

# Option Exercise Letter

For the Unit holders of the Schemes of:

Morgan Stanley Growth Fund

Morgan Stanley A.C.E. Fund

Morgan Stanley Multi Asset Fund (Plan A and Plan B)

Morgan Stanley Ultra Short Term Fund

Morgan Stanley Short Term Bond Fund

Morgan Stanley Active Bond Fund

Morgan Stanley Gilt Fund

Morgan Stanley Liquid Fund

# NOTICE TO UNIT HOLDERS

Dear Investor,

## **Sub: Proposed change in the sponsorship, trusteeship, management and administration of the schemes of Morgan Stanley Mutual Fund ("MSMF") to HDFC Mutual Fund ("HDFC MF") and other related changes**

We are pleased to inform you about the agreement entered into by and between Morgan Stanley Investment Management Private Limited ("**MS AMC**"), Board of Trustees of MSMF (the "**MS Trustees**"), HDFC Asset Management Company Limited ("**HDFC AMC**") and HDFC Trustee Company Limited ("**HDFC Trustee**") by way of a Scheme Transfer Agreement dated December 23, 2013 ("**STA**") with support from Morgan Stanley, the sponsor of MSMF, and Housing Development Finance Corporation Limited ("**HDFC Limited**") and Standard Life Investments Limited, the co-sponsors of HDFC MF ("**Acquirer Sponsors**"), for the transfer of eight (8) mutual fund schemes of MSMF ("**Schemes**") to HDFC MF, and corresponding change in the sponsorship, trusteeship, management and administration of the Schemes ("**Transaction**").

### **BRIEF BACKGROUND OF THE TRANSACTION**

MSMF presently has 8 (eight) Schemes in operation, the details of which are more particularly set out in **Exhibit 1**. In view of the decision of Morgan Stanley to discontinue its operations of sponsoring and managing domestic mutual funds in India, the MS Trustees propose to cease to act as the trustee of the Schemes and relinquish their rights, role, responsibilities, authority and functions as the trustee of the Schemes, and hand over the trusteeship of the Schemes (including the assets, liabilities of the Schemes, the unclaimed dividends, unclaimed redemptions, the load balances, if any, any balance in the investor education fund and all records relating thereto) to HDFC Trustee who shall, in accordance with the approval from the Securities and Exchange Board of India ("**SEBI**") and the provisions of the SEBI (Mutual Funds) Regulations, 1996 ("**MF Regulations**") and other regulatory and contractual formalities as may be applicable, become the trustee to the Schemes and assume the role, responsibility, authority and functions of the trustee to the Schemes. Towards this end, the trust deed dated November 3, 1993 (as amended) ("**MS Trust Deed**") constituting MSMF and appointing the MS Trustees, will need to be amended to authorise the MS Trustees to transfer the Schemes and hand over trusteeship of the Schemes to a third party (viz. HDFC Trustee).

Further, the MS AMC will also transfer its rights to operate, administrate and manage the Schemes to HDFC AMC, and HDFC AMC shall, in accordance with SEBI's approval and with the MF Regulations and other regulatory and contractual formalities as may be applicable, assume the right to operate, administrate and manage the Schemes, and assume the rights, obligations, role, functions, responsibilities and duties (including obligations relating to investor grievances in respect of the Schemes) as the new asset management company ("**AMC**") of the Schemes. As a consequence of the Transaction, Morgan Stanley shall cease to be the sponsor in respect of the Schemes, and the Acquirer Sponsors shall jointly assume the co-sponsorship of the Schemes.

Pursuant to the completion of the Transaction ("**Completion**"), which shall be effective on and from the end of business hours on the date of Completion ("**Completion Date**"), Morgan Stanley, the MS Trustees and MS AMC shall respectively cease to be and be relieved of their obligations as the sponsor, trustees and AMC for the Schemes, and the Acquirer Sponsors, HDFC Trustee and HDFC AMC will act as the sponsor, trustee and the AMC respectively for the Schemes. On Completion, the Schemes will become an integral part of HDFC MF. Prior to Completion Date, MS AMC and HDFC AMC will each issue public notices informing the respective investors in the Schemes and schemes of HDFC MF about the Completion and the coming into effect of the Changes to the Schemes (as defined and described hereinafter), as appropriate.

Pursuant to Completion, MS AMC and / or the MS Trustees will initiate necessary steps to submit an application to SEBI seeking: (i) cancellation of the certificate of registration issued by SEBI registering MSMF as a mutual fund; and (ii) withdrawal of the approval granted by SEBI to MS AMC to act as the asset management company of MSMF.

The Schemes will become an integral part of HDFC MF upon Completion, and the unit holders of the Schemes will have rights, privileges and obligations under the Schemes as per the amended Scheme Information Documents and Key Information Memorandum issued by HDFC AMC. The updated Scheme Information Document and Key Information Memorandum of the Schemes containing the revised provisions shall be made available with the Investor Service Centres of HDFC MF and also displayed on the website [www.hdfcfund.com](http://www.hdfcfund.com) immediately after the Completion Date.

HDFC Trustee has undertaken to SEBI that upon Completion, it will:

- a. take full responsibility of the management and the administration of the Schemes including the matters relating to the reconciliation of accounts (as if the Schemes had been floated by HDFC Trustee on the date of taking over of the Schemes);
- b. assume trusteeship of the assets and liabilities of the Schemes including unclaimed dividends and unclaimed redemptions; and
- c. assume all responsibilities and obligations relating to the investor grievances, if any, in respect of the Schemes taken over, in accordance with, and pursuant to the MF Regulations.

HDFC AMC, which will take over the management of the Schemes, started its asset management business in 2000 and is a well established asset management company in India. HDFC AMC has built a successful mutual fund business and is currently one of the largest mutual fund houses (by assets under management ("**AUM**") in India. As on April 30, 2014, HDFC MF has 50 schemes in operation.

With a view to enable you to make a well-informed decision on the matters set out hereinafter, we have set out in **Exhibit 2** hereto a brief background on HDFC MF, the Acquirer Sponsors, HDFC AMC and HDFC Trustee. Further, we have also set out in **Exhibit 3** hereto the condensed financial information of all schemes of MSMF.

We are pleased to inform you that the SEBI has, pursuant to its letter no. OW/13156/2014 dated May 8, 2014 ("**SEBI Letter**") confirmed its no objection to the aforesaid Transaction as well as Changes to the Schemes and approved the proposed amendment to the MS Trust Deed. Further, the Transaction and Changes to the Schemes have also been approved by the MS Trustees and the respective boards of directors of MS AMC, HDFC AMC and HDFC Trustee.

This letter serves as a communication to the unit holders of the Schemes about the procedure that will be followed, including for the approvals being sought from the unit holders of the Schemes, leading up to the Transaction and other related changes. As a unit holder of the Schemes, you are urged to go through this communication carefully and consult your advisors in the event you have any questions. Please also do not hesitate to contact any of our offices at the address mentioned in **Exhibit 4** hereto if you have any question with regard to this letter. You may also reach us by dialing the toll-free number 1800 425 1313.

### **EXPECTED BENEFITS OF THE TRANSACTION**

Broadly, the Transaction is expected to result in the following benefits:

- (a) HDFC MF is one of the largest mutual funds in India with an average AUM of INR 112,962.83 crores for the quarter ended March 31, 2014. HDFC AMC is a leading asset management player and post Completion, the Schemes will be managed by a team of professionals guided by HDFC AMC which has been in asset management business for over 13 years.
- (b) The Transaction would also be in the best interests of the unit-holders since it would allow for continuity of the Schemes, with such changes in the names and fundamental attributes of certain Schemes and mergers of certain other Schemes with similar existing schemes of HDFC MF ("**Changes to the Schemes**") as set out in this letter. The local expertise and years of experience in the Indian markets offered by HDFC MF will provide the opportunity to grow further and enhance the offering for unit holders.

### **PROPOSED CHANGES PURSUANT TO THE TRANSACTION**

The following key changes will occur on Completion:

- The Schemes will be transferred to HDFC MF and the sponsorship, trusteeship, management and administration of the Schemes will be transferred from Morgan Stanley, the MS Trustees and MS AMC to the Acquirer Sponsors, HDFC Trustee and HDFC AMC respectively.
- The Schemes will become an integral part of HDFC MF, pursuant to the Transaction and with such Changes to the Schemes as detailed in **Exhibit 5**.
- Until Completion, the Schemes will be governed in accordance with the MS Trust Deed and the investment management agreement dated November 3, 1993 executed between the MS Trustees and MS AMC. However, upon Completion and subsequent to the transfer of the Schemes, the Schemes will be governed

in accordance with the trust deed constituting the HDFC MF, dated June 8, 2000, as amended from time to time, and the investment management agreement of HDFC MF, dated June 8, 2000, and will continue to be governed by the MF Regulations, for the benefit of the unit holders of the Schemes. Similarly, until Completion, the Schemes will be governed by the Statement of Additional Information of MSMF and thereafter by the Statement of Additional Information of HDFC MF. Further, after Completion, the Schemes will be governed by their respective Scheme Information Documents and Key Information Memorandum, which would be amended by HDFC AMC and/or HDFC Trustee to incorporate relevant changes pursuant to the Transaction and to the Changes to the Schemes.

- The service providers as identified in **Exhibit 6** shall assume their respective functions for the Schemes from the Completion Date so as to enable a smooth transition of the Schemes.
- The unit holders as beneficiaries of the respective Schemes shall neither receive any consideration nor be required to transfer any right, title or interest as beneficiaries under MSMF or the Schemes, and shall be provided with an option to exit their investments in the Schemes as detailed hereinafter.
- The Scheme Information Documents, the Key Information Memoranda and other relevant documents relating to the Schemes will be amended by HDFC AMC and/or HDFC Trustee, wherever applicable, to reflect the changes pursuant to the Transaction, including the Changes to the Schemes, which would come into effect from Completion. The updated Scheme Information Document and Key Information Memorandum of the Schemes containing the revised provisions shall be made available with the Investor Service Centres of HDFC MF and also displayed on the website [www.hdfcfund.com](http://www.hdfcfund.com) immediately after the Completion Date.
- No expenses related to the Transaction shall be charged to the Schemes or borne by the unit holders of the Schemes, in any manner whatsoever.

## NOTICE TO UNIT HOLDERS

### (A) Approval for the Transaction and Change in Asset Management Company of the Schemes

As per Regulation 20(3) of the MF Regulations read with SEBI Guidance Note dated January 28, 2003, a change in the asset management company of the Schemes pursuant to the Transaction requires prior approval of SEBI and the unit holders.

In accordance with the MF Regulations and pursuant to the SEBI Letter, approval of the unit holders of the Schemes upto the applicable cut-off time on the record date, being May 14, 2014, is sought for the Transaction and the consequent change in the asset management company of the Schemes and proposed Changes to the Schemes, pursuant to the Transaction, by way of an exit option process and such unit holders of the Schemes are provided an option to exit his / her / its investment in the Scheme(s) at the prevailing net asset value ("NAV") without any exit load, for a period of 30 (thirty) days from **May 22, 2014 to June 20, 2014** (both days inclusive) (upto the applicable cut-off time) ("**Exit Option Period**"), if they do not wish to stay invested in the Schemes following Completion ("**Exit Option**"). The Exit Option can be exercised from May 22, 2014 and is valid up to June 20, 2014 (both days inclusive), by submitting a normal redemption request at the nearest MSMF Investor Service Centre, details of which are provided in **Exhibit 4** hereto. The redemption warrant / cheque will be mailed to the unit holder within 10(ten) working days from the date of receipt of the redemption request. All redemption requests received before May 22, 2014 and after applicable cut-off time on June 20, 2014 will be subject to applicable load in respect of the Schemes. All redemption requests received shall be processed based on the applicable NAV as on the day on which such redemption request is received, subject to provisions of applicable cut-off time.

The Exit Option is available to all unit holders except for unit holders who have pledged their units. Such unit holders will not have the option to exit unless they procure a release of their pledges prior to June 20, 2014 and such release is appropriately communicated to MSMF prior to applying for redemption. In case a lien is marked on the units held by you or your units have been frozen / locked pursuant to an order of a governmental authority or a court, redemption can be executed only after the lien / order is vacated / revoked within the period specified above.

**If the unit holder has no objection to the proposed changes and wishes to remain invested in the Schemes after Completion, no action needs to be taken by the unit holder.** Please note that unit holders who do not exercise the exit option on or before applicable cut-off time on June 20, 2014, would be deemed to have consented to the aforesaid Transaction. This offer to exit is merely an option and not compulsory. We would like the unit holders to remain invested in the Schemes.

#### Tax Consequences:

**As regards investors who redeem their investments during the Exit Option Period, the tax consequences as set forth in the Statement of Additional Information / Scheme Information Document of the relevant Scheme(s) would apply. In case of Non Resident Indians, tax, if any at applicable rates will be withheld by MSMF / MS AMC.**

**Securities Transaction Tax (STT), if any, on all redemption / switch-out of units exercised during the Exit Option Period, shall be borne by MS AMC.**

**Further, there may be a change in the number of units that you hold in certain Schemes due to a merger of such Schemes with the schemes of HDFC MF, as part of the Changes to the Schemes, as detailed further in **Exhibit 5**. This may result in capital gain or loss in the hands of the investors, entailing tax consequences. Hence, please consult your financial and tax advisors in this regard.**

As is the case with investments in securities, the value of your holdings in the Schemes may go up or down depending on the factors and forces affecting the securities markets in the ordinary course of business.

Upon Completion, which is proposed to occur after the expiry of the Exit Option Period, the MS Trustees shall hand over the Schemes, together with the trusteeship thereof to HDFC Trustee. Consequently, HDFC Trustee shall become the trustee of the Schemes and HDFC AMC shall become the asset management company for the Schemes. For the period between the expiry of the Exit Option Period and Completion Date, the Schemes shall continue to be managed by MS AMC. In case of any further changes, a notice will be published in the newspaper having a nationwide circulation informing the unit holders / investors of the changes (including any change to the Completion Date) and shall be displayed on the website of MSMF. Prior to Completion Date, MS AMC and HDFC AMC will each issue public notices informing the respective investors in the Schemes and schemes of HDFC MF about the Completion and the coming into effect of the Changes to the Schemes, as appropriate.

The expenses for, and directly related to, the Transaction will not be charged to the unit holders of the Schemes, in any manner whatsoever.

Investor may please also note that upon Completion, the computation of NAV and valuation of investment of the Schemes will be as per the Valuation Policy adopted by HDFC AMC.

**Investors are also requested to note that Investors who have registered for systematic investment plans ("SIP") and do not wish to continue their future investments must apply for cancellation of their SIP facilities / registration at least 10 days prior to the date of the next installment. However, all systematic transfer plans ("STPs") and Systematic Withdrawal Plans ("SWPs") shall automatically cease to be in force with effect from Completion and investors seeking to continue with STPs/SWPs shall have to register afresh with HDFC MF.**

### (B) Approval for Amendment to the MS Trust Deed

As stated above, the MS Trust Deed will have to be amended to authorise the MS Trustees to transfer the Schemes and hand over the trusteeship of the Schemes to a third party, viz., HDFC Trustee. Such amendment is proposed to be effected by way of a deed of amendment to the MS Trust Deed (in terms of the draft attached herewith as **Exhibit 7**). In terms of the SEBI Letter, SEBI has confirmed its no objection to the proposed amendment to the MS Trust Deed. A copy of the MS Trust Deed is available at the registered office of MS AMC at 18F/ 19F, One Indiabulls Centre, Tower 2, Senapati Bapat Marg, Mumbai – 400 013, should you wish to review the same.

In terms of the MF Regulations and the Statement of Additional Information of MSMF, we solicit your votes through postal ballot for approval of the proposed amendment to the MS Trust Deed.

