited ('AIG AMC'), the Scheme's asset managers. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that :
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii. The balance sheet and revenue account dealt with by this report are in agreement with the books of account.
 - iii. In our opinion, the balance sheet and revenue account dealt with by this report have been prepared in conformity with the accounting policies and standards specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (the 'SEBI Regulations').
 - iv. In our opinion, and on the basis of information and explanations given to us, the methods used to value non traded securities as at March 31, 2008 are in accordance with the SEBI Regulations and other guidelines issued by the Securities and Exchange Board of India as applicable and approved by the Board of Directors of AIG Trustee Company (India) Private Limited, and are fair and reasonable.
 - v. In our opinion, and to the best of our information and according to the explanations given to us, the said financial statements give the information required by the SEBI Regulations as applicable and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the balance sheet, of the state of affairs of the Scheme as at March 31, 2008;
 - b) in the case of the revenue account, of the surplus for the period ended on that date.

For S. R. BATLIBOI & CO.
Chartered Accountants

Per Hemal Shah
Partner
Membership No.: 42650
Mumbai, June 30, 2008

Balance Sheet as at March 31, 2008

	Schedule	March 31, 2008 Rupees
Assets		
Investments	1	4,733,980,982
Other Current Assets	2	271,600,578
TOTAL		5,005,581,560
Liabilities		
Unit Capital	3	4,707,070,559
Reserves and Surplus	4	67,650,191
Current Liabilities and Provisions	5	230,860,810
TOTAL		5,005,581,560

	March 31, 2008	March 31, 2008	March 31, 2008	March 31, 2008	March 31, 2008	March 31, 2008	March 31, 2008	March 31, 2008	March 31, 2008	March 31, 2008	March 31, 2008	March 31, 2008	March 31, 2008	March 31, 2008	March 31, 2008	March 31, 2008	March 31, 2008
RECONCILIATION OF NET ASSET VALUE PER UNIT	Retail Growth Option	Retail Bonus Option	Retail Daily Dividend Option	Retail Weekly Dividend Option	Retail Monthly Dividend Option	Retail Quarterly Dividend Option	Total	Institutional Growth Option	Institutional Daily Dividend Option	Institutional Weekly Dividend Option	Institutional Monthly Dividend Option	Total	Super Institutional Growth Option	Super Institutional Daily Dividend Option	Super Institutional Weekly Dividend Option	Total	Grand Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Net Assets as per Balance Sheet (Total Assets less Current Liabilities and Provisions) (Note 2.1)	9,021,384	5,879	22,496,255	46,958,590	10,537,114	555,339	89,574,561	170,728,180	420,542,541	10,146,770	31,022,308	632,439,799	1,294,696,818	2,709,452,800	48,556,772	4,052,706,390	4,774,720,750
Number of Units in Issue	864,976,300	563,700	2,247,243,300	4,690,699,200	1,051,100,800	55,394,200	16,339,476,900	42,008,472,800	1,013,562,100	3,100,000,000		123,837,657,100	270,647,567,600	4,850,341,900			
Net Asset Value per Unit	10.4296	10.4288	10.0106	10.0110	10.0248	10.0252		10.4488	10.0109	10.0110	10.0072		10.4548	10.0110	10.0110		

The accompanying schedules are an integral part of this Balance Sheet.

As per our report of even date.

For S. R. Batliboi & Co.
Chartered Accountants

**AIG Trustee Company
(India) Private Limited**

**AIG Global Asset Management
Company (India) Private Limited**

Sd/-
Per **Hemal Shah**
Partner
Membership No. 42650

Sd/-
Sunil Mehta
Director

Sd/-
Saurabh Sonthalia
Chief Executive Officer

Sd/-
N. Rangachary
Director

Sd/-
Nanoo Pamnani
Director

Sd/-
Sandeep Bagla
Fund Manager

Mumbai, June 30, 2008

Revenue Account for the period September 18, 2007 to March 31, 2008

 September 18, 2008
to March 31, 2008
Rupees

	Schedule	Rupees
Income And Gains		
Interest and Discount	6	646,971,012
Profit on sale/redemption of Investments (Other than Interscheme transfers/sale) (Note 2.4)		10,308,241
Other Income		975
TOTAL		657,280,228

Expenses And Losses

Net Unrealised Depreciation in Value of Investments	7	29,623,845
Loss on Interscheme transfer/sale of Investments (Note 2.4)		8,104,587
Investment Management and Advisory Fees (Note 3)		21,100,499
Trustee Fees (Note 4)		70,783
Registrar and Transfer Agent Fees		3,753,477
Custodian Fees (Note 5)		1,053,015
Audit Fees		291,287
Selling and Distribution Expenses		2,813,631
Other Operating Expenses		3,401,441
		70,212,565

