

Fact Sheet

June 2010



FIXED INCOME OVERVIEW

The financial markets across segments displayed immense volatility during the month. The news flow from US was incrementally positive, but the uncertainty relating to Euro Zone's sovereign debt added to the market woes. The IMF and Europe have agreed a 3-year support package for Greece in order to avoid likely contagion. The Euro zone will contribute €80bn and the IMF €30bn, in order to help Greece meet its sovereign commitments. Greece has in return agreed to undergo severe austerity measures leading to fiscal consolidation. The news flow from China and Australia never helped the markets, and was not found very encouraging from the inflationary perspective. In terms of market themes, alternate bout of "risk on" and "rising risk aversion" played out well during the course of the month.

Meanwhile, the domestic economy expanded 8.6% y-o-y in the first quarter; up from a revised 6.5% (previous estimate was 6%). The full year F2010 GDP growth is at 7.4% compared to 6.7% registered in F2009. So far, this high-frequency data suggests that growth momentum is holding up well. The IIP growth came in below market expectation, though relatively strong, with an acceleration of 13.5% in QE Mar. 2010 against growth of 15.1% last month. Within industry, the manufacturing segment growth picked up further to 16.3% against 13.8% recorded earlier. On the price front, the WPI for April fell to 9.6% y-o-y against 9.9% in March. WPI is likely to come off further due to positive base effect. As per the first forecast for the 2010 monsoon season (June to September) released by the IMD, rainfall for the country as a whole is likely to be normal, which is going to be very crucial as far as domestic food inflation is concerned. The Indian export (\$) and import (\$) growth accelerated to 54.1% y-o-y and 67.1% y-o-y respectively in March, reflecting a low base effect and improved global and domestic demand.

The recent developments in the global financial markets have driven up demand for safe havens like US treasuries, resulting into significant gains in the UST curve. The Indian sovereign curve mirroring the global peers too rallied, with the benchmark 10-year bond closing the month at 7.52% against 8.06% last month. The momentum continued further with estimates of revenue generation from 3G reaching much higher than the budgeted amount, resulting in expectations of a lower government borrowing in 2010-11. The breather from the strong momentum came in from expected liquidity crunch in the month of June. The Banking system is likely to see a large outflow in one hit, because of loan off take by telecom companies for paying 3G license fees to the government coupled with advance tax outflows, which are due in mid-June.

Sensing liquidity crunch, the RBI proactively announced that scheduled commercial banks might avail themselves of additional liquidity support under the Liquidity Adjustment Facility (LAF) of up to 0.5% of their deposit base. In addition, the RBI said that as an ad hoc temporary measure, banks may seek a waiver of penal interest for any shortfall in maintenance of the statutory liquidity ratio (SLR) arising out of taking up this facility. This facility will be available until July 2, 2010. Besides this, the RBI will be conducting a second LAF on a daily basis, effective May 28, 2010 and up to July 2, 2010.

EQUITY OVERVIEW

Indian equity markets outperformed the broader Emerging market universe as well as the developed world in May 2010. While the fallout of the increased global risk aversion was net selling by the Foreign Institutional Investors to the tune of USD 2.1 billion, domestic institutions (mutual funds and insurance companies) remained net buyers in the market. We can draw some solace from the fact that unlike earlier episodes of risk aversion, this time Indian markets did not underperform its peer set. The month also saw a few large corporate deals with MNCs looking to add to their India exposures and this will reinforce the strong FDI trend of recent months.

On the domestic macro front, long pending reform of freeing up of gas prices from the administered price mechanism was pushed through. In addition, the windfall proceeds from auction of 3G spectrum has eased

These measures will mean that banks will easily be able to access funds from the RBI at the repo rate of 5.25%. This large outflow from the banking system would result in short-term rates moving up until this liquidity resurfaces in the banking system, as banks would need to borrow from Central Bank at the repo rate of 5.25%. The domestic currency came under stress due to volatility prevailing in the equity market and lost around 5% on the back of risk aversion and FII outflows.

