

# Fact Sheet

April 2010



## FIXED INCOME OVERVIEW

Citing pressure of rising inflation, the RBI made the interim move and raised the repo and reverse repo rates by 25bps each, to 5% and 3.5% respectively. Given that the RBI on a couple of occasions recently ruled out an intra-meeting move, the timing of the increase in the monetary rates came as something of a surprise for the market. The earlier statements by the RBI indicated that mid-cycle actions would be there only if there were unprecedented events. Thus, while rate hikes have been on the cards, timing was a surprise since it comes just a month prior to the official policy meet scheduled for April 20. While acknowledging that the domestic economic recovery is gaining momentum, it has voiced concern on inflation – especially the uptick in non-food manufactured goods and fuel items. The RBI anticipate heightened “risks of supply-side pressures translating into a generalized inflationary process” and hence the move.

Following the upwardly revised 17.6% growth in Dec.'09, industrial production rose 16.7% in Jan.'10. The economy is now showing clear signs of a demand revival with double-digit growth seen across most sectors. Strong IP growth data for two consecutive months now (with growth above pre-crisis levels) indicate that domestic demand is rising faster than expected. The economy looks to be in a fast recovery mode and that too aided the intermediate move by the Reserve Bank of India.

India's wholesale price index (WPI) inflation was at higher-than-expected 9.89% y-o-y in February from 8.56% in January, led by fuel and manufactured products inflation. Momentum continues to gather, as reflected in the upward revisions to past data: December inflation also was revised to 8.10% y-o-y from 7.31% estimated earlier. With the same rate of upward revisions, the inflation rate will likely hit double-digits in February itself, a month earlier than expected by most.

The Reserve Bank of India announced the much-awaited Government's borrowing calendar for the first half of FY2011. The government plans to borrow INR 2.87 trillion, or 62.8% of the year's total borrowing of INR 4.57 trillion in H1 (Apr-Sep) of FY11. The lower than expected borrowing led to a mild rally in the benchmark 10-year government bond. The plan is front-loaded to provide enough room for private-sector credit during the second half of the year, which starts in October. Without pre-committing to any fixed amount, the RBI stated that it would issue variable rate securities depending on market conditions. It also said that the decision on open market operations (OMO), or bond buybacks, would be taken later.

In a separate release, The Reserve Bank of India (RBI) has issued guidelines for the introduction of Separate Trading of Registered Interest and Principal of Securities (STRIPS) in Government Securities with effect from April 01, 2010.

The domestic fixed income market and sovereign curve remained range bound after testing the higher trajectory. The strong inflationary number, Industrial production data and then the unanticipated rate hike aided to the upward revision in interest rate structure. The credit curve outperformed the sovereign curve with spreads coming off especially in the medium end of the curve. The liquidity in the system came under a bit of stress due to advance tax outflows and customary year-end demand for money. In another couple of week's time, the liquidity is likely to flow back into system by way of Government spending and strong foreign inflows.

## EQUITY OVERVIEW

After a weak January and flatish February, the Indian markets resumed their upward journey in March 2010 with the BSE 100 Index gaining over 6% for the month led by healthcare, energy and materials sectors. The uneasiness surrounding the fiscal state of some of the EU members seems to have receded for the time being and flows to Emerging Markets resumed in full earnest. India for its part got over USD 4 billion of FII inflows during the month, one of the highest months on record. The markets seem to have taken the benign view that the inter-meeting rate hike by the Reserve Bank of India (RBI) was more of normalization of rates rather than the commencement of swift tightening and that headline inflation is likely to peak in the coming months

Our corporate interactions suggest that confidence in the recovery and its sustainability is strong with participants articulating their capital expenditure intentions on the back of comfortable domestic demand conditions. Though conditions remain conducive for now, we remain cognizant of the risks emanating from a renewed bout of global risk aversion and domestically from

### Portfolio review for March '10

The market remained volatile during the course of the month with the benchmark 10 year sovereign testing the physiological 8% mark before settling lower. In the marginal duration plan, we continue to rely on accrual income while in the active duration plan, anticipating higher yield curve we maintained cash.

