

TRUSTEE'S REPORT FOR THE PERIOD ENDED MARCH 31, 2008**Report from AIG Trustee Company (India) Private Limited to the Unit holders of the schemes of AIG Global Investment Group Mutual Fund**

We have pleasure in presenting the First Annual Report of the Schemes of AIG Global Investment Group Mutual Fund 'the Fund' for the year ended March 31, 2008 along with the audited financial statements for the schemes.

AIG Trustee Company (India) Private Limited

AIG Trustee Company (India) Private Limited (the "Trustee"), a company incorporated under the Companies Act, 1956 on October 30, 2006 vide registration number U 93090 MH 2006 PTC 165286, has been appointed as the Trustee to the AIG Global Investment Group Mutual Fund vide Trust Deed dated December 15, 2006.

The Trustee is the exclusive owner of the Trust Fund and holds the same in trust for the benefit of the unitholders. The Trustee has been discharging its duties and carrying out the responsibilities as provided in the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (The Regulations) and the Trust Deed. The Trustee seeks to ensure that the Fund and the Schemes floated there under are managed by AIG Global Asset Management Company (India) Private Limited, Investment Manager, in accordance with the Trust Deed, The Regulations, directions and guidelines issued by SEBI, Association of Mutual Funds in India and other Regulatory Bodies.

Directors of AIG Trustee Company (India) Private Limited

1. Mr. N. Rangachary (Independent Director)
2. Mr. Sunil Behari Mathur (Independent Director)
3. Mr. Amal Ganguli (Independent Director)
4. Mr. Sunil Mehta (Associate Director)

Schemes of the Fund:

As on March 31, 2008, the Fund had five (5) schemes available for ongoing purchases and redemptions. These are the AIG India Equity Fund, the AIG India Liquid Fund, the AIG India Treasury Plus Fund, the AIG Infrastructure and Economic Reform Fund and the AIG Short Term Fund.

Objectives, Investment Policy and Performance of the Schemes:**Equity Schemes****1. AIG India Equity Fund**

AIG India Equity Fund is an open ended equity scheme.

The investment objective of the Scheme is to generate long-term capital appreciation from a diversified portfolio of predominantly equity and equity-related securities including equity derivatives.

The key features of the Scheme's investment strategy are that it follows an actively managed, bottom up stock picking approach with the flexibility to pursue opportunities across the entire market capitalization spectrum. It has no biases towards any particular style, sector or market cap. The philosophy is to invest in companies over the continuum of growth through value. Using a proprietary model that recognizes that financial metrics to evaluate opportunities will vary based on the stage of the company's development, it builds a portfolio of attractively priced companies based on these metrics.

The performance of the Scheme is benchmarked against BSE-100 index.

2. AIG Infrastructure and Economic Reform Fund

AIG Infrastructure and Economic Reform Fund is an open ended equity scheme.

The investment objective of the Scheme is to generate long-term capital appreciation from a diversified portfolio of predominantly (at least 65%) equity and equity-related securities of companies involved in economic development of India as a result of potential investments in infrastructure and unfolding economic reforms.

The key features of the Scheme's investment strategy are that it focuses on key infrastructure growth areas and identifies visible long term growth stories at reasonable valuations. The theme of the fund is to uncover companies that will feed into the infrastructure boom, including but not necessarily only infrastructure companies. It endeavors to be adequately diversified across a number of sectors within infrastructure segments to reduce concentration risk to any one or a group of related sectors.

The performance of the Scheme is benchmarked against BSE-100 index.

Debt Schemes

3. AIG India Liquid Fund

AIG India Liquid Fund is an open ended liquid scheme

The primary investment objective of the Scheme is to seek to generate a reasonable return commensurate with low risk and a high degree of liquidity, from a portfolio constituted of money market securities and short term debt securities.

The key feature of the Scheme's investment strategy is to generate reasonable returns out of investing in short term securities with maturities of less than one year.

The performance of the Scheme is benchmarked against Crisil Liquid Fund Index.

4. AIG India Treasury Plus Fund

AIG India Treasury Plus Fund is an open ended income scheme

The primary 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 is an income scheme that has the ability to invest in debt securities with maturity greater than one year.

