

Addenda to the Statement of Additional Information, Scheme Information Documents and Key Information Memorandum of Morgan Stanley Mutual Fund [MSMF]

NOTICE is hereby given that SEBI, in order to provide more avenues for purchasing and redeeming Mutual Fund units, has vide Circular No. CIR/IMD/DF/17/2010 dated November 9, 2010 decided:

1. that units of mutual fund schemes shall be permitted to be transacted through clearing members of the registered Stock Exchanges.
2. to permit Depository participants of registered Depositories to process only redemption request of units held in demat form.

Accordingly, effective December 10, 2010, the following provisions shall be inserted in Statement of Additional Information under the section titled "How to apply":

Statement of Additional Information - Section II - How to Apply?

For investors having demat account, the following provisions shall be applicable for purchasing and redeeming mutual fund units through stock brokers and clearing members:

1. Investors shall receive redemption amount [if units are redeemed] and units [if units are purchased] through broker/clearing member's pool account. MSMF shall pay proceeds to the broker/clearing member [in case of redemption] and broker/clearing member in turn is required to credit the respective investor's bank account and similarly units shall be credited by MSMF into broker/clearing member's pool account [in case of purchase] and broker/clearing member in turn is required to credit the units to the respective investor's DP account.
2. Payment of redemption proceeds by MSMF to the broker/clearing members shall discharge MSMF of its obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge MSMF of its obligation to allot units to individual investor.

Please also note that Clearing members and Depository participants will be considered as official points of acceptance as per SEBI Circular No. SEBI/IMD/CIR No.11/78450/06 dated October 11, 2006 and conditions stipulated in SEBI Circular dated November 13, 2009 for stock brokers viz. AMFI/NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund, shall be applicable for such Clearing members and Depository participants as well.

This addendum dated December 9, 2010 forms an integral part of Statement of Additional Information [SAI], and Key Information Memorandum [KIM] of the Schemes of MSMF. All references to the above provisions in the said Scheme related documents stands modified accordingly. All the other terms and conditions mentioned therein remain unchanged.

For Morgan Stanley Investment Management Private Limited
[Investment Manager of Morgan Stanley Mutual Fund]

Date: December 9, 2010
Place: Mumbai

Sd/
Sonali Bendke
Vice President - Compliance

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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 Private Limited. **Risk Factors:** All mutual funds and securities investments are subject to market risks and there can be no assurance that the objectives of the Schemes will be achieved. As with any securities investment, the NAV of the units issued under the Schemes 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 Schemes, 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 will that dividends be paid regularly. Investors in the Schemes are not being offered any guaranteed/assured returns. The liquidity of investments made in the Schemes 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 Schemes 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 Scheme related documents (available at Investor Service Centres, Distributors, and on the Mutual Fund website www.morganstanley.com/indiamf), carefully before investing.**