All unit holders of the Schemes, as per the records of the registrar in respect of the Schemes, Karvy Computershare Private Limited ("**Registrar**"), upto the applicable cut-off time on May 14, 2014, will be entitled to vote in respect of the proposed amendment under reference by mailing the duly signed and filled-up ballot paper (clearly indicating assent or dissent) which is enclosed herewith as **Exhibit 9**, such that the ballot paper reaches the Registrar not later than **June 10, 2014** for the purpose of determining the results of the ballot, at the following address:

Karvy Computershare Private Limited  
Karvy Registry House  
Unit: Morgan Stanley Mutual Fund  
21, Avenue 4, Street no.1, Banjara Hills, Hyderabad – 500 034

The unit holders may use the business reply inland enclosed with this letter. Please note that the unit holders shall not have to bear the postal charges for mailing the same.

The unit holder in respect of each folio or account representing a holding shall vote and he/she shall have one vote in respect of the proposed amendment to be passed. In case the mode of holding is "Joint" or "Anyone or Survivor", only the first-named holder shall be entitled to vote.

**You are requested to note that if you do not send the signed and duly filled in ballot paper so as to reach the Registrar by close of business hours on June 10, 2014, it will be treated as your deemed consent for the proposed amendment of the MS Trust Deed.** The Registrar will conduct and control the exercise of the postal ballot, and all valid ballot papers will be counted by the Registrar under the supervision of an authorized official of MS AMC or, if considered necessary by the MS Trustees, an independent scrutineer appointed by the MS Trustees. **If more than 50% of the total valid votes received including the deemed consent mentioned above are in favour of the proposed amendment, it will stand approved and will be binding on the unit holders of the Schemes.**

You will be intimated the results of the ballot by way of a letter or by way of a notice/advertisement in a newspaper.

#### **CHANGES TO THE SCHEMES**

This is to inform you, in accordance with the requirements under the MF Regulations, about the proposed Changes to the Schemes which will take effect from Completion Date, in connection with the Transaction.

The MS Trustees and the respective Boards of Directors of MS AMC, HDFC Trustee and HDFC AMC have each approved the Changes to the Schemes. SEBI has also vide the SEBI Letter confirmed its no objection to the Changes to the Schemes. Please refer to **Exhibit 5** hereto for details of the proposed Changes to the Schemes.

In accordance with the MF Regulations, some of the aforementioned Changes to the Schemes are considered as changes in the fundamental attributes of the schemes. As per Regulation 18 (15A) of the MF Regulations, such changes can only be carried out after the unit holders of the scheme concerned, have been informed of the change via written communication in order to provide them with the option of exiting the scheme within a period of 30 days without being charged an exit load at the prevailing NAV.

This letter serves as a communication to the unit holders of the change in the fundamental attributes of some the Schemes as indicated in **Exhibit 5**. The Scheme Information Documents, the Key Information Memoranda and any other relevant documents relating to the Schemes will be amended upon Completion by HDFC AMC and/or HDFC Trustee, to reflect the Changes to the Schemes.

In accordance with the provisions of the MF Regulations, this letter provides the unit holders of the relevant Schemes upto the applicable cut-off time on the record date, being May 14, 2014, an option to redeem his / her / its investment in the relevant Schemes at the prevailing NAV without being charged an exit load if they do not wish to stay invested in the Schemes following Completion. The option to exit the relevant Schemes without any exit load can be exercised from May 22, 2014 and is valid upto 3.00 pm on June 20, 2014 (both days inclusive), by submitting a normal redemption request at the nearest MSMF Investor Service Centre, details of which are provided in **Exhibit 4** hereto. The redemption requests received will be processed at the prevailing NAV without any exit load. The redemption warrant / cheque will be mailed to the unit holder within 10 working days from the date of receipt of the redemption request. All redemption requests received before May 22, 2014 and after 3.00 pm on June 20, 2014 will be subject to applicable load in respect of the relevant Schemes. All redemption requests received shall be processed based on the applicable NAV as on the day on which such redemption request is received, subject to provisions of applicable cut-off time.

The option to exit is available to all unit holders except for unit holders who have pledged their units. Such unit holders will not have the option to exit unless they procure a release of their pledges and such release is appropriately communicated to the Registrar prior to applying for redemption. In case a lien is marked on the units held by you or your units have been frozen / locked pursuant to an order of a governmental authority or a court, redemption can be executed only after the lien / order is vacated / revoked within the period specified above.

**If you have no objection to the proposed changes and wish to remain invested in the Schemes after Completion, no action needs to be taken by you. Please note that unit holders who do not exercise the exit option on or before 3.00 pm on June 20, 2014, would be deemed to have consented to the aforesaid changes. This offer to exit is merely an option and not compulsory. We would like the unit holders to remain invested in the relevant Schemes.**

#### **DETAILS OF UNCLAIMED DIVIDEND AND REDEMPTION AMOUNTS AND PROCEDURE FOR CLAIMING UNCLAIMED DIVIDEND / REDEMPTION AMOUNTS BY UNIT HOLDERS**

With a view to transfer the balance remaining unclaimed on accounts of redemption proceeds and dividends in the accounts from MSMF to HDFC MF, the details of the same as on March 31, 2014 have been provided in **Exhibit 8**.

#### **Procedure for claiming unclaimed redemption / dividend amounts by unit holders**

The request for reissue / revalidation of instruments towards unclaimed redemption / dividend should be made by the unit holder to the Registrar or the offices of MS AMC (at the addresses mentioned in **Exhibit 4** hereto), quoting folio number, scheme name and details of payments not received. This will be verified with the records and fresh instruments will be issued / revalidation will be done for those cases which are unclaimed.

Any such requests received post consummation of the transaction will be reviewed and processed by HDFC MF.

#### **CONTACT INFORMATION**

In case you require any further information / assistance please contact us by dialing the toll-free number 1800 425 1313 or visit the nearest Investor Service Centres (the details of which are provided in **Exhibit 4** hereto).

We look forward to having your continued support and patronage.

Yours sincerely,

Date: May 14, 2014

Place: Mumbai

For **Board of Trustees of Morgan Stanley Mutual Fund**

Sd/-

**Andrew Onslow**  
(Authorised Signatory)

For **Morgan Stanley Investment Management Private Limited**

Sd/-

**Lodewijk Van Setten**  
(Authorised Signatory)

**Mutual Fund investments are subject to market risks, read all scheme related documents carefully.**

## Exhibit 1

### DETAILS OF THE SCHEMES

Name of Schemes	Scheme Type
Morgan Stanley Growth Fund	Open Ended Equity Fund
Morgan Stanley A.C.E. Fund	Open Ended Across Capitalizations Equity Fund
Morgan Stanley Multi Asset Fund (Plan A and Plan B)	Open Ended Debt Fund
Morgan Stanley Ultra Short Term Fund	Open Ended Debt Fund
Morgan Stanley Short Term Bond Fund	Open Ended Debt Fund
Morgan Stanley Active Bond Fund	Open Ended Debt Fund
Morgan Stanley Gilt Fund	Open Ended Gilt Fund
Morgan Stanley Liquid Fund	Open Ended Liquid Fund

## Exhibit 2

### BRIEF BACKGROUND OF HDFC MF, HDFC AMC, HDFC TRUSTEE AND THE SPONSORS OF HDFC MF, VIZ., HDFC LIMITED AND STANDARD LIFE INVESTMENTS LIMITED

#### A. HDFC Mutual Fund

HDFC MF has been constituted as a trust in accordance with the provisions of the Indian Trusts Act, 1882, as per the terms of the trust deed dated June 8, 2000 (the "HDFC Trust Deed") with HDFC Limited and Standard Life Investments Limited as the co-sponsors / settlors and HDFC Trustee as the trustee. The HDFC Trust Deed has been registered under the Indian Registration Act, 1908. HDFC MF has been registered with SEBI, under registration code MF/044/00/6 on June 30, 2000.

#### B. HDFC Trustee Company Limited

HDFC Trustee, through its Board of Directors, discharges its obligations as trustee of HDFC MF. The main responsibility of HDFC Trustee is to safeguard the interest of the unit holders of HDFC MF and *inter alia* ensure that HDFC AMC functions in the interest of investors and in accordance with the MF Regulations, the provisions of the HDFC Trust Deed and all scheme related documents of the respective schemes of HDFC MF.

#### C. HDFC Asset Management Company Limited

HDFC AMC is a public limited company incorporated under the Companies Act, 1956 on December 10, 1999, having its registered office at HUL House, 2nd Floor, H. T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai – 400 020. HDFC AMC has been appointed as the asset management company of HDFC MF by HDFC Trustee, vide an investment management agreement dated June 8, 2000, executed between HDFC Trustee and HDFC AMC.

HDFC AMC is a joint venture between HDFC Limited and Standard Life Investments Limited. As on April 30, 2014, the equity shareholding of HDFC Limited and Standard Life Investments Limited in HDFC AMC is 59.81% and 39.87% respectively. The paid-up capital of HDFC AMC is Rs. 25.24 crore as on April 30, 2014.

#### D. Housing Development Finance Corporation Limited

HDFC Limited was incorporated in 1977 as the first specialized mortgage company in India. HDFC Limited provides financial assistance to individuals, corporates and developers for the purchase or construction of residential housing. It also provides property related services (e.g. property identification, sales services and valuation), training and consultancy. Of these activities, housing finance remains the dominant activity. HDFC Limited has a client base of around 13.25 lac borrowers, over 17.5 lac depositors, over 1.82 lac shareholders and over 25,000 deposit agents, as at March 31, 2014.

As at March 31, 2014, HDFC Limited had mortgage loan assets of Rs.1,971 billion. Since inception, HDFC Limited has financed over 4.6 million housing units. 74% of shareholders in HDFC Limited are foreign investors. HDFC Limited's market capitalisation as at March 31, 2014 stood at approximately Rs. 1,379.35 billion.

HDFC Limited's borrowings consist of domestic term loans from banks and insurance companies, bonds and retail deposits. HDFC Limited has received the highest rating for its bonds and deposits program for the Ninteenth year in succession.

As part of HDFC Limited's developmental initiatives, the company has set up institutions in various fields including Banking, Insurance - Life and General, Asset Management, Credit Rating, Consumer Finance, IT-enabled services, Real Estate and Education Finance.

Over the years, the HDFC group has emerged as a strong financial conglomerate in the Indian capital markets with a presence in banking, life and general insurance, asset management and venture capital. HDFC Limited's key associate and subsidiary companies include HDFC Bank Limited, HDFC Standard Life Insurance Company Limited, HDFC Ergo General Insurance Company Limited, HDFC Asset Management Company Limited, GRUH Finance Limited, HDFC Venture Capital Limited and Credila Financial Services Limited. For more information visit [www.hdfc.com](http://www.hdfc.com).

#### E. Standard Life Investments Limited

The Standard Life Assurance Company was established in 1825 and has considerable experience in global financial markets. The company was present in the Indian life insurance market from 1847 to 1938 when agencies were set up in Kolkata and Mumbai. The company re-entered the Indian market in 1995, when an agreement was signed with HDFC Limited to launch an insurance joint venture.

On April 2006, the Board of The Standard Life Assurance Company recommended that it should demutualise and Standard Life plc float on the London Stock Exchange. At a Special General Meeting held in May voting members overwhelmingly voted in favour of this. The Court of Session in Scotland approved this in June and Standard Life plc floated on the London Stock Exchange on 10 July 2006.

Standard Life Investments Limited was launched as an investment management company in 1998. It is the dedicated investment management company of the Standard Life group and is a wholly owned subsidiary of Standard Life Investments (Holdings) Limited, which in turn is a wholly owned subsidiary of Standard Life plc.

With global assets under management of approximately US\$319.5 billion (£191.7 billion) as at March 31, 2014, Standard Life Investments Limited is a leading asset manager with an expanding global reach operating in the UK, Canada, Hong Kong, China, Korea, Ireland, France, Australia and the USA, and is responsible for investing money on behalf of six million retail and institutional clients worldwide.

In order to meet the different needs and risk profiles of its clients, Standard Life Investments Limited manages a diverse portfolio covering all of the major markets world-wide, which includes a range of private and public equities, government and company bonds, property investments and various derivative instruments. For more information visit [www.standardlifeinvestments.com](http://www.standardlifeinvestments.com).

#### F. Financial Performance of Acquirer Sponsors

##### Housing Development Finance Corporation Limited

(Rs. in crores)

Particulars	Year Ended March 31, 2014 (Audited)	Year Ended March 31, 2013 (Audited)	Year Ended March 31, 2012 (Audited)
Net worth	27,955.19*	24,830.21	19,017.58
Total Income	24,197.67	21,147.62	17,354.28
Profit After Tax	5,440.24	4,848.34	4,122.62
Assets under Management	N.A.	N.A.	N.A.

\* After proposed dividend and tax thereon, amounting to Rs. 2,556.05 crores.

N.A.: Not Applicable

Particulars	January 1, 2013 to December 31, 2013 (Audited)	January 1, 2012 to December 31, 2012 (Audited)	January 1, 2011 to December 31, 2011 (Audited)
Net worth	148,102	139,622	146,473
Total Income	436,353	353,831	300,579
Profit After Tax	98,409	87,229	67,691
Assets under Management#	US\$175bn	US\$186bn	US\$170bn

GBP refers to Great Britain Pound Sterling

# as at December 31

Total income is Net Revenue.

### Exhibit 3

#### CONDENSED FINANCIAL INFORMATION OF ALL SCHEMES OF MSMF Condensed Financial Information for 2011-12

Particulars	2011-12						
	MSGF	MSACE	MSSTBF	MSABF	MSLiquid	MAF A	MAF B
<b>NAV at the beginning of the year/period (Rs.):</b>							
Growth Option	62.736	14.994	11.0645	10.4027	N.A.	N.A.	N.A.
Dividend Option	19.152	14.117	N.A.	N.A.	N.A.	N.A.	N.A.
Weekly Dividend Option	N.A.	N.A.	10.0782	N.A.	N.A.	N.A.	N.A.
Monthly Dividend Option	N.A.	N.A.	10.0857	N.A.	N.A.	N.A.	N.A.
Quarterly Dividend Option	N.A.	N.A.	N.A.	10.4027	N.A.	N.A.	N.A.
Institutional Plan Growth option	N.A.	N.A.	11.1320	N.A.	N.A.	N.A.	N.A.
Institutional Plan Weekly Dividend Option	N.A.	N.A.	10.0934	N.A.	N.A.	N.A.	N.A.
Institutional Plan Monthly Dividend Option	N.A.	N.A.	10.0886	N.A.	N.A.	N.A.	N.A.
Institutional Plan Quarterly Dividend Option	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Daily Dividend Option	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Dividends (Rs.)</b>							
Regular Dividend	-	-	N.A.	N.A.	N.A.	N.A.	N.A.
Regular Plan -Monthly Dividend Option	N.A.	N.A.	0.8342	-	51.1765	-	-
Regular Plan -Weekly Dividend Option	N.A.	N.A.	0.8187	N.A.	51.2919	N.A.	N.A.
Regular Plan -Quarterly Dividend Option	N.A.	N.A.	N.A.	-	N.A.	-	-
Regular Plan -Daily Dividend Option	N.A.	N.A.	N.A.	N.A.	51.4662	N.A.	N.A.
Institutional Plus Plan -Weekly Dividend Option	N.A.	N.A.	0.8686	N.A.	N.A.	N.A.	N.A.
Institutional Plus Plan -Monthly Dividend Option	N.A.	N.A.	0.8851	N.A.	N.A.	N.A.	N.A.
Institutional Plus Plan -Quarterly Dividend Option	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>NAV at the end of the year/period (Rs.):</b>							
Growth Option	56.341	13.618	12.0443	10.9939	1,053.6059	10.0592	10.0303
Dividend Option	17.199	12.821	N.A.	N.A.	N.A.	N.A.	N.A.
Weekly Dividend Option	N.A.	N.A.	10.1154	N.A.	1,001.0097	N.A.	N.A.
Monthly Dividend Option	N.A.	N.A.	10.1093	N.A.	1,001.2918	10.0592	10.0303
Quarterly Dividend Option	N.A.	N.A.	N.A.	10.9939	N.A.	10.0592	10.0303
Institutional Plan Growth option	N.A.	N.A.	12.1541	N.A.	N.A.	N.A.	N.A.
Institutional Plan Weekly Dividend Option	N.A.	N.A.	10.1115	N.A.	N.A.	N.A.	N.A.
Institutional Plan Monthly Dividend Option	N.A.	N.A.	10.0913	N.A.	N.A.	N.A.	N.A.
Institutional Plan Quarterly Dividend Option	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Daily Dividend Option	N.A.	N.A.	N.A.	N.A.	1,000.7861	N.A.	N.A.
<b>Net Assets at the end of the year/period (Rs. In crore)</b>	<b>1,273.62</b>	<b>278.58</b>	<b>31.28</b>	<b>0.49</b>	<b>301.01</b>	<b>45.51</b>	<b>63.84</b>
<b>Ratio of recurring expenses to net assets (%)</b>	<b>1.87%</b>	<b>2.29%</b>	<b>0.70%</b>	<b>1.71%</b>	<b>0.11%</b>	<b>1.75%</b>	<b>1.75%</b>