### Expectations for April '10

The systemic liquidity could soon normalize leading to outperformance in the short end of the curve. The portfolios duration in the bond plan is likely to be very low and 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
	31/03/10	28/02/10	31/03/09	Monthly	Since March '09
364 Day T-bill (Primary)	5.14%	5.01%	5.50%	0.13%	-0.36%
5-year Gilt Benchmark	7.53%	7.59%	6.76%	-0.06%	0.77%
10-year Gilt Benchmark	7.83%	7.89%	7.01%	-0.05%	0.82%
30-year Gilt Benchmark	8.80%	8.94%	8.42%	-0.14%	0.38%
91 Day Manufacturing CP(P1+)	5.75%	6.30%	9.20%	-0.55%	-3.45%
91 day Bank CD	5.15%	5.65%	9.75%	-0.50%	-4.60%
1-yr AAA Spreads	2.15%	1.80%	2.36%	0.35%	-0.21%
5-yr AAA Spreads	0.90%	1.00%	1.66%	-0.10%	-0.76%
5-yr OIS	6.88%	7.02%	5.61%	-0.14%	1.27%
CRR	5.75%	5.50%	5.00%	0.25%	0.75%
RBI LAF- Reverse Repo Rate*	3.50%	3.25%	3.50%	0.25%	0.00%
Foreign Exchange Reserve (\$ bn)	277.04	278.36	252.33	(1.32)	24.72
Nymex Crude	83.76	79.66	49.66	4.10	34.10
US Fed Funds Rate	0.25%	0.25%	0.25%	0.00%	0.00%
US 10-yr Gilt	3.83%	3.61%	2.66%	0.21%	1.16%
INR/USD	44.92	46.09	50.73	-2.53%	-11.46%
USD/Euro	1.35	1.36	1.33	0.89%	-1.96%
USD/Yen	93.47	88.97	98.96	5.06%	-5.55%

\*RBI Repo Rate at 4.75%

Sources – Internal & Bloomberg

### Ritesh Jain

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

a successive year of poor monsoons. We also note with some caution that core inflation has begun to creep up and that the cozy assumption of inflation roll-off due to base effect may have some risks.

Against this macro backdrop, we feel that valuations are at or about long term averages and outright cheap opportunities are limited. From MSGF portfolio standpoint, we continue to exhibit our cautious stance with overweight positions in consumer related sectors, healthcare and industrials. We have reduced our overweight in information technology and continue to remain underweight global cyclicals like energy and materials.