Net Surplus for the Period

587,067,663

Net Surplus including Net Unrealised Depreciation in Value of Investments

587,067,663

	September 18, 2007 to March 31, 2008							September 18, 2007 to March 31, 2008					September 18, 2007 to March 31, 2008					Total	Grand Total
	Retail Growth Option	Retail Bonus Option	Retail Daily Dividend Option	Retail Weekly Dividend Option	Retail Monthly Dividend Option	Retail Quarterly Dividend Option	Total	Institutional Growth Option	Institutional Daily Dividend Option	Institutional Weekly Dividend Option	Institutional Monthly Dividend Option	Total	Super Institutional Growth Option	Super Institutional Daily Dividend Option	Super Institutional Weekly Dividend Option	Super Institutional Monthly Dividend Option	Total		
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Net Surplus including Net Change in Unrealised Depreciation in Value of Investments by Option	712,909	878	1,829,460	2,289,328	310,744	17,416	5,160,735	21,711,621	41,336,356	3,945,869	22,308	67,016,154	254,745,100	232,955,393	22,342,270	4,848,011	514,890,774	587,067,663	
Dividend Distributions	-	-	(1,556,459)	(1,975,413)	(296,099)	(18,968)	(3,846,939)	-	(33,279,016)	(3,099,492)	-	(36,378,508)	-	(189,415,455)	(17,070,114)	(3,495,586)	(209,981,155)	(250,206,602)	
Dividend Tax thereon	-	-	(264,892)	(339,702)	(43,974)	(2,686)	(651,254)	-	(7,183,946)	(668,485)	-	(7,852,431)	-	(42,502,462)	(3,566,612)	(792,100)	(46,861,174)	(55,364,859)	
Transfer From Income Equalisation Reserve (Note 2.6)	(323,295)	(635)	60,018	80,814	50,853	5,558	(126,687)	(14,116,212)	38,272	(354,942)	-	(14,432,882)	(196,761,816)	2,494,780	(1,627,018)	(547,015)	(196,441,069)	(211,000,638)	
Balance Transferred to Reserve Fund	389,614	243	68,127	55,027	21,524	1,320	535,855	7,595,408	911,666	(177,050)	22,308	8,352,333	57,983,284	3,532,256	78,526	13,310	61,607,376	70,495,564	

The accompanying schedules are an integral part of this Revenue Account.

As per our report of even date.

For S. R. Batliboi & Co.
Chartered Accountants

**AIG Trustee Company
(India) Private Limited**
**AIG Global Asset Management
Company (India) Private Limited**

 Sd/-
Per **Hemal Shah**
Partner
Membership No. 42650

 Sd/-
Sunil Mehta
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Chief Executive Officer

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N. Rangachary
Director

 Sd/-
Nanoo Pamnani
Director

 Sd/-
Sandeep Bagla
Fund Manager

Mumbai, June 30, 2008

Schedules to the Financial Statements for the period September 18, 2007 to March 31, 2008.

	March 31, 2008	
	Cost Rupees	Market / Fair Value Rupees
Schedule 1		
Investments		
(Notes 2.3,8 and 9)		
(Refer to the attached statement of Portfolio Holding as at March 31,2008)		
Privately Placed Non Convertible Debentures / Bonds	306,865,526	317,604,000
Non Convertible Debentures / Bonds Listed / Awaiting Listing	800,555,902	789,009,175
Securitised Debt	2,171,828,205	2,142,306,763
Government of India Securities*	49,839,850	49,848,150
Certificate of Deposit	1,145,740,195	1,146,437,745
Reverse Repo Transaction	288,775,149	288,775,149
Total	4,763,604,827	4,733,980,982

Schedule 2**Other Current Assets**

Balance with Banks in Current Account		23,307,313
Unit Subscription Receivable		180,050,005
Switch Receivable		700,203
Interest Receivable on :		
- Debentures/Bonds		43,041,063
- Securitised Debt		24,496,743
- Reverse Repo		5,251
Total		271,600,578

* Treasury Bill of Rs. 49,142,724.99 (Market Value Rs. 49,848,150.42) placed as a collateral with CCIL.

Schedules to the Financial Statements for the period September 18, 2007 to March 31, 2008.

**Schedule 3
Unit Capital**

	Repeas	Units	Repeas	Units	Repeas	Units	Repeas	Units	Repeas	Units	Repeas	Units	Repeas	Units	Repeas	Units	Repeas	Units	
Issued and Subscribed:																			
Units of Rs.10 each fully paid up																			
Outstanding:																			
Initial Issue Amount	1,335,000	133,300,000	25,000	2,500,000	3,310,000	331,000,000	10,065,000	1,006,500,000	45,000	4,500,000	3,300,000	280,000,000	280,000,000	28,000,000,000	825,000,000	82,500,000,000	100,000,000	10,000,000,000	10,000,000,000
Initial issue and subscription	1,335,000	133,300,000	25,000	2,500,000	3,310,000	331,000,000	10,065,000	1,006,500,000	45,000	4,500,000	3,300,000	280,000,000	280,000,000	28,000,000,000	825,000,000	82,500,000,000	100,000,000	10,000,000,000	10,000,000,000
Issued during the period	51,79,476	5,179,476,000	-	-	299,105,535	29,910,553,500	172,251,125	17,225,112,500	14,519,137	1,451,913,700	54,436	5,443,600	2,336,654,343	233,665,436,300	42,472,803,100	4,247,280,310,000	275,888,802	27,588,880,200	27,588,880,200
Redeemed during the period	52,714,476	5,271,447,600	25,000	2,500,000	282,415,535	28,241,553,500	182,201,125	18,220,112,500	14,564,137	1,456,413,700	579,386	57,938,600	2,616,654,343	261,665,638,300	5,072,280,310	507,228,031,000	375,838,802	37,583,880,200	37,583,880,200
At the end of the period	4,406,471.3	4,406,471,300	39,363	3,936,300	239,943,102	23,994,310,200	1,35,413,133	13,541,313,300	4,053,129	405,312,900	25,444	2,544,400	2,432,639,394	243,265,939,400	4,652,195,532	465,219,552,200	365,703,181	36,570,318,100	36,570,318,100
	8,649,768	864,976,300	5,637	563,700	22,477,433	2,247,243,300	46,906,992	4,690,692,000	10,511,008	1,051,100,800	55,342	5,534,200	163,394,719	16,339,476,300	420,884,128	42,088,472,800	90,135,621	9,013,562,100	9,013,562,100