Portfolio review for May '10

The fixed income market remained well-bid mirroring risk aversion. In the Short-term plan, we continue to rely on accrual income while maintaining cash anticipating higher yield curve.

Expectations for June '10

The sovereign market is likely to remain subdued with around INR 500 billion of fresh supply scheduled to hit market. While, liquidity will likely remain stressed well up to June end, we may see liquidity flowing back gradually into the system on government spending. In Short-term plan the focus will continue to generate accrual income with marginal duration risk.

Key Financial Data

Benchmark	Current Month	Previous Month	Previous Financial Year	Change	Change
	31/05/10	30/04/10	31/03/10	Monthly	Since March '10
364 Day T-bill (Primary)	4.93%	5.09%	5.14%	-0.16%	-0.21%
5-year Gilt Benchmark	7.38%	7.44%	7.53%	-0.06%	-0.15%
10-year Gilt Benchmark	7.52%	8.06%	7.83%	-0.54%	-0.31%
30-year Gilt Benchmark	8.45%	8.45%	8.80%	0.00%	-0.35%
91 Day Manufacturing CP(P1+)	6.25%	4.70%	5.75%	1.55%	0.50%
91 day Bank CD	5.41%	4.05%	9.75%	1.36%	-4.34%
1-yr AAA Spreads	1.50%	1.30%	1.55%	0.20%	-0.05%
5-yr AAA Spreads	0.60%	0.70%	0.90%	-0.10%	-0.30%
5-yr OIS	6.54%	6.83%	6.88%	-0.29%	-0.34%
CRR	6.00%	6.00%	5.75%	0.00%	0.25%
RBI LAF- Reverse Repo Rate*	3.75%	3.75%	3.50%	0.00%	0.25%
Foreign Exchange Reserve (\$ bn)	273.36	279.63	277.04	-6.27	-3.68
Nymex Crude	73.97	86.15	83.76	-12.18	-9.79
US Fed Funds Rate	0.25%	0.25%	0.25%	0.00%	0.00%
US 10-yr Gilt	3.28%	3.65%	3.83%	-0.37%	-0.54%
INR/USD	46.37	44.37	44.92	4.51%	3.23%
USD/Euro	1.23	1.33	1.35	7.43%	8.91%
USD/Yen	91.26	93.85	93.47	-2.76%	-2.36%

*RBI Repo Rate at 5.25%

Sources – Internal & Bloomberg

Ritesh Jain

Head of Fixed Income & Lead Portfolio Manager, Fixed Income Boutique

pressure on the fiscal deficit and consequently bond yields. Stubborn core inflation and a fragile global environment leading to volatility in capital flows remain the key near-term risks.

From a portfolio standpoint, we have cut our underweight in financials and continue to remain overweight consumer related sectors and healthcare. Our negative bias on global cyclicals like materials and energy continues especially when the global growth expectations remain subdued, at least for the time being.

Amay Hattangadi and Sridhar Sivaram

Lead Portfolio Managers, Large Cap Equities

Morgan Stanley A.C.E. Fund

(An open-ended Across Capitalisations Equity Fund)

Details as on May 31, 2010

Portfolio (✓ Top Ten Holdings)

