

Fact Sheet

October 2010



FIXED INCOME OVERVIEW

In its maiden mid-term policy review, the RBI hiked rates more than expected, pushing repo rate by 25bps to 6% and increasing reverse repo rate by 50bps to 5%. This is the second time that the RBI has narrowed the policy rate corridor with an intention to accelerate the transmission of policy rates to other market rates in the economy. The language of the central bank's policy document highlighted high inflation as still being the overarching concern for macroeconomic stability in the immediate term. In many ways there is a change in tone to more positive as the RBI has said that tightening done so far 'has taken the monetary situation close to normal'. The policy action from here onwards will be dependent on how both the domestic and global macro pan out.

Meanwhile, the data flow on the domestic front continues to remain strong. The government issued the clarification and re-stated the GDP numbers by expenditure (demand side) from 3.7% to 10%. The supply side numbers were unchanged at 8.8%. The Industrial Production in July rose by 13.8%, much higher than expectations. The outlier was the 63% rise in capital goods. The Central Government's aggregate tax collections grew 26.6% y-o-y in the month of August 2010 versus 24.4% in the previous month. Until year-to-date, the tax collections have grown by 27.3%, ahead of the full fiscal-year government budget estimate of 18%. Direct tax collection was up 16.6% in April-August 2010, ahead of budget estimate of 11%, driven by strong growth in corporate (+18.4%) and personal income (+14%) tax collection.

India unveiled the long-awaited new wholesale price index data series used to measure inflation with a new base year of 2004-05 that will track price movements of a more representative commodity basket. The current WPI series has 1993-94 as the base year and has more than 435 items while the new WPI basket will have around 676 products. There is only a slight revision of 1-3 percentage points in the weightings of the broad sub-groups in WPI. The weightage of primary food articles is down to 14.3% from the current 15.4%, while that of manufactured products is up to 64.97% from 63.74%. The WPI decelerated to 9.5% in August 2010 as per old base year, from 10% in July and 11.1% (revised upward from 10.6% earlier) in June 2010. According to the new base year (2004-05), WPI decelerated to 8.5% in August from 9.8% in July and 10.3% in June. We expect headline inflation to moderate further in the coming months assuming a drop in primary product prices due to the favorable monsoon and the favorable base effect.

The fixed income market remained range bound with a bit of support from the new guidelines and limits on FII investment in local currency debt. Foreign Investment Limit in government bonds and corporate bonds increased by \$5 billion each to \$10 billion and \$20 billion respectively, on the condition that the incremental investment is to be done in securities with a residual maturity of over five years. Corporate bond investments should be in bonds floated by infrastructure companies with residual maturity of five years. The objective appears to encourage further deepening of the debt market.

The RBI has announced the borrowing calendar for the second half of the year. The government trimmed the quantum of borrowing for Oct-Mar by INR70 billion to INR1.63 trillion, an average borrowing INR110 billion per week until the second week of February. Around 78% of the issuances are bucketed in the 5-14 year bonds and around 22% in greater than 14-year bonds.

EQUITY OVERVIEW

The key highlight of the month for the equity markets has been the strong Foreign Institutional inflows. September saw an inflow of USD 6.3 billion taking the calendar year to date number to a record high of USD 19.2 bn. This is however contrasted by domestic institutional selling in the equity market to the tune of USD 2.3 bn. Clearly there is a divergent set of opinions on the market between these two camps of investors. On the one hand, India has a lot going for itself - favorable demographics, a strong domestic demand base that has remained resilient in the downturn, resurgent growth in most areas of the economy and an improving fiscal situation. Compare that with the frail growth dynamics in most of the developed world and the fact that foreign money has found its way into the Indian market in this scenario is not surprising. On the other hand we need to be aware of

The domestic liquidity remained tight throughout the month due to advance tax outflows and strong demand of funds from banks. Repo rate continued to remain the operative rate for most part of the month. The yield curve bearish flattened with shorter end of the curve losing ground on the back of tight liquidity. The domestic currency rallied significantly against USD, on the back of FII inflow and expectation that new increased debt limit for FII with further aid inflow.

