

Fact Sheet

October 2009



FIXED INCOME OVERVIEW

The fixed income market witnessed another month of immense volatility. The expectation of the relatively muted supply going ahead and the leniency on the Hold to Maturity (HTM) norm provided the support to the yield curve while the inflationary outlook and the expectation that the RBI may finally be tempted to unwind liquidity much before other geographies led to unwinding of positions. The outlook continues to remain uncertain and volatile.

The remarks from RBI's stable provided the notably hawkish tone to the interest rate environment. It mentioned that "Inflation (in India) is a more urgent concern than in other parts of the world. The current monetary and fiscal stance is not the steady state. It has to unwind." It more or less contains the gist of the direction ahead although the pace is something which may be up for debate at this point of time. However, at the same time RBI governor's statements to hang on to a neutral rate stance and keep lending rates benign before demand recovery appears provided the definite support to the market. The yield curve was pushed lower as market realizes the existence of breathing space in terms of delay in monetary steps expectations from the RBI.

The auction calendar for the second half of the fiscal got released and it remains in line with the market expectation. We will have around INR 30k crore of supply every month and it is likely to be over by first week of February 2010. The finance ministry reiterated its intention to keep the borrowing target for the calendar within the budgeted figures.

Industrial production (IP) growth remained strong at 6.8% YoY in July. This compares with a growth of 8.2% YoY (revised upwards from 7.8%) in June and 2.2% YoY in May 2009. Indeed, this is the second consecutive month of strong growth in IP numbers compared to the sub-par growth registered since October 2008.

India merchandise trade maintains the trends seen in previous months with exports and imports (USD) declining 28.4% & 37.1% (YoY) respectively in July. However, the YoY improvement would have been better if not dampened by the high base effect of last year. The nation's monthly trade deficit narrowed to \$6 billion (6.1% of GDP, annualized) in July against \$6.2 billion deficit in the previous month.

Wholesale price inflation turned positive during the month after 13 weeks of negative readings and a low of -1.7% in early August. The WPI continued to inch higher, and for the week ended September 12, it posted a YoY growth of 0.37%. While all three groups posted an uptick, the primary articles posted the maximum rise as it posted annualized growth of 9.29%. The Food prices & the Primary article indices will continue to remain elevated through the rest of the year on pressures stemming from actual/perceived supply shortages. The international crude price retraced from the August high to close lower at around \$67 a barrel.

The domestic currency closed at around INR 48.11 to a \$, strengthening significantly as "return in risk appetite" drove demand for higher return currencies. The FII inflow and inward remittances led to sustained appreciation for the INR. The Foreign Exchange reserve closed at around \$280.77 Billion as on Sep. 24, 2009. The liquidity situation in the market continues to remain benign despite tax outflows.

The investors in the corporate bond market got something to cheer for as the RBI allowed repo in corporate bonds. The deals and the volume may take some time to pick up, nevertheless, it is a much-needed step for the development of the corporate

bond market.

Portfolio review for September 2009

The duration funds maintained moderate duration stance while short duration plan trimmed duration further. The abundance of liquidity in the system assured that the short maturity yields stayed low during the month despite tax outflow from the system.

Expectations for October 2009

The market is likely to remain volatile with a negative bias. The news flow from the Government/RBI will dictate the general direction of the market. The portfolios duration in the bond plan is likely to be moderate 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
	30/09/09	31/08/09	31/03/09	(Monthly)	(Since March 09)
364 Day T-bill (Primary)	4.33%	4.34%	5.50%	-0.01%	-1.17%
5-year Gilt Benchmark	7.08%	7.17%	6.76%	-0.09%	0.32%
10-year Gilt Benchmark	7.16%	7.43%	7.01%	-0.27%	0.15%
30-year Gilt Benchmark	8.19%	8.20%	8.42%	-0.01%	-0.23%
91 day Bank CD	3.50%	3.50%	9.75%	0.12%	-6.13%
1-yr AAA Spreads	1.30%	1.45%	2.36%	0.00%	-0.91%
5-yr AAA Spreads	1.25%	1.30%	1.66%	-0.10%	-0.36%
5-yr OIS	6.63%	6.41%	5.61%	0.22%	1.02%
CRR	5.00%	5.00%	5.00%	0.00%	0.00%
RBI LAF- Reverse Repo Rate*	3.25%	3.25%	3.50%	0.00%	-0.25%
Foreign Exchange Reserve (\$ bn)	280.77	276.36	252.33	4.41	28.44
Nymex Crude	67.86	69.96	49.66	-2.10	18.20
US Fed Funds Rate	0.25%	0.25%	0.25%	0.00%	0.00%
US 10-yr Gilt	3.32%	3.40%	2.66%	-0.08%	0.65%
INR/USD	48.11	48.83	50.73	-1.46%	-5.16%

