

Auditors' Report

To the Board of Directors of
AIG Trustee Company (India) Private Limited

Trustees to
AIG GLOBAL INVESTMENT GROUP MUTUAL FUND
AIG QUARTERLY INTERVAL FUND SERIES II

1. We have audited the attached balance sheet of AIG GLOBAL INVESTMENT GROUP MUTUAL FUND - AIG QUARTERLY INTERVAL FUND SERIES II (the 'Scheme') as at March 31, 2009 and also the revenue account from August 26, 2008 to March 31, 2009 (the 'Period') annexed thereto. These financial statements are the responsibility of the management of AIG Global Asset Management Company (India) Private Limited, 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, 2009 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, 2009; and
 - 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 **Shrawan Jalan**
Partner
Membership No. : 102102

Mumbai, June 18, 2009

Balance Sheet as at March 31, 2009

| | Schedule | March 31, 2009 Rupees |
|------------------------------------|----------|--------------------------|
| Assets | | |
| Investments | 1 | 1,599,787 |
| Other Current Assets | 2 | 185,841 |
| TOTAL | | 1,785,628 |
| Liabilities | | |
| Unit Capital | 3 | 1,618,073 |
| Reserves and Surplus | 4 | 59,925 |
| Current Liabilities and Provisions | 5 | 107,630 |
| TOTAL | | 1,785,628 |
| Notes to Accounts | 8 | |

(In Rupees)

| RECONCILIATION OF NET ASSET VALUE PER UNIT | March 31, 2009 Retail Growth Option | March 31, 2009 Retail Dividend Option | March 31, 2009 Retail Total | March 31, 2009 Institutional Growth Option | March 31, 2009 Institutional Dividend Option | March 31, 2009 Institutional Total | March 31, 2009 Grand Total |
|---|--|--|------------------------------------|---|---|---|-----------------------------------|
| Net Assets as per Balance Sheet (Total Assets less Current Liabilities and Provisions) (Note 2.1) | 803,756 | 550,239 | 1,353,995 | Nil | 324,003 | 324,003 | 1,677,998 |
| Number of Units in Issue | 755.309 | 543.050 | 1,298.359 | Nil | 319.714 | 319.714 | 1,618.073 |
| Net Asset Value per Unit | 1,064.1414 | 1,013.2387 | - | Nil | 1,013.4166 | - | - |

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

As per our report of even date

 For S. R. Batliboi & Co. AIG Trustee Company (India)
Chartered Accountants Private Limited

 AIG Global Asset Management Company
(India) Private Limited

 Per Shrawan Jalan
Partner
Membership No. 102102

 Sunil Mehta Director
Sunil Behari Mathur Director

 Saurabh Sonthalia
Chief Executive Officer

 Avinder Singh Bindra
Director

 Ruchir Parekh
Fund Manager

Mumbai, June 18, 2009 Mumbai, June 18, 2009

Mumbai, June 18, 2009

Revenue Account for the period from August 26, 2008 to March 31, 2009

| | Schedule | August 26, 2008 to March 31, 2009 Rupees |
|--|----------|--|
| Income And Gains | | |
| Interest and Discount | 6 | 27,686,983 |
| Other Income (Note 1.1) | | 1,732,397 |
| TOTAL | | 29,419,380 |
| Expenses And Losses | | |
| Loss on sale/redemption of Investments (Other than Interscheme transfers/sale) (Note 2.4) | | 217,854 |
| Loss on Interscheme transfer/sale of Investments (Note 2.4) | | 471,791 |
| Investment Management and Advisory Fees (Note 3) | | 78,655 |
| Trustee Fees (Note 4) | | 2,693 |
| Registrar and Transfer Agent Fees | | 50,830 |
| Custodian Fees (Note 5) | | 3,274 |
| Audit Fees (Note 6) | | 35,438 |
| Selling and Distribution Expenses | | 180,547 |
| Other Operating Expenses (Note 8) | | 57,497 |
| TOTAL | | 1,098,579 |
| Net Surplus for the Period | | 28,320,801 |