The performance of the Scheme is benchmarked against Crisil Liquid Fund Index.

5. AIG Short Term Fund

AIG Short Term Fund is an open ended income scheme

The primary investment objective of the Scheme is to seek to generate income from a portfolio constituted of short to medium term debt and money market securities.

The scheme invests mostly in short to medium term corporate debt securities to benefit from corporate spreads as well as interest rate movements. The scheme can invest in government securities as well.

The performance of the Scheme is benchmarked against CRISIL Short Term Bond Index.

The Assets Under Management (AUM), the Net Asset Value (NAV) per unit, allotment date and the performance of the schemes vis - a vis their benchmark as on March 31, 2008 are as follows:

Sr. No	Scheme	AUM (Rs. In Crores)	NAV (In Rs.) Plan wise	Date of Allotment of the Schemes	Performance of the Schemes*	Benchmark Performance
1	AIG India Equity Fund	835.06	Institutional- Dividend -9.894 Institutional- Growth -9.894 Regular - Dividend - 9.856 Regular - Growth - 9.856	June 22, 2007	-1.44	10.03
2	AIG Infrastructure and Economic Reform Fund	383.05	Institutional- Dividend - 8.566 Institutional- Growth - 8.566 Regular - Dividend - 8.562 Regular - Growth - 8.562	February 25, 2008	-14.38	-12.19

Sr. No	Scheme	AUM (Rs. In Crores)	NAV (In Rs.) Plan wise	Date of Allotment of the Schemes	Performance of the Schemes*	Benchmark Performance
3	AIG India Liquid Fund	757.66	Institutional- Daily Dividend - 1000.8059 Institutional- Growth - 1042.8476 Institutional- Weekly Dividend - 1001.0100 Retail Daily Dividend - 1000.7810 Retail - Growth - 1041.0507 Retail Monthly Dividend - 1002.1287 Retail Weekly Dividend - 1001.0100 Super Institutional - Daily Dividend - 1000.8141 Super Institutional - Growth - 1043.3984 Super Institutional - Weekly Dividend - 1001.0100	September 21, 2007	7.80	6.76
4	AIG India Treasury Plus Fund	477.47	Institutional- Daily Dividend - 10.0109 Institutional - Growth - 10.4488 Institutional- Monthly Dividend - 10.0072 Institutional- Weekly Dividend - 10.0110 Retail - Bonus - 10.4296 Retail Daily Dividend - 10.0106 Retail - Growth - 10.4296 Retail Monthly Dividend - 10.0248 Retail Quarterly Dividend - 10.0252 Retail Weekly Dividend - 10.0110 Super Institutional - Daily Dividend - 10.0110 Super Institutional - Growth - 10.4548 Super Institutional - Weekly Dividend - 10.0110	September 21, 2007	4.30	3.56

Sr. No	Scheme	AUM (Rs. In Crores)	NAV (In Rs.) Plan wise	Date of Allotment of the Schemes	Performance of the Schemes*	Benchmark Performance
5	AIG Short Term Fund	695.37	Institutional - Growth - 1007.1597 Institutional- Weekly Dividend - 1001.0750 Institutional- Monthly Dividend - 1003.6443 Retail - Bonus - 1006.9451 Retail - Growth - 1006.9451 Retail Monthly Dividend - 1003.5949 Retail Weekly Dividend - 1001.0750	March 6, 2008	0.69	0.56
	Total	3,148.61				

Past performance may or may not be sustained in the future

* The schemes have not completed one year since their respective inception and hence the absolute returns of the schemes using the Growth Option of the Regular/ Retail Plans have been provided except for AIG India Liquid Fund, for which the Simple Annualized Return of the Growth Option of the Retail Plan has been provided.

Notes :

- As per SEBI standards for performance reporting, the 'since inception' returns are calculated on Rs. 10/- invested on the allotment date for AIG India Equity Fund, AIG Infrastructure and Economic Reform Fund and AIG India Treasury Plus Fund.
- As per SEBI standards for performance reporting, the 'since inception' returns are calculated on Rs. 1000/- invested on the allotment date for AIG India Liquid Fund and AIG Short Term Fund.