**Schedule 3
Unit Capital (Contd.)**

	Repeas	Units	Repeas	Units	Repeas	Units	Repeas	Units	Repeas	Units	Repeas	Units	Repeas	Units	Repeas	Units	Repeas	Units	
Issued and Subscribed:																			
Units of Rs.10 each fully paid up																			
Outstanding:																			
Initial Issue Amount	31,000,000	3,100,000,000	-	-	1,500,000,000	150,000,000,000	-	-	1,200,000,000	120,000,000,000	100,000,000	10,000,000,000	150,000,000	15,000,000,000	-	-	4,169,815,000	416,981,500,000	416,981,500,000
Initial issue and subscription	31,000,000	3,100,000,000	-	-	1,500,000,000	150,000,000,000	-	-	1,200,000,000	120,000,000,000	100,000,000	10,000,000,000	150,000,000	15,000,000,000	-	-	4,169,815,000	416,981,500,000	416,981,500,000
Issued during the period	31,000,000	3,100,000,000	-	-	40,919,158,942	4,091,915,894,200	-	-	29,621,145,626	2,962,114,562,600	42,479,16,444	4,247,916,444,000	3,481,745	348,174,500	-	-	82,379,387,891	8,237,938,789,100	8,237,938,789,100
Redeemed during the period	-	-	-	-	42,419,156,842	4,241,915,684,200	-	-	30,821,145,626	3,082,114,562,600	4,347,916,444	434,791,644,000	153,481,745	15,348,174,500	-	-	86,348,302,891	8,634,830,289,100	8,634,830,289,100
At the end of the period	31,000,000	3,100,000,000	-	-	41,880,371	4,180,371,000	-	-	28,14,689,590	2,814,689,590,000	42,94,13,025	4,294,130,250,000	153,481,745	15,348,174,500	-	-	81,642,427,332	8,164,427,332,000	8,164,427,332,000
	31,000,000	3,100,000,000	-	-	1,238,376,571	123,837,657,100	-	-	2,706,475,676	270,647,567,600	48,503,419	4,850,341,900	-	-	-	-	4,707,070,659	470,707,059,900	470,707,059,900

Schedules to the Financial Statements for the period September 18, 2007 to March 31, 2008.
March 31, 2008
Rupees
Schedule 4
Reserves and Surplus
Unit Premium Reserve (Note 2.5)

Added during the year/period (2,845,373)

 At the end of the Period **(2,845,373)**
Reserve Fund

Balance Transferred from Revenue Account 70,495,564

At the end of the period [including net unrealised appreciation in value of investments Rs. Nil] 70,495,564

TOTAL 67,650,191
Schedule 5
Current Liabilities and Provisions
Current Liabilities

Investment Management and Advisory Fees 2,320,604

Trustee Fees 7,597

Registrar and Transfer Agent Fees 969,963

Custodian Fees 1,053,015

Audit Fees 50,952

Selling and Distribution Expenses 1,829,848

Dividend Distribution Tax 2,003,394

Unit Redemption Payable 221,876,928

Others 748,509

TOTAL 230,860,810
September 18, 2007
to March 31, 2008
Rupees
Schedule 6
Interest and Discount (Note 2.4)

Debentures/Bonds 187,020,210

Securitised Debt 191,419,205

Government Securities 9,943,671

CBLO 9,000,285

Certificate of Deposit / Commercial Papers 240,779,316

Application Money 2,159,863

Reverse Repos 6,648,462

TOTAL 646,971,012

Schedules to the Financial Statements for the period September 18, 2007 to March 31, 2008.

**September 18, 2007
to March 31, 2008
Rupees**

Schedule 7
Unrealised Appreciation in Value of Investments (Note 8)

(a)	Privately Placed Non Convertible Debentures / Bonds	
	At the end of the period	10,738,474
	Net change in unrealised appreciation in value of investments during the year/period	10,738,474
(b)	Non Convertible Debentures / Bonds Listed / Awaiting Listing	
	At the end of the period	(11,546,727)
	Net change in unrealised appreciation in value of investments during the year/period	(11,546,727)
(c)	Securitised Debt	
	At the end of the period	(29,521,442)
	Net change in unrealised appreciation in value of investments during the year/period	(29,521,442)
(d)	Government of India Securities	
	At the end of the period	8,300
	Net change in unrealised appreciation in value of investments during the year/period	8,300
(e)	Certificate of Deposit	
	At the end of the period	697,550
	Net change in unrealised appreciation in value of investments during the year/period	697,550
	Total net change in unrealised appreciation in value of investments during the year/period	(29,623,845)

8. Supplementary Investment Portfolio Information And Industrywise Classification (Referred to in Schedule 1 to the Balance Sheet as at March 31, 2008 and the Revenue Account for the period ended March 31,2008.)