Notes to Accounts

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(In Rupees)

| | August 26, 2008 to March 31, 2009 | | | August 26, 2008 to March 31, 2009 | | | |
|---|-----------------------------------|------------------------|--------------|-----------------------------------|-------------------------------|---------------------|--------------|
| | Retail Growth Option | Retail Dividend Option | Retail Total | Institutional Growth Option | Institutional Dividend Option | Institutional Total | Grand Total |
| Net Surplus including Net Change in Unrealised Appreciation in Value of Investments by Option | 299,098 | 678,115 | 977,213 | 1,912,870 | 25,430,718 | 27,343,588 | 28,320,801 |
| Dividend Distributions | - | (494,590) | (494,590) | - | (19,990,599) | (19,990,599) | (20,485,189) |
| Dividend distribution tax thereon | - | (73,877) | (73,877) | - | (4,288,976) | (4,288,976) | (4,362,853) |
| Transfer From Income Equalisation Reserve (Note 2.6) | (250,657) | (102,452) | (353,109) | (1,912,870) | (1,145,228) | (3,058,098) | (3,411,207) |
| Balance Transferred to Reserve Fund | 48,441 | 7,196 | 55,637 | - | 5,915 | 5,915 | 61,552 |

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

As per our report of even date

For S. R. Batliboi & Co. AIG Trustee Company (India)
Chartered Accountants Private Limited

AIG Global Asset Management Company
(India) Private Limited

Per Shrawan Jalan
Partner
Membership No. 102102

Sunil Mehta Sunil Behari Mathur
Director Director

Saurabh Sonthalia Avinder Singh Bindra
Chief Executive Officer Director

Ruchir Parekh
Fund Manager

Mumbai, June 18, 2009 Mumbai, June 18, 2009

Mumbai, June 18, 2009

Schedules to the Financial Statements for the period from August 26, 2008 to March 31, 2009

| | March 31, 2009 | |
|--|----------------|----------------------------------|
| | Cost Rupees | Market / Fair Value Rupees |
| Schedule 1 | | |
| Investments (Notes 2.3,9 and 10) (Refer to the attached statement of Portfolio Holding as at March 31, 2009) | | |
| CBLO* | 1,599,787 | 1,599,787 |
| TOTAL | 1,599,787 | 1,599,787 |
| | | 1,599,787 |
| Schedule 2 | | |
| Other Current Assets | | |
| Balance with Banks in Current Account | | 185,841 |
| TOTAL | | 185,841 |
| | | 185,841 |

* CBLO - Collateralised Borrowing and Lending Obligation

Schedules to the Financial Statements for the period from August 26, 2008 to March 31, 2009

 March 31, 2009
 Rupees

Schedule 4
Reserves and Surplus

Unit Premium Reserve / (Accumulated Unit Discount) (Note 2.5)

Added during the period

(1,627)

At the end of the period

(1,627)

Reserve Fund

Balance Transferred from Revenue Account

61,552

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

61,552

TOTAL
59,925
Schedule 5
Current Liabilities and Provisions
Current Liabilities

Investment Management and Advisory Fees Payable

189

Registrar and Transfer Agent Fees Payable

107

Custodian Fees Payable

177

Audit Fees Payable

12,919

Selling and Distribution Expenses Payable

51,141

Load pending utilisation (Note 2.7 and 11)

2,435

Others Payable

40,662

TOTAL
107,630

 August 26, 2008
 to March 31, 2009
 Rupees

Schedule 6
Interest and Discount (Note 2.4)

Debentures/Bonds

2,483,375

Securitised Debts

1,584,649

CBLO

348,020

Certificate of Deposit / Commercial Papers

23,270,939

TOTAL
27,686,983
Schedule 7
**Unrealised Appreciation / (Depreciation) in
 Value of Investments (Note 9)**

(a) CBLO

At the end of the period

-

Total net change in unrealised Appreciation / (Depreciation) in value of investments during the period

-

Supplementary Investment Portfolio Information And Industrywise Classification

(Referred to in Schedule 1 to the Balance Sheet as at March 31, 2009)