Industry Classification	Security Description	% of Total Net Assets
Banks		18.87%
	✓ ICICI Bank Limited	4.79%
	✓ HDFC Bank Limited	3.25%
	✓ Andhra Bank	2.31%
	State Bank of India Limited	2.12%
	Yes Bank Limited	2.01%
	Axis Bank Limited	1.59%
	IndusInd Bank Limited	1.42%
	IDBI Bank Limited	1.38%
Software		12.24%
	✓ Infosys Technologies Limited	6.13%
	Tata Consultancy Services Limited	1.66%
	Polaris Software Lab Limited	1.50%
	Oracle Financial Services Software Limited	1.12%
	Wipro Limited	1.01%
	Mphasis Limited	0.82%
Pharmaceuticals		6.67%
	Cadila Healthcare Limited	2.06%
	Jubilant Organosys Limited	1.79%
	Opto Circuits India Limited	1.45%
	Aurobindo Pharma Limited	1.37%
Consumer Non Durables		6.59%
	✓ ITC Limited	3.11%
	Radico Khaitan Limited	1.78%
	Emami Limited	0.97%
	Marico Limited	0.73%
Finance		6.37%
	Infrastructure Development Finance Company Limited	2.11%
	Dewan Housing Finance Corp Limited	1.70%
	Manappuram General Finance and Leasing Limited	1.31%
	Housing Development Finance Corporation Limited	1.25%
Industrial Capital Goods		5.94%
	✓ Bharat Heavy Electricals Limited	2.40%
	✓ Sterlite Technologies Limited	2.14%
	Crompton Greaves Limited	1.40%
Petroleum Products		4.53%
	✓ Reliance Industries Limited	4.53%
Gas		4.36%
	✓ GAIL India Limited	2.32%
	Gujarat State Petronet Limited	2.04%
Power		4.13%
	Torrent Power Limited	1.68%
	GVK Power and Infrastructure Limited	1.37%
	NTPC Limited	1.08%
Ferrous Metals		3.88%
	Jindal Steel and Power Limited	1.42%
	Maharashtra Seamless Limited	1.40%
	Usha Martin Limited	1.06%
Construction		2.89%
	Sobha Developers Limited	1.75%
	The Phoenix Mills Limited	1.06%
	Emami Infrastructure Limited	0.08%
Oil		2.60%
	✓ Oil and Natural Gas Corporation Limited	2.60%
Retailing		2.10%
	Shoppers Stop Limited	2.10%
Auto Ancillaries		2.01%
	Motherson Sumi Systems Limited	2.01%
Media & Entertainment		2.00%
	Deccan Chronicle Holdings Limited	1.07%

Industry Classification	Security Description	% of Total Net Assets
	DQ Entertainment International Limited	0.93%
Cement		1.79%
	Shree Cement Limited	0.95%
	Grasim Industries Limited	0.66%
	Samruddhi Cement Limited	0.18%
Construction Project		1.73%
	Voltas Limited	1.73%
Non - Ferrous Metals		1.64%
	Hindalco Industries Limited	0.89%
	Hindustan Zinc Limited	0.75%
Transportation		1.52%
	IRB Infrastructure Developers Limited	1.52%
Consumer Durables		1.49%
	Bajaj Electricals Limited	1.49%
Auto		1.45%
	Mahindra and Mahindra Limited	1.45%
Cash and other assets		5.20%
Grand Total		100.00%

Fund Features:

Asset Allocation:

Equity and Equity Related Instruments: 65% – 100%
Debt and Money Market Instruments (including Securitised Debt): 0 – 35%

Expense Ratio:

2.35% of average daily net assets

Portfolio Turnover:

1.51

NAV:

Growth Rs. 13.557 per unit
Dividend Rs. 13.557 per unit

Fund AUM:

Rs. 276.23 crore

Performance (in %)

Period	Fund Returns	BSE 200
1 Year	45.38	21.40
Since Inception (April 03, 2008)	15.15	4.67

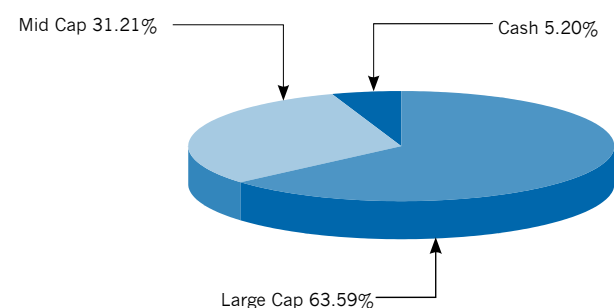
Past performance is not a guarantee of future returns. Compounded annualised returns of the growth option are computed. Since Inception returns are calculated on Rs.10/- invested at inception.