Details of investment portfolio and industrywise classification of the Scheme's investments in each category of investments as at March 31, 2008 are presented below. The industry and company exposures are stated as a percentage of the Scheme's net assets as at March 31, 2008, as well as the aggregate investments in each investment category.

Industry & Company Particular	Quantity	Amount (Rs. in Lakhs)	Percentage to Net Assets	Percentage to Investment Category
NON CONVERTIBLE DEBENTURES / BONDS				
(a) Listed/Awaiting listing on the Stock Exchanges				
Finance	8,000,000	7,891	16.52	71.30
9.24% Sundaram Finance Ltd. 12-10-2009	2,500,000	2,452	5.13	22.15
9.25% Kotak Mahindra Prime Ltd. 10-04-2009	1,500,000	1,488	3.12	13.45
9.35% Citifinancial Consumer Finance Ltd. 12-10-2009	1,500,000	1,477	3.09	13.34
11.30% Cholamandalam DBS Finance Ltd 20-02-2009	1,000,000	1,013	2.12	9.15
8.50% Housing Development Finance Corporation Ltd. 15-10-2008	1,000,000	998	2.09	9.02
Housing Development Finance Corporation Ltd. 21-01-2009	500,000	463	0.97	4.19
Privately Placed / Unlisted				
Finance	3,000,000	3,176	6.65	28.70
MIBOR + 210 GE Money Financial Services Ltd 28-01-2010	3,000,000	3,176	6.65	28.70
Total		11,067	23.18	100.00
PASS THROUGH CERTIFICATES				
Privately Placed / Unlisted				
Trust		21,423	44.88	100.00
Credit Asset Trust XXI A2 14-07-2008 (Vodafone Essar Ltd)	58	5,828	12.21	27.22
Auto Securitisation Trust SR A3 20-10-2011 (Tata Motors Finance Ltd)	30	3,135	6.57	14.63
Auto Securitisation Trust SR A2 20-10-2009 (Tata Motors Finance Ltd)	30	2,964	6.21	13.84
Indian Corporate Loan Sec Trust LI A1 10-10-2008 (BHW Home Finance Ltd.)	30	2,754	5.77	12.85
Bharat Securitisation Trust (PO) 11-12-2009 (Shriram Transport Finance Company Ltd)	206	2,078	4.35	9.70
Collateralised Debt Trust Series 21 A1 29-04-2008 (Reliance Communications Ltd.)	17	1,690	3.54	7.89
Credit Asset Trust XVII A2 (PO) 20-03-2009 (Shriram Transport Finance Company Ltd.)	13	1,368	2.87	6.39
Auto Securitisation Trust A1 20-10-2008 (Tata Motors Finance Ltd.)	10	675	1.41	3.15
Bharat Securitisation Trust (IO) 11-12-2009 (Shriram Transport Finance Company Ltd)	45	404	0.85	1.89
Indian Corporate Loan Sec Trust LI A2 10-10-2008 (BHW Home Finance Ltd.)	50	261	0.55	1.22
Credit Asset Trust XVII A2 (IO) 20-03-2009 (Shriram Transport Finance Company Ltd)	2	164	0.34	0.77
Collateralised Debt Trust Series 21 A2 29-04-2008 (Reliance Communications Ltd.)	15	102	0.21	0.48
Total		21,423	44.88	100.00

Supplementary Investment Portfolio Information And Industrywise Classification (Referred to in Schedule 1 to the Balance Sheet as at March 31, 2008 and the Revenue Account for the period ended March 31,2008.) (Contd.)

Industry & Company Particular	Quantity	Amount (Rs. in Lakhs)	Percentage to Net Assets	Percentage to Investment Category
CERTIFICATE OF DEPOSIT				
Banks		11,464	24.01	100.00
ICICI Bank Ltd 23-06-2008	3,168,000	3,113	6.52	27.15
Canara Bank 25-03-2009	3,000,000	2,754	5.77	24.03
Union Bank of India 05-08-2008	2,500,000	2,433	5.10	21.22
ICICI Bank Ltd. 03-10-2008	2,500,000	2,398	5.02	20.92
ABN AMRO Bank N.V. 21-10-2008	800,000	766	1.60	6.68
		11,464	24.01	100.00
TREASURY BILLS				
Sovereign		498	1.04	100.00
182 Days Treasury Bills 18-04-2008	500,000	498	1.04	100.00
		498	1.04	100.00
REVERSE REPO		2,888	6.05	100.00
TOTAL		47,340	99.16	
OTHER CURRENT ASSETS		2,716	5.69	
TOTAL ASSETS		50,056	104.85	
LESS : CURRENT LIABILITIES		2,309	4.85	
NET ASSETS		47,747	100.00	