#### Condensed Financial Information for 2012-13

Particulars	2012-13							
	MSGF	MSACE	MSSTBF	MSABF	MSLiquid	MAF A	MAF B	MSGILT
<b>NAV at the beginning of the year/period (Rs.):</b>								
Growth Option	56.341	13.618	12.0443	10.9939	1,053.6059	10.0592	10.0303	N.A.
Dividend Option	17.199	12.821	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Weekly Dividend Option	N.A.	N.A.	10.1154	N.A.	1,001.0097	N.A.	N.A.	N.A.
Monthly Dividend Option	N.A.	N.A.	10.1093	N.A.	1,001.2918	10.0592	10.0303	N.A.
Quarterly Dividend Option	N.A.	N.A.	N.A.	10.9939	N.A.	10.0592	10.0303	N.A.
Institutional Plan Growth option	N.A.	N.A.	12.1541	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plan Weekly Dividend Option	N.A.	N.A.	10.1115	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plan Monthly Dividend Option	N.A.	N.A.	10.0913	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plan Quarterly Dividend Option	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Daily Dividend Option	N.A.	N.A.	N.A.	N.A.	1,000.7861	N.A.	N.A.	N.A.
Direct Growth Option	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Direct Dividend Option	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Direct Weekly Dividend Option	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Direct Monthly Dividend Option	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Direct Quarterly Dividend Option	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Dividends (Rs.)</b>								
Regular Dividend	-	-	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Regular Plan -Monthly Dividend Option	N.A.	N.A.	0.8936	N.A.	88.4780	0.6900	0.6900	N.A.



2012-13								
Particulars	MSGF	MSACE	MSSTBF	MSABF	MSLiquid	MAF A	MAF B	MSGILT
Regular Plan -Weekly Dividend Option	N.A.	N.A.	0.8840	N.A.	89.0879	–	–	N.A.
Regular Plan -Quarterly Dividend Option	N.A.	N.A.	N.A.	0.25	N.A.	0.8250	0.7750	–
Regular Plan -Daily Dividend Option	N.A.	N.A.	N.A.	N.A.	89.0036	–	–	N.A.
Institutional Plus Plan -Weekly Dividend Option	N.A.	N.A.	0.9338	N.A.	N.A.	–	–	N.A.
Institutional Plus Plan- Monthly Dividend Option	N.A.	N.A.	0.6301	N.A.	N.A.	–	–	N.A.
Institutional Plus Plan -Quarterly Dividend Option	N.A.	N.A.	N.A.	N.A.	N.A.	–	–	N.A.
Direct Plan - Dividend	–	–	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Direct Plan- Monthly Dividend Option	N.A.	N.A.	0.2120	N.A.	21.2407	0.2200	–	N.A.
Direct Plan- Weekly Dividend Option	N.A.	N.A.	0.1840	N.A.	21.1803	–	–	N.A.
Direct Plan- Quarterly Dividend Option	N.A.	N.A.	N.A.	0.25	N.A.	0.1900	0.0500	–
Direct Plan- Daily Dividend Option	N.A.	N.A.	N.A.	N.A.	20.4633	–	0.1900	N.A.
<b>NAV at the end of the year/period (Rs.)</b>								
Growth Option	63.166	14.729	13.2520	12.1607	1,152.1732	11.0086	10.8446	10.0288
Dividend Option	19.282	13.866	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Weekly Dividend Option	N.A.	N.A.	10.204	N.A.	1,001.4966	N.A.	N.A.	N.A.
Monthly Dividend Option	N.A.	N.A.	10.1903	N.A.	1,002.6853	10.2992	10.1404	N.A.
Quarterly Dividend Option	N.A.	N.A.	N.A.	11.9105	N.A.	10.1619	10.0534	10.0288
Direct Growth Option	63.213	14.747	13.2681	12.1845	1,152.3139	11.0220	10.8579	10.0346
Direct Dividend Option	19.296	13.883	N.A.	N.A.	1,001.2779	N.A.	N.A.	N.A.
Direct Weekly Dividend Option	N.A.	N.A.	10.2398	N.A.	1,001.4971	N.A.	N.A.	N.A.
Direct Monthly Dividend Option	N.A.	N.A.	10.2019	N.A.	1,002.4227	10.3120	10.1830	N.A.
Direct Quarterly Dividend Option	N.A.	N.A.	N.A.	11.9343	N.A.	10.2095	10.2060	10.0346
Institutional Plan Growth option	N.A.	N.A.	13.4509	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plan Weekly Dividend Option	N.A.	N.A.	10.2096	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plan Monthly Dividend Option	N.A.	N.A.	10.0766	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plan Quarterly Dividend Option	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Daily Dividend Option	N.A.	N.A.	N.A.	N.A.	1,001.2738	N.A.	N.A.	N.A.
<b>Net Assets at the end of the year/period (Rs. In crore)</b>	<b>1,267.14</b>	<b>191.86</b>	<b>316.67</b>	<b>261.04</b>	<b>278.14</b>	<b>48.11</b>	<b>59.31</b>	<b>30.67</b>
<b>Ratio of recurring expenses to net assets (%)</b>	<b>2.18%</b>	<b>2.48%</b>	<b>1.04%</b>	<b>1.78%</b>	<b>0.12%</b>	<b>2.13%</b>	<b>2.08%</b>	<b>0.76%</b>

#### Condensed Financial Information for 2013-14

2013-14									
Particulars	MSGF	MSACE	MSSTBF	MSABF	MSLiquid	MAF A	MAF B	MSGILT	MSUST
<b>NAV at the beginning of the year/period (Rs.):</b>									
Growth Option	63.166	14.729	13.2520	12.1607	1,152.1732	11.0086	10.8446	10.0288	N.A.
Dividend Option	19.282	13.866	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Weekly Dividend Option	N.A.	N.A.	10.2040	N.A.	1,001.4966	N.A.	N.A.	N.A.	N.A.
Monthly Dividend Option	N.A.	N.A.	10.1903	N.A.	1,002.6853	10.2992	10.1404	N.A.	N.A.
Quarterly Dividend Option	N.A.	N.A.	N.A.	11.9105	N.A.	10.1619	10.0534	10.0288	N.A.
Institutional Plan Growth option	N.A.	N.A.	13.4509	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plan Weekly Dividend Option	N.A.	N.A.	10.2096	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plan Monthly Dividend Option	N.A.	N.A.	10.0766	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plan Quarterly Dividend Option	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Daily Dividend Option	N.A.	N.A.	N.A.	N.A.	1,001.2738	N.A.	N.A.	N.A.	N.A.
Direct Growth Option	63.213	14.747	13.2681	12.1845	1,152.3139	11.0220	10.8579	10.0346	N.A.
Direct Dividend Option	19.296	13.883	N.A.	N.A.	1,001.2779	N.A.	N.A.	N.A.	N.A.
Direct Weekly Dividend Option	N.A.	N.A.	10.2398	N.A.	1,001.4971	N.A.	N.A.	N.A.	N.A.
Direct Monthly Dividend Option	N.A.	N.A.	10.2019	N.A.	1,002.4227	10.3120	10.1830	N.A.	N.A.
Direct Quarterly Dividend Option	N.A.	N.A.	N.A.	11.9343	N.A.	10.2095	10.2060	10.0346	N.A.
<b>Dividends (Rs.)</b>									
Regular Dividend	1.5000	1.0000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Regular Daily Dividend	N.A.	N.A.	N.A.	N.A.	90.3966	N.A.	N.A.	N.A.	64.5050
Regular Weekly Reinvestment Dividend	N.A.	N.A.	0.7216	N.A.	90.6220	N.A.	N.A.	N.A.	60.6150
Regular Monthly Dividend	N.A.	N.A.	0.7415	N.A.	88.1459	0.3750	0.2300	N.A.	54.0436
Regular Quarterly Dividend	N.A.	N.A.	N.A.	1.1000	N.A.	0.4600	0.2200	0.2500	N.A.
Institutional Plus Weekly Dividend	N.A.	N.A.	0.6570	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plus Monthly Dividend	N.A.	N.A.	0.6880	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plus Quarterly Dividend	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Direct Plan - Dividend	1.5000	1.0000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Direct Plan - Weekly Dividend	N.A.	N.A.	0.7512	N.A.	91.4058	N.A.	N.A.	N.A.	57.1923
Direct Plan - Monthly Dividend	N.A.	N.A.	0.3107	N.A.	83.8443	0.3450	0.1800	N.A.	51.9988
Direct Plan - Daily Dividend	N.A.	N.A.	N.A.	N.A.	66.3633	N.A.	N.A.	N.A.	57.6698
Direct Plan - Quarterly Dividend	N.A.	N.A.	N.A.	1.1000	N.A.	0.4853	0.2200	0.2500	N.A.
<b>NAV at the end of the year/period (Rs.) ^</b>									
Regular Growth	73.413	18.082	14.4717	12.9241	1,260.1257	11.7133	11.3676	10.3822	1,070.3353
Regular Dividend	20.852	15.977	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Regular Daily Dividend	N.A.	N.A.	N.A.	N.A.	1,000.5001	N.A.	N.A.	N.A.	1,003.6728
Regular Weekly Reinvestment Dividend	N.A.	N.A.	10.4065	N.A.	1,002.9237	N.A.	N.A.	N.A.	1,010.5958
Regular Monthly Dividend	N.A.	N.A.	10.4199	N.A.	1,011.3427	10.5736	10.3939	N.A.	1,022.1156
Regular Quarterly Dividend	N.A.	N.A.	N.A.	11.8001	N.A.	10.5492	10.4578	10.1376	N.A.
Institutional Plus Growth	N.A.	N.A.	14.7692	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

2013-14									
Particulars	MSGF	MSACE	MSSTBF	MSABF	MSLiquid	MAF A	MAF B	MSGILT	MSUST
Institutional Plus Weekly Dividend	N.A.	N.A.	10.5378	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plus Monthly Dividend	N.A.	N.A.	10.4130	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plus Quarterly Dividend	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Direct Plan - Growth	73.689	18.195	14.5831	13.0753	1,261.2763	11.7858	11.4382	10.4658	1,073.9336
Direct Plan - Dividend	21.006	16.133	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Direct Plan - Daily Dividend	N.A.	N.A.	N.A.	N.A.	1,025.9769	N.A.	N.A.	N.A.	1,014.5425
Direct Plan - Weekly Dividend	N.A.	N.A.	10.4861	N.A.	1,002.9391	N.A.	N.A.	N.A.	1,017.5664
Direct Plan - Monthly Dividend	N.A.	N.A.	10.8816	N.A.	1,016.3972	10.6717	10.5419	N.A.	1,027.8167
Direct Plan - Quarterly Dividend	N.A.	N.A.	N.A.	11.9449	N.A.	10.6266	10.6706	10.2204	N.A.
<b>Net Assets at the end of the year/period (Rs. In crore)</b>	<b>1,165.12</b>	<b>169.32</b>	<b>271.63</b>	<b>396.04</b>	<b>219.21</b>	<b>20.07</b>	<b>23.32</b>	<b>23.58</b>	<b>41.99</b>
<b>Ratio of recurring expenses to net assets (%)</b>	<b>2.20%</b>	<b>2.59%</b>	<b>0.93%</b>	<b>1.90%</b>	<b>0.10%</b>	<b>2.25%</b>	<b>2.31%</b>	<b>0.58%</b>	<b>0.46%</b>

**Note :** The numbers mentioned in the data above for the financial year 2013-14 are not audited.

^ As March 31, 2014 was a non- business day for Debt & Liquid schemes, the reporting is as of March 28, 2014.