Details of investment portfolio and industrywise classification of the Scheme's investments in each category of investments as at March 31, 2009 are presented below. The industry and company exposures are stated as a percentage of the Scheme's net assets as at March 31, 2009, 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 |
|-------------------------------|----------|-----------------------------|--------------------------------|---|
| CBLO | | 16 | 95.34 | 100.00 |
| TOTAL | | 16 | 95.34 | |
| OTHER CURRENT ASSETS | | 2 | 11.09 | |
| TOTAL ASSETS | | 18 | 106.42 | |
| LESS : CURRENT LIABILITIES | | 1 | 6.42 | |
| NET ASSETS | | 17 | 100.00 | |

SCHEDULE 8

Notes to the Financial Statements for the period from August 26, 2008 to March 31, 2009

1. Organisation

AIG Quarterly Interval Fund – Series II (the “Scheme”) is an interval income scheme of AIG Global Investment Group Mutual Fund (the “Fund”) and was launched on August 26, 2008. AIG Global Investment Group Mutual Fund has been sponsored by AIG Capital Corporation. AIG Global Asset Management Company (India) Private Limited (“AIG AMC” or the “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 August 27, 2008. Scheme have interval period of 91 days and scheme shall be available for subscription / Switch in / switch out and redemptions on / during specified transaction days. The first specified transaction day would be 91st day from the date of allotment of units under NFO and subsequently 91st day from the immediately preceding transaction dates. During the period, specified transaction dates for the fund were 28th November 2008 & 27th February 2009. The investment objective of the Scheme is generating returns while endeavoring to manage interest rate volatility over the interval period through a portfolio of fixed income securities. The Scheme has two plans – Retail and Institutional and Two options under each plan – Growth & Dividend option. The Scheme will not declare dividend under the Growth Option. The income earned on such units will remain invested within the Scheme and will be reflected in the net asset value of the respective Options.

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 income 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 :

- Investment in Mutual Fund units are valued at last declared net assets value (NAV) per unit.

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 the 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 AMC 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.
- Money Market - Money Market Instruments (consisting of commercial papers, certificate of deposit and treasury bills) are valued on the cost plus straight line amortization basis accrual.
- 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.
- Following the issue of the 'Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds' by the Institute of Chartered Accountants of India (ICAI) (pursuant to the Eleventh Schedule of the Regulations) net unrealized appreciation / depreciation in the value of investments is determined separately for each category of investments. In terms of the Guidance Note, the change in the net unrealised loss, if any, between two balance sheet dates is to be recognised in the revenue account and the change in net unrealised gain, if any, is to be adjusted in an unrealised appreciation reserve. The Scheme has, however, recognised the change in net unrealised appreciation / depreciation, if any, between two Balance Sheet dates in the Revenue Account. At the end of the financial year, the balance in the Revenue Account including change in the net unrealised appreciation or depreciation in the value of investments is transferred to Reserve Fund and the amount of net unrealised appreciation included in the Reserve Fund, as at the financial statement date, has been disclosed in the Reserve Fund schedule. The unrealized appreciation is reduced from the distributable income at the time of income distribution. Further, 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 period, as recommended by the Guidance Note. However, these do not have any net impact on the distribution surplus for the period and the net assets of the Scheme.

2.4. Revenue recognition

- Income on investments is recognized on accrual basis except where there is uncertainty about ultimate recovery/ realization. Such income is recognized when the uncertainty is resolved.
- For quoted shares, the dividend income earned by a scheme is recognized on the date the share is quoted on an ex-dividend basis. For investments in shares, which are not quoted on the stock exchanges, the dividend income is recognised on the date of declaration.
- Interest on fixed income securities is recognized as income on a daily basis over the period of holding. Interest paid for the period from the last interest due date up to the date of purchase, is not treated as a cost of purchase, but debited to interest accrued but not due account while interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as an addition to sale value but credited to interest accrued but not due account.
- Profit or loss on sale of investments is determined on the basis of the weighted average cost method.
- The discount or premium, if any, to the redemption value of debt securities is amortised and recognized as interest income or expense as the case maybe over the maturity period.

2.5. Unit Premium Reserve / (Accumulated Unit Discount)

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

When units are issued or redeemed, the net distributable income or loss for the transacted units (excluding unrealized appreciation) from the beginning of the accounting year upto the date of issue or redemption of such units is transferred to / from the Income Equalisation account.