### 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 Mar. 31, 2010

## Portfolio (✓ Top Ten Holdings)

Industry Classification	Security Description	% of Total Net Assets
<b>Banks</b>		<b>15.90%</b>
	✓ ICICI Bank Limited	4.69%
	✓ HDFC Bank Limited	4.44%
	Axis Bank Limited	2.01%
	Yes Bank Limited	1.80%
	IndusInd Bank Limited	1.65%
	IDBI Bank Limited	1.31%
<b>Software</b>		<b>11.26%</b>
	✓ Infosys Technologies Limited	4.34%
	✓ Tata Consultancy Services Limited	2.33%
	Wipro Limited	1.42%
	Mphasis Limited	1.19%
	Oracle Financial Services Software Limited	0.97%
	Polaris Software Lab Limited	0.93%
	Persistent Systems Limited	0.08%
<b>Pharmaceuticals</b>		<b>7.82%</b>
	✓ Cadila Healthcare Limited	2.49%
	Aurobindo Pharma Limited	2.06%
	Opto Circuits India Limited	1.91%
	Dr. Reddy's Laboratories Limited	1.36%
<b>Consumer Non Durables</b>		<b>7.18%</b>
	Radico Khaitan Limited	1.86%
	Emami Limited	1.77%
	ITC Limited	1.58%
	Marico Limited	0.99%
	Lakshmi Energy and Foods Limited	0.53%
	Dhampur Sugar Mills Limited	0.45%
<b>Industrial Capital Goods</b>		<b>7.16%</b>
	✓ Bharat Heavy Electricals Limited	2.64%
	✓ Sterlite Technologies Limited	2.49%
	Crompton Greaves Limited	2.03%
<b>Petroleum Products</b>		<b>6.74%</b>
	✓ Reliance Industries Limited	6.74%
<b>Finance</b>		<b>5.79%</b>
	Housing Development Finance Corporation Limited	1.63%
	India Infoline Limited	1.50%
	Power Finance Corporation Limited	1.40%
	Manappuram General Finance and Leasing Limited	1.26%
<b>Power</b>		<b>4.43%</b>
	KEC International Limited	1.66%
	NTPC Limited	0.98%
	Torrent Power Limited	0.90%
	GVK Power and Infrastructure Limited	0.89%
<b>Gas</b>		<b>3.59%</b>
	Gujarat State Petronet Limited	1.95%
	GAIL India Limited	1.64%
<b>Media &amp; Entertainment</b>		<b>3.26%</b>
	Deccan Chronicle Holdings Limited	1.77%
	DQ Entertainment International Limited	1.49%
<b>Construction</b>		<b>2.98%</b>
	Sobha Developers Limited	1.54%
	The Phoenix Mills Limited	1.33%
	Emami Infrastruture	0.11%
<b>Cement</b>		<b>2.88%</b>
	Shree Cement Limited	1.52%
	Grasim Industries Limited	1.36%
<b>Non - Ferrous Metals</b>		<b>2.67%</b>
	Hindalco Industries Limited	1.43%
	Hindustan Zinc Limited	1.24%

Industry Classification	Security Description	% of Total Net Assets
<b>Retailing</b>		<b>2.63%</b>
	✓ Shoppers Stop Limited	2.63%
<b>Consumer Durables</b>		<b>2.15%</b>
	✓ Bajaj Electricals Limited	2.15%
<b>Ferrous Metals</b>		<b>1.78%</b>
	Usha Martin Limited	1.78%
<b>Auto Ancillaries</b>		<b>1.25%</b>
	Motherson Sumi Systems Limited	1.25%
<b>Auto</b>		<b>1.21%</b>
	Mahindra and Mahindra Limited	1.21%
<b>Transportation</b>		<b>1.15%</b>
	The Great Eastern Shipping Co. Limited	1.15%
<b>Cash and other assets</b>		<b>8.17%</b>
<b>Grand Total</b>		<b>100.00%</b>

## Fund Features:

### Asset Allocation:

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

### Expense Ratio:

2.44% of average daily net assets

### Portfolio Turnover:

1.78

### NAV:

Growth Rs. 13.701 per unit  
Dividend Rs. 13.701 per unit

### Fund AUM:

Rs. 206.85 crore

## Performance (in %)

Period	Fund Returns	BSE 200
6 months*	16.07	4.99
1 year*	122.47	92.87

### Compounded Annualised Return

Since Inception (April 03, 2008) 17.12 6.23

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

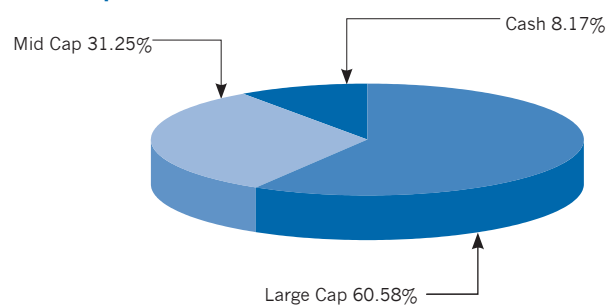
## SIP Performance - Growth option (as on Mar. 31, 2010)

If Rs. 2000/- were invested per month, from April 13, 2009 to Mar. 10, 2010.

Total Amount Invested (Rs.)	Present Value (Rs.)	Profit (Rs.)	Annualised Returns % (XIRR)
24,000	31,581	7,581	67.42

Past performance is not a guarantee of future returns.