#### Condensed Financial Information for April 2014

Particulars	MSGF	MSACE	MSSTBF	MSABF	MSLiquid	MAF A	MAF B	MSGILT	MSUST
<b>NAV at the beginning of the year/period (Rs.):</b>									
Regular Growth	73.413	18.082	14.4717	12.9241	1,260.1257	11.7133	11.3676	10.3822	1,070.3353
Regular Dividend	20.852	15.977	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Regular Daily Dividend	N.A.	N.A.	N.A.	N.A.	1,000.5001	N.A.	N.A.	N.A.	1,003.6728
Regular Weekly Dividend	N.A.	N.A.	10.4065	N.A.	1,002.9237	N.A.	N.A.	N.A.	1,010.5958
Regular Monthly Dividend	N.A.	N.A.	10.4199	N.A.	1,011.3427	10.5736	10.3939	N.A.	1,022.1156
Regular Quarterly Dividend	N.A.	N.A.	N.A.	11.8001	N.A.	10.5492	10.4578	10.1376	N.A.
Institutional Plus Growth	N.A.	N.A.	14.7692	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plus Weekly Dividend	N.A.	N.A.	10.5378	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plus Monthly Dividend	N.A.	N.A.	10.4130	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plus Quarterly Dividend	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Direct Plan - Growth	73.689	18.195	14.5831	13.0753	1,261.2763	11.7858	11.4382	10.4658	1,073.9336
Direct Plan - Dividend	21.006	16.133	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Direct Plan - Daily Dividend	N.A.	N.A.	N.A.	N.A.	1,025.9769	N.A.	N.A.	N.A.	1,014.5425
Direct Plan - Weekly Dividend	N.A.	N.A.	10.4861	N.A.	1,002.9391	N.A.	N.A.	N.A.	1,017.5664
Direct Plan - Monthly Dividend	N.A.	N.A.	10.8816	N.A.	1,016.3972	10.6717	10.5419	N.A.	1,027.8167
Direct Plan - Quarterly Dividend	N.A.	N.A.	N.A.	11.9449	N.A.	10.6266	10.6706	10.2204	N.A.
<b>Dividends (Rs.)</b>									
Regular Dividend	-	-	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Regular Daily Dividend	N.A.	N.A.	N.A.	N.A.	8.0653	N.A.	N.A.	N.A.	7.4839
Regular Weekly Dividend	N.A.	N.A.	0.0691	N.A.	6.8587	N.A.	N.A.	N.A.	6.5525
Regular Monthly Dividend	N.A.	N.A.	0.0690	N.A.	7.0000	-	-	N.A.	7.0000
Regular Quarterly Dividend	N.A.	N.A.	N.A.	-	N.A.	-	-	-	N.A.
Institutional Plus Weekly Dividend	N.A.	N.A.	0.0728	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plus Monthly Dividend	N.A.	N.A.	0.0729	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plus Quarterly Dividend	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Direct Plan - Dividend	-	-	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Direct Plan - Weekly Dividend	N.A.	N.A.	0.0728	N.A.	6.9202	N.A.	N.A.	N.A.	6.9884
Direct Plan - Monthly Dividend	N.A.	N.A.	-	N.A.	7.0000	-	-	N.A.	7.0000
Direct Plan - Daily Dividend	N.A.	N.A.	N.A.	N.A.	-	N.A.	N.A.	N.A.	8.0240
Direct Plan - Quarterly Dividend	N.A.	N.A.	N.A.	-	N.A.	-	-	-	N.A.
<b>NAV at the end of the year/period (Rs.)</b>									
Regular Growth	72.660	18.127	14.5706	13.0111	1,270.3227	11.7478	11.3992	10.4681	1,078.3433
Regular Dividend	20.638	16.016	10.3607	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Regular Daily Dividend	N.A.	N.A.	N.A.	N.A.	1,000.5001	N.A.	N.A.	N.A.	1,003.6728
Regular Weekly Dividend	N.A.	N.A.	10.3930	N.A.	1,001.9519	N.A.	N.A.	N.A.	1,009.1922
Regular Monthly Dividend	N.A.	N.A.	10.3607	N.A.	1,005.9956	10.6048	10.4228	N.A.	1,015.7533
Regular Quarterly Dividend	N.A.	N.A.	N.A.	11.6294	N.A.	10.3811	10.3466	10.2215	N.A.
Institutional Plus Growth	N.A.	N.A.	14.8775	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plus Weekly Dividend	N.A.	N.A.	10.5256	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plus Monthly Dividend	N.A.	N.A.	10.3507	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Institutional Plus Quarterly Dividend	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Direct Plan - Growth	72.951	18.247	14.6914	13.1752	1,271.5747	11.8260	11.4751	10.5595	1,082.4578
Direct Plan - Dividend	20.796	16.179	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Direct Plan - Daily Dividend	N.A.	N.A.	N.A.	N.A.	1,034.3544	N.A.	N.A.	N.A.	1,014.5425
Direct Plan - Weekly Dividend	N.A.	N.A.	10.4749	N.A.	1,001.9630	N.A.	N.A.	N.A.	1,016.1251
Direct Plan - Monthly Dividend	N.A.	N.A.	10.9624	N.A.	1,011.1483	N.A.	N.A.	N.A.	1,021.9962
Direct Plan - Quarterly Dividend	N.A.	N.A.	N.A.	11.7884	N.A.	10.4657	10.5659	10.3121	N.A.
<b>Net Assets at the end of the year/period (Rs. In crore)</b>	<b>1,137.94</b>	<b>164.61</b>	<b>257.46</b>	<b>356.87</b>	<b>199.42</b>	<b>19.47</b>	<b>19.09</b>	<b>23.37</b>	<b>42.87</b>
<b>Ratio of recurring expenses to net assets (%)</b>	<b>2.20%</b>	<b>2.59%</b>	<b>1.01%</b>	<b>1.91%</b>	<b>0.08%</b>	<b>2.23%</b>	<b>2.30%</b>	<b>0.57%</b>	<b>0.52%</b>

**Note :** The numbers mentioned in the data above are as of 30th April, 2014 and are not audited.



## Exhibit 4

### Addresses of Investor Service Centres of MSMF

#### MSMF Branch Offices:

Sr. no	Branch Name	Branch Address
1.	Ahmedabad	Morgan Stanley Investment Management Pvt Ltd, 1st floor Broad Way Business Centre, Sahjanand Complex, Next to Associated Petrol Pump, Panchvati C.G.Road, Ahmedabad-380006
2.	Bangalore	Morgan Stanley Investment Management Pvt Ltd, Office no. 928, Regus Business Centre Level 9, Raheja Towers 26/27, Mahatma Gandhi Road, Bangalore 560001
3.	Chennai	Morgan Stanley Investment Management Pvt Ltd., 208, Apeejay Business Centre, Apeejay House, 39/12 Haddows Road, Nungambakkam, Chennai 600006
4.	Mumbai	Morgan Stanley Investment Management Pvt. Ltd., 18F, Tower 2, One Indiabulls Centre, 841, Senapati Bapat Marg, Mumbai 400013
5.	New Delhi	Morgan Stanley Investment Management Pvt. Ltd, DBS Biz Center, Office#203, World Trade Tower, Connaught Place, New Delhi 110001
6.	Secunderabad	Morgan Stanley Investment Management Pvt Ltd. No. 214 DBS Business Centre, 43 - 46 Sardar Patel Road, Secunderabad 500003
7.	Kolkata	Morgan Stanley Investment Management Pvt Ltd. 8, Apeejay Business Centre, Apeejay House, 15 Park Street Kolkata - 700016.
8.	Pune	Morgan Stanley Investment Management Pvt Ltd. Apeejay Business Center, Cabin No. 2 and 16, 1st Floor, Pride House, S. No. 108/7, Shivajinagar University Road, Pune 411 016
9.	Chandigarh	Morgan Stanley Investment Management Pvt Ltd, 303, 3rd Floor, Reliant Business Centre, SCO No 60-61-62, Sector 17 C, Chandigarh

#### Karvy Computershare Private Limited Offices:

Sr. No.	Branch Name	Branch Address
1.	Ahmedabad	Karvy Computershare Private Limited, 201/202, Shail Building, Opp: Madhusudhan House, Navrangpura, Ahmedabad - 380006 Phone No : 079-26402967 / 7541
2.	Allahabad	Karvy Computershare Private Limited, RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S P Marg, Civil Lines, Allahabad – 211001 Phone No : 9369918605
3.	Amritsar	Karvy Computershare Private Limited, 72-A, Taylor'S Road, Aga Heritage Gandhi Ground, Amritsar - 143001, Phone No : 0183-5053804 / 02
4.	Asansol	Karvy Computershare Private Limited, 114 / 71, G.T. Road, Near Sony center, Bhanga Pachli, Asansol - 713303 Phone No : 0341-6550222
5.	Aurangabad	Karvy Computershare Private Limited, Ramkunj, Railway Station Road, Near Osmanpura Circle, Aurangabad - 431005 Phone No : 0240-2343414
6.	Bangalore	Karvy Computershare Private Limited, 59, Skanda Puttanna Road, Basavanagudi, Bangalore - 560 004 Phone No : 080 - 26600785/26602852
7.	Baroda	Karvy Computershare Private Limited, SB-4&5, Mangaldeep Complex, Opposite Mesonic Hall. Productivity Road, Alkapuri, Vadodara - 390007 Phone No : 0265 - 6640870 / 71
8.	Bhavnagar	Karvy Computershare Private Limited, G-11 Giranjali Complex, Opp C-Division Police Station, Kalanala, Bhavnagar - 364001 Phone No : 0278/3004116
9.	Bhubaneswar	Karvy Computershare Private Limited, A/181 , Back Side Of Shivam Honda Show Room, Saheed Nagar, Bhubaneswar - 751007 Phone No : 0674-6534585
10.	Burdwan	Karvy Computershare Private Limited, 63 G T Road, Birhata, Halder Complex, 1st Floor, Burdwan - 713101 Phone No : 0342- 2550219
11.	Calicut	Karvy Computershare Private Limited, 2nd Floor, Sowbhagya Shopping Complex, Areyadathupalam, Mavoor Road, Calicut - 673004. Phone No : 0495-4022480 / 9846046903
12.	Chandigarh	Karvy Computershare Private Limited, Sco-371-372; First Floor; Above HDFC Bank; Sector 35B, Chandigarh - 160022. Phone No : 0172-4342618 / 9876279282
13.	Chennai	Karvy Computershare Private Limited, Flat No F11, 1st Floor, Akshya Plaza, Opp Chief City Metropolitan Court, # 108, Adhithanar Salai, Egmore, Chennai - 600002. Phone No : 044-42028513 / 28587772
14.	Cochin	Karvy Computershare Private Limited, Ali Arcade, 1st floor, Near Atlantis Junction, Kizhvana Road, Panampili Nagar, Cochin - 682036. Phone No : 0484-4010224 / 273 / 0484-4027672
15.	Coimbatore	Karvy Computershare Private Limited, 1057/1058, Jaya Enclave, Avanashi Road, Coimbatore- 641018. Phone No : 0422-4384770
16.	Cuttack	Karvy Computershare Private Limited, Dargha Bazar, Opp. Dargha Bazar Police Station, Buxibazar, Cuttack - 753001. Phone No : 0671-2513906
17.	Dehradun	Karvy Computershare Private Limited, Kaulagarh Road, Near Sirmaur Marg, Above Reliance Webworld, Dehradun - 248 001. Phone No : 9369918608
18.	Durgapur	Karvy Computershare Private Limited, MWAV-16 Bengal Ambuja, 2nd Floor, City Centre, Durgapur- 713216. Phone No : 0343 -6512111
19.	Gorakhpur	Karvy Computershare Private Limited, Above V.I.P. House, Ajdacent A.D. Girls Inter College, Bank Road, Gorakpur - 273 001. Phone No : 9369918610
20.	Guntur	Karvy Computershare Private Limited, D No. 6-10-27, Srinilayam, Arundelpet, Guntur - 522 002. Phone No : 0863-2339094
21.	Guwahati	Karvy Computershare Private Limited, 54 Sagarika Bhawan, 2nd Floor, R G Baruah Road,(AIDC Bus Stop), Guwahati 781024. Phone No : 0361 – 2203324
22.	Hubli	Karvy Computershare Private Limited, 22 & 23, 3rd Floor, Eureka Junction, T B Road, Hubli - 580029. Phone No : 0836-2252444 / 9740666024
23.	Hyderabad	Karvy Computershare Private Limited, 2Nd Floor, R R Square, Karvy Plaza, Avenue 4, Street No.1 ,Banjara Hills, Hyderabad - 500 034. Phone No : 040 - 23312454/44677075/7076/7077
24.	Indore	Karvy Computershare Private Limited, 2nd floor, 203-205 Balaji Corporate, Above ICICI bank, 19/1 New Palasia, Indore- 452001. Phone : 0731-4266828/4218902
25.	Jaipur	Karvy Computershare Private Limited, S-16 A, 3Rd Floor, Land Mark, Opposite Jaipur Club, Mahavir Marg, C- Scheme, Jaipur - 302 001. Phone No : 0141-2379761 / 2375039 / 2363321
26.	Jalandhar	Karvy Computershare Private Limited, Lower Ground Floor, Office No : 3, Arora Prime Tower, Plot No : 28, G T Road, Jalandhar - 144004. Phone No : 0181-4634410
27.	Jamnagar	Karvy Computershare Private Limited, 108 Madhav Plaza, Opp SBI Bank , Near Lal Bangalow, Jamnagar – 361001. Phone No : 0288 - 2558887 / 0288-2556420/6260
28.	Jamshedpur	Karvy Computershare Private Limited, 2Nd Floor, R R Square, Sb Shop Area, Near Reliance Foot Print & Hotel- Bs Park Plaza, Main Road, Bistupur, Jamshedpur- 831001. Phone : 6655003-07
29.	Jodhpur	Karvy Computershare Private Limited, 203, Modi Arcade, Chupasni Road, Jodhpur - 342 001. Phone No : 0291-2638479 / 5103046
30.	Kanpur	Karvy Computershare Private Limited, 15/46, Ground Floor, Opp: Muir Mills, Civil Lines, Kanpur - 208001. Phone No : 9369918615
31.	Kolkata	Karvy Computershare Private Limited, 166A, Rashbehari Avenue, 2nd Floor, Near Adi Dhakerhwari Bastralaya, Opp Fortis Hospital, Kolkata - 700029. Phone No : 033-64444177/76 , 033 24659267/63

Sr. No.	Branch Name	Branch Address
32.	Lucknow	Karvy Computershare Private Limited, Usha Sadan, 24, Prem Nagar, Ashok Marg, Lucknow - 226001. Phone No : 9369918600
33.	Ludhiana	Karvy Computershare Private Limited, SCO - 136 , First Floor, Above Airtel Show Room, Feroze Gandhi Market, Ludhiana - 141001. Phone No : 0161-4648747
34.	Madurai	Karvy Computershare Private Limited, Rakesh Towers, 30-C, Bye Pass Road, 1st Floor, Opp. Nagappa Motors, Madurai - 625010. Phone No : 0452- 2605856
35.	Mangalore	Karvy Computershare Private Limited, Ground Floor, Mahendra Arcade, Opp. Court Road, Kodial Bail, Mangalore - 575003. Phone No : 0824-2496289
36.	Margoa	Karvy Computershare Private Limited, 2nd Floor, Dalal Commercial Complex, Opp: Hari Mandir, Pajifond, Margoa - 403601. Phone No : 0832-2734656
37.	Moradabad	Karvy Computershare Private Limited, Om Arcade, Parker Road, Above Syndicate Bank, Tari Khana Chowk, Moradabad - 244001. Phone No : 9369918620
38.	Mumbai	Karvy Computershare Private Limited, 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind Bombay Stock, Fort, Mumbai - 400023. Phone No : 022-66235353/66235454
39.	Mysore	Karvy Computershare Private Limited, L - 350 , Silver Tower , Clock Tower, Ashoka Road, Mysore - 570001. Phone No : 0821 – 2438006
40.	Nagpur	Karvy Computershare Private Limited, Plot No.2/1, House No. 102/1, Mangaldeep Apartment, Mata Mandir Road, Opp. Khandelwal Jewellers, Dharampeth, Nagpur - 440010. Phone No : 0712 - 6619382 / 6610513
41.	Nasik	Karvy Computershare Private Limited, S-12, Second Floor, Suyojit Sankul, Sharanpur Road, Near Rajiv Gandhi Bhavan, Nasik - 422 002. Phone No : 0253-6611395
42.	Navsari	Karvy Computershare Private Limited, 1St Floor, Chinmay Arcade, Opp. Sattapir, Tower Road, Navsari - 396 445. Phone No : 02637-280367
43.	New Delhi	Karvy Computershare Private Limited, 305, 3rd Floor, New Delhi House, Bara Khamba Road, Connaught Place, New Delhi - 110001. Phone No : 011- 43681700
44.	Panipat	Karvy Computershare Private Limited, 1St Floor, Krishna Tower, Near HDFC Bank, Opp. Railway Road, G T Road, Panipat - 132103. Phone No : 9315017304
45.	Patna	Karvy Computershare Private Limited, 3A, 3rd floor ,Anand tower, Beside chankya cinema hall; Exhibition road, Patna - 800001. Phone No : 0612-6453098
46.	Pune	Karvy Computershare Private Limited, Shop No. 16, 17 & 18, Ground Floor, Sreenath Plaza, Dyaneshwar Paduka Chowk, F C Road, Pune – 411005. Phone No : 020-25533795 / 2783 / 3592
47.	Rajkot	Karvy Computershare Private Limited, 104, Siddhi Vinayak Complex, Dr. Yagnik Road, Opp. Ramkrishna Ashram, Rajkot - 360001. Phone No : 9601288416
48.	Ranchi	Karvy Computershare Private Limited, Commerce Towers, 3rd Floor, Room No. 307, Beside Mahabir Towers, Main Road, Ranchi - 834001. Phone No : 0651 – 2331320
49.	Salem	Karvy Computershare Private Limited, Door No: 40, Brindavan Road, Near Perumal Koil, Fairlands, Salem - 636016. Phone No : 0427-4020300
50.	Surat	Karvy Computershare Private Limited, G-6 Empire State Building, Near Parag House, Udhna Darwaja, Ring Road, Surat - 395002. Phone No : 0261-3042170
51.	Trichy	Karvy Computershare Private Limited, 60 Sri krishna Arcade, 1St Floor; Thennur High Road, Trichy - 620017. Phone No : 0431 - 4020227/226
52.	Trivandrum	Karvy Computershare Private Limited, 2Nd Floor, Akshaya Towers, Above Jetairways, Sasthamangalam, Trivandrum - 695010. Phone No : 0471 – 2725728
53.	Varanasi	Karvy Computershare Private Limited, D-64/132,KA 1st Floor, Anant Complex, Sigra, Varanasi - 221 010. Phone No : 9369918625
54.	Vijayawada	Karvy Computershare Private Limited, 39-10-7, Opp. Municipal Water Tank, Labbipet, Vijayawada - 520010. Phone No : 0866 2475126
55.	Visakhapatnam	Karvy Computershare Private Limited, 47-14-5/1 Eswar Paradise, Dwaraka Nagar; Main Road, Visakhapatnam - 530016. Phone No : 0891 - 2714125 / 2734244
56.	Borivali	Karvy Computershare Private Limited, Ground Floor, Himanshu Bldg, Sodawala Lane, Lina Chandawarkar Road, Borivali West. - 400091. Phone No : 022- 28904855
57.	Thane	Karvy Computershare Private Limited, 101, Yashwant Building, Ram Ganesh, Godkari path, Ram Maruti road, Naupada, Thana West - 400602. Phone No : 022- 25428476
58.	Dalhousie	Karvy Computershare Private Limited, 1, R N Mukherjee Road, 2Nd Floor, Room no 226, Dalhousie, Kolkata - 700 001. Phone No : 033 - 22437863 - 69 / 90 / 89