The purpose is to ensure that the per unit amount of the continuing unit holders share of undistributed income or loss remains unaffected by the movement in unit capital. At the year end, 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 / Trustee.

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 0.03% of the average daily net assets (excluding investments made by AIG AMC, investments in Fixed Deposits and intra scheme investments) 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. Audit Fees

Audit Fees includes Statutory Audit fees and Internal Audit fees.

7. Income Taxes

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

8. Other Expenses

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

9. Aggregate Appreciation and Depreciation In Value of Investments

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

| | March 31, 2009 (Rupees) |
|------|----------------------------|
| CBLO | Nil |

10. 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. 3,734,611,524 and Rs. 3,758,901,562 respectively being 1386.87%(annualized) and 1395.89% (annualized) of the average daily net assets.

11. Income and Expenses

The total income (including net profit/loss on sale of investments and net unrealized appreciation/depreciation in the value of investments) and expenditure during the period is Rs. 28,729,735/- and 408,934/- respectively being 10.67% (annualised) and 0.15% (annualised) of the average daily net assets. During the period, unutilised load of Rs. 17,32,397 /- considered as surplus has been transferred to other income.

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

The Scheme has not made any payment to associate / group companies during the current period.

13. 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 companies, which holds units in excess of 5% of the net asset value of any scheme of the Fund.

(Rupees in Lakhs)

| Company Name | Investment made by schemes of AIG Global Investment Group Mutual Fund in the company from 01 April 2008 to March 31, 2009 | Aggregate cost of acquisition during the year ended March 31, 2009 | Aggregate cost of acquisition during the period from since inception to March 31, 2008 | Outstanding as at March 31, 2009 (At Market / Fair Value) | Outstanding as at March 31, 2008 (At Market / Fair Value) |
|---|---|--|--|---|---|
| Allahabad Bank | AIGLF | 18,894.04 | 9,425.94 | 2,450.20 | 2,295.08 |
| | AIGQIS - II | 2,395.91 | 0.00 | - | - |
| | AIGTF | 29,821.24 | 10,630.63 | - | - |
| | AIGSTF | 0.00 | 9,129.43 | - | 4,589.01 |
| Axis Bank | AIGEF | 778.11 | 0.00 | - | - |
| | AIGINFRA | 915.42 | 0.00 | - | - |
| | AIGTF | 4,724.09 | 0.00 | - | - |
| | AIGWGF | 503.48 | 0.00 | - | - |
| Bank of India | AIGTF | 2,416.85 | 0.00 | - | - |
| | AIGINFRA | 1,030.72 | 0.00 | 658.20 | - |
| Bharti Airtel Ltd. | AIGEF | 0.00 | 4,680.49 | 1,877.25 | 2,478.75 |
| Corporation Bank | AIGLF | 12,306.18 | 0.00 | - | - |
| | AIGTF | 999.37 | 0.00 | - | - |
| | AIGWGF | 2,362.75 | 0.00 | - | - |
| | AIGSTF | 989.40 | 0.00 | - | - |
| DSP Merrill Lynch Capital Ltd. | AIGLF | 0.00 | 25,832.06 | - | - |
| | AIGTF | 0.00 | 26,760.70 | - | - |
| Export Import Bank of India | AIGTF | 1,465.25 | 3,508.25 | - | - |
| | AIGEF | 0.00 | 996.91 | - | - |
| | AIGLF | 0.00 | 1,500.00 | - | - |
| | AIGSTF | 0.00 | 1,960.98 | - | - |
| Global Trade Finance Limited | AIGLF | 5,000.00 | 12,000.00 | - | - |
| | AIGSTF | 3,500.00 | 0.00 | - | - |
| | AIGTF | 4,000.00 | 2,200.00 | - | - |
| HDFC Bank Ltd | AIGLF | 3,870.49 | 0.00 | - | - |
| | AIGSTF | 2,410.12 | 0.00 | - | - |
| | AIGTF | 3,871.11 | 0.00 | - | - |
| | AIGWGF | 3,909.69 | 0.00 | - | - |
| | AIGEF | 0.00 | 12,208.62 | 1,460.10 | 2,662.50 |
| HCL Technologies Limited | AIGEF | 0.00 | 1,512.11 | - | - |
| Housing Development Finance Corporation Limited | AIGLF | 2,464.90 | 0.00 | - | - |
| | AIGQIS-II | 2,432.96 | 0.00 | - | - |
| | AIGSTF | 2,486.90 | 2,500.00 | - | 2,532.03 |
| | AIGTF | 15,645.70 | 8,522.35 | - | 1,461.26 |
| | AIGEF | 0.00 | 5,442.50 | 1,765.25 | 3,569.63 |
| Hero Honda Motors Ltd. | AIGEF | 789.84 | 0.00 | 964.04 | - |
| ITC Ltd. | AIGEF | 0.00 | 2,392.48 | 2,772.75 | 3,093.75 |
| ICICI Bank Ltd. | AIGEF | 934.90 | 8,342.10 | - | 1,715.76 |
| | AIGINFRA | 2,678.05 | 1,872.20 | - | 1,231.04 |
| | AIGLF | 26,396.41 | 35,085.78 | - | 5,538.92 |
| | AIGQIS-I | 4,627.87 | 0.00 | - | - |
| | AIGQIS-II | 4,019.19 | 0.00 | - | - |
| | AIGSTF | 7,599.06 | 8,279.89 | - | 8,309.75 |
| | AIGTF | 41,766.31 | 59,666.86 | - | 5,511.36 |
| | AIGWGF | 6,337.70 | 0.00 | - | - |
| | AIGFMP-I | 6,320.05 | 0.00 | 2,848.76 | - |