SIP Performance - Growth option (as on May 31, 2010)

Rs. 2000 invested every month	Amount Invested (Rs.)	MSACE		Benchmark - BSE 200	
		Present Value (Rs.)	Returns XIRR %	Present Value (Rs.)	Returns XIRR %
1 year	24000	27622.16	29.33	25537.05	12.17
Since inception*	50000	75330.10	43.26	66090.28	28.28

Past performance is not a guarantee of future returns. For SIP returns, monthly investment of equal amounts invested on the first business day of every month have been considered. *The 1st SIP date is considered as May 02, 2008.

Market Cap Classification



Market Cap Definition:

Mid Cap < Rs. 5000 crore

Large Cap >= Rs. 5000 crore

Morgan Stanley Growth Fund

(An open-ended Equity Fund)

Details as on May 31, 2010

Portfolio (✓ Top Ten Holdings)

Industry Classification	Security Description	% of Total Net Assets
Banks		23.25%
	✓ HDFC Bank Limited	8.76%
	✓ State Bank of India Limited	3.91%
	✓ IndusInd Bank Limited	3.17%
	Yes Bank Limited	2.17%
	ICICI Bank Limited	2.16%
	Bank of Baroda	2.06%
	Punjab National Bank	1.02%
Consumer Non Durables		9.80%
	✓ ITC Limited	3.91%
	Nestle India Limited	1.90%
	Mcleod Russel India Limited	1.42%
	KS Oils Limited	0.92%
	Shree Renuka Sugars Limited	0.83%
	Asian Paints Limited	0.82%
Pharmaceuticals		9.60%
	✓ Dr. Reddy's Laboratories Limited	4.99%
	✓ Glenmark Pharmaceutical Limited	2.89%
	Aurobindo Pharma Limited	1.72%
Software		8.14%
	✓ Infosys Technologies Limited	4.95%
	Tata Consultancy Services Limited	1.94%
	Wipro Limited	1.25%
Construction Project		7.22%
	Larsen and Toubro Limited	2.71%
	Gammon India Limited	1.93%
	GMR Infrastructure Limited	1.54%
	Hindustan Construction Co Limited	1.04%
Auto		6.90%
	✓ Tata Motors Limited	5.31%
	Ashok Leyland Limited	1.58%
	Hero Honda Motors Limited	0.01%
Power		6.39%
	KSK Energy Ventures Limited	2.56%
	Torrent Power Limited	1.46%
	Reliance Infrastructure Limited	1.26%
	NHPC Limited	1.11%
Media & Entertainment		6.02%
	✓ Sun TV Network Limited	3.83%
	Deccan Chronicle Holdings Limited	2.19%
Petroleum Products		5.58%
	✓ Reliance Industries Limited	5.58%
Non - Ferrous Metals		4.22%
	Hindalco Industries Limited	2.48%
	Hindustan Zinc Limited	1.74%
Industrial Capital Goods		3.45%
	Bharat Heavy Electricals Limited	2.73%
	AIA Engineering Limited	0.53%
	Thermax Limited	0.19%
Industrial Products		1.81%
	Ess Dee Aluminium Limited	1.81%
Finance		1.80%
	Rural Electrification Corporation Limited	1.80%
Ferrous Metals		1.75%
	Usha Martin Limited	1.75%
Construction		0.88%
	The Phoenix Mills Limited	0.88%
Gas		0.88%
	Gujarat State Petronet Limited	0.88%
Cash and other assets		2.31%
Grand Total		100.00%

Fund Features:

Asset Allocation:

Equity and Equity related instruments of companies having large market capitalization¹: 65 – 100%
Equity and Equity related instruments other than mentioned in above: 0 – 35%
Debt and Money Market Instruments (including Securitised Debt): 0 – 35%

NAV:

Growth Rs. 57.775 per unit
Dividend* Rs. 18.826 per unit
*option introduced on Jan. 19, 2009

Expense Ratio:

1.91% of average daily net assets

Portfolio Turnover:

0.93

Volatility Measures:

(for trailing 3 year period)

Standard Deviation 9.98%

Beta 0.91

Sharpe Ratio -0.08

Fund AUM:

Rs. 1856.31 crore

¹ Risk Free rate is based on 3 month T-Bill rate

Performance (in %)

Period	Fund Returns*	BSE 100
1 year	24.09	18.65
Last 3 years	2.92	6.58
Last 5 years	17.13	20.21
Since inception (18th February 1994)	13.41	10.05

Past performance is not a guarantee of future returns. Compounded annualised returns of the Growth Option has been calculated based on the assumption that all dividends during the period have been reinvested in the scheme at the then prevailing NAV.

SIP Performance - Growth option (as on May 31, 2010)

Rs. 2000 invested every month	Amount Invested (Rs.)	MSGF		Benchmark - BSE 100	
		Present Value (Rs.)	Returns XIRR %	Present Value (Rs.)	Returns XIRR %
1 year	24000	25917.14	15.24	25253.96	9.89
Since inception*	32000	40638.46	39.08	39722.64	34.90

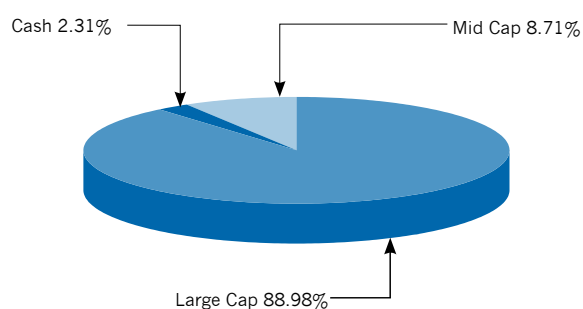
Past performance is not a guarantee of future returns. For SIP returns, monthly investment of equal amounts invested on the first business day of every month have been considered. *MSGF became open ended on January 19, 2009, and the 1st SIP date is considered as February 02, 2009.

Dividend History

Record Date	Date of Declaration	Dividend per unit (Rs.)	Ex-Dividend NAV Date	Ex-Dividend NAV per unit (Rs.)
July 09, 1999	June 23, 1999	0.75	June 25, 1999	12.83
April 29, 2000	April 18, 2000	0.75	April 20, 2000	16.60
June 11, 2001	June 4, 2001	1.00	June 06, 2001	10.72
May 13, 2004	April 28, 2004	1.50	April 29, 2004	21.82
October 27, 2006	October 13, 2006	2.00	October 16, 2006	46.88

Note: Face Value Rs. 10 per unit.

Market Cap Classification[#]



[#]For the purpose of this Scheme, any company having a minimum threshold limit of market capitalization which is equal to or more than the market capitalization of the 100th stock in BSE 100, as on the date of investment shall qualify as Large Cap Company.

Morgan Stanley Short Term Bond Fund

(An open-ended Debt Fund)