## Exhibit 5

### CHANGES TO THE SCHEMES

#### A. Change in Name and Fundamental Attributes of certain Schemes:

Current Names and Type of the Schemes	Proposed new names/surviving schemes and Type of the schemes
Morgan Stanley Growth Fund ( <i>Open Ended Equity Fund</i> )	HDFC Large Cap Fund ( <i>Open-ended equity scheme</i> )
Morgan Stanley A.C.E Fund ( <i>Open Ended Across Capitalizations Equity Fund</i> )	HDFC Small and Mid Cap Fund ( <i>Open-ended equity scheme</i> )
Morgan Stanley Gilt Fund ( <i>Open Ended Gilt Fund</i> )	HDFC Inflation Indexed Bond Fund ( <i>Open-ended income scheme</i> )
Morgan Stanley Multi Asset Fund (Plan A and Plan B) ( <i>Open Ended Debt Fund</i> )	HDFC Dynamic PE Ratio Fund of Funds* ( <i>Open-ended fund of funds scheme</i> )

\* As part of change in fundamental attributes of Morgan Stanley Multi Asset Fund (Plan A and Plan B), Plan A will be renamed as HDFC Dynamic PE Ratio Fund of Funds and Plan B will be merged into it.

Details relating to the changes to the fundamental attributes are given in **Exhibit 5A**. After Completion, a fresh account statement will be issued by HDFC MF to the unit holders for each of the Schemes where there is a change in the fundamental attributes of such Scheme reflecting the relevant Changes to the Schemes and issuing new folio numbers, which should be used by unit holders for all future correspondence.

#### B. Merger of certain Schemes of MSMF and HDFC MF

Scheme getting merged (“Transferor Scheme”)	Scheme with which Transferor Scheme is proposed to be merged (“Transferee Scheme”)
Morgan Stanley Liquid Fund ( <i>Open Ended Liquid Fund</i> )	HDFC Liquid Fund ( <i>Open-ended liquid income scheme</i> )

Scheme getting merged ("Transferor Scheme")	Scheme with which Transferor Scheme is proposed to be merged ("Transferee Scheme")
Morgan Stanley Ultra Short Term Fund (Open Ended Debt Fund)	HDFC Cash Management Fund – Treasury Advantage Plan (Open-ended income scheme)
Morgan Stanley Active Bond Fund (Open Ended Debt Fund)	HDFC High Interest Fund - Dynamic Plan (Open-ended income scheme)
Morgan Stanley Short Term Bond Fund (Open Ended Debt Fund)	HDFC Short Term Plan* (Open-ended income scheme)

\* HDFC Short Term Plan will undergo a change in fundamental attributes with effect from after the close of business hours on June 20, 2014.

**Note:** The proposed Changes to the Schemes are subject to Completion and shall come into effect on and from the end of business hours on the Completion Date. MS AMC and HDFC AMC will each issue a public notice prior to the Completion Date, informing the investors about the Completion and the coming into effect of the Changes to the Schemes, as appropriate.

#### CONSEQUENCES OF MERGER

- Upon Completion, in case of mergers, the Transferor Schemes will cease to exist and the unit holders of Transferor Schemes as on the Completion Date will be allotted units under the corresponding option of the respective Transferee Schemes at the last available applicable NAV. In case of any pledge / lien / other encumbrance marked on any units in the Transferor Schemes, the same shall be marked on the corresponding number of units allotted in the respective Transferee Schemes.
- A fresh account statement reflecting the new units allotted, will be sent to the unit holders of the erstwhile Transferor Schemes by HDFC MF and issuing new folio numbers, which should be used by unit holders for all future correspondence with HDFC MF. The units allotted in the Transferee Scheme shall be treated as a fresh subscription. **Accordingly, all provisions under the Transferee Scheme will apply including exit load and the period of holding for the purpose of taxation / exit load will be computed from the Completion Date.**
- After the proposed merger of schemes as set out above, the Transferee Schemes will be the surviving schemes and the investment objective, investment pattern, annual scheme recurring expenses structure and all other provisions of the Transferee Schemes will remain unchanged except as specified herein.
- Registration by Unit holders for systematic transaction facilities in the Transferor Schemes such as Systematic Investment Plan ("SIP") and/or Group SIP ("G-SIP") will continue under the respective Transferee Schemes subsequent to the mergers except in case of Morgan Stanley Liquid Fund (since HDFC Liquid Fund does not offer SIP facility). However, existing registrations for systematic transfer facilities in the Transferor Schemes being in the nature of Systematic Transfer Plans ("STPs") or Systematic Withdrawal Plans ("SWPs") shall automatically cease to have effect on and from Completion and investors seeking to continue with STPs/ SWPs shall have to register afresh with HDFC MF.

Please refer **Exhibit 5B** for details pertaining to the Transferor Schemes and Transferee Schemes to be provided to you as per Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 ("MF Regulations").

## Exhibit 5A

#### Details regarding Changes to the Fundamental Attributes of certain Schemes:

##### 1) MORGAN STANLEY GROWTH FUND

Sr. No.	Provisions	Existing	Proposed																																																				
1.	Name of Scheme	<b>Morgan Stanley Growth Fund</b>	<b>HDFC Large Cap Fund</b>																																																				
2.	Type of Scheme	An open-ended Equity Fund	An open-ended Equity Scheme																																																				
3.	Investment Objective	To achieve long-term capital appreciation by investing primarily in equity and equity related securities of companies having large market capitalization.	To provide long-term capital appreciation by investing predominantly in large cap companies.																																																				
4.	Asset Allocation Pattern	<table border="1"> <thead> <tr> <th>Instruments</th> <th colspan="2">Indicative Allocation (% of total assets)</th> <th>Risk Profile</th> </tr> <tr> <td></td> <th>Max.</th> <th>Min.</th> <td></td> </tr> </thead> <tbody> <tr> <td>Equity and Equity related Instruments of companies having large capitalization#</td> <td>100</td> <td>65</td> <td>High</td> </tr> <tr> <td>Equity and Equity related Instruments other than mentioned in above</td> <td>35</td> <td>0</td> <td>High</td> </tr> <tr> <td>Debt &amp; Money market Instruments (including securitized debt)</td> <td>35</td> <td>0</td> <td>Low to Medium</td> </tr> </tbody> </table> <p># 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.</p> <p>The Scheme also undertakes transactions in the following:</p> <table border="1"> <thead> <tr> <th>Instrument</th> <th>Max. Limit (% of Net Assets)</th> </tr> </thead> <tbody> <tr> <td>Derivatives</td> <td>50%</td> </tr> <tr> <td>Foreign Securities</td> <td>30%</td> </tr> <tr> <td>Foreign Debt Securities</td> <td>30%</td> </tr> </tbody> </table>	Instruments	Indicative Allocation (% of total assets)		Risk Profile		Max.	Min.		Equity and Equity related Instruments of companies having large capitalization#	100	65	High	Equity and Equity related Instruments other than mentioned in above	35	0	High	Debt & Money market Instruments (including securitized debt)	35	0	Low to Medium	Instrument	Max. Limit (% of Net Assets)	Derivatives	50%	Foreign Securities	30%	Foreign Debt Securities	30%	<table border="1"> <thead> <tr> <th>Instruments</th> <th colspan="2">Allocation (% of Net Assets)</th> <th>Risk Profile</th> </tr> <tr> <td></td> <th>Min.</th> <th>Max.</th> <td></td> </tr> </thead> <tbody> <tr> <td>Equity and Equity related instruments of large cap Companies</td> <td>80</td> <td>100</td> <td>Medium to High</td> </tr> <tr> <td>Debt and Money Market Instruments (including securitized debt#)</td> <td>0</td> <td>20</td> <td>Low to medium</td> </tr> </tbody> </table> <p># Investments in securitized debt will not exceed 20% of the net assets of the scheme</p> <p>The Scheme shall also undertake transactions in the following:</p> <table border="1"> <thead> <tr> <th>Instrument</th> <th>Max. Limit (% of Net Assets)</th> </tr> </thead> <tbody> <tr> <td>Derivatives</td> <td>50%</td> </tr> <tr> <td>Foreign Securities</td> <td>30%</td> </tr> <tr> <td>Foreign Debt Securities</td> <td>20%</td> </tr> </tbody> </table> <p>Provisions relating to (i) no investment in foreign securitized debt and (ii) the limits on stock lending shall remain unchanged.</p>	Instruments	Allocation (% of Net Assets)		Risk Profile		Min.	Max.		Equity and Equity related instruments of large cap Companies	80	100	Medium to High	Debt and Money Market Instruments (including securitized debt#)	0	20	Low to medium	Instrument	Max. Limit (% of Net Assets)	Derivatives	50%	Foreign Securities	30%	Foreign Debt Securities	20%
Instruments	Indicative Allocation (% of total assets)		Risk Profile																																																				
	Max.	Min.																																																					
Equity and Equity related Instruments of companies having large capitalization#	100	65	High																																																				
Equity and Equity related Instruments other than mentioned in above	35	0	High																																																				
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Foreign Securities	30%																																																						
Foreign Debt Securities	30%																																																						
Instruments	Allocation (% of Net Assets)		Risk Profile																																																				
	Min.	Max.																																																					
Equity and Equity related instruments of large cap Companies	80	100	Medium to High																																																				
Debt and Money Market Instruments (including securitized debt#)	0	20	Low to medium																																																				
Instrument	Max. Limit (% of Net Assets)																																																						
Derivatives	50%																																																						
Foreign Securities	30%																																																						
Foreign Debt Securities	20%																																																						
5.	Investment Strategy	In order to provide long-term capital appreciation, the Scheme will invest predominantly in growth companies. Companies selected under this portfolio would as far as practicable consist of medium to large sized companies which: <ul style="list-style-type: none"> <li>are likely to achieve above average growth than the industry;</li> <li>enjoy distinct competitive advantages, and</li> <li>have superior financial strengths.</li> </ul>	The Scheme will invest in Large Cap stocks. Large Cap stocks would be defined as Stocks having a market capitalization equal to or above that of the bottom 25th percentile stock in the CNX Nifty Index.																																																				

Sr. No.	Provisions	Existing	Proposed
		The aim will be to build a portfolio, which represents a cross-section of the strong growth companies in the prevailing market and to mitigate risks, the Scheme will diversify across major industries and economic sectors. A top down and bottom up approach will be used to invest in equity and equity related instruments.	
6.	Benchmark	S&P BSE 100	CNX Nifty Index
7.	Plans / Options	<b>Plans:</b> Regular & Direct <b>Options:</b> Growth & Dividend (Payout and Reinvestment)	No Change
8.	Exit Load	<ul style="list-style-type: none"> <li>If redeemed on or before the expiry of <b>one year</b> from the date of allotment: <b>1%</b></li> <li>After the expiry of one year from date of allotment: Nil</li> </ul>	No Change. However, the provisions on load structure relating to Fund Families shall stand deleted.
9.	Expense Ratio	As per Regulatory Limits	No Change
10.	Minimum Application Amount	<b>Purchase:</b> Rs. 5,000/- and in multiples of Re. 1/- thereof <b>Additional Purchase:</b> Rs. 1,000/- and in multiples of Re. 1/- thereof	<b>Purchase:</b> Rs. 5,000/- and any amount thereafter <b>Additional Purchase:</b> Rs. 1,000/- and any amount thereafter

Upon Completion, the Scheme Information Document/Key Information Memorandum of the above Scheme would be amended by HDFC AMC and/or HDFC Trustee to incorporate the above stated changes to the Scheme and changes consequential thereto.

## 2) MORGAN STANLEY A.C.E. FUND

Sr. No.	Provisions	Existing	Proposed																																																								
1.	Name of Scheme	<b>Morgan Stanley A.C.E. Fund</b>	<b>HDFC Small and Mid Cap Fund</b>																																																								
2.	Type of Scheme	An open-ended Across Capitalisations Equity Fund	An open-ended Equity Scheme																																																								
3.	Investment Objective	To generate long-term capital growth from an actively managed portfolio of equity and equity-related securities including equity derivatives.	To provide long-term capital appreciation by investing predominantly in Small-Cap and Mid-Cap companies																																																								
4.	Asset Allocation Pattern	<table border="1"> <thead> <tr> <th rowspan="2">Type of Instruments</th> <th colspan="2">Indicative Allocation (% of total assets)</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Max.</th> <th>Min.</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity related instruments</td> <td>100</td> <td>65</td> <td>High</td> </tr> <tr> <td>Debt and Money Market instruments (including securitized debt)</td> <td>35</td> <td>0</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>The Scheme also undertakes transactions in the following:</p> <table border="1"> <thead> <tr> <th>Instrument</th> <th>Max. Limit (% of Net Assets)</th> </tr> </thead> <tbody> <tr> <td>Derivatives</td> <td>50%</td> </tr> <tr> <td>Foreign Securities</td> <td>30%</td> </tr> <tr> <td>Foreign Debt Securities</td> <td>30%</td> </tr> </tbody> </table>	Type of Instruments	Indicative Allocation (% of total assets)		Risk Profile	Max.	Min.	Equity and Equity related instruments	100	65	High	Debt and Money Market instruments (including securitized debt)	35	0	Low to Medium	Instrument	Max. Limit (% of Net Assets)	Derivatives	50%	Foreign Securities	30%	Foreign Debt Securities	30%	<table border="1"> <thead> <tr> <th rowspan="2">Type of Instruments</th> <th colspan="2">Allocation (% of total assets)</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Min.</th> <th>Max.</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity related instruments of Small-Cap and Mid-Cap companies of which:</td> <td>75</td> <td>100</td> <td>High</td> </tr> <tr> <td>    Small-Cap companies</td> <td>50</td> <td>75</td> <td>High</td> </tr> <tr> <td>    Mid-Cap companies</td> <td>25</td> <td>50</td> <td>High</td> </tr> <tr> <td>Equity and Equity related instruments other than the above</td> <td>0</td> <td>25</td> <td>Medium to High</td> </tr> <tr> <td>Debt and Money Market Instruments (including securitized debt)</td> <td>0</td> <td>25</td> <td>Low to medium</td> </tr> </tbody> </table> <p>The Scheme shall also undertake transactions in the following:</p> <table border="1"> <thead> <tr> <th>Instrument</th> <th>Max. Limit (% of Net Assets)</th> </tr> </thead> <tbody> <tr> <td>Derivatives</td> <td>50%</td> </tr> <tr> <td>Foreign Securities</td> <td>30%</td> </tr> <tr> <td>Foreign Debt Securities</td> <td>25%</td> </tr> </tbody> </table> <p>Provisions relating to (i) no investment in foreign securitized debt and (ii) the limits on stock lending shall remain unchanged.</p>	Type of Instruments	Allocation (% of total assets)		Risk Profile	Min.	Max.	Equity and Equity related instruments of Small-Cap and Mid-Cap companies of which:	75	100	High	Small-Cap companies	50	75	High	Mid-Cap companies	25	50	High	Equity and Equity related instruments other than the above	0	25	Medium to High	Debt and Money Market Instruments (including securitized debt)	0	25	Low to medium	Instrument	Max. Limit (% of Net Assets)	Derivatives	50%	Foreign Securities	30%	Foreign Debt Securities	25%
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5.	Investment Strategy	<p>The portfolio will be actively managed and will not be restricted to stocks present in the benchmark.</p> <p>The Investment Manager will adopt a flexible strategy using a combination of top down approach and bottom up stock selection. This will encompass an evaluation of key economic trends, the analysis of various sectors in the economy leading to an outlook on their future prospects and a diligent study of various investment opportunities within the available sectors. The fund manager may also seek attractive stock opportunities in out of favour sectors, if appropriate.</p> <p>In picking out individual investment opportunities for the portfolio, the Investment Manager will seek both value and growth and will not be restricted in terms of market capitalisations.</p> <p>In order to provide long-term capital appreciation, the Scheme will invest predominantly in growth companies.</p> <p>Companies selected under this portfolio would as far as practicable consist of medium to large sized companies which:</p> <ul style="list-style-type: none"> <li>are likely to achieve above average growth than the industry,</li> <li>have superior financial strengths,</li> <li>Invest in companies with scalable business model – likely to achieve above average industry growth,</li> <li>are run by management with vision, capabilities and commitment.</li> </ul> <p>The aim will be to build a portfolio, which represents a cross-section of the strong growth companies in the prevailing market and to mitigate risks, the Scheme will diversify across major industries and economic sectors.</p> <p>A top down and bottom up approach will be used to invest in equity and equity related instruments.</p>	<p>The Fund seeks to provide long-term capital appreciation by investing in small and mid cap companies.</p> <p>Small-Cap companies would be defined as those companies whose market cap is equal to or lower than that of the stock with the largest market cap in the CNX Smallcap Index.</p> <p>Mid-Cap companies would be defined as companies having a market capitalization equal to or lower than that of the stock with the largest market cap in the CNX Midcap Index.</p> <p>The Fund shall follow predominantly a Small-Cap strategy with a minimum exposure of 50% to Small-Cap companies.</p>																																																								
6.	Benchmark	S&P BSE 200	CNX Smallcap Index																																																								