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

(Rupees in Lakhs)

| Company Name | Investment made by schemes of AIG Global Investment Group Mutual Fund in the company from 01 April 2008 to March 31, 2009 | Aggregate cost of acquisition during the year ended March 31, 2009 | Aggregate cost of acquisition during the period from since inception to March 31, 2008 | Outstanding as at March 31, 2009 (At Market / Fair Value) | Outstanding as at March 31, 2008 (At Market / Fair Value) |
|--|---|--|--|---|---|
| Indian Bank | AIGLF | 4,800.21 | 2,294.26 | - | 2,296.58 |
| | AIGTF | 2,483.34 | 0.00 | - | - |
| | AIGWGF | 2,341.54 | 0.00 | - | - |
| Industrial Development Bank of India | AIGTF | 35,782.49 | 0.00 | - | - |
| | AIGEF | 2,754.84 | 0.00 | - | - |
| | AIGINFRA | 1,646.62 | 0.00 | - | - |
| | AIGLF | 19,942.04 | 0.00 | - | - |
| | AIGQIS-I | 5.61 | 0.00 | - | - |
| | AIGQIS-II | 27.17 | 0.00 | - | - |
| | AIGSTF | 9,733.58 | 0.00 | 115.96 | - |
| | AIGWGF | 6,270.50 | 0.00 | - | - |
| | AIGFMP-I | 6,356.61 | 0.00 | 4,636.57 | - |
| Infrastructure Development Finance Company Limited | AIGLF | 2,496.21 | 0.00 | - | - |
| | AIGSTF | 4,078.57 | 2,440.38 | - | 2,447.29 |
| | AIGTF | 0.00 | 5,354.53 | - | - |
| Karnataka Bank Ltd. | AIGTF | 2,810.45 | 2,484.08 | - | - |
| Larsen & Toubro Ltd. | AIGINFRA | 0.00 | 1,981.87 | 738.54 | 1,669.77 |
| | AIGEF | 0.00 | 3,339.66 | 1,342.80 | 4,711.34 |
| L&T Finance Limited | AIGLF | 3,586.13 | 13,412.62 | - | - |
| | AIGQIS-II | 3,830.54 | 0.00 | - | - |
| | AIGTF | - | 14,965.02 | - | - |
| LIC Housing Finance Ltd. | AIGSTF | 493.11 | 0.00 | - | - |
| | AIGTF | 493.11 | 0.00 | - | - |
| Reliance Industries Ltd. | AIGINFRA | 0.00 | 1,303.80 | 762.38 | 1,132.90 |
| | AIGEF | 0.00 | 8,218.97 | 2,744.55 | 7,477.14 |
| Reliance Petroleum Ltd. | AIGEF | 0.00 | 2,140.53 | - | 1,562.00 |
| Shriram Transport Finance Co. Ltd. | AIGLF | 10,000.00 | 0.00 | - | - |
| | AIGSTF | 1,000.00 | 0.00 | - | - |
| | AIGTF | 9,500.00 | 0.00 | - | - |
| State Bank of Patiala | AIGLF | 21,555.62 | 15,249.23 | - | - |
| | AIGSTF | 6,366.85 | 4,551.79 | - | 1,842.59 |
| | AIGTF | 18,005.09 | 31,859.90 | - | - |
| | AIGFMP-I | 2,441.68 | 0.00 | - | - |
| | AIGINFRA | 0.00 | 9,713.97 | - | - |
| State Bank of Mysore | AIGLF | 3,453.67 | 18,365.80 | - | 928.68 |
| | AIGSTF | 481.48 | 3,697.14 | - | 3,714.72 |
| | AIGTF | 14,542.81 | 14,606.44 | - | - |
| | AIGEF | 0.00 | 6,436.96 | - | - |
| | AIGINFRA | 0.00 | 2,430.95 | - | - |
| State Bank of Hyderabad | AIGINFRA | 3,144.09 | 0.00 | - | - |
| | AIGLF | 39,574.62 | 0.00 | - | - |
| | AIGSTF | 3,949.64 | 0.00 | - | - |
| | AIGTF | 47,497.77 | 0.00 | - | - |
| | AIGWGF | 6,732.46 | 0.00 | - | - |
| Sundaram Finance Ltd. | AIGLF | 5,141.42 | 0.00 | - | - |
| | AIGSTF | 7,154.05 | 0.00 | - | - |
| | AIGTF | 11,830.26 | 0.00 | - | - |
| | AIGWGF | 5,433.96 | 0.00 | - | - |