Portfolio review for September '10

The fixed income market continues to remain bearish with curve shifting flatter during the month. The near end of the curve reflecting tight liquidity condition remains elevated. In the Short-term plan, the incremental flows and maturity proceeds were invested in accrual asset enhancing the carry yield of the portfolio.

Expectations for October '10

The domestic liquidity is likely to remain tight in October due to seasonal currency leakage. 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
	30/09/10	31/08/10	31/03/10	Monthly	Since March '10
364 Day T-bill (Primary)	6.70%	6.54%	5.14%	0.16%	1.55%
5-year Gilt Benchmark	7.68%	7.68%	7.53%	0.00%	0.15%
10-year Gilt Benchmark	7.84%	7.95%	7.83%	-0.12%	0.01%
30-year Gilt Benchmark	8.33%	8.39%	8.80%	-0.06%	-0.47%
91 Day Manufacturing CP(P1+)	7.53%	7.50%	5.75%	0.03%	1.78%
91 day Bank CD	7.18%	7.05%	9.75%	0.13%	-2.58%
1-yr AAA Spreads	1.30%	1.45%	1.55%	-0.15%	-0.25%
5-yr AAA Spreads	0.70%	0.80%	0.90%	-0.10%	-0.20%
5-yr OIS	7.02%	6.94%	6.88%	0.08%	0.14%
CRR	6.00%	6.00%	5.75%	0.00%	0.25%
RBI LAF- Reverse Repo Rate*	5.00%	4.50%	3.50%	0.50%	1.50%
Foreign Exchange Reserve (\$ bn)	287.73	282.84	277.04	4.89	10.69
Nymex Crude	79.97	71.92	83.76	8.05	(3.79)
US Fed Funds Rate	0.25%	0.25%	0.25%	0.00%	0.00%
US 10-yr Gilt	2.51%	2.47%	3.83%	0.04%	-1.32%
INR/USD	44.95	47.08	44.92	-4.52%	0.06%
USD/Euro	1.36	1.27	1.35	-7.52%	-0.92%
USD/Yen	83.53	84.20	93.47	-0.80%	-10.63%

*RBI Repo Rate at 6%

Sources – Internal & Bloomberg

Ritesh Jain

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

the vulnerabilities as well. Dependence on capital flows to bridge the current account deficit, inflation numbers that have been stickier than expectations have been some of the deterrents.

We remain focussed on owning stocks that have strong earnings visibility and possibility of upward revisions in expectations. Our broad sectoral biases of owning consumer related sectors and not owning sectors influenced by global demand and supply dynamics like Energy and Materials remains unchanged. At the margin, we have added to our Industrials exposure as we see early signs of a pick up in private sector capital expenditure.

Sridhar Sivaram and Amay Hattangadi

Lead Portfolio Managers, Large Cap Equities

Morgan Stanley A.C.E. Fund

(An open-ended Across Capitalisations Equity Fund)



Details as on Sep. 30, 2010

Portfolio (✓ Top Ten Holdings)