Details as on May 31, 2010

Portfolio

Security Description	Rating	% of Total Net Assets
Money Market Instruments		84.11%
State Bank of Hyderabad	P1+	7.47%
Export Import Bank Ltd	P1+	7.38%
Union Bank of India	P1+	7.27%
Kotak Mahindra Prime	P1+	7.10%
Reliance Capital Ltd	A1+	7.08%
United Bank of India	PR1+	3.74%
ING Vyasa Bank	P1+	3.74%
Yes Bank	A1+	3.73%
Kotak Mahindra Bank	P1+	3.73%
Vijaya Bank	PR1+	3.73%
Oriental Bank of Commerce	P1+	3.71%
ICICI Bank	A1+	3.69%
Tata Capital Ltd	A1+	3.68%
Andhra Bank	P1+	3.68%
Indian Oil Corporation	P1+	3.68%
Axis Bank	P1+	3.60%
Canara Bank	P1+	3.56%
Federal Bank	PR1+	3.55%
PSU Bonds		3.94%
Power Finance Corporation	AAA	3.94%
Corporate Debt		7.42%
Housing Development Finance Corporation	AAA	3.75%
Infrastructure Development Finance Corporation	AAA	3.67%
Cash & Current Assets		4.53%
Total Net Asset		100.00%

Rating Profile

Rating Category	
AAA	95.47%
Cash & Current Assets	4.53%
Grand Total	100.00%

Asset Allocation

Asset Class	
Money Market Instruments	84.11%
Corporate Debt	7.42%
PSU Bonds	3.94%
Cash & Current Assets	4.53%
Grand Total	100.00%

Morgan Stanley Active Bond Fund

(An open-ended Debt Fund)

Details as on May 31, 2010

Portfolio

Security Description	Rating	% of Total Net Assets
Cash & Current Assets		100.00%
Grand Total		100.00%

Rating Profile

Rating Category	
Cash & Current Assets	100.00%
Grand Total	100.00%

Asset Allocation

Asset Class	
Cash & Current Assets	100.00%
Grand Total	100.00%

Performance (in %)

Period	Regular Plan	Crisil Composite Bond Fund Index
1 year	1.00	4.74
Since inception (May 28, 2009)	0.69	4.77

Past performance is not a guarantee of future returns. Compounded Annualised returns are computed using NAV of Growth Option. Since Inception returns are calculated on Rs. 10/- invested at inception.

Performance (in %)

Period	Regular Plan	Institutional Plus Plan	Crisil Short Term Bond Fund Index
1 year	5.10	5.50	4.92
Since inception (May 26, 2009)	5.03	5.42	4.62

Past performance is not a guarantee of future returns. Compounded Annualised returns are computed using NAV of Growth Option. Since Inception returns are calculated on Rs. 10/- invested at inception.

Fund Features:

Plans/Options and NAV (Rs.):	Average Maturity: 4.91 months
Institutional Plus Plan	Modified Duration: 0.38 years
Weekly Dividend	Yield to Maturity: 5.57%
Reinvestment: 10.0474	Rating:
Monthly Dividend	Credit risk rating mfAAA by ICRA [†]
(Payout and Reinvestment): 10.0000	Fund AUM:
Growth: 10.5457	Rs. 133.67 crore
Regular Plan	
Monthly Dividend	
(Payout and Reinvestment): 10.0294	
Growth: 10.5079	
Expense Ratio:	
Institutional Plus Plan 0.60%	
Regular Plan 0.90%	

Dividend History

Plan/Frequency	Record Date	Non-Individuals Per Unit (Rs.)	Individuals Per Unit (Rs.)	Ex Dividend NAV (Rs.)
Regular Plan-Monthly Dividend	May 28, 2010	0.0314	0.0337	10.0254
Regular Plan-Monthly Dividend	Apr. 30, 2010	0.0335	0.036	10.0269
Regular Plan-Monthly Dividend	Mar. 26, 2010	0.0277	0.0298	10.0138

Note: Face Value Rs. 10 per unit.