Investor Services :

AIG Global Investment Group Mutual Fund has begun the maiden year of operations by opening 7 branch offices in India. Apart from that, our Registrar & Transfer Agent has a reach of 141 offices across the country, all of which are available to the investors for their transactions and queries. The Fund had more than 1,45,000 investor folios across its schemes as on March 31, 2008. In order to bring in greater ease and access to investors, the Fund has tied up with 10 channel partners through whom online investments are allowed. The Fund has also tied up with 11 leading banks in India for providing the investors with a Direct Credit facility. The Fund also offers all India dedicated customer service numbers for the investors and distributors for quick query resolution.

Distribution of Income :

The Fund has declared dividends in some of the Schemes during the Financial Year 2007- 2008. Details are Annexed and forms part of this Annual Report (See Annexure 1).

Significant Accounting Policies :

Accounting policies are in accordance with Securities Exchange Board of India (Mutual Fund) Regulations 1996.

Unclaimed Dividends and Redemption Amounts :

Based on the feed back received from the bankers to the dividend / redemption account, the amount of dividends / redemption declared and remaining unclaimed (for more than six months) as on the balance sheet date is as under :

Scheme	Unclaimed Dividends		Unclaimed Redemptions	
	Amount (Rs.)	No. of Investors	Amount (Rs.)	No. of Investors
AIG India Equity Fund	Nil	N.A.	52,552.61	2
Grand Total	Nil	N.A.	52,552.61	2

Large Holdings in the Schemes (i.e in excess of 25% of the net assets)

Scheme	No. of Investors holding more than 25%	Percentage of holding
Nil	Nil	Nil

Market Preview :**Future Outlook – Debt**

Inflation has been rising across the globe, on the back of rising fuel and food prices. The sub-prime crisis in the US has led to massive write-offs by large international banks leading to fears of an economic slowdown. Central banks are faced with a tough policy choice between taming inflation and preventing recession. The US Fed has cut rates aggressively, but is not expected to cut much more unless growth falls off further. ECB has refrained from cutting rates so far. Many countries, including those in Asia, are raising rates to control inflation and currency depreciation. India also faces the dilemma of having to prioritize between growth, which has slowed down somewhat, and inflation, which could rise to double digits if the rising fuel prices are passed on to consumers. RBI is likely to follow a tight monetary policy, which would entail removal of excess liquidity from the system, and hikes in interest rates, if required. Investor interest is likely to be in liquid funds and fixed maturity plans during the first few months of the financial year as interest rates rise amidst tight liquidity conditions. Longer term bond funds might become attractive once inflation has peaked and interest rates have risen towards the later part of the year.

Future Outlook – Equities

The stock market reached a peak in the month of January and has subsequently reacted to external events such as the subprime fallout in the US, high energy prices and the specter of inflation across the world. In India too, the Index of Industrial Production and other economic indicators are pointing to a slowing of the economy coupled with a sharp rise in domestic inflation. Against this backdrop, corporate fundamentals remain robust and the long term India growth story based on favorable demographics, rising infrastructure spend and growth in services is intact. However, investors should brace themselves against volatility in the interim as international news continues to remain negative and the impact of a slowing global economy can be felt across all markets.

Statutory Details :

AIG Global Investment Group Mutual Fund ('the Fund') was set up by the settler, AIG Capital Corporation (liability restricted to Rs. 1 lakh) as a trust under the Indian Trusts Act, 1882, in terms of the Trust Deed dated December 15, 2006 and is a trust registered pursuant to the provisions of the Indian Registration Act, 1956.

AIG Trustee Company (India) Private Limited, a company incorporated under the Companies Act, 1956 is the Trustee to the Fund.

The Trustee has entered into an Investment Management Agreement dated December 15, 2006 with AIG Global Asset Management Company (India) Private Limited (The AMC) to function as the Investment Manager for all the Schemes to the Fund.

The Fund has been registered vide SEBI Registration Number MF/054/07/02 on February 9, 2007. The Sponsor is not responsible or liable for any loss resulting from the operations of the Schemes of the Fund beyond the initial contribution of Rs. 1 Lakh towards setting up the Fund and such other accretions / additions to the same.

