

MORGAN STANLEY GROWTH FUND
UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED DECEMBER 31, 2008

SR. NO.	PARTICULARS		Morgan Stanley Growth Fund
1.1	Unit Capital at the beginning of the period (April 1, 2008)	(Rs. in Crores)	600.18
1.2	Unit Capital at the end of the period (December 31, 2008)	(Rs. in Crores)	504.17
2	Reserves & Surplus	(Rs. in Crores)	1,086.59
3.1	Total Net Assets at the beginning of the period (April 1, 2008)	(Rs. in Crores)	3,172.15
3.2	Total Net Assets at the end of the period (December 31, 2008)	(Rs. in Crores)	1,590.75
4.1	NAV at the beginning of the period (April 1, 2008)	(Rs.)	52.85
4.2	NAV at the end of the period (December 31, 2008)	(Rs.)	31.55
4.3	Dividend paid per unit during the period	(Rs.)	-
	INCOME		
5.1	Dividend	(Rs. in Crores)	22.21
5.2	Interest	(Rs. in Crores)	8.29
5.3	Profit/(Loss) on sale/redemption of investments (other than inter scheme transfer/sale)	(Rs. in Crores)	(233.54)
5.4	Profit/(Loss) on inter-scheme transfer/sale of investments	(Rs. in Crores)	-
5.5	Other Income (Gain on Foreign Currency operations)	(Rs. in Crores)	5.01
5.6	Total Income (5.1 to 5.5)	(Rs. in Crores)	(198.03)
	EXPENSES		
6.1	Management Fees	(Rs. in Crores)	20.04
6.2	Trustee Fees	(Rs. in Crores)	0.09
6.3	Total Recurring Expenses (including 6.1 and 6.2)	(Rs. in Crores)	36.50
6.4	Investments/Miscellaneous Receivables written off / (written back)	(Rs. in Crores)	(0.49)
6.5	Percentage of Management Fees to daily / weekly average net assets #	(%)	1.01%
6.6	Total Recurring expenses as a percentage of daily/weekly average net assets #	(%)	1.84%
7.1	\$Returns during the half year * [(+) (-)]		-30.03%
7.2	Compounded Annualised yield in case of schemes in existence for more than 1 year **		
	(i) Last 1 year	[%]	-56.76%
	(ii) Last 3 years	[%]	-4.81%
	(iii) Last 5 years	[%]	8.83%
	(iv) Since the launch of the scheme	[%]	10.20%
8.1	Returns on Benchmark Index during the half year @@		-29.04%
8.2	Compounded Annualised yield on Benchmark Index		
	(i) Last 1 year	[%]	-55.28%
	(ii) Last 3 years	[%]	0.23%
	(iii) Last 5 years	[%]	10.16%
	(iv) Since the launch of the scheme	[%]	6.70%
9	Provision for Doubtful Income/Debts (Rs in Crores)		-
10	Payments to associate/group companies (if applicable)	(Rs. in Crores)	-
11	Investments made in associate/group companies (if applicable)	(Rs. in Crores)	-
	Launch Date of the Scheme		6th January 1994

Holdings of MSGF as of December 31, 2008		
Sr. No.	Name of the Security	% of Total Net Assets
1	Infosys Technologies Limited	9.25%
2	HDFC Bank Limited	8.92%
3	Bharti Airtel Limited	8.35%
4	Bharat Heavy Electricals Limited	7.48%
5	Hindustan Unilever Limited	6.84%
6	Reliance Industries Limited	6.73%
7	State Bank of India	6.21%
8	ICICI Bank Limited	3.99%
9	Larsen and Toubro Limited	3.55%
10	Nestle India Limited	2.95%
11	Bank of India	2.54%
12	Housing Development Finance Corporation Limited	2.48%
13	Bank Of Baroda	2.27%
14	Hero Honda Motors Limited	2.24%
15	United Phosphorus Limited	2.24%
16	ITC Limited	1.76%
17	Glenmark Pharmaceutical Limited	1.56%
18	Axis Bank Limited	1.55%
19	Maruti Suzuki India Limited	1.41%
20	Welspun Gujarat Stahl Rohren Limited	1.33%
21	Geodesic Limited	1.27%
22	Balrampur Chini Mills Limited	1.05%
23	Jindal Steel and Power Limited	1.05%
24	The India Cements Limited	1.04%
25	Deccan Chronicle Holdings Limited	1.00%
26	Jyoti Structures Limited	0.94%
27	The Phoenix Mills Limited	0.74%
28	Ess Dee Aluminium Limited	0.70%
29	Jaiprakash Associates Limited	0.66%
30	Television Eighteen India Limited	0.60%
31	Ambuja Cements Limited	0.59%
32	Bajaj Hindustan Limited	0.53%
33	Aban Offshore Limited	0.52%
34	Praj Industries Limited	0.44%
35	Madhucon Projects Limited	0.41%
36	IOL Netcom Limited	0.07%
	Cash and Cash Equivalents	4.74%
	Total Net Assets	100.00%

* Considering Movement of NAV during the half-year and after adjustment of dividend, bonus, etc.