Notes to the Financial Statements

Schedule 8

1. Organisation

AIG India Treasury Plus Fund (the “Scheme”) is an open-ended income scheme of AIG Global Investment Group Mutual Fund (the “Fund”) and was launched on September 18, 2007. AIG Global Investment Group Mutual Fund has been sponsored by AIG Capital Corporation. AIG Global Asset Management Company (India) Private Limited (AIG AMC) incorporated under the Companies Act, 1956 has been appointed as the asset management company. The duration of the Scheme is perpetual. The Scheme closed for initial subscription on September 20, 2007. The investment objective of the Scheme is to seek to generate optimal returns commensurate with low risk and a high liquidity, from a portfolio constituted of debt securities and money market securities. The Scheme has three plans – Retail, Institutional and Super Institutional Plan and Six options under each plan – Growth, Bonus, Daily Dividend, Weekly Dividend, Monthly Dividend & Quarterly Dividend option. The Scheme will not declare dividend under the Growth and Bonus Option. The income earned on such units will remain invested within the Scheme and will be reflected in the net asset value of the Option.

2. Significant Accounting Policies

The financial statements are prepared on the accrual basis of accounting, under the historical cost convention, as modified for investments, which are ‘marked-to-market’. The significant accounting policies, which are in accordance with the SEBI Regulations and have been approved by the Board of Directors of the AMC and the Trustee, are stated below.

2.1. Determination of net asset value

The net asset value of the units of the Scheme is determined separately for units issued under the Plans after including the respective unit capital and reserves and surplus, and reducing net deficit and accumulated discount, if any.

For reporting the net asset values, the daily income earned, including realised profit or loss and unrealised gain or loss in the value of investments, and expenses incurred by the Scheme, are allocated to the Plans in proportion to their respective daily net assets as at the end of the immediately preceding day.

2.2. Unit capital

Unit capital represents the net outstanding units at the balance sheet date, thereby reflecting all transactions relating to the year ended on that date.

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the unit premium reserve of the Scheme, after an appropriate portion of the issue proceeds and redemption payouts is credited or debited respectively to the equalisation account, a mandatory requirement for open ended mutual fund Schemes. The Unit Premium Reserve is available for dividend distribution except to the extent it is represented by unrealised net appreciation in value of investments.

2.3. Investments

Accounting for investment transactions

Purchase and sale of investments are recorded on the date of the transaction, at cost and sale price respectively, after considering brokerage, commission, securities transaction tax and fees payable or receivable, if any. The front end fee receivable, if any, is reduced from the cost of investment.

Valuation of investments

- Investments in Central Government securities are stated at their traded prices on the balance sheet date, as released by an independent agency, currently Crisil Limited, suggested by the Association of Mutual Funds in India (‘the AMFI’).

Investments in fixed income securities are valued as follows :

- Traded Debt Securities (other than Government Securities) are valued at the closing market price as on the date of valuation, provided there is an individual trade in that security in marketable lot.
- Non-traded / thinly traded / unlisted debt securities of upto 182 days to maturity are valued at cost or last valuation price (in case of securities having maturity period of more than 182 days at the time of purchase) plus difference between the redemption value and the cost or last valuation price spread uniformly over the remaining maturity period of the instrument.
- Non traded / thinly traded / unlisted debt securities of over 182 days to maturity are valued in good faith by the investment manager on the basis of valuation principles laid down by the SEBI. The approach in valuation of a non-traded / thinly traded / unlisted debt security is based on the concept of using spreads over the benchmark rate to arrive at the yields for pricing the security.
- PTC- The pass through certificates are valued by discounting the future cashflows.

- FRN- Non-traded / thinly traded / unlisted Floating Rate Debt securities of more than 182 days to maturity are valued at cost or last valuation price plus difference between the redemption value and the cost or last valuation price spread uniformly over the remaining maturity period of the instruments.
- Money Market - Money Market Instruments (mainly Commercial paper and Commercial deposits) are valued on the basis of straight line amortization.
- The securities with call option are valued at the lower of the value as obtained by valuing the security to final maturity and valuing the security to call option. In case there are multiple call options, the lowest value obtained by valuing to the various call dates and valuing to the maturity date is taken as the value of the instruments.
- The securities with put option are valued at the higher of the value as obtained by valuing the security to final maturity and valuing the security to put option. In case there are multiple put options, the highest value obtained by valuing to the various put dates and valuing to the maturity date is taken as the value of the instruments.
- The securities with both Put and Call option on the same day would be deemed to mature on the Put/Call day and would be valued accordingly.
- All other investments are stated at their fair value as determined in good faith by the AMC in accordance with the SEBI Regulations and reviewed by the Trustee.
- In accordance with the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds issued by the ICAI (pursuant to the Eleventh Schedule to the SEBI Regulations), the net unrealised gain or loss in the value of investments is determined. The change in the net unrealised loss, if any, between two balance sheet dates is recognised in the revenue account and the change in net unrealised gain, if any, is adjusted in an unrealised appreciation reserve. The loss on investments sold/transferred during the year is charged to the revenue account instead of being first adjusted against the provision for depreciation, if already created in the prior year, as recommended by the Guidance Note. However, this departure from the Guidance Note does not have any net impact on the Scheme's net assets.