AIG Investments is a group of international companies which provide investment advice and market asset management products and services to clients around the world. AIG Investments is a registered mark of American International Group, Inc. (AIG). Service and products are provided by one or more affiliates of AIG.

The price and redemption value of the units, and income from them, can go up as well as down with fluctuations in the market value of its underlying investments.

Full Annual Report shall be disclosed on the website (www.aiginvestments.co.in) and shall be available for inspection at the Head Office of the mutual fund. On written request, present and prospective unit holder/investor can obtain copy of the trust deed, the annual report of the Fund /AMC at a price.

Acknowledgements

The Trustees wish to thank the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI), and the Association of Mutual Funds in India (AMFI) for their support and directions. The Trustees would also like to thank the Fund's Auditors, Custodian, Registrar & Transfer Agent, Bankers, Distributors, Brokers, Channel Partners and all other service providers for their invaluable support. The Trustees also wish to thank all unit holders for their support.

For and on behalf of AIG Global Investment Group Mutual Fund

N. Rangachary
Director

Sunil Mehta
Director

Place : Mumbai

Date : June 30, 2008

ANNEXURE 1

DIVIDEND DECLARED IN 2007 - 2008

During F.Y. 2007-2008

Scheme Name	Retail	Corporate
AIG India Liquid Fund Retail Daily Dividend	30.85793809	30.85793809
AIG India Liquid Fund Institutional Daily Dividend	32.09626181	32.09626181
AIG India Liquid Fund Super Institutional Daily Dividend	32.50143742	32.50143742
AIG India Treasury Plus Fund Retail Daily Dividend	0.35804102	0.33323711
AIG India Treasury Plus Fund Institutional Daily Dividend	0.37534987	0.34934671
AIG India Treasury Plus Fund Super Institutional Daily Dividend	0.37765406	0.35149137
Total	96.56668227	96.48971251

During F.Y. 2007-2008

Scheme Name	Retail	Corporate
AIG India Liquid Fund Retail Weekly Dividend	29.96643585	29.96643585
AIG India Liquid Fund Institutional Weekly Dividend	7.48196864	7.48196864
AIG India Liquid Fund Super Institutional Weekly Dividend	32.33652641	32.33652641
AIG India Treasury Plus Fund Retail Weekly Dividend	0.35977183	0.33484796
AIG India Treasury Plus Fund Institutional Weekly Dividend	0.37583617	0.34979946
AIG India Treasury Plus Fund Super Institutional Weekly Dividend	0.38017655	0.35383912
AIG Short Term Fund Retail Weekly Dividend	5.13203358	4.77650239
AIG Short Term Fund Institutional Weekly Dividend	5.31924892	4.95074804
Total	81.35199795	80.55066787

AIG India Liquid Fund Retail Monthly Dividend

Dividend Date	Retail	Corporate
25-Oct-07	4.9952893	4.9952893
26-Nov-07	5.02473552	5.02473552
26-Dec-07	4.90330742	4.90330742
25-Jan-08	4.90024439	4.90024439
25-Feb-08	5.18559733	5.18559733
25-Mar-08	4.79728006	4.79728006
	29.80645402	29.80645402

AIG India Treasury Plus Fund Retail Monthly Dividend

Dividend Date	Retail	Corporate
25-Oct-2007	0.06211672	0.05781347
26-Nov-2007	0.05917925	0.0550795
26-Dec-2007	0.05572139	0.05186119
25-Jan-2008	0.05748264	0.05350042
25-Feb-2008	0.05895102	0.05486708
25-Mar-2008	0.05485099	0.05105108
	0.34830201	0.32417274

ANNEXURE 1 (Contd.)**DIVIDEND DECLARED IN 2007 - 2008****AIG India Treasury Plus Fund Retail Quarterly Dividend**

Dividend Date	Retail	Corporate
26-Dec-2007	0.1778194	0.16550063
25-Mar-2008	0.17240952	0.16046553
	0.35022892	0.32596616