** For the calculation of compounded annualised yield, the procedure prescribed in Standard Offer Document is followed. All Performance calculations is based only on NAV and payout to unit holders. The calculations of returns assumes that all payouts during the period has been reinvested in the units of the scheme at the then prevailing NAV

Indicates annualised for the period

@@ Benchmark index for MSGF - BSE 100.

\$ Past performance is no indication of future performance and may not necessarily provide basis for comparison with other investments. Past performance may or may not be sustained in future. Distribution tax has been included in the calculation of returns. Performance of the fund has been calculated based on the assumption that all dividends during the period have been reinvested in the scheme at the then prevailing NAV.

Notes :

- None of MSMF Scheme has investment in Foreign Securities as at December 31, 2008.
- No changes have been carried out in the accounting policies during the period.
- Disclosure Under Regulation 25(8) of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as Amended : During the period ended December 2008 Morgan Stanley Investment Management India Pvt. Ltd. (MSIMPL) has not utilized the services of the Sponsor or any of its affiliates, employees or their relatives for the purpose of any securities transaction.
- Disclosure under Regulation 25(11) of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as Amended : Morgan Stanley Mutual Fund has made the following investments in companies, which hold units in excess of 5% of the net asset value.

Company Name	Schemes invested in by the Company	Investment made by schemes of Morgan Stanley Mutual Fund in the Company/subsidiary	Aggregated for the period under Regulation 25 (11) At Cost	Outstanding as at December 31, 2008 at Market/Fair Value
Housing Development Finance Corporation Limited	Morgan Stanley A.C.E. Fund	Morgan Stanley Growth Fund	19,577.31	3,947.88
		Morgan Stanley A.C.E. Fund	728.09	172.42

5 No unit holders hold over 25% of the NAV of the Schemes as at December 31, 2008.

6 The Scheme has not declared any bonus, not borrowed any money, not invested in derivative products during the half-year period and has no deferred revenue expenditure.

Name of the Mutual Fund - Morgan Stanley Mutual Fund

Name of the Scheme - Morgan Stanley Growth Fund

Investment Objective - Morgan Stanley Growth Fund is a open-ended equity fund w.e.f. January 19, 2009 and the investment objective of the fund is to achieve long-term capital appreciation by investing primarily in equity and equity related securities of companies having large market capitalization#.

#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.

Registrars to the Fund: Karvy Computershare Private Limited

Unit: Morgan Stanley Growth Fund, 21 Avenue 4, Street No. 1, Banjara Hills, Hyderabad - 500 034. Tel: 040 - 2331 2454, 2332 0251

Investment Manager: Morgan Stanley Investment Management Pvt. Ltd.

Forbes Building, Charanjit Rai Marg, Mumbai 400 001. Tel: 022 - 2209 6600 • Visit us at www.morganstanley.com/indiamf

Dividend History

Record Date	Date of Declaration	Dividend per unit (Rs.)	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

Unit holders who have either not received or encashed their dividend warrants are requested to forward a duly signed written request to Karvy Computershare Private Limited, at the address mentioned herein, indicating the details of their investment in the fund.

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 investments in Mutual Funds and securities are subject to market and other risks and the NAV of units issued under the Scheme can go up or down depending on the factors and forces affecting the capital markets. There can be no assurance that the objectives of the Scheme of the fund will be achieved. The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. The name of the Scheme does not indicate the quality of the Scheme, its future prospects or returns. The past performance of the Mutual Funds managed by the Sponsors and their affiliates/ associates is not necessarily indicative of the future performance of the Scheme. The Sponsor is not responsible or liable for any loss resulting from the operations of the Scheme beyond their initial contribution of Rs. 5 Lacs towards setting up of the Mutual Fund and such other accretions and additions to the corpus. Investors in the Scheme are not being offered a guaranteed or assured rate of return. 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 should read the offering circular and Scheme Information Document carefully before investing.**

Determined to help you succeed.

Morgan Stanley Mutual Fund.

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