## 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 Mar. 31, 2010

## Portfolio (✓ Top Ten Holdings)

Industry Classification	Security Description	% of Total Net Assets
<b>Banks</b>		<b>16.96%</b>
	✓ HDFC Bank Limited	8.51%
	IndusInd Bank Limited	2.61%
	ICICI Bank Limited	2.25%
	Yes Bank Limited	1.83%
	Bank of Baroda	1.76%
<b>Consumer Non Durables</b>		<b>12.50%</b>
	✓ ITC Limited	3.07%
	Nestle India Limited	2.52%
	McLeod Russel India Limited	1.87%
	Shree Renuka Sugars Limited	1.75%
	Godrej Consumer Products Limited	1.15%
	KS Oils Limited	0.99%
	Balrampur Chini Mills Limited	0.63%
	Asian Paints Limited	0.52%
<b>Software</b>		<b>9.52%</b>
	✓ Infosys Technologies Limited	6.11%
	Tata Consultancy Services Limited	2.16%
	Wipro Limited	1.25%
<b>Auto</b>		<b>9.37%</b>
	✓ Tata Motors Limited	5.05%
	Hero Honda Motors Limited	2.77%
	Ashok Leyland Limited	1.55%
<b>Pharmaceuticals</b>		<b>8.26%</b>
	✓ Dr. Reddy's Laboratories Limited	3.72%
	Glenmark Pharmaceutical Limited	2.71%
	Aurobindo Pharma Limited	1.83%
<b>Media &amp; Entertainment</b>		<b>6.95%</b>
	✓ Sun TV Network Limited	4.05%
	✓ Deccan Chronicle Holdings Limited	2.90%
<b>Construction Projects</b>		<b>6.40%</b>
	Larsen and Toubro Limited	2.77%
	Gammon India Limited	2.12%
	Hindustan Construction Co Limited	1.51%
<b>Petroleum Products</b>		<b>5.44%</b>
	✓ Reliance Industries Limited	5.44%
<b>Non - Ferrous Metals</b>		<b>4.88%</b>
	✓ Hindalco Industries Limited	2.84%
	Hindustan Zinc Limited	2.04%
<b>Power</b>		<b>4.86%</b>
	KSK Energy Ventures Limited	2.52%
	Torrent Power Limited	1.24%
	NHPC Limited	1.10%
<b>Industrial Capital Goods</b>		<b>3.31%</b>
	✓ Bharat Heavy Electricals Limited	3.31%
<b>Gas</b>		<b>2.10%</b>
	GAIL India Limited	1.57%
	Gujarat State Petronet Limited	0.53%
<b>Ferrous Metals</b>		<b>1.64%</b>
	Usha Martin Limited	1.64%
<b>Industrial Products</b>		<b>1.40%</b>
	Ess Dee Aluminium Limited	1.40%
<b>Finance</b>		<b>1.22%</b>
	Rural Electrification Corporation Limited	1.22%
<b>Transportation</b>		<b>0.89%</b>
	Mundra Port and Special Economic Zone Limited	0.89%
<b>Construction</b>		<b>0.78%</b>
	The Phoenix Mills Limited	0.78%
<b>Cash and other assets</b>		<b>3.52%</b>
<b>Grand Total</b>		<b>100.00%</b>

## Fund Features:

### Asset Allocation:

Equity and Equity related instruments of companies having large market capitalization<sup>1</sup>: 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. 59.029 per unit  
Dividend\* Rs. 19.235 per unit  
\*option introduced on Jan. 19, 2009

### Expense Ratio:

1.72% of average daily net assets

### Portfolio Turnover:

0.92

### Volatility Measures:

(for trailing 3 year period)  
Standard Deviation 9.99%  
Beta 0.91  
Sharpe Ratio 0.05