Industry Classification	Security Description	% of Total Net Assets
Banks		20.44%
	✓ ICICI Bank Limited	5.03%
	✓ Kotak Mahindra Bank Limited	2.78%
	✓ HDFC Bank Limited	2.45%
	✓ State Bank of India Limited	2.44%
	Axis Bank Limited	1.64%
	Federal Bank Limited	1.61%
	Indian Bank	1.58%
	Yes Bank Limited	1.51%
	Dhanlaxmi Bank Limited	1.40%
Pharmaceuticals		7.82%
	Aurobindo Pharma Limited	2.31%
	Jubilant Organosys Limited	2.00%
	Cadila Healthcare Limited	1.83%
	Opto Circuits India Limited	1.68%
Software		7.77%
	✓ Infosys Technologies Limited	5.07%
	✓ Tata Consultancy Services Limited	2.70%
Petroleum Products		7.09%
	✓ Reliance Industries Limited	5.61%
	Indian Oil Corporation Limited	1.48%
Finance		5.80%
	Manappuram General Finance & Leasing Ltd.	2.28%
	Infrastructure Development Finance Co. Ltd.	1.78%
	Dewan Housing Finance Corporation Limited	1.74%
Industrial Capital Goods		5.37%
	Bharat Heavy Electricals Limited	2.10%
	Crompton Greaves Limited	2.04%
	Sterlite Technologies Limited	1.23%
Consumer Non Durables		5.33%
	✓ ITC Limited	3.24%
	Radico Khaitan Limited	2.09%
Auto		5.04%
	✓ Tata Motors Limited	3.05%
	Mahindra and Mahindra Limited	1.99%
Ferrous Metals		3.70%
	Usha Martin Limited	1.90%
	Jindal Steel and Power Limited	1.80%
Transportation		3.61%
	IRB Infrastructure Developers Limited	2.11%
	Spice Jet Limited	1.50%
Construction		3.24%
	Sobha Developers Limited	1.75%
	The Phoenix Mills Limited	1.49%
Auto Ancillaries		3.05%
	Exide Industries Limited	1.79%
	Motherson Sumi Systems Limited	1.26%
Power		2.71%
	Torrent Power Limited	1.40%
	CESC Limited	1.31%
Gas		2.62%
	Gujarat State Petronet Limited	1.55%
	GAIL India Limited	1.07%
Oil		2.61%
	✓ Oil and Natural Gas Corporation Limited	2.61%
Non - Ferrous Metals		2.15%
	Hindustan Zinc Limited	2.15%

Industry Classification	Security Description	% of Total Net Assets
Construction Project		1.93%
	Voltas Limited	1.93%
Consumer Durables		1.81%
	Bajaj Electricals Limited	1.81%
Media & Entertainment		1.57%
	Zee Entertainment Enterprises Limited	1.57%
Industrial Engineering & Capital Goods		0.59%
	Va Tech Wabag Limited	0.59%
Cash and other assets		5.75%
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:

2.34% of average daily net assets

Portfolio Turnover:

1.27

NAV (₹):

Growth 16.216 per unit
Dividend 16.216 per unit

Fund AUM:

₹ 333.49 crore

Performance (in %)

Period	Fund Returns	BSE 200
1 Year	37.42	20.79
Since Inception (April 03, 2008)	21.41	11.01

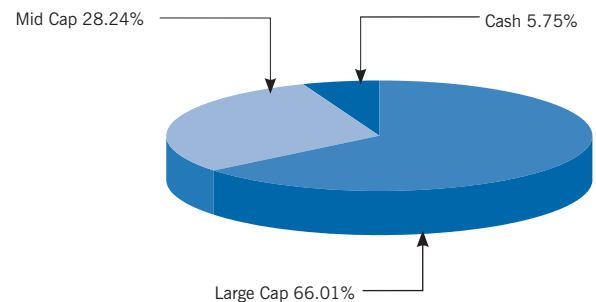
Past performance is not a guarantee of future returns. Compounded annualised returns of the growth option are computed. Since Inception returns are calculated on ₹ 10/- invested at inception.

SIP Performance - Growth option (as on Sep. 30, 2010)

₹ 2000 invested every month	Amount Invested (₹)	MSACE		Benchmark - BSE 200	
		Present Value (₹)	Returns XIRR %	Present Value (₹)	Returns XIRR %
1 year	24000	29295.96	43.53	28168.43	33.88
Since inception*	58000	99467.95	49.44	86996.80	35.95

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 < ₹ 5000 crore
Large Cap >= ₹ 5000 crore