AIG India Treasury Plus Fund Super Institutional Monthly Dividend

Dividend Date	Retail	Corporate
25-Oct-2007	0.06587277	0.06130931
26-Nov-2007	0.06282859	0.05847602
26-Dec-2007	0.05879212	0.05471918
25-Jan-2008	0.06073629	0.05652867
	0.24822977	0.23103318

AIG Short Term Fund Retail Monthly Dividend

Dividend Date	Retail	Corporate
25-Mar-2008	2.92692529	2.72415708

AIG Short Term Fund Institutional Monthly Dividend

Dividend Date	Retail	Corporate
25-Mar-2008	3.07113593	2.85837727

Note :

Post declaration of the dividend, the NAV of the scheme has fallen to the extent of the dividend payout, distribution tax, surcharge and cess.

Incase of weekly dividend and daily dividend options, consolidated amount of dividend declared during the Financial Year 2007-2008 has been reported.

Dividends are calculated on face value of Rs. 10/- for AIG India Treasury Plus Fund and face value of Rs. 1000/- for AIG India Liquid Fund and AIG Short Term Fund.

RISK FACTORS & STATUTORY DETAILS

Sr. No.	Name of the Scheme	Type of the Scheme and Investment Objective
1.	AIG India Equity Fund	An Open Ended Equity Scheme; Investment Objective: To generate long-term capital appreciation from a diversified portfolio of predominantly equity and equity-related securities including equity derivatives.
2.	AIG Infrastructure and Economic Reform Fund	An Open Ended Equity Scheme; Investment Objective: To generate long-term capital appreciation from a diversified portfolio of predominantly (at least 65%) equity and equity-related securities of companies involved in economic development of India as a result of potential investments in infrastructure and unfolding economic reforms.
3.	AIG India Liquid Fund	An Open Ended Liquid Scheme; Investment Objective: To seek to generate a reasonable return commensurate with low risk and a high degree of liquidity, from a portfolio constituted of money market securities and short term debt securities.
4.	AIG India Treasury Plus Fund	An Open Ended Income Scheme; Investment Objective: 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.
5.	AIG Short Term Fund	An Open Ended Income Scheme; Investment Objective: To seek to generate income from a portfolio constituted of short to medium term debt and money market securities.

Risk Factors: Mutual funds, like securities investments, are subject to market and other risks and there can be no guarantee against loss resulting from investment in the Schemes nor can there be any assurance that the Scheme's objectives will be achieved. As with any investment in securities, the NAV of the Units issued under the Schemes can go up or down depending on various factors and forces affecting the securities markets. Past performance of the Sponsor / Investment Manager / Mutual Fund does not indicate the future performance of the Schemes. Investors in the Schemes are not being offered a guaranteed or assured rate of return. The Schemes and individual Plan(s) with a separate portfolio, if any, under the respective Scheme(s) shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme(s)/Plan(s). In case of non-fulfillment with either of the above two conditions, specified SEBI Guidelines in this regard would be complied with. **AIG India Equity Fund, AIG Infrastructure and Economic Reform Fund, AIG India Liquid Fund, AIG India Treasury Plus Fund and AIG Short Term Fund** are the names of the schemes and do not in any manner indicate the quality of the schemes, their future prospects or returns. Investors can contact any of the ISCs at its toll-free number 1800-425- 3444 (MTNL/ BSNL); 60003444(Others). Please read the Offer Document(s)/Scheme Information Document(s) of the respective Scheme(s) carefully before investing.

Statutory Details: AIG Global Investment Group Mutual Fund ('the Fund') has been established as a trust under the Indian Trusts Act, 1882, sponsored by AIG Capital Corporation (liability restricted to Rs. 1 lakh). AIG Trustee Company (India) Private Limited, a company incorporated under the Companies Act, 1956, with a limited liability is the Trustee to the Fund. AIG Global Asset Management Company (India) Private Limited, a company incorporated under the Companies Act, 1956, with a limited liability is the Investment Manager to the Fund.

AIG Investments is a group of international companies that provide investment advice and market asset management products and services to clients around the world. AIG Investments is a registered mark of American International Group, Inc. (AIG). Services and products are provided by one or more affiliates of AIG.