*RBI Repo Rate at 4.75%

Sources - Internal & Bloomberg

Ritesh Jain

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

EQUITY OVERVIEW

Indian equity markets continued their momentum in September with Sensex gaining 9% month on month. With this, from its March '09 lows, Sensex is now up whopping ~110%. This just goes to show how unpredictable equity markets are in the short term, from extreme pessimism to extreme optimism in just 6 months.

The upcoming earnings season will be keenly watched by market participants for earnings and management commentaries about the business outlook. Earnings growth trajectory would be a critical factor in the sustainability of the current buoyancy in markets. Unlike in the previous two quarters, we are entering the Sep. '09 earnings season with markets being at recent highs. To a large extent, expectation of good corporate performance is already built into the stock prices. Hence disappointment in the earnings season/less than sanguine business outlook, could be a source of correction in the short term. We advise the investors to use market corrections as buying opportunity with medium to long-term perspective.

World-wide, the Central banks are now debating about the timing of 'Exit' policy for the fiscal stimulus, as the expansionary monetary policy if continued for longer than required, has the potential to create another asset bubble. Recent news flow suggests that the stimulus, i.e. to raise interest rates/withdraw fiscal stimulus is unlikely to happen in a hurry. Any hasty measures by central banks to withdraw fiscal stimulus could derail the economic recovery and has the potential to bring sharp correction in global equity markets.

On the domestic front, various economic indicators like IIP growth, auto sales,

cement dispatches, railway freight, etc. all continue to point towards recovery in economic activity. Rainfall shortfall of close to 20% and resultant decline in kharif food grain production is a cause of worry, but is factored in.

In terms of our portfolio, we continue to remain underweight in Banking, Energy (Oil Marketing Companies), though this month we have reduced our underweight in Software Services sector. We continue to remain overweight on sectors and stocks at two ends of the risk spectrum i.e. infrastructure related stocks at the high-risk high-return category and consumer products at low risk-defensive category. Our allocation to mid cap stocks continues to remain in the 35-40% range. In the initial phase of this bull run, market rewarded practically all companies regardless of fundamentals. This is explained from the fact that almost the entire rise in the equity markets, during the last 6 months, is attributed to PE expansion, with very limited earnings upgrades. However, going forward earnings would begin playing an increasingly important role. Earnings growth with capital efficiency could be the one of the single most important stock price driver, separating the men from the boys. Stock picking in current phase would assume far greater importance, with our single-minded focus remaining on alpha generation.

Jayesh Gandhi

Lead Portfolio Manager, Multi/Mid Cap Equities

Morgan Stanley A.C.E. Fund

(An open-ended Across Capitalisations Equity Fund)

Details as on Sep. 30, 2009

Portfolio (✓ Top Ten Holdings)