CRISIL Fund Rank 1 Open Ended Diversified Equity Scheme, June 2010. **Ranking methodology:** CRISIL Fund Rank 1 – The mutual fund ranking of Morgan Stanley ACE Fund is “Very Good” in the Open Ended Diversified Equity Category, and ranks within the Top 10% of the 74 schemes ranked in this category. The criteria used in computing the CRISIL Mutual Fund Ranking are Superior Return Score, based on NAVs over the 2-year period ended June 30, 2010, Concentration and Liquidity of the scheme. The methodology does not take into account the entry and exit loads levied by the scheme. The CRISIL Mutual Fund Ranking is no indication of the performance that can be expected from the scheme in future. Ranking Source: CRISIL FundServices, CRISIL Limited.

Morgan Stanley Growth Fund

(An open-ended Equity Fund)

Details as on Sep. 30, 2010

Portfolio (✓ Top Ten Holdings)

Industry Classification	Security Description	% of Total Net Assets
Banks		20.33%
	✓ HDFC Bank Limited	8.54%
	✓ IndusInd Bank Limited	3.90%
	✓ State Bank of India Limited	2.86%
	ICICI Bank Limited	2.32%
	Bank Of Baroda	1.44%
	Punjab National Bank	1.27%
Auto		10.12%
	✓ Tata Motors Limited	6.32%
	Bajaj Auto Limited	2.46%
	Ashok Leyland Limited	1.33%
	Hero Honda Motors Limited	0.01%
Software		9.62%
	✓ Infosys Technologies Limited	5.66%
	Tata Consultancy Services Limited	2.60%
	Wipro Limited	1.36%
Consumer Non Durables		8.77%
	✓ ITC Limited	3.96%
	Nestle India Limited	1.63%
	Asian Paints Limited	1.24%
	Shree Renuka Sugars Limited	1.20%
	KS Oils Limited	0.74%
Media & Entertainment		7.49%
	✓ Sun TV Network Limited	4.08%
	Deccan Chronicle Holdings Limited	1.93%
	Television Eighteen India Limited	1.14%
	IBN18 Broadcast Limited	0.34%
Pharmaceuticals		7.47%
	✓ Dr. Reddy's Laboratories Limited	3.40%
	✓ Glenmark Pharmaceutical Limited	2.67%
	Aurobindo Pharma Limited	1.40%
Construction Project		5.64%
	Larsen and Toubro Limited	2.50%
	Gammon India Limited	2.03%
	GMR Infrastructure Limited	0.74%
	Volta Limited	0.37%
Finance		4.56%
	Infrastructure Development Finance Co. Ltd	2.50%
	Rural Electrification Corporation Limited	2.06%
Petroleum Products		4.45%
	✓ Reliance Industries Limited	4.45%
Power		4.37%
	KSK Energy Ventures Limited	2.35%
	Reliance Infrastructure Limited	1.32%
	Jaiprakash Power Ventures Limited	0.63%
	Torrent Power Limited	0.07%
Non - Ferrous Metals		3.72%
	Hindalco Industries Limited	2.33%
	Hindustan Zinc Limited	1.39%
Industrial Products		2.87%
	Ess Dee Aluminium Limited	1.75%
	Cummins (India) Limited	1.12%
Industrial Capital Goods		2.43%
	AIA Engineering Limited	1.33%
	Thermax Limited	1.10%
Ferrous Metals		1.83%
	Usha Martin Limited	1.83%
Retailing		1.30%
	Pantaloon Retail India Limited	1.27%
	Future Mall Management Limited	0.03%
Transportation		1.28%
	Spice Jet Limited	1.28%
Hardware		1.15%
	Redington India Limited	1.15%
Fertilisers		1.09%
	Coromandel International Limited	1.09%
Construction		0.98%
	The Phoenix Mills Limited	0.98%
Cash and other assets		0.53%
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 68.779 per unit

Dividend* 22.412 per unit

*option introduced on Jan. 19, 2009

Expense Ratio:

1.91% of average daily net assets

Portfolio Turnover:

0.84

Volatility Measures:

(for trailing 3 year period)

Standard Deviation 9.97%

Beta 0.92

Sharpe Ratio -0.04

Fund AUM:

₹ 1908.95 crore

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

Performance (in %)

Period	Fund Returns	BSE 100
1 year	26.18	19.00
3 years	4.13	5.82
5 years	15.63	18.40
Since Inception (18th February 1994)	14.31	10.91

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 Sep. 30, 2010)

₹ 2000 invested every month	Amount Invested (₹)	MSGF		Benchmark - BSE 100	
		Present Value (₹)	Returns XIRR %	Present Value (₹)	Returns XIRR %
1 year	24000	28691.94	38.33	28051.95	32.89
Since inception*	40000	57540.47	48.73	55875.42	44.24

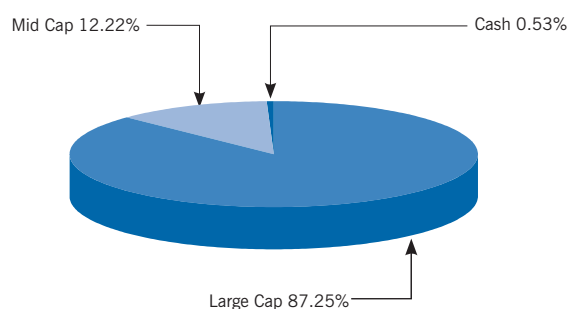
Past performance is not a guarantee of future returns. For SIP returns, monthly investment of equal amounts invested on the first business day of every month have been considered. *MSGF became open ended on January 19, 2009, and the 1st SIP date is considered as February 02, 2009.

Dividend History

Record Date	Date of Declaration	Dividend per unit (₹)	Ex-Dividend NAV Date	Ex-Dividend NAV per unit (₹)
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 ₹ 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 Sep. 29, 2010

Portfolio

Security Description	Rating	% of Total Net Assets
Money Market Instruments		89.12%
Kotak Mahindra Prime	P1+	10.40%
Reliance Capital	A1+	10.38%
Andhra Bank	P1+	5.36%
Union Bank of India	P1+	5.28%
Bank of Baroda	P1+	5.28%
Allahabad Bank	A1+	5.28%
Yes Bank	A1+	5.28%
IndusInd Bank	P1+	5.28%
IDBI Bank	P1+	5.28%
Axis Bank	P1+	5.25%
National Bank for Agriculture and Rural Development	P1+	5.23%
Oriental Bank of Commerce	P1+	5.21%
Corporation Bank	P1+	5.21%
Federal Bank	PR1+	5.19%
Canara Bank	P1+	5.19%
Cash & Current Assets		10.88%
Total Net Asset		100.00%

Rating Profile

Rating Category	
AAA	89.12%
Cash & Current Assets	10.88%
Grand Total	100.00%

Asset Allocation

Asset Class	
Money Market Instruments	89.12%
Cash & Current Assets	10.88%
Grand Total	100.00%

CRISIL Mutual Fund Rank 2 Debt Short Scheme, June 2010. **Ranking methodology:** CRISIL Fund Rank 2 – The mutual fund ranking of Morgan Stanley Short Term Bond Fund is “Good” in the Debt Short Category, and ranks within the Top 30% of the 30 schemes ranked in this category. The criteria used in computing the CRISIL Mutual Fund Ranking are Superior Return Score, based on NAVs over the 1-year period ended June 30, 2010, Concentration and Liquidity of the scheme. The methodology does not take into account the entry and exit loads levied by the scheme. The CRISIL Mutual Fund Ranking is no indication of the performance that can be expected from the scheme in future. Ranking Source: CRISIL FundServices, CRISIL Limited.

Morgan Stanley Active Bond Fund

(An open-ended Debt Fund)

Details as on Sep. 29, 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	3.42	5.47
Since inception (May 28, 2009)	1.34	4.54

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 ₹ 10/- invested at inception.