Fund Features:

Plans/Options and NAV (Rs.):	Average Maturity: 0.03 months
Institutional Plus Plan	Modified Duration: 0.003 years
Quarterly Dividend	Yield to Maturity: 4.63%
(Payout and Reinvestment): 10.0000	Rating:
Growth: 10.0000	Credit risk rating mfAAA by ICRA [†]
Regular Plan	Fund AUM:
Quarterly Dividend (Payout and Reinvestment): 10.0744	Rs. 1.05 crore
Growth: 10.0744	
Expense Ratio:	
Institutional Plus Plan 1.20%	
Regular Plan 1.75%	

[†]ICRA has assigned the "Credit Risk Rating mfAAA" to Morgan Stanley Short Term Bond Fund and Morgan Stanley Active Bond Fund which means that both funds carry the lowest credit risk, similar to that associated with long-term debt obligations rated in the highest-credit-quality category. This rating should however, not be construed as an indication of the performance of the aforesaid Funds or of volatility in their returns. Further, the above rating should not be treated as ICRA's recommendation to buy, sell or hold the units issued under the said Funds.

Funds at a glance

Particulars	Morgan Stanley A.C.E. Fund	Morgan Stanley Growth Fund	Morgan Stanley Short Term Bond Fund	Morgan Stanley Active Bond Fund
Nature of the Fund	An open-ended Across Capitalisations Equity Fund	An open-ended Equity Fund (open-ended from Jan. 19, 2009)	An open-ended Debt Fund	An open-ended Debt Fund
Date of Allotment	April 03, 2008	February 18, 1994	May 26, 2009	May 28, 2009
Fund Manager	Jayesh Gandhi	Sridhar Sivaram Amay Hattangadi	Ritesh Jain	Ritesh Jain
Investment Objective	To generate long-term capital growth from an actively managed portfolio of equity and equity-related securities including equity derivatives.	To achieve long-term capital appreciation by investing primarily in equity and equity related securities of companies having large market capitalization#.	To generate income from a diversified portfolio of short to medium term debt and money market securities.	To generate optimal returns through active management of the portfolio consisting of debt and money market securities.
Benchmark	BSE 200	BSE 100	CRISIL Short-Term Bond Fund Index	CRISIL Composite Bond Fund Index
Investment Plan/Options	<ul style="list-style-type: none"> Growth Dividend Option - Reinvestment and Payout 	<ul style="list-style-type: none"> Growth Dividend Option - Reinvestment and Payout 	Institutional Plus Plan <ul style="list-style-type: none"> Growth Option Dividend Option - Weekly Reinvestment - Monthly Reinvestment and Payout Regular Plan <ul style="list-style-type: none"> Growth Option Dividend Option - Weekly Reinvestment - Monthly Reinvestment and Payout 	Institutional Plus Plan <ul style="list-style-type: none"> Growth Option Dividend Option - Quarterly Reinvestment and Payout Regular Plan <ul style="list-style-type: none"> Growth Option Dividend Option - Quarterly Reinvestment and Payout
Minimum Investment Amount	Lumpsum: Rs. 5000 and in multiples of Re. 1/- thereafter SIP: Rs. 1000/- via minimum 6 installments Group SIP: Rs. 250/- via minimum 6 installments	Lumpsum: Rs. 5000 and in multiples of Re. 1/- thereafter SIP: Rs. 1000/- via minimum 6 installments Group SIP: Rs. 250/- via minimum 6 installments	Lumpsum: Regular Plan - Rs. 5000/- and multiples of Re. 1/- thereafter Institutional Plus Plan - Rs. 50 lacs and in multiples of Re. 1/- thereafter SIP: (Regular Plan Only) Rs. 1000/- via minimum 6 installments Group SIP: Rs. 250/- via minimum 6 installments	Lumpsum: Regular Plan - Rs. 5000/- plus in multiples of Re. 1/- thereafter Institutional Plus Plan - Rs. 50 lacs plus in multiples of Re. 1/- thereafter SIP: (Regular Plan Only) Rs. 1000/- via minimum 6 installments Group SIP: Rs. 250/- via minimum 6 installments
Additional Investment	Rs. 1000 and in multiples of Re. 1/- thereafter	Rs. 1000 and in multiples of Re. 1/- thereafter	Regular Plan - Rs. 1000/- and in multiples of Re. 1/- thereafter Institutional Plus Plan- Rs. 1 lac and in multiples of Re. 1/- thereafter	Regular Plan - Rs. 1000/- and in multiples of Re. 1/- thereafter Institutional Plus Plan- Rs. 1 lac and in multiples of Re. 1/- thereafter
Minimum Repurchase amount	Rs. 1000/- and in multiples of Re. 1/- thereafter	Rs. 1000/- and in multiples of Re. 1/- thereafter	Rs. 1000/- and in multiples of Re. 1/- thereafter	Rs. 1000/- and in multiples of Re. 1/- thereafter
SIP/STP Dates	1st, 5th, 10th, 15th, 20th, 25th of every Month/Quarter	1st, 5th, 10th, 15th, 20th, 25th of every Month/Quarter	1st, 5th, 10th, 15th, 20th, 25th of every Month/Quarter	1st, 5th, 10th, 15th, 20th, 25th of every Month/Quarter
Entry Load	Nil.	Nil.	Nil.	Nil.
Exit Load	1% if redeemed/switched on or before the expiry of one year from the date of allotment; otherwise: Nil.	1% if redeemed/switched on or before the expiry of one year from the date of allotment; otherwise: Nil.	Nil.	Nil.