Industry Classification	Security Description	% of Total Net Assets
Banks		10.43%
	✓ ICICI Bank Limited	4.48%
	HDFC Bank Limited	2.07%
	AXIS Bank Limited	1.39%
	YES Bank Limited	1.38%
	Indusind Bank Limited	1.11%
Consumer Non Durables		10.32%
	✓ Emami Limited	2.63%
	Marico Limited	2.03%
	Lakshmi Energy And Foods Limited	1.92%
	United Spirits Limited	1.59%
	ITC Limited	1.51%
	Dhampur Sugar Mills Limited	0.64%
Pharmaceuticals		8.43%
	✓ Aurobindo Pharma Limited	3.28%
	Cadila Healthcare Limited	2.15%
	Dr.Reddy's Laboratories Limited	1.80%
	Jubilant Organosys Limited	1.20%
Software		6.95%
	✓ Tata Consultancy Services Limited	2.61%
	✓ Infosys Technologies Limited	2.36%
	Mphasis Limited	1.02%
	Infotech Enterprises Limited	0.96%
Industrial Capital Goods		6.04%
	✓ Sterlite Technologies Limited	2.56%
	Crompton Greaves Limited	1.80%
	Bharat Heavy Electricals Limited	1.68%
Petroleum Products		6.02%
	✓ Reliance Industries Limited	6.02%
Power		5.89%
	Torrent Power Limited	1.68%
	Reliance Infrastructure Limited	1.61%
	GVK Power and Infrastructure Limited	1.30%
	KEC International Limited	1.30%
Gas		4.99%
	✓ Gujarat State Petronet Limited	3.07%
	GAIL India Limited	1.92%
Non - Ferrous Metals		4.16%
	Hindustan Zinc Limited	2.15%
	Sterlite Industries (India) Limited	2.01%
Cement		4.07%
	Jaiprakash Associates Limited	2.28%
	Shree Cement Limited	1.79%
Finance		3.70%
	✓ Housing Development Finance Corporation Limited	2.29%
	Reliance Capital Limited	1.41%
Construction		3.24%
	The Phoenix Mills Limited	2.16%
	Sobha Developers Limited	1.08%
Construction Projects		3.16%
	Voltas Limited	1.91%
	Larsen and Toubro Limited	1.25%
Auto Ancillaries		3.14%
	Exide Industries Limited	1.64%
	Ceat Limited	1.50%
Oil		2.92%
	✓ Oil and Natural Gas Corporation Limited	2.65%
	Oil India Limited	0.27%

Industry Classification	Security Description	% of Total Net Assets
Media & Entertainment		2.03%
	Deccan Chronicle Holdings Limited	2.03%
Retailing		1.96%
	Shopper's Stop Limited	1.96%
Auto		1.86%
	Mahindra and Mahindra Limited	1.86%
Computers - Hardware		1.42%
	Redington India Limited	1.42%
Diversified		1.32%
	Hindustan Unilever Limited	1.32%
Consumer Durables		0.94%
	Bajaj Electricals Limited	0.94%
Telecom - Services		0.91%
	Bharti Airtel Limited	0.91%
Ferrous Metals		0.78%
	Jindal Steel and Power Limited	0.78%
Cash and other assets		5.32%
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%

NAV:

Growth Rs. 11.803 per unit
Dividend Rs. 11.803 per unit

Expense Ratio:

2.49% of average daily net assets

Portfolio Turnover:

2.37

Fund AUM:

Rs. 122.35 crore

Performance (in %)

Period	Fund Returns	BSE 200
6 months*	91.66	83.70
1 year*	43.51	34.66

Compounded Annualised Return

Since Inception (3rd April, 2008) 11.74 4.91

Past performance may or may not be sustained in future. *Absolute returns of the growth option are computed. Since Inception returns are calculated on Rs. 10/- invested at inception.

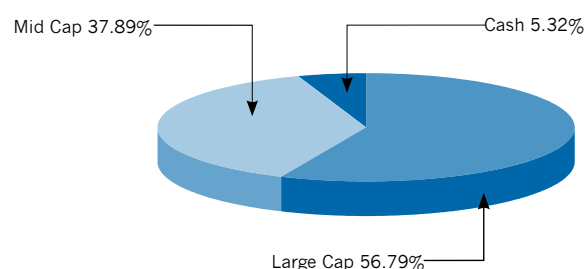
SIP Performance (as on Sep. 30, 2009)

If Rs. 2000/- were invested per month, from Oct. 25, 2008 to Sep. 25, 2009

Total Amount Invested (Rs.)	Present Value (Rs.)	Profit (Rs.)	Annualised Returns % (XIRR)
24,000	39,201.29	15,201.29	161.55

Past performance may or may not be sustained in future.