2.4. Revenue recognition

- Dividend income is recognised on the ex-dividend date.
- Interest on fixed income securities is recognised as income on an accrual basis.
- Profit or loss on sale of investments is determined on the basis of the weighted average cost method.

2.5. Unit Premium / Discount Reserve

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the unit premium reserve of the Scheme.

The unit premium reserve is available for dividend distribution except to the extent it is represented by unrealized net appreciation in value of investments.

2.6. Income Equalization Reserve

The purpose of equalisation account is to maintain the per unit amount of a Plan's share of the Scheme's undistributed income earned during the accounting year, so that continuing unitholders' share of undistributed income remains unchanged on issue or redemption of units under that Plan.

When units are issued or redeemed, the total undistributed income from the launch of the scheme till the date of the transaction is determined. Based on the number of units outstanding on the transaction date, the undistributed income associated with each unit is computed. The per unit amount so determined is credited or debited to the equalisation account on issue and redemption of each unit respectively.

At the balance sheet date, the balance in the equalisation account is transferred to the revenue account

2.7. Load

All load including CDSC charged at the time of purchase/ sale of units is utilized towards meeting distribution and marketing expenses. Unutilised amount of Load collected is carried forward to subsequent years unless the same is considered as surplus by the AMC.

3. Investment Management and Advisory Fees

The Scheme has paid or provided for investment management and advisory fees payable to AIG AMC for managing the Scheme at an annual rate of 0.30% of the average daily net assets (excluding investments made by AIG AMC and investments in Fixed Deposits) recorded by the Scheme. All costs, charges and expenses incurred by AIG AMC in the administration and execution of the activities of the Scheme, except costs allowed to be charged to the Scheme under the Regulations, and amendments thereto as applicable, are on their own account for which they receive investment management and advisory fees.

4. Trustee Fees

In accordance with the Deed of Trust dated December 15, 2006 between AIG Capital Corporation (“The Settlor”) and AIG Trustee Company (India) Private Limited, (the “Trustee”), the Scheme has paid or provided for trustee fees payable to the Trustee at an annual rate of 0.001% of the average daily net asset values recorded by the Scheme.

5. Custodian Fees

Citibank N.A provides custodial services to the Scheme for which it receives custody fees.

6. Income Taxes

No provision for taxation has been made as the Scheme qualifies as a recognized mutual fund under Section 10 (23D) of the Income Tax Act, 1961 of India.

7. Other Expenses

Other Expenses include service tax on management fees and trusteeship fees.

8. Aggregate Appreciation and Depreciation In Value of Investments

Aggregate appreciation and depreciation in value of investments are as follows :

	March 31, 2008
	(Rupees)
Certificate of Deposits	
- Appreciation	701,265.65
- Depreciation	229.23
Non Convertible Debentures	
- Appreciation	10,738,474.29
- Depreciation	11,546,727.02
Pass Through Certificate	
- Appreciation	317,914.85
- Depreciation	29,839,357.71

9. Aggregate Value of Purchases and Sale of Investments.

The aggregate value of investment securities purchased and sold (including matured) during the financial period is Rs 92,953,823,744(annualized) and Rs. 89,230,544,157(annualized) respectively being 1307.90% (annualized) and 1255.50 % (annualized) of the average daily net assets.

10. Income and Expenses

The total income (including net profit on sale of investments and net unrealized appreciation in the value of investments) and expenditure during the period is Rs. 619,551,797 and 32,484,133 respectively being 8.72% (annualised) and 0.46% (annualised) of the average daily net assets.

11. Disclosure under Regulation 25(8) of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended.

The Fund has not made any payment to associates / group companies.

12. Disclosure under Regulation 25(11) of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended.

Fund has made the following investment in a company, which holds units in excess of 5% of the net asset value of any scheme of the Fund.

Company Name	Schemes invested in by the Company	Investment made by schemes of AIG Global Investment Group Mutual Fund in the company / subsidiary	Aggregate cost of acquisition during the period ended March 31, 2008*	Outstanding as at March 31, 2008 (At Market / Fair Value)
			(Rupees in Lakhs)	(Rupees in Lakhs)
Allahabad Bank	AIGLF,AIGTPF	AIGLF AIGTPF AIGSTF	9,425.94 10,630.63 9,129.43	2,295.08 - 4,589.01
DSP Merrill Lynch Capital Ltd	AIGLF	AIGLF AIGTPF	25,832.06 26,760.70	- -
Global Trade Finance Limited	AIGLF,AIGTPF	AIGLF AIGTPF	12,000.00 2,200.00	- -
HDFC Bank Limited	AIGLF,AIGTPF	AIGEF	12,208.62	2,662.50
Housing Development Finance Corporation Limited	AIGLF	AIGEF AIGTPF AIGSTF	5,442.50 8,522.35 2,500.00	3,569.63 1,461.26 2,532.03
ITC Limited	AIGLF	AIGEF	2,392.48	3,093.75
Indian Bank	AIGLF,AIGTPF	AIGLF	2,294.26	2,296.58
Infrastructure Development Finance Company Limited	AIGLF,AIGTPF	AIGTPF AIGSTF	5,354.53 2,440.38	- 2,447.29
Karnataka Bank Limited	AIGLF	AIGTPF	2,484.08	-
L&T Finance Limited	AIGTPF	AIGLF AIGTPF	13,412.62 14,965.02	- -
Larsen & Toubro Limited	AIGLF,AIGTPF	AIGEF AIGINFRA	3,339.66 1,981.87	4,711.34 1,669.77
Reliance Petroleum Ltd	AIGLF,AIGTPF	AIGEF	2,140.53	1,562.00
State Bank of Mysore	AIGLF,AIGTPF	AIGEF AIGLF AIGTPF AIGINFRA AIGSTF	6,436.96 18,365.80 14,606.44 2,430.95 3,697.14	- 928.68 - - 3,714.72
Union Bank Of India	AIGLF,AIGTPF	AIGLF AIGTPF AIGSTF	3,456.94 8,948.51 2,491.97	- 2,433.06 -
Reliance Industries Ltd	AIGLF	AIGEF AIGINFRA	8,218.97 1,303.80	7,477.14 1,132.90
YES Bank Ltd	AIGLF	AIGTPF	2,487.61	-
Export Import Bank of India	AIGLF	AIGEF AIGLF AIGTPF AIGSTF	996.91 1,500.00 3,508.25 1,960.98	- - - -
HCL Technologies Limited	AIGLF	AIGEF	1,512.11	-
ICICI Bank Ltd	AIGLF	AIGEF AIGLF AIGTPF AIGINFRA AIGSTF	8,342.10 35,085.78 59,666.86 1,872.20 8,279.89	1,715.76 5,538.92 5,511.36 1,231.04 8,309.75