Performance (in %)

Period	Regular Plan	Institutional Plus Plan	Crisil Short Term Bond Fund Index
1 year	5.00	5.32	4.92
Since inception (May 26, 2009)	4.94	5.30	4.49

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 ₹ 10/- invested at inception.

Fund Features:

Plans/Options and NAV (₹):

Institutional Plus Plan	
Weekly Dividend	
Reinvestment:	10.0447
Monthly Dividend (Payout and Reinvestment):	10.0334
Growth:	10.7154

Regular Plan	
Weekly Dividend	
Reinvestment:	10.0291
Monthly Dividend (Payout and Reinvestment):	10.0296
Growth:	10.6664

Expense Ratio:

Institutional Plus Plan	0.60%
Regular Plan	0.90%

Average Maturity: 3.47 months

Modified Duration: 0.27 years

Yield to Maturity: 6.97%

Rating:

Credit risk rating mfAAA by ICRA[#]

Fund AUM:

₹ 93.18 crore

Dividend History

Plan/Frequency	Record Date	Non-Individuals Per Unit (₹)	Individuals Per Unit (₹)	Ex Dividend NAV (₹)
Regular Plan-Monthly Dividend	Sep. 24, 2010	0.0314	0.0337	10.0209
Regular Plan-Monthly Dividend	Aug. 27, 2010	0.0220	0.0236	10.0174
Regular Plan-Monthly Dividend	Jul. 30, 2010	0.0393	0.0421	10.0182

Note: Face Value ₹ 10 per unit.

Fund Features:

Plans/Options and NAV (₹):

Institutional Plus Plan	
Quarterly Dividend (Payout and Reinvestment):	10.0000
Growth:	10.0000

Regular Plan	
Quarterly Dividend (Payout and Reinvestment):	10.1758
Growth:	10.1758

Average Maturity: 0.06 months

Modified Duration: 0.005 years

Yield to Maturity: 6.10%

Rating:

Credit risk rating mfAAA by ICRA[#]

Fund AUM:

₹ 0.77 crore

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: ₹ 5000 and in multiples of ₹ 1/- thereafter SIP: ₹ 1000/- via minimum 6 installments Group SIP: ₹ 250/- via minimum 6 installments	Lumpsum: ₹ 5000 and in multiples of ₹ 1/- thereafter SIP: ₹ 1000/- via minimum 6 installments Group SIP: ₹ 250/- via minimum 6 installments	Lumpsum: Regular Plan - ₹ 5000/- and multiples of ₹ 1/- thereafter Institutional Plus Plan - ₹ 50 lacs and in multiples of ₹ 1/- thereafter SIP: (Regular Plan Only) ₹ 1000/- via minimum 6 installments Group SIP: ₹ 250/- via minimum 6 installments	Lumpsum: Regular Plan - ₹ 5000/- plus in multiples of ₹ 1/- thereafter Institutional Plus Plan - ₹ 50 lacs plus in multiples of ₹ 1/- thereafter SIP: (Regular Plan Only) ₹ 1000/- via minimum 6 installments Group SIP: ₹ 250/- via minimum 6 installments
Additional Investment	₹ 1000 and in multiples of ₹ 1/- thereafter	₹ 1000 and in multiples of ₹ 1/- thereafter	Regular Plan - ₹ 1000/- and in multiples of ₹ 1/- thereafter Institutional Plus Plan- ₹ 1 lac and in multiples of ₹ 1/- thereafter	Regular Plan - ₹ 1000/- and in multiples of ₹ 1/- thereafter Institutional Plus Plan- ₹ 1 lac and in multiples of ₹ 1/- thereafter
Minimum Repurchase amount	₹ 1000/- and in multiples of ₹ 1/- thereafter	₹ 1000/- and in multiples of ₹ 1/- thereafter	₹ 1000/- and in multiples of ₹ 1/- thereafter	₹ 1000/- and in multiples of ₹ 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 ₹ 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.**