Sr. No.	Provisions	Existing	Proposed
7.	Plans / Options	Plans: Regular and Direct Options: Growth and Dividend (Re-investment & Payout)	No Change
8.	Exit Load	<ul style="list-style-type: none"> <li>If redeemed on or before the expiry of <b>one year</b> from the date of allotment: <b>1%</b></li> <li>After the expiry of one year from date of allotment: Nil</li> </ul>	No Change. However, the provisions on load structure relating to Fund Families shall stand deleted.
9.	Expense Ratio	As per Regulatory Limits	No Change
10.	Minimum Application Amount	<b>Purchase:</b> Rs. 5,000/- and in multiples of Re. 1/- thereof <b>Additional Purchase:</b> Rs. 1,000/- and in multiples of Re. 1/- thereof	<b>Purchase:</b> Rs. 5,000/- and any amount thereafter <b>Additional Purchase:</b> Rs. 1,000/- and any amount thereafter

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### 3) MORGAN STANLEY GILT FUND

Sr. No.	Provisions	Existing	Proposed																												
1.	Name of Scheme	<b>Morgan Stanley Gilt Fund</b>	<b>HDFC Inflation Indexed Bond Fund</b>																												
2.	Type of Scheme	An open-ended gilt scheme	An open-ended income scheme																												
3.	Investment Objective	To generate returns primarily through investments in sovereign securities issued by the Central Government and/or a State Government or repos/reverse repos in such securities.	To generate income and capital appreciation indexed to inflation by investing in a portfolio of inflation indexed bonds																												
4.	Asset Allocation Pattern	<table border="1"> <thead> <tr> <th rowspan="2">Type of Instruments</th> <th colspan="2">Indicative Allocation (% of total assets)</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Min.</th> <th>Max.</th> </tr> </thead> <tbody> <tr> <td>Securities issued by Central and State Government and Treasury bills</td> <td>65</td> <td>100</td> <td>Sovereign</td> </tr> <tr> <td>CBLO, Repo against Government securities</td> <td>0</td> <td>35</td> <td>Low to Sovereign</td> </tr> </tbody> </table> <p>Investment in Derivatives may be made up to 20% of the net assets of the Scheme. The Scheme will not engage in securities lending.</p>	Type of Instruments	Indicative Allocation (% of total assets)		Risk Profile	Min.	Max.	Securities issued by Central and State Government and Treasury bills	65	100	Sovereign	CBLO, Repo against Government securities	0	35	Low to Sovereign	<table border="1"> <thead> <tr> <th rowspan="2">Type of Instruments</th> <th colspan="2">Allocation (% of Net Assets)</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Min.</th> <th>Max.</th> </tr> </thead> <tbody> <tr> <td>Inflation Indexed Securities issued by Central Government, State Government and / or Corporate Issuers</td> <td>70</td> <td>100</td> <td>Low</td> </tr> <tr> <td>Other Debt and Money Market Instruments*</td> <td>0</td> <td>30</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>*Investments in securitized debt, if undertaken, shall not exceed 25% of the net assets of the Scheme. Investment in Derivatives may be made up to 20% of the net assets of the Scheme. The Scheme will not engage in securities lending.</p>	Type of Instruments	Allocation (% of Net Assets)		Risk Profile	Min.	Max.	Inflation Indexed Securities issued by Central Government, State Government and / or Corporate Issuers	70	100	Low	Other Debt and Money Market Instruments*	0	30	Low to Medium
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Inflation Indexed Securities issued by Central Government, State Government and / or Corporate Issuers	70	100	Low																												
Other Debt and Money Market Instruments*	0	30	Low to Medium																												
5.	Investment Strategy	<p>The Scheme shall invest in Government Securities, which provide reasonable returns generally construed to be without any Credit Risk. The Scheme shall invest in various State and Central Government securities including securities which are supported by the ability to borrow from the treasury or supported only by the sovereign guarantee or of the state government or supported by Government of India/state government in some other way. It may also invest in repos/reverse repos in such securities, as and when permitted by RBI. The Scheme will also invest in money market securities from time to time upto the prescribed limit.</p> <p>The Scheme may also use derivatives instruments like Interest Rate Swaps, Forward Rate Agreements or such other derivative instruments as may be introduced from time to time for the purpose of hedging and portfolio balancing within the limits permitted by the Regulations from time to time.</p> <p>The Fund Manager will take an active view of interest rate movement supported by quantitative research, to include various parameters of the Indian economy as well as the development in global market. Investment views/ decisions will be based on analysis of macro economic factors to estimate the direction of interest rates and level of liquidity and will be taken on the basis of factors like, prevailing interest rate scenario, Government borrowing program, level of liquidity in the banking system, inflation level, returns offered relative to alternative investments opportunities, quality of the security/instrument, maturity profile of the instrument, liquidity of the security and any other factor considered relevant in the opinion of the fund manager.</p>	<p>The investment strategy involves investing predominantly in inflation-linked bonds (IIBs) while maintaining a balance between liquidity and return. IIB's are instruments, which are designed to help protect investors from inflation. The fund shall use investment strategies such as duration management, relative curve positioning, spread and other tactical strategies.</p> <p><b>Note:</b> The AMC reserves the right to suspend fresh / further subscriptions into the Scheme under the following circumstances:</p> <ul style="list-style-type: none"> <li>Lack of fresh issuances of Inflation Indexed Bonds in the market</li> <li>Lack of active secondary market for Inflation Indexed Bonds</li> <li>Any other situation, political or otherwise that may impact investments by the Scheme.</li> </ul>																												
6.	Benchmark	I-SEC Composite Gilt Index	I-Sec Composite Index																												
7.	Plans / Options	<p><b>Plans:</b> Regular &amp; Direct</p> <p><b>Options:</b> Growth &amp; Quarterly Dividend# (Payout and Reinvestment)</p> <p>#Record date shall be Last Friday of each calendar quarter. If Friday is a holiday, then the record date shall be the previous Business Day.</p>	<p><b>Plans:</b> Regular &amp; Direct</p> <p><b>Options:</b> Growth, Regular Dividend and Quarterly Dividend#. Both Dividend Options will offer Payout and Reinvestment facilities</p> <p>Regular Dividend Option will be introduced for subscription at Rs.10/- per unit on the next Business Day immediately following the Completion Date and thereafter at Applicable NAV based prices.</p> <p># Record date shall be 25th day* of the third month of each quarter i.e. quarter ending March, June, September and December.</p> <p>* or immediately succeeding Business Day, if that is not a Business Day.</p>																												



Sr. No.	Provisions	Existing	Proposed
8.	Exit Load	Nil	<ul style="list-style-type: none"> <li>In respect of each purchase / switch - in of units, an exit load of <b>1.5%</b> is payable if units are redeemed / switched out <b>within 12 months</b> from the date of allotment.</li> <li>No exit load is payable if units are redeemed / switched – out after 12 months from the date of allotment.</li> </ul> <p>Further, the provisions on load structure relating to Fund Families shall stand deleted.</p>
9.	Expense Ratio	As per Regulatory Limits	No Change
10.	Minimum Application Amount	<b>Purchase:</b> Rs. 5,000/- and in multiples of Re. 1/- thereof <b>Additional Purchase:</b> Rs. 1,000/- and in multiples of Re. 1/- thereof	<b>Purchase:</b> Rs. 5,000/- and any amount thereafter <b>Additional Purchase:</b> Rs. 1,000/- and any amount thereafter

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#### 4) MORGAN STANLEY MULTI ASSET FUND (PLAN A AND PLAN B)

It is proposed to merge Plan B into Plan A and rename Plan A as HDFC Dynamic PE Ratio Fund of Funds while simultaneously carrying out change in the fundamental attributes of Plan A. Details of the changes are given below.

It may be noted that the Scheme will be converted from an open ended debt scheme to an open ended fund of funds scheme.

Sr. No.	Provisions	Existing	Proposed																										
1.	Name of Scheme	<b>Morgan Stanley Multi Asset Fund (Plan A and Plan B)</b>	<b>HDFC Dynamic PE Ratio Fund of Funds</b>																										
2.	Type of Scheme	An open-ended debt scheme	An open-ended fund of funds scheme																										
3.	Investment Objective	<p><b>Plan A –</b> The Scheme seeks to generate regular income through investments in debt &amp; money market instruments, along with capital appreciation through limited exposure to equity and equity related instruments.</p> <p><b>Plan B –</b> The Scheme seeks to generate regular income through investments in debt &amp; money market instruments, along with capital appreciation through limited exposure to equity and equity related instruments and provide diversification by investing in Gold ETFs.</p> <p>Plan A and Plan B will have separate portfolios.</p>	To seek capital appreciation by managing the asset allocation between specified equity and debt schemes of HDFC Mutual Fund																										
4.	Asset Allocation Pattern	<p><b>Plan A:</b></p> <ul style="list-style-type: none"> <li>Debt and Money Market instruments: 80-100%</li> <li>Equity and Equity related instruments: 0-20%</li> </ul> <p><b>Plan B:</b></p> <ul style="list-style-type: none"> <li>Debt and Money Market instruments: 65-100%</li> <li>[i] Equity and Equity related instruments and [ii] Gold Exchange Traded Funds: 0-35% [where each of [i] and [ii] will not exceed 20% of net assets]</li> </ul> <p>The Plans may also undertake transactions as follows:</p> <table border="1"> <thead> <tr> <th>Instrument</th> <th>Max. Limit (% of Net Assets)</th> </tr> </thead> <tbody> <tr> <td>Derivatives</td> <td>50%</td> </tr> <tr> <td>Foreign Securities</td> <td>30%</td> </tr> <tr> <td>Foreign Debt Securities</td> <td>30%</td> </tr> </tbody> </table> <p>The Scheme will not invest in foreign securitized debt.</p>	Instrument	Max. Limit (% of Net Assets)	Derivatives	50%	Foreign Securities	30%	Foreign Debt Securities	30%	<table border="1"> <thead> <tr> <th rowspan="2">Type of Instruments</th> <th colspan="2">Allocation (% of Net Assets)</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Min.</th> <th>Max.</th> </tr> </thead> <tbody> <tr> <td>Units of specified equity schemes of HDFC Mutual Fund <sup>1</sup></td> <td>0</td> <td>100</td> <td>High</td> </tr> <tr> <td>Units of specified debt schemes of HDFC Mutual Fund <sup>2</sup></td> <td>0</td> <td>100</td> <td>Medium</td> </tr> <tr> <td>Money Market Instruments and / or Units of Liquid / Money Market Schemes of HDFC Mutual Fund</td> <td>0</td> <td>10</td> <td>Low</td> </tr> </tbody> </table> <p><b>Underlying schemes</b></p> <p><sup>1</sup> <b>Specified Equity Schemes –</b> HDFC Growth Fund, HDFC Equity Fund, HDFC Top 200 Fund, HDFC Capital Builder Fund, HDFC Mid Cap Opportunities Fund, HDFC Infrastructure Fund, HDFC Large Cap Fund and HDFC Small and Mid Cap Fund.</p> <p><sup>2</sup> <b>Specified Debt Schemes –</b> HDFC Income Fund, HDFC High Interest Fund – Dynamic Plan, HDFC High Interest Fund – Short Term Plan, HDFC Short Term Plan, HDFC Short Term Opportunities Fund, HDFC Medium Term Opportunities Fund, HDFC Floating Rate Income Fund – Short Term Plan, HDFC Gilt Fund – Long Term Plan, HDFC Corporate Debt Opportunities Fund, HDFC Cash Management Fund – Treasury Advantage Plan and HDFC Banking and PSU Debt Fund.</p> <p>The AMC reserves the right to modify the list of specified equity / debt schemes from time to time and such change shall tantamount to a change in the fundamental attributes of the Scheme.</p> <p>As the Scheme invests in the Underlying Schemes, it will have exposure to derivatives, foreign securities, foreign securitized debt, stock lending, etc as per investments / transactions and limits of the Underlying Schemes.</p>	Type of Instruments	Allocation (% of Net Assets)		Risk Profile	Min.	Max.	Units of specified equity schemes of HDFC Mutual Fund <sup>1</sup>	0	100	High	Units of specified debt schemes of HDFC Mutual Fund <sup>2</sup>	0	100	Medium	Money Market Instruments and / or Units of Liquid / Money Market Schemes of HDFC Mutual Fund	0	10	Low
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Units of specified debt schemes of HDFC Mutual Fund <sup>2</sup>	0	100	Medium																										
Money Market Instruments and / or Units of Liquid / Money Market Schemes of HDFC Mutual Fund	0	10	Low																										
5.	Investment Strategy	The focus will be to generate regular income through investments in debt & money market instruments, along with capital appreciation through limited exposure to equity and equity related instruments. In Plan B, the Fund Manager will also provide diversification by investing in Gold ETFs.	This Scheme is proposed to be dynamically managed through a Fund of Funds (FOF) structure following a Dynamic Price to Earnings (PE) Ratio Model.																										