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 Sep. 30, 2009

Portfolio (✓ Top Ten Holdings)

Industry Classification	Security Description	% of Total Net Assets
Banks		18.44%
	✓ HDFC Bank Limited	9.49%
	✓ ICICI Bank Limited	3.47%
	Bank of Baroda	2.14%
	IndusInd Bank Limited	1.61%
	State Bank of India	1.48%
	Union Bank of India	0.25%
Software		10.99%
	✓ Infosys Technologies Limited	7.42%
	Tata Consultancy Services Limited	1.85%
	Wipro Limited	1.14%
	Geodesic Limited	0.58%
Auto		7.76%
	✓ Hero Honda Motors Limited	7.76%
Petroleum Products		7.38%
	✓ Reliance Industries Limited	5.95%
	Hindustan Petroleum Corporation Limited	1.43%
Construction		7.36%
	✓ Unitech Limited	3.75%
	Indiabulls Real Estate Limited	1.31%
	The Phoenix Mills Limited	1.27%
	DLF Limited	1.03%
Industrial Capital Goods		6.21%
	✓ Bharat Heavy Electricals Limited	5.05%
	ABB Limited	1.16%
Media & Entertainment		5.48%
	Sun TV Network Limited	3.00%
	Deccan Chronicle Holdings Limited	2.15%
	Television Eighteen India Limited	0.31%
	Television Eighteen India Limited-Right	0.02%
Consumer Non Durables		5.43%
	✓ Nestle India Limited	3.39%
	ITC Limited	2.04%
Construction Projects		5.30%
	Larsen and Toubro Limited	2.87%
	Hindustan Construction Company Limited	2.43%
Power		4.39%
	GVK Power and Infrastructure Limited	1.79%
	Jyoti Structures Limited	1.17%
	NHPC Limited	0.98%
	Torrent Power Limited	0.45%
Cement		3.93%
	✓ Jaiprakash Associates Limited	3.93%
Diversified		3.79%
	✓ Hindustan Unilever Limited	3.79%
Pharmaceuticals		3.43%
	Glenmark Pharmaceutical Limited	2.09%
	Aurobindo Pharma Limited	1.34%
Oil		1.54%
	Aban Offshore Limited	1.54%
Telecom - Services		1.43%
	Bharti Airtel Limited	1.43%
Finance		1.34%
	Indiabulls Financial Services Limited	1.34%
Pesticides		1.22%
	United Phosphorus Limited	1.22%
Industrial Products		1.12%
	Ess Dee Aluminium Limited	1.12%
Transportation		0.66%
	Mundra Port and Special Economic Zone Limited	0.66%
Cash and other assets		2.80%
Grand Total		100.00%

Performance (in %)

Period	Fund Returns*	BSE 100
6 months [^]	75.78	80.68
1 year [^]	29.54	33.46
Compounded Annualised Growth Rate		
Last 3 years	6.37	12.17
Last 5 years	21.63	24.40
Since inception (18th February 1994)	13.59	10.41

Past performance may or may not be sustained in future. *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. [^]Absolute Returns

Fund Features:

Asset Allocation:

Equity and Equity related instruments of companies having large market capitalization[†]: 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. 54.515 per unit
Dividend* Rs. 17.763 per unit
*option introduced on Jan. 19, 2009

Expense Ratio:

1.91% of average daily net assets

Portfolio Turnover:

0.83

Volatility Measures:

(for trailing 3 year period)

Standard Deviation 10.01%

Beta 0.92

Sharpe Ratio¹ 0.00

Benchmark Index:

BSE 100

Fund AUM:

Rs. 2160.13 crore

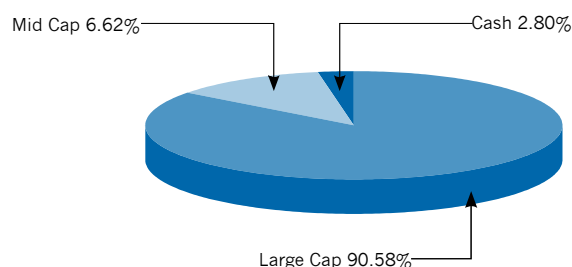
¹ Risk Free rate is based on 3 month T-Bill rate