12. Disclosure under Regulation 25(11) of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended (Contd.).

Company Name	Schemes invested in by the Company	Investment made by schemes of AIG Global Investment Group Mutual Fund in the company / subsidiary	Aggregate cost of acquisition during the period ended March 31, 2008* (Rupees in Lakhs)	Outstanding as at March 31, 2008 (At Market / Fair Value) (Rupees in Lakhs)
State Bank of Patiala	AIGLF	AIGLF AIGTPF AIGINFRA AIGSTF	15,249.23 31,859.90 9,713.97 4,551.79	- - - 1,842.59
Bharti Airtel Ltd	AIGLF,AIGTPF	AIGEF	4,680.49	2,478.75

The above investments comprise equity shares, debentures / bonds, commercial paper / certificate of deposits and other debt instruments.

These investments have been made on account of their high credit quality and competitive yield for the investment in fixed income/ money market instruments and in case of equity shares because of attractive valuations of these companies. The above investments include inter-scheme transfers made by the Schemes.

- AIGEF : AIG INDIA EQUITY FUND
- AIGTPF : AIG INDIA TREASURY PLUS FUND
- AIGLF : AIG INDIA LIQUID FUND
- AIGINFRA : AIG INFRASTRUCTURE AND ECONOMIC REFORM FUND
- AIGSTF : AIG SHORT TERM FUND

*The aggregate cost of acquisition has been taken since inception of the schemes as all the schemes have not completed a year.

13. Segment Reporting

The Scheme operates only in one segment viz. to primarily generate returns, based on scheme's investment objective.

14. Prior Year Comparatives

The scheme was launched during the current financial year and hence, there are no prior period comparatives.

As per our report of even date.

For S. R. Batliboi & Co.
Chartered Accountants

Sd/-
Per **Hemal Shah**
Partner
Membership No. 42650

AIG Trustee Company
(India) Private Limited

Sd/-
Sunil Mehta
Director

Sd/-
N. Rangachary
Director

AIG Global Asset Management
Company (India) Private Limited

Sd/-
Saurabh Sonthalia
Chief Executive Officer

Sd/-
Nanoo Pamnani
Director

Sd/-
Sandeep Bagla
Fund Manager

Mumbai, June 30, 2008

PERSPECTIVE HISTORICAL PER UNIT STATISTICS FOR THE PERIOD ENDED MARCH 31, 2008.

 September 18, 2007 to
 March 31, 2008
 Rupees

(a) Net asset value per unit at the end of the period (Note 2.5)		
Retail Plan - Bonus Option		10.4296
Retail Plan - Daily Dividend Option		10.0106
Retail Plan - Growth Option		10.4296
Retail Plan - Monthly Dividend Option		10.0248
Retail Plan - Quarterly Dividend Option		10.0252
Retail Plan - Weekly Dividend Option		10.0110
Institutional Plan - Bonus Option		N.A.
Institutional Plan - Daily Dividend Option		10.0109
Institutional Plan - Growth Option		10.4488
Institutional Plan - Monthly Dividend Option		10.0072
Institutional Plan - Quarterly Dividend Option		N.A.
Institutional Plan - Weekly Dividend Option		10.0110
Super Institutional Plan - Bonus Option		N.A.
Super Institutional Plan - Daily Dividend Option		10.0110
Super Institutional Plan - Growth Option		10.4548
Super Institutional Plan - Monthly Dividend Option		N.A.
Super Institutional Plan - Quarterly Dividend Option		N.A.
Super Institutional Plan - Weekly Dividend Option		10.0110
(b) Gross Income		
(i) income other than profit on sale of investment		1.37
(ii) income from profit on inter scheme sales/transfer of investment		-0.02
(iii) income (net) from profit on sale of investments to third party		0.02
(iv) transfer of revenue account from past year's reserve		0.00
(c) Aggregate of expenses, writeoff, amortisation and charges (excluding change in unrealised depreciation in investments)		0.07
(d) Net Income (excluding change in unrealised depreciation in investments)		1.31
(e) Unrealised appreciation / (depreciation) in value of investments		-0.06
(f) Redemption price		
- Highest		
Retail Plan - Bonus Option		10.3875
Retail Plan - Daily Dividend Option		10.0140
Retail Plan - Growth Option		10.4124
Retail Plan - Monthly Dividend Option		10.0739
Retail Plan - Quarterly Dividend Option		10.1620
Retail Plan - Weekly Dividend Option		10.0221
Institutional Plan - Bonus Option		
Institutional Plan - Daily Dividend Option		10.0139