Sr. No. Provisions	Existing	Proposed																					
	<p>The process of allocation to various fixed income securities would involve forming a view on interest rates and yield curve based on an analysis of macro economy, monetary policy, public finance and other variables affecting interest rates. Individual securities will be selected based on in depth credit research and relative valuation. While trying to optimize the portfolio yield, liquidity will be ensured through an appropriate mix of money market and debt securities. Investments in a combination of instruments such as CBLO, reverse repo, treasury bills and other money market instruments will be made to ensure adequate liquidity.</p> <p>Depending upon the market conditions, the Fund Manager may reduce exposure to equities to Nil in case of Plan A and both equities and gold to Nil in Plan B.</p>	<p>Accordingly, the Scheme shall allocate its assets between equity schemes and debt schemes based on the 1 year forward PE ratio as per the Bloomberg Consensus estimate as per the followings bands:</p> <table border="1" data-bbox="956 208 1520 481"> <thead> <tr> <th>1 Year Forward PE ratio as per Bloomberg Consensus Estimate</th> <th>Equity Schemes (%)</th> <th>Debt Schemes (%)</th> </tr> </thead> <tbody> <tr> <td>Upto 12</td> <td>90-100</td> <td>0-10</td> </tr> <tr> <td>Greater than 12 - Upto 16</td> <td>70-90</td> <td>10-30</td> </tr> <tr> <td>Greater than 16 - Upto 20</td> <td>50-70</td> <td>30-50</td> </tr> <tr> <td>Greater than 20 - Upto 25</td> <td>30-50</td> <td>50-70</td> </tr> <tr> <td>Greater than 25 - Upto 30</td> <td>10-30</td> <td>70-90</td> </tr> <tr> <td>Greater than 30</td> <td>0-10</td> <td>90-100</td> </tr> </tbody> </table> <p>PE ratios would be reviewed on monthly basis and the portfolio will be rebalanced accordingly.</p> <p>The AMC reserves the right to change the Agency / publication from Bloomberg Consensus to any other reputable and reliable Agency / publication. Any such change will be communicated to the investors by way of a public notice.</p> <p>Further,</p> <p>(a) The Scheme's investment in any underlying Scheme shall not exceed 20% of the net assets of that underlying Scheme.</p> <p>(b) Redemptions by the Scheme shall not exceed 5% of the net assets of an underlying scheme on a Business Day. The redemptions will be staggered to comply with this limit even in case portfolio rebalancing is triggered due to change in PE Ratios.</p>	1 Year Forward PE ratio as per Bloomberg Consensus Estimate	Equity Schemes (%)	Debt Schemes (%)	Upto 12	90-100	0-10	Greater than 12 - Upto 16	70-90	10-30	Greater than 16 - Upto 20	50-70	30-50	Greater than 20 - Upto 25	30-50	50-70	Greater than 25 - Upto 30	10-30	70-90	Greater than 30	0-10	90-100
1 Year Forward PE ratio as per Bloomberg Consensus Estimate	Equity Schemes (%)	Debt Schemes (%)																					
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Greater than 20 - Upto 25	30-50	50-70																					
Greater than 25 - Upto 30	10-30	70-90																					
Greater than 30	0-10	90-100																					
6. Benchmark	<p><b>Plan A –</b> Customized benchmark comprising of CRISIL Composite Bond Fund Index and S&amp;P CNX Nifty. The composition of the benchmark would be –</p> <table border="1" data-bbox="373 987 938 1137"> <thead> <tr> <th>Asset Class</th> <th>Benchmark</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Debt and Money Market instruments</td> <td>CRISIL Composite Bond Fund Index</td> <td>80</td> </tr> <tr> <td>Equity and Equity related instruments</td> <td>CNX Nifty</td> <td>20</td> </tr> </tbody> </table> <p><b>Plan B –</b> Customized benchmark comprising of CRISIL Composite Bond Fund Index, S&amp;P CNX Nifty and Domestic Price of Gold*. The composition of the benchmark would be –</p> <table border="1" data-bbox="373 1256 938 1458"> <thead> <tr> <th>Asset Class</th> <th>Benchmark</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Debt and Money Market instruments</td> <td>CRISIL Composite Bond Fund Index</td> <td>70</td> </tr> <tr> <td>Equity and Equity related instruments</td> <td>CNX Nifty</td> <td>15</td> </tr> <tr> <td>Gold Exchange Traded Funds</td> <td>Domestic Price of Gold*</td> <td>15</td> </tr> </tbody> </table> <p>* [London Bullion Market Association AM fixing in US\$/ounce X Conversion factor for converting ounce into kg for 0.995 fineness X Rate for US\$ into INR] + Custom duty for import of gold + Sales tax/octroi and other levies applicable.</p>	Asset Class	Benchmark	%	Debt and Money Market instruments	CRISIL Composite Bond Fund Index	80	Equity and Equity related instruments	CNX Nifty	20	Asset Class	Benchmark	%	Debt and Money Market instruments	CRISIL Composite Bond Fund Index	70	Equity and Equity related instruments	CNX Nifty	15	Gold Exchange Traded Funds	Domestic Price of Gold*	15	<p>CRISIL Balanced Fund Index</p>
Asset Class	Benchmark	%																					
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7. Plans / Options	<p><b>Under Plan A and Plan B:</b> <b>Plans:</b> Regular &amp; Direct <b>Options:</b> Growth, Monthly &amp; Quarterly Dividend (Re-investment and Payout)</p>	<p><b>Plans:</b> Regular and Direct <b>Options:</b> Growth, Dividend (Re-investment and Payout)</p> <p><b>It may be noted that Quarterly Dividend Option under Plan A will be renamed as Dividend Option. The Trustee shall reserve the right to declare dividends under this Option depending on the availability of distributable surplus.</b></p> <p><b>Further, unit holders under Monthly Dividend Option of Plan A and under the Monthly &amp; Quarterly Dividend Options of Plan B shall be allotted units under the Dividend Option at the last available applicable NAV of the Dividend Option on the Completion Date.</b></p> <p><b>Unit holders under Growth Option of Plan B will be allotted units under the Growth Option of Plan A at the last available applicable NAV of the latter on the Completion Date.</b></p> <p>A fresh account statement reflecting the new units allotted, will be sent to the unit holders of Plan A and Plan B by HDFC MF. The units allotted shall be treated as a fresh subscription. <b>Accordingly, all revised provisions under the Scheme will apply including exit load and the period of holding for the purpose of taxation / exit load will be computed from the Completion Date.</b></p>																					

Sr. No.	Provisions	Existing	Proposed
8.	Exit Load	<ul style="list-style-type: none"> <li>If redeemed on or before the expiry of <b>6 months</b> from the date of allotment: <b>1%</b></li> <li>Otherwise: Nil</li> </ul>	<ul style="list-style-type: none"> <li>In respect of each purchase / switch-in of units, an Exit Load of <b>1.00%</b> is payable if Units are redeemed / switched-out <b>within 1 year</b> from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 1 year from the date of allotment.</li> </ul> <p>Further, the provisions on load structure relating to Fund Families shall stand deleted.</p>
9.	Expense Ratio	As per Regulatory Limits	As per Regulatory Limits as follows: <ol style="list-style-type: none"> <li>The total expenses of the Scheme under Regulation 52 (6) of the MF Regulations including weighted average of charges levied by the underlying schemes shall not exceed 2.50 per cent of the daily net assets.</li> <li>Additional expenses permissible under Regulation 52(6A) (c) of the MF Regulations towards various permissible expenses - not exceeding 0.20% of daily net assets of the Scheme.</li> <li>Expenses in case of inflows from cities beyond Top 15 cities charged proportionately under Regulation 52(6A)(b) of the MF Regulations - not exceeding 0.30% of daily net assets of the Scheme.</li> <li>Brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment, not exceeding 0.12 per cent in case of cash market transactions.</li> <li>Service Tax on Investment Management and Advisory Fees.</li> </ol>
10.	Minimum Application Amount	<b>Purchase:</b> Rs. 5,000/- and in multiples of Re. 1/- thereof <b>Additional Purchase:</b> Rs. 1,000/- and in multiples of Re. 1/- thereof	<b>Purchase:</b> Rs. 5,000/- and any amount thereafter <b>Additional Purchase:</b> Rs. 1,000/- and any amount thereafter
11.	NAV Computation	NAV will be computed upto four decimals for the Scheme.	NAV will be computed upto three decimals for the Scheme.

Upon Completion, the Scheme Information Document/Key Information Memorandum of the above Scheme would be amended to incorporate the above stated changes to the Scheme and changes consequential thereto.

## Exhibit 5B

### I. MORGAN STANLEY LIQUID FUND (MSLF) AND HDFC LIQUID FUND (HLF)

#### A. Portfolios of MSLF and HLF as on April 30, 2014

##### (i) MSLF

Sr. No.	Name of the Instrument	Rating	Quantity	Mkt. Value (Rs. in Lakhs)	% to NAV
<b>DEBT INSTRUMENTS</b>					
<b>(a) Listed/Awaiting listing on Stock Exchanges</b>					
<b>i) Government Securities</b>					
			Nil	Nil	Nil
<b>ii) Non-convertible Debentures/Bonds</b>					
			Nil	Nil	Nil
<b>(b) Privately Placed/Unlisted Non-convertible Debentures/Bonds</b>					
			Nil	Nil	Nil
<b>(c) MONEY MARKET INSTRUMENTS</b>					
<b>i) Certificates of Deposit**</b>					
1.	IDBI Bank Ltd.	CRISIL A1+	2,500	2,499.39	12.53%
2.	Kotak Mahindra Bank Ltd.	CRISIL A1+	2,500	2,492.20	12.50%
3.	Andhra Bank	CRISIL A1+	2,500	2,490.39	12.49%
4.	Vijaya Bank	CARE A1+	2,500	2,490.35	12.49%
5.	State Bank of Patiala	[ICRA] A1+	2,500	2,486.30	12.47%
6.	Allahabad Bank	[ICRA] A1+	2,500	2,480.90	12.44%
7.	Canara Bank	[ICRA] A1+	2,500	2,480.15	12.44%
8.	Syndicate Bank	CARE A1+	2,000	1,987.51	9.97%
<b>Total</b>				<b>19,407.19</b>	<b>97.32%</b>
<b>ii) Commercial Papers</b>					
			Nil	Nil	Nil
<b>iii) Collateralised Borrowing and Lending Obligation</b>					
				477.89	2.40%
<b>Total</b>				<b>477.89</b>	<b>2.40%</b>
<b>iv) Treasury Bills</b>					
	91 Day - Treasury Bill 2014	Sovereign	50,000	49.92	0.25%
<b>Total</b>				<b>49.92</b>	<b>0.25%</b>
<b>FIXED DEPOSITS</b>					
<b>OTHERS</b>					
Net Current Assets				7.31	0.04%
<b>Grand Total</b>				<b>19,942.31</b>	<b>100.00%</b>

\*\* Indicates thinly traded/non-traded Securities as defined in SEBI Regulations and Guidelines.

#### Notes :

(1) The provision made for Non Performing Assets as of April 30, 2014 is Nil and its percentage to Net Asset Value is Nil.

(2) Net Asset Values are as follows:

	April 30, 2014	March 31, 2014 <sup>^</sup>
Morgan Stanley Liquid Fund - Regular Growth Option	1270.3227	1260.1257
Morgan Stanley Liquid Fund - Regular Daily Dividend Option	1000.5001	1000.5001
Morgan Stanley Liquid Fund - Regular Weekly Dividend Option	1001.9519	1002.9237 <sup>^</sup>

	April 30, 2014	March 31, 2014 ^
Morgan Stanley Liquid Fund - Regular Monthly Dividend Option	1005.9956	1011.3427©
Morgan Stanley Liquid Fund - Direct Plan - Growth Option	1271.5747	1261.2763
Morgan Stanley Liquid Fund - Direct Plan - Daily Dividend Option	1034.3544	1025.9769
Morgan Stanley Liquid Fund - Direct Plan - Weekly Dividend Option	1001.9630	1002.9391 ©
Morgan Stanley Liquid Fund - Direct Plan - Monthly Dividend Option	1011.1483	1016.3972 ©

^ As March 31, 2014 was a non-business day for this Scheme, the reporting is as of March 28, 2014.

© NAVs represents inclusive of Dividend declared for Record Date March 28, 2014.

- (3) The Scheme has declared dividend in the following plans during the month ended April 30, 2014 Per Unit (Rs.) (Gross)
- |  |        |
|--|--------|
| Morgan Stanley Liquid Fund - Daily Dividend Option                 | 8.0653 |
| Morgan Stanley Liquid Fund - Weekly Dividend Option                | 6.8587 |
| Morgan Stanley Liquid Fund - Monthly Dividend Option               | 7.0000 |
| Morgan Stanley Liquid Fund - Direct Plan - Weekly Dividend Option  | 6.9202 |
| Morgan Stanley Liquid Fund - Direct Plan - Monthly Dividend Option | 7.0000 |
- (4) The Scheme has not declared any bonus during the month ended April 30, 2014.
- (5) During the month ended April 30, 2014, the exposure in derivative products was Nil.
- (6) Total Market Value of investments in Foreign Securities & Securitised Debt Instruments as at April 30, 2014 is Nil.
- (7) The Average Maturity Period of the Portfolio is 0.66 months.
- (8) As at April 30, 2014, Treasury Bill of Rs. 50 Lakhs (Face Value) has been placed as collateral with Clearing Corporation of India Limited.
- (9) Investment in Repo in Corporate Debt Securities during the month ended April 30, 2014 was Nil.

(ii) HLF

ISIN	Coupon (%)	Name of Instrument	Rating	Quantity	Market/ Fair Value (Rs. in Lacs.)	% to NAV
<b>DEBT INSTRUMENTS</b>						
<b>(a) Listed / awaiting listing on Stock Exchanges</b>						
<b>Government Securities</b>					<b>Nil</b>	<b>Nil</b>
<b>Non-Convertible debentures / Bonds</b>						
INE001A07KQ2	9.50	Housing Development Finance Corporation Ltd.\$**	CRISIL - AAA	1,500.00	14,999.33	0.74
INE001A07KX8	9.09	Housing Development Finance Corporation Ltd.\$**	CRISIL - AAA	750.00	7,501.11	0.37
INE115A07CJ2	9.90	LIC Housing Finance Ltd.**	CRISIL - AAA	400.00	4,000.29	0.20
<b>Sub Total</b>					<b>26,500.73</b>	<b>1.31</b>
<b>Zero Coupon Bonds / Deep Discount Bonds</b>						
INE804I07MV8		ECL Finance Ltd.**	CARE - AA-	5,000.00	6,354.43	0.31
<b>Sub Total</b>					<b>6,354.43</b>	<b>0.31</b>
<b>(b) Privately Placed / Unlisted</b>						
<b>Non-Convertible debentures / Bonds</b>					<b>Nil</b>	<b>Nil</b>
<b>Zero Coupon Bonds / Deep Discount Bonds</b>					<b>Nil</b>	<b>Nil</b>
<b>(c) Securitised Debt Instruments</b>						
<b>Total</b>					<b>32,855.16</b>	<b>1.62</b>
<b>MONEY MARKET INSTRUMENTS</b>						
<b>Bills Rediscounting</b>						
		Axis Bank Ltd.	- BRDS	11.00	54,514.92	2.69
		ICICI Bank Ltd.	- BRDS	4.00	24,428.93	1.21
<b>Sub Total</b>					<b>78,943.85</b>	<b>3.90</b>
<b>Commercial Papers (CP) / Certificate Of Deposit (CD)</b>						
•	INE242A14FT2	Indian Oil Corporation Ltd.**	ICRA - A1+	12,000.00	59,391.91	2.92
•	INE171A16FO9	Federal Bank Ltd.**	CRISIL - A1+	40,000.00	39,661.75	1.95
•	INE434A16FR4	Andhra Bank**	FITCH - A1+	40,000.00	39,635.48	1.95
•	INE866I14JG0	India Infoline Finance Ltd.**	ICRA - A1+	8,000.00	39,446.31	1.94
•	INE090A16N58	ICICI Bank Ltd.**	CARE - A1+	35,000.00	34,890.04	1.72
•	INE652A16IX3	State Bank of Patiala**	CRISIL - A1+	30,000.00	29,967.85	1.48
	INE565A16954	Indian Overseas Bank**	ICRA - A1+	30,000.00	29,884.39	1.47
	INE306N14CB3	Tata Capital Financial Services Ltd.**	ICRA - A1+	6,000.00	29,768.22	1.47
	INE562A16F11	Indian Bank**	FITCH - A1+	30,000.00	29,703.28	1.46
	INE508F14602	Rashtriya Ispat Nigam Ltd.**	FITCH - A1+	6,000.00	29,694.16	1.46
	INE657N14304	Edelweiss Commodities Services Ltd**	CRISIL - A1+	5,000.00	24,968.68	1.23
	INE705A16JL2	Vijaya Bank**	CARE - A1+	25,000.00	24,759.14	1.22
	INE242A14FS4	Indian Oil Corporation Ltd.**	ICRA - A1+	4,500.00	22,279.54	1.10
	INE237A16YJ9	Kotak Mahindra Bank Ltd.**	CRISIL - A1+	20,000.00	19,973.07	0.98
	INE095A16NF2	Indusind Bank Ltd.**	CRISIL - A1+	20,000.00	19,890.08	0.98
	INE486A14651	CESC Ltd.**	CARE - A1+	4,000.00	19,849.91	0.98
	INE434A16FV6	Andhra Bank**	FITCH - A1+	20,000.00	19,846.79	0.98
	INE654A16EL3	State Bank of Travancore**	CRISIL - A1+	20,000.00	19,844.69	0.98
	INE141A16PA0	Oriental Bank of Commerce**	CRISIL - A1+	20,000.00	19,831.71	0.98
	INE069A14EN5	Aditya Birla Nuvo Ltd.**	ICRA - A1+	4,000.00	19,828.85	0.98
	INE296A14FF7	Bajaj Finance Ltd.**	ICRA - A1+	4,000.00	19,842.92	0.98
	INE514E14GG1	Export - Import Bank of India**	ICRA - A1+	4,000.00	19,764.42	0.97
	INE916D14QE4	Kotak Mahindra Prime Ltd.**	CRISIL - A1+	4,000.00	19,777.62	0.97
	INE242A14FU0	Indian Oil Corporation Ltd.**	ICRA - A1+	4,000.00	19,764.84	0.97