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 Sep. 30, 2009

Portfolio

Security Description	Rating	% of Total Net Assets
Money Market Instruments		51.37%
UCO Bank	P1+	13.02%
Vijaya Bank	PR1+	12.82%
Kotak Mahindra Bank	P1+	12.77%
Yes Bank	A1+	12.76%
Corporate Debt		13.36%
LIC Housing Finance Ltd	AAA	6.68%
Housing Development Finance Corporation Ltd	AAA	6.68%
PSU Bonds		6.95%
National Bank for Agriculture & Rural Development	AAA	6.95%
Cash & Current Assets		28.32%
Grand Total		100.00%

Performance (in %)

Plan	Fund Returns* (since inception May 26, 2009)	Crisil Short Term Bond Fund Index
Regular Plan	1.63	1.13
Institutional Plus Plan	1.79	1.13

Past performance may or may not be sustained in future. *Absolute returns of the growth option are computed. Since Inception returns are calculated on Rs. 10/- invested at inception.

Rating Profile

Rating Category	
AAA	71.68%
Cash & Current Assets	28.32%
Grand Total	100.00%

Asset Allocation

Asset Class	
Money Market Instruments	51.37%
Corporate Debt	13.36%
PSU Bonds	6.95%
Cash & Current Assets	28.32%
Grand Total	100.00%

Fund Features:

Plans/Options and NAV (Rs.):	Average Maturity: 9.30 months
Institutional Plus Plan	Modified Duration: 0.69 years
Weekly Dividend	Yield to Maturity: 5.43%
Reinvestment: 10.0296	Rating:
Monthly Dividend	Credit risk rating mfAAA by ICRA [†]
(Payout and Reinvestment): 10.0000	Fund AUM:
Growth: 10.1791	Rs. 74.90 crore
Regular Plan	
Monthly Dividend	
(Payout and Reinvestment): 10.0220	
Growth: 10.1630	
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	Sep. 25, 2009	0.0308	0.0331	10.0128
Regular Plan-Monthly Dividend	Aug. 28, 2009	0.0167	0.018	10.0128
Institutional Plus Plan-Monthly Dividend	July 31, 2009	0.043	0.0462	10.0169
Regular Plan-Monthly Dividend	July 31, 2009	0.0425	0.0457	10.013

Note: Face Value Rs. 10 per unit.

Morgan Stanley Active Bond Fund

(An open-ended Debt Fund)

Details as on Sep. 30, 2009

Portfolio

Security Description	Rating	% of Total Net Assets
Government Securities		41.29%
6.49% CGL 2015	SOV	39.14%
8.24% CGL 2027	SOV	2.15%
Cash & Current Assets		58.71%
Grand Total		100.00%

Performance (in %)

Plan	Fund Returns* (since inception May 28, 2009)	Crisil Composite Bond Fund Index
Regular Plan	- 1.56	0.65
Institutional Plus Plan	- 1.37	0.65

Past performance may or may not be sustained in future. *Absolute returns of the growth option are computed. Since Inception returns are calculated on Rs. 10/- invested at inception.

Rating Profile

Rating Category	
Sovereign	41.29%
Cash & Current Assets	58.71%
Grand Total	100.00%

Asset Allocation

Asset Class	
Government Securities	41.29%
Cash & Current Assets	58.71%
Grand Total	100.00%

Fund Features:

Plans/Options and NAV (Rs.):	Average Maturity: 31.65 months
Institutional Plus Plan	Modified Duration: 2 years
Quarterly Dividend	Yield to Maturity: 4.91%
(Payout and Reinvestment): 10.0000	Rating:
Growth: 9.8626	Credit risk rating mfAAA by ICRA [†]
Regular Plan	Fund AUM:
Quarterly Dividend (Payout and Reinvestment): 9.8438	Rs. 12.35 crore
Growth: 9.8438	
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	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 - 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	Lumpsum: Rs. 5000 and in multiples of Re. 1/- thereafter SIP: Rs. 1000/- 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	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
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 4077 9227
• 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

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.**