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

(Rupees in Lakhs)

| Company Name | Investment made by schemes of AIG Global Investment Group Mutual Fund in the company from 01 April 2008 to March 31, 2009 | Aggregate cost of acquisition during the year ended March 31, 2009 | Aggregate cost of acquisition during the period from since inception to March 31, 2008 | Outstanding as at March 31, 2009 (At Market / Fair Value) | Outstanding as at March 31, 2008 (At Market / Fair Value) |
|---------------------|---|--|--|---|---|
| Union Bank of India | AIGEF | 992.91 | 0.00 | 587.40 | - |
| | AIGINFRA | 992.91 | 0.00 | - | - |
| | AIGLF | 7,930.88 | 3,456.94 | 2,368.11 | - |
| | AIGTF | 12,820.99 | 8,948.51 | - | 2,433.06 |
| | AIGSTF | 0.00 | 2,491.97 | - | - |
| | AIGWGF | 2,978.73 | 0.00 | - | - |
| YES Bank Ltd. | AIGINFRA | 987.14 | 0.00 | - | - |
| | AIGTF | 0.00 | 2,487.61 | - | - |

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

These investments have been made on account of their credit profile and competitive yield, in case of investments in fixed income / money market instruments and in case of equity shares based on the merits of the respective companies. The above investments include inter-scheme transfers made by the Schemes.

AIGEF : AIG INDIA EQUITY FUND
AIGTF : AIG INDIA TREASURY FUND
AIGLF : AIG INDIA LIQUID FUND
AIGINFRA : AIG INFRASTRUCTURE AND ECONOMIC REFORM FUND
AIGSTF : AIG SHORT TERM FUND
AIGWGF : AIG WORLD GOLD FUND
AIGQIS-I : AIG QUARTERLY INTERVAL FUND - SERIES I
AIGQIS-II : AIG QUARTERLY INTERVAL FUND - SERIES II
AIGFMP-I : AIG FIXED MATURITY PLAN I - SERIES I

The aggregate cost of acquisition has been taken since inception for AIGQIS-I, AIGQIS-II, AIGWGF and AIGFMP-I as all the schemes have not completed a year.

14. Segment Reporting

The Scheme operates only in one segment viz. to primarily generate returns, based on Scheme's investment objective. Accordingly, no segment disclosure is required to be given in accordance with AS-17 issued by the ICAI.