#For the purpose of this Scheme, any company having a minimum threshold limit of market capitalization which is equal to or more than the market capitalization of the 100th stock in BSE 100, as on the date of investment shall qualify as Large Cap Company.

Morgan Stanley Mutual Fund Branch Offices

• Ahmedabad 079 2644 9132	• Bangalore 080 4180 0702	• Chandigarh 0172 4665 295	• Chennai 044 2830 2091
• Delhi 011 6624 9133	• Hyderabad 040 4002 4168	• Kolkata 033 3984 5315	• Mumbai 022 2209 7130
• Pune 020 6500 8349			

Registered Office: Morgan Stanley Investment Management Pvt. Ltd., Forbes Building, Charanjit Rai Marg, Fort, Mumbai 400 001; Tel 91 22 2209 6600.
Toll free 1800 425 1313, Non-toll-free 040 2342 8757

Note: SIP does not guarantee protection against loss in a declining market. Applicable taxes, exit load, if any have not been considered in calculations and the same, if taken into consideration, may reduce the returns on your actual investments. Please consult your legal/tax/investment advisor before investing.

Statutory Details: Morgan Stanley Mutual Fund has been set up as a Trust under Indian Trusts Act, 1882. **Sponsor:** Morgan Stanley. **Trustee:** Board of Trustees. **Investment Manager:** Morgan Stanley Investment Management Pvt. Ltd. **Risk Factors:** All mutual funds and securities investments are subject to market risks and there can be no assurance that the objectives of the Scheme will be achieved. As with any securities investment, the NAV of the units issued under the Scheme may go up or down, depending upon the factors and forces affecting the capital markets. Past performance of the Sponsors/Investment Manager/Mutual Fund does not, in any manner, indicate the future performance of the Scheme, and may not necessarily provide a basis of comparison with other investments. There is no assurance or guarantee to the unit holders as to the rate of dividend distribution nor that dividends will be paid regularly. Investors in the Scheme are not being offered any guaranteed/assured returns. **Morgan Stanley A.C.E. Fund, Morgan Stanley Growth Fund, Morgan Stanley Active Bond Fund and Morgan Stanley Short Term Bond Fund are only the names of the schemes and do not in any manner indicate either the quality of the schemes, its future prospects or returns.** The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. The Sponsor is not responsible or liable for any loss resulting from the operations of the Scheme beyond their initial contribution of Rs. 5 lac towards setting up of the Mutual Fund and such other accretions and additions to the corpus. **Investors should read the Statement of Additional Information and Scheme Information Document/Key Information Memorandum (available at Investor Service Centres, Distributors, and on the Mutual Fund website www.morganstanley.com/indiamf), carefully before investing.**