### Fund AUM:

Rs. 1956.15 crore

<sup>1</sup> Risk Free rate is based on 3 month T-Bill rate

## Performance (in %)

Period	Fund Returns*	BSE 100
6 months <sup>^</sup>	8.29	4.14
1 year <sup>^</sup>	90.35	88.17
<b>Compounded Annualised Growth Rate</b>		
Last 3 years	7.47	12.18
Last 5 years	19.06	21.71
Since inception (18th February 1994)	13.71	10.35

Past performance is not a guarantee of future returns. \*Performance of the fund (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. <sup>^</sup>Absolute Returns

## SIP Performance - Growth option (as on Mar. 31, 2010)

If Rs. 2000/- were invested per month, from April 13, 2009 to Mar. 10, 2010

Total Amount Invested (Rs.)	Present Value (Rs.)	Profit (Rs.)	Annualised Returns % (XIRR)
24,000	29,281	5,281	45.85

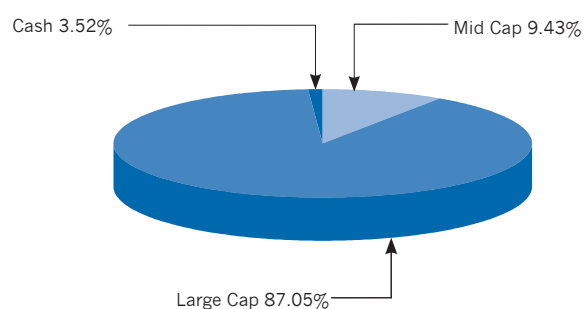
Past performance is not a guarantee of future returns.

## 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<sup>#</sup>



<sup>#</sup>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 Mar. 31, 2010

## Portfolio

Security Description	Rating	% of Total Net Assets
<b>Money Market Instruments</b>		<b>77.55%</b>
Kotak Mahindra Prime	P1+	9.40%
Reliance Capital Ltd.	A1+	9.39%
Punjab National Bank	PR1+	5.00%
United Bank of India	A1+	4.99%
State Bank of Hyderabad	P1+	4.96%
Yes Bank	A1+	4.96%
Vijaya Bank	PR1+	4.96%
Kotak Mahindra Bank	P1+	4.96%
Oriental Bank of Commerce	P1+	4.93%
Tata Capital Ltd.	A1+	4.89%
Indian Oil Corporation	P1+	4.89%
Axis Bank	P1+	4.78%
Canara Bank	P1+	4.72%
Federal Bank	PR1+	4.71%
<b>Corporate Debt</b>		<b>10.35%</b>
Power Finance Corporation	AAA	5.31%
Housing Development Finance Corporation	AAA	5.04%
<b>PSU Bonds</b>		<b>9.77%</b>
Infrastructure Development Finance Corporation	AAA	9.77%
<b>Cash &amp; Current Assets</b>		<b>2.33%</b>
<b>Total Net Asset</b>		<b>100.00%</b>

## Rating Profile

Rating Category	
AAA	97.67%
Cash & Current Assets	2.33%
<b>Grand Total</b>	<b>100.00%</b>

## Asset Allocation

Asset Class	
Money Market Instruments	77.55%
Corporate Debt	10.35%
PSU Bonds	9.77%
Cash & Current Assets	2.33%
<b>Grand Total</b>	<b>100.00%</b>

# Morgan Stanley Active Bond Fund

(An open-ended Debt Fund)

Details as on Mar. 31, 2010

## Portfolio

Security Description	Rating	% of Total Net Assets
Cash & Current Assets		100.00%
<b>Grand Total</b>		<b>100.00%</b>

## Rating Profile

Rating Category	
Cash & Current Assets	100.00%
<b>Grand Total</b>	<b>100.00%</b>

## Asset Allocation

Asset Class	
Cash & Current Assets	100.00%
<b>Grand Total</b>	<b>100.00%</b>

## Performance (in %)

Plan	Fund Returns* (since inception May 28, 2009)	Crisil Composite Bond Fund Index
Regular Plan	0.49	3.46