PERSPECTIVE HISTORICAL PER UNIT STATISTICS FOR THE PERIOD ENDED MARCH 31, 2008. (Contd.)

	September 18, 2007 to March 31, 2008 Rupees
Institutional Plan - Growth Option	10.4389
Institutional Plan - Monthly Dividend Option	
Institutional Plan - Quarterly Dividend Option	
Institutional Plan - Weekly Dividend Option	10.0210
Super Institutional Plan - Bonus Option	
Super Institutional Plan - Daily Dividend Option	10.0134
Super Institutional Plan - Growth Option	10.4548
Super Institutional Plan - Monthly Dividend Option	10.0729
Super Institutional Plan - Quarterly Dividend Option	
Super Institutional Plan - Weekly Dividend Option	10.0202
- Lowest	
Retail Plan - Bonus Option	10.2738
Retail Plan - Daily Dividend Option	10.0106
Retail Plan - Growth Option	10.0644
Retail Plan - Monthly Dividend Option	10.0106
Retail Plan - Quarterly Dividend Option	10.1620
Retail Plan - Weekly Dividend Option	10.0110
Institutional Plan - Bonus Option	
Institutional Plan - Daily Dividend Option	10.0109
Institutional Plan - Growth Option	10.0131
Institutional Plan - Monthly Dividend Option	
Institutional Plan - Quarterly Dividend Option	
Institutional Plan - Weekly Dividend Option	10.0110
Super Institutional Plan - Bonus Option	
Super Institutional Plan - Daily Dividend Option	10.0110
Super Institutional Plan - Growth Option	10.0132
Super Institutional Plan - Monthly Dividend Option	10.0235
Super Institutional Plan - Quarterly Dividend Option	
Super Institutional Plan - Weekly Dividend Option	10.0110
(g) Purchase price	
- Highest	
Retail Plan - Bonus Option	10.0000
Retail Plan - Daily Dividend Option	10.0140
Retail Plan - Growth Option	10.4296
Retail Plan - Monthly Dividend Option	10.0753
Retail Plan - Quarterly Dividend Option	10.1747
Retail Plan - Weekly Dividend Option	10.0234
Institutional Plan - Bonus Option	

PERSPECTIVE HISTORICAL PER UNIT STATISTICS FOR THE PERIOD ENDED MARCH 31, 2008. (Contd.)

	September 18, 2007 to March 31, 2008 Rupees
Institutional Plan - Daily Dividend Option	10.0140
Institutional Plan - Growth Option	10.4166
Institutional Plan - Monthly Dividend Option	10.0000
Institutional Plan - Quarterly Dividend Option	
Institutional Plan - Weekly Dividend Option	10.0201
Super Institutional Plan - Bonus Option	
Super Institutional Plan - Daily Dividend Option	10.0140
Super Institutional Plan - Growth Option	10.4548
Super Institutional Plan - Monthly Dividend Option	10.0110
Super Institutional Plan - Quarterly Dividend Option	
Super Institutional Plan - Weekly Dividend Option	10.0200
- Lowest	
Retail Plan - Bonus Option	10.0000
Retail Plan - Daily Dividend Option	10.0000
Retail Plan - Growth Option	10.0000
Retail Plan - Monthly Dividend Option	10.0000
Retail Plan - Quarterly Dividend Option	10.0000
Retail Plan - Weekly Dividend Option	10.0000
Institutional Plan - Bonus Option	
Institutional Plan - Daily Dividend Option	10.0000
Institutional Plan - Growth Option	10.0000
Institutional Plan - Monthly Dividend Option	10.0000
Institutional Plan - Quarterly Dividend Option	
Institutional Plan - Weekly Dividend Option	10.0000
Super Institutional Plan - Bonus Option	
Super Institutional Plan - Daily Dividend Option	10.0000
Super Institutional Plan - Growth Option	10.0000
Super Institutional Plan - Monthly Dividend Option	10.0000
Super Institutional Plan - Quarterly Dividend Option	
Super Institutional Plan - Weekly Dividend Option	10.0000
(h) Price earnings ratio	N.A.
(i) Ratio of expenses to average daily net assets by percentage (annualised, excluding unrealised appreciation/depreciation on investments)	0.46
(j) Ratio of gross income/loss to average daily net assets by percentage (annualised, including unrealised appreciation / depreciation on investments and net profit or loss on sale of investments.)	8.72
* The above per unit calculations are based on the number of units in issue at the end of the financial period	