15. Subsequent event

In September 2008, AIG Inc. (AIG) had to access emergency liquidity from the Federal Reserve Bank of New York (FRBNY). Pursuant to this AIG signed a revolving credit facility and a guarantee and a pledge agreement with FRBNY. Following this, AIG has issued Series C Perpetual Convertible participating preferred stock ("Series C Preferred Stock) to the AIG Credit Facility Trust that was established for the sole benefit of the United States Treasury. The Series C Preferred Stock will be convertible into and have voting and dividend rights equal to 77.9% of the issued and outstanding shares of the Common Stock of AIG. AIG also issued to the United States Treasury, a 10 year warrant exercisable at any time for the shares equal to 2% of the issued and outstanding shares of the Common Stock of AIG as on the date of the investment.

The management of AIG also formulated a restructuring plan for AIG, which included the sale of various businesses of AIG in order to be able to repay the credit facility of FRBNY. This included the disinvestment of AIG Investments, its asset management business.

AIG Global Asset Management Company (India) Pvt. Ltd. (the AMC for the Scheme) is a member of AIG Investments.

AIG Investments has now selected financial partners and has entered into a period of exclusivity during which the financial partners will finalize their due diligence and negotiate a definitive purchase / sale agreement. The financial partners selected by AIG Investments includes a major, diversified asset management company that plans to purchase a meaningful minority stake, as well as a leading private equity firm with specific expertise in the asset management industry and with which AIG Investments has an existing relationship.

The above events do not have any impact on the Scheme's financial statements as of the closing Balance Sheet date.

16. Prior Year Comparatives

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

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

Per Shrawan Jalan
Partner
Membership No. 102102

Sunil Mehta
Director

Sunil Behari Mathur
Director

Saurabh Sonthalia
Chief Executive Officer

Avinder Singh Bindra
Director

Ruchir Parekh
Fund Manager

Mumbai, June 18, 2009

Mumbai, June 18, 2009

Mumbai, June 18, 2009

PERSPECTIVE HISTORICAL PER UNIT STATISTICS FOR THE PERIOD ENDED MARCH 31, 2009

August 26, 2008 to
March 31, 2009
Rupees

| | |
|--|------------|
| (a) Net asset value per unit at the end of the period | |
| Retail Growth | 1064.1414 |
| Retail Dividend | 1013.2387 |
| Institutional Growth | Nil |
| Institutional Dividend | 1,013.4166 |
| (b) Gross Income | |
| (i) income other than profit on sale of investment | 18,181.74 |
| (ii) income from profit on inter scheme sales/transfer of investment | (291.58) |
| (iii) income (net) from profit on sale of investments to third party | (134.64) |
| (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) | 252.73 |
| (d) Net Income (excluding change in unrealised depreciation in investments) | 17,502.80 |
| (e) Unrealised appreciation / (depreciation) in value of investments | - |
| (f) Redemption price | |
| - <u>Highest</u> | |
| Retail Growth | 1050.2372 |
| Retail Dividend | 1010.2318 |
| Institutional Growth | 1051.3813 |
| Institutional Dividend | 1019.7037 |
| - <u>Lowest</u> | |
| Retail Growth | 1003.2660 |
| Retail Dividend | 998.0574 |
| Institutional Growth | 998.1833 |
| Institutional Dividend | 998.1833 |
| (g) Purchase price | |
| - <u>Highest</u> | |
| Retail Growth | 1050.2372 |
| Retail Dividend | 1000.0028 |
| Institutional Growth | 1000.0000 |
| Institutional Dividend | 1019.7037 |
| - <u>Lowest</u> | |
| Retail Growth | 1000.0000 |
| Retail Dividend | 1000.0000 |
| Institutional Growth | 1000.0000 |
| Institutional Dividend | 1000.0000 |
| (h) Price earnings ratio | N.A. |
| (i) Ratio of expenses to average daily net assets by percentage (annualised, excluding unrealised appreciation/depreciation on investments) | 0.15 |
| (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.) | 10.67 |

The above per unit calculations are based on the number of units in issue at the end of the financial period.