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

## Performance (in %)

Plan	Fund Returns* (since inception May 26, 2009)	Crisil Short Term Bond Fund Index
Regular Plan	4.19	3.71
Institutional Plus Plan	4.51	3.71

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

## Fund Features:

<b>Plans/Options and NAV (Rs.):</b>	<b>Average Maturity:</b> 7.32 months
<b>Institutional Plus Plan</b>	<b>Modified Duration:</b> 0.56 years
Weekly Dividend	<b>Yield to Maturity:</b> 6.16%
Reinvestment: 10.0431	<b>Rating:</b>
Monthly Dividend	Credit risk rating mfAAA by ICRA <sup>#</sup>
(Payout and Reinvestment): 10.0000	<b>Fund AUM:</b>
Growth: 10.4510	Rs. 99.62 crore
<b>Regular Plan</b>	
Monthly Dividend	
(Payout and Reinvestment): 10.0234	
Growth: 10.4189	
<b>Expense Ratio:</b>	
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	Mar. 26, 2010	0.0277	0.0298	10.0138
Regular Plan-Monthly Dividend	Feb. 26, 2010	0.0313	0.0336	10.0099
Regular Plan-Monthly Dividend	Jan. 29, 2010	0.0402	0.0432	10.0271

Note: Face Value Rs. 10 per unit.

## Fund Features:

<b>Plans/Options and NAV (Rs.):</b>	<b>Average Maturity:</b> 0.16 months
<b>Institutional Plus Plan</b>	<b>Modified Duration:</b> 0.014 years
Quarterly Dividend	<b>Yield to Maturity:</b> 4.69%
(Payout and Reinvestment): 10.0000	<b>Rating:</b>
Growth: 10.0000	Credit risk rating mfAAA by ICRA <sup>#</sup>
<b>Regular Plan</b>	<b>Fund AUM:</b>
Quarterly Dividend (Payout and Reinvestment): 10.0487	Rs. 1.45 crore
Growth: 10.0487	
<b>Expense Ratio:</b>	
Institutional Plus Plan 1.20%	
Regular Plan 1.75%	

<sup>#</sup>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
<b>Nature of the Fund</b>	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
<b>Date of Allotment</b>	April 03, 2008	February 18, 1994	May 26, 2009	May 28, 2009
<b>Fund Manager</b>	Jayesh Gandhi	Sridhar Sivaram Amay Hattangadi	Ritesh Jain	Ritesh Jain
<b>Investment Objective</b>	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.
<b>Benchmark</b>	BSE 200	BSE 100	CRISIL Short-Term Bond Fund Index	CRISIL Composite Bond Fund Index
<b>Investment Plan/Options</b>	<ul style="list-style-type: none"> <li>Growth</li> <li>Dividend Option</li> <li>- Reinvestment and Payout</li> </ul>	<ul style="list-style-type: none"> <li>Growth</li> <li>Dividend Option</li> <li>- Reinvestment and Payout</li> </ul>	Institutional Plus Plan <ul style="list-style-type: none"> <li>Growth Option</li> <li>Dividend Option</li> <li>- Weekly Reinvestment</li> <li>- Monthly Reinvestment and Payout</li> </ul> Regular Plan <ul style="list-style-type: none"> <li>Growth Option</li> <li>Dividend Option</li> <li>- Monthly Reinvestment and Payout</li> </ul>	Institutional Plus Plan <ul style="list-style-type: none"> <li>Growth Option</li> <li>Dividend Option</li> <li>- Quarterly Reinvestment and Payout</li> </ul> Regular Plan <ul style="list-style-type: none"> <li>Growth Option</li> <li>Dividend Option</li> <li>- Quarterly Reinvestment and Payout</li> </ul>
<b>Minimum Investment Amount</b>	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
<b>Additional Investment</b>	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
<b>Minimum Repurchase amount</b>	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
<b>SIP/STP Dates</b>	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
<b>Entry Load</b>	Nil.	Nil.	Nil.	Nil.
<b>Exit Load</b>	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

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

**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](http://www.morganstanley.com/indiamf)), carefully before investing.**