ISIN	Coupon (%)	Name of Instrument	Rating	Quantity	Market/ Fair Value (Rs. in Lacs.)	% to NAV
INE114A14AQ0		Steel Authority of India Ltd.**	CRISIL - A1+	4,000.00	19,764.36	0.97
INE205A14655		SesaSterlite Ltd.**	CRISIL - A1+	3,500.00	17,365.43	0.86
INE651A16FX1		State Bank of Mysore**	ICRA - A1+	15,000.00	14,979.64	0.74
INE095A16LN0		Indusind Bank Ltd.**	CRISIL - A1+	15,000.00	14,956.71	0.74
INE514E14FWO		Export - Import Bank of India**	CRISIL - A1+	3,000.00	14,941.77	0.74
INE523E14KM2		L&T Finance Ltd.**	CARE - A1+	3,000.00	14,895.92	0.73
INE095A16LY7		Indusind Bank Ltd.**	CRISIL - A1+	15,000.00	14,884.31	0.73
INE033L14AR7		TATA Capital Housing Finance Ltd.**	CRISIL - A1+	3,000.00	14,884.11	0.73
INE774D14GB4		Mahindra & Mahindra Financial Services Ltd.**	CRISIL - A1+	3,000.00	14,871.54	0.73
INE428A16MK7		Allahabad Bank**	CRISIL - A1+	15,000.00	14,863.27	0.73
INE667A16DM5		Syndicate Bank**	CARE - A1+	15,000.00	14,859.89	0.73
INE514E14GF3		Export - Import Bank of India**	CRISIL - A1+	3,000.00	14,838.73	0.73
INE523E14LL2		L&T Finance Ltd.**	CARE - A1+	3,000.00	14,828.49	0.73
INE849D14DZ0		ICICI Securities Primary Dealership Ltd.**	CRISIL - A1+	2,500.00	12,482.65	0.61
INE205A14614		Sesa Sterlite Ltd.**	CRISIL - A1+	2,500.00	12,456.54	0.61
INE476A16MS9		Canara Bank**	CRISIL - A1+	12,500.00	12,394.48	0.61
INE008A16VH4		IDBI Bank Ltd.**	ICRA - A1+	10,000.00	9,989.47	0.49
INE738C14438		Bharat Aluminium Co. Ltd.**	CRISIL - A1+	2,000.00	9,986.20	0.49
INE692A16CW4		Union Bank of India**	CRISIL - A1+	10,000.00	9,979.15	0.49
INE008A16UO2		IDBI Bank Ltd.**	ICRA - A1+	10,000.00	9,971.34	0.49
INE651A16GE9		State Bank of Mysore**	ICRA - A1+	10,000.00	9,965.44	0.49
INE738C14479		Bharat Aluminium Co. Ltd.**	CRISIL - A1+	2,000.00	9,950.54	0.49
INE498L14265		L&T Finance Holdings Ltd.**	CARE - A1+	2,000.00	9,949.38	0.49
INE667A16DK9		Syndicate Bank**	CARE - A1+	10,000.00	9,943.43	0.49
INE912E14EO6		SBI Global Factors Ltd.**	ICRA - A1+	2,000.00	9,929.86	0.49
INE692A16CY0		Union Bank of India**	CRISIL - A1+	10,000.00	9,924.74	0.49
INE434A16FJ1		Andhra Bank**	FITCH - A1+	10,000.00	9,922.87	0.49
INE608A16FV5		Punjab & Sind Bank**	ICRA - A1+	10,000.00	9,922.74	0.49
INE084A16AG1		Bank of India**	CRISIL - A1+	10,000.00	9,921.64	0.49
INE692A16CB8		Union Bank of India**	CRISIL - A1+	10,000.00	9,915.10	0.49
INE651A16GA7		State Bank of Mysore**	ICRA - A1+	10,000.00	9,909.65	0.49
INE511C14KO7		Magma Fincorp Ltd.**	CARE - A1+	2,000.00	9,906.15	0.49
INE238A16SH3		Axis Bank Ltd.**	CRISIL - A1+	10,000.00	9,903.84	0.49
INE692A16CD4		Union Bank of India**	CRISIL - A1+	10,000.00	9,899.66	0.49
INE557F14CI2		National Housing Bank**	ICRA - A1+	2,000.00	9,891.63	0.49
INE498L14299		L&T Finance Holdings Ltd.**	CARE - A1+	2,000.00	9,885.69	0.49
INE562A16FJ9		Indian Bank**	FITCH - A1+	10,000.00	9,885.44	0.49
INE069A14EO3		Aditya Birla Nuvo Ltd.**	ICRA - A1+	2,000.00	9,881.83	0.49
INE556F14AB3		Small Industries Development Bank of India [SIDBI]**	CARE - A1+	2,000.00	9,881.77	0.49
INE149A14747		Tube Investments of India Ltd.**	CRISIL - A1+	2,000.00	9,881.75	0.49
INE918K14116		Edelweiss Finance & Investment Ltd.**	CRISIL - A1+	2,000.00	9,850.09	0.49
INE556F14AE7		Small Industries Development Bank of India [SIDBI]**	CRISIL - A1+	2,000.00	9,937.24	0.49
INE652A16IW5		State Bank of Patiala**	CRISIL - A1+	10,000.00	9,920.62	0.49
INE683A16CZ6		The South Indian Bank Ltd.**	ICRA - A1+	10,000.00	9,902.67	0.49
INE036D16FO8		Karur Vysya Bank Ltd.**	ICRA - A1+	9,500.00	9,481.20	0.47
INE860H14OSO		Aditya Birla Finance Ltd.**	ICRA - A1+	1,900.00	9,458.24	0.47
INE692A16CU8		Union Bank of India**	CRISIL - A1+	9,500.00	9,434.10	0.46
INE738C14453		Bharat Aluminium Co. Ltd.**	CRISIL - A1+	1,600.00	7,969.96	0.39
INE652A16IZ8		State Bank of Patiala**	CRISIL - A1+	7,500.00	7,485.70	0.37
INE140A14EN4		Piramal Enterprises Ltd.**	ICRA - A1+	1,500.00	7,483.66	0.37
INE498L14281		L&T Finance Holdings Ltd.**	CARE - A1+	1,500.00	7,458.21	0.37
INE141A16LW3		Oriental Bank of Commerce**	CRISIL - A1+	7,500.00	7,431.65	0.37
INE511C14KP4		Magma Fincorp Ltd.**	CARE - A1+	1,500.00	7,428.05	0.37
INE126A14BC2		EID Parry (India) Ltd.**	CRISIL - A1+	1,300.00	6,422.92	0.32
INE144H14388		Deutsche Investments India Pvt. Ltd.**	CRISIL - A1+	1,300.00	6,432.80	0.32
INE353B14057		Parrys Sugar Industries Ltd.**	CRISIL - A1+	1,200.00	5,957.77	0.29
INE126A14BB4		EID Parry (India) Ltd.**	CRISIL - A1+	1,200.00	5,934.83	0.29
INE020E14DC5		STCI Finance Ltd.**	CRISIL - A1+	1,000.00	4,998.65	0.25
INE860H14OR2		Aditya Birla Finance Ltd.**	ICRA - A1+	1,000.00	4,994.51	0.25
INE008A16UQ7		IDBI Bank Ltd.**	CRISIL - A1+	5,000.00	4,989.40	0.25
INE020E14DI2		STCI Finance Ltd.**	CRISIL - A1+	1,000.00	4,983.83	0.25
INE027E14473		Family Credit Limited**	CARE - A1+	1,000.00	4,983.70	0.25
INE523H14NZ1		JM Financial Products Ltd.**	CRISIL - A1+	1,000.00	4,992.29	0.25
INE597H14BG0		TGS Investment And Trade Pvt Ltd**	ICRA - A1+	1,000.00	4,973.88	0.24
INE977J14AQ1		Trapti Trading & Investments Pvt Ltd.**	ICRA - A1+	1,000.00	4,973.88	0.24
INE860H14OW2		Aditya Birla Finance Ltd.**	ICRA - A1+	1,000.00	4,972.60	0.24
INE523E14LI8		L&T Finance Ltd.**	CARE - A1+	1,000.00	4,971.82	0.24
INE652A16IQ7		State Bank of Patiala**	CRISIL - A1+	5,000.00	4,970.69	0.24

ISIN	Coupon (%)	Name of Instrument	Rating	Quantity	Market/ Fair Value (Rs. in Lacs.)	% to NAV
INE692A16DB6		Union Bank of India**	CRISIL - A1+	5,000.00	4,969.95	0.24
INE008A16UT1		IDBI Bank Ltd.**	ICRA - A1+	5,000.00	4,968.89	0.24
INE428A16MH3		Allahabad Bank**	CRISIL - A1+	5,000.00	4,962.37	0.24
INE008A16UU9		IDBI Bank Ltd.**	ICRA - A1+	5,000.00	4,961.98	0.24
INE667A16DH5		Syndicate Bank**	CARE - A1+	5,000.00	4,961.97	0.24
INE562A16FD2		Indian Bank**	FITCH - A1+	5,000.00	4,961.66	0.24
INE114A14AN7		Steel Authority of India Ltd.**	CARE - A1+	1,000.00	4,958.82	0.24
INE141A16LY9		Oriental Bank of Commerce**	CRISIL - A1+	5,000.00	4,949.75	0.24
INE562A16E02		Indian Bank**	FITCH - A1+	5,000.00	4,949.72	0.24
INE112A16EQ1		Corporation Bank**	CRISIL - A1+	5,000.00	4,949.54	0.24
INE169A14AI1		Coromandel International Ltd.**	CRISIL - A1+	1,000.00	4,945.57	0.24
INE301A14AIO		Raymond Ltd.**	CARE - A1+	1,000.00	4,944.59	0.24
INE141A16PI3		Oriental Bank of Commerce**	CRISIL - A1+	5,000.00	4,943.86	0.24
INE169A14AK7		Coromandel International Ltd.**	CRISIL - A1+	1,000.00	4,940.62	0.24
INE523H14NV0		JM Financial Products Ltd.**	CRISIL - A1+	900.00	4,474.56	0.22
INE978J14831		Turquoise Investments & Finance Pvt Ltd.**	CRISIL - A1+	800.00	3,980.29	0.20
INE027E14465		Family Credit Limited**	CARE - A1+	500.00	2,494.50	0.12
INE008A16PW5		IDBI Bank Ltd.**	ICRA - A1+	2,500.00	2,489.27	0.12
INE977J14AP3		Trapti Trading & Investments Pvt Ltd.**	ICRA - A1+	500.00	2,487.68	0.12
INE978J14849		Turquoise Investments & Finance Pvt Ltd.**	CRISIL - A1+	500.00	2,486.94	0.12
INE179J14AJ9		Birla TMT Holdings Private Limited**	CRISIL - A1+	500.00	2,485.57	0.12
INE160A16JW7		Punjab National Bank**	FITCH - A1+	2,500.00	2,480.98	0.12
INE028A16AC7		Bank of Baroda**	CRISIL - A1+	2,500.00	2,480.98	0.12
INE428A16ML5		Allahabad Bank**	CRISIL - A1+	2,500.00	2,480.60	0.12
INE691A16HM6		UCO Bank**	CRISIL - A1+	2,500.00	2,475.46	0.12
INE763G14AS7		ICICI Securities Ltd.**	CRISIL - A1+	500.00	2,494.42	0.12
INE649A16DS0		State Bank of Hyderabad**	ICRA - A1+	2,500.00	2,484.15	0.12
INE977J14AT5		Trapti Trading & Investments Pvt Ltd.**	ICRA - A1+	500.00	2,469.89	0.12
INE667A16DN3		Syndicate Bank**	CARE - A1+	1,500.00	1,491.17	0.07
<b>Sub Total</b>					<b>1,430,653.51</b>	<b>70.41</b>
<b>Treasury bills</b>						
• IN002013X485		91 Days T-Bill 2014	- Sovereign	48,000,000.00	47,608.68	2.34
• IN002013Y186		182 Days T-Bill 2014	- Sovereign	40,500,000.00	40,170.52	1.98
• IN002013Y178		182 Days T-Bill 2014	- Sovereign	36,000,000.00	35,824.39	1.76
IN002013X451		91 Days T-Bill 2014	- Sovereign	10,000,000.00	9,967.34	0.49
IN002013X469		91 Days T-Bill 2014	- Sovereign	10,000,000.00	9,951.12	0.49
IN002013X501		91 Days T-Bill 2014	- Sovereign	10,000,000.00	9,883.38	0.49
<b>Sub Total</b>					<b>153,405.43</b>	<b>7.55</b>
<b>Collateralised Borrowing &amp; Lending Obligation</b>						<b>Nil</b>
<b>Total</b>					<b>1,663,002.79</b>	<b>81.86</b>
<b>FIXED DEPOSITS</b>						
<b>Deposits (maturity not exceeding 91 days)</b>						
		Corporation Bank			85,000.00	4.19
		Allahabad Bank			74,400.00	3.66
		Jammu & Kashmir Bank Ltd.			60,000.00	2.96
		UCO Bank			52,000.00	2.56
		Dena Bank			37,000.00	1.82
<b>Deposits (Placed as Margin)</b>					<b>Nil</b>	<b>Nil</b>
<b>Sub Total</b>					<b>308,400.00</b>	<b>15.19</b>
<b>Total</b>					<b>308,400.00</b>	<b>15.19</b>
<b>OTHERS</b>						
<b>Net Current Assets</b>					<b>26,303.97</b>	<b>1.33</b>
<b>Total</b>					<b>26,303.97</b>	<b>1.33</b>
<b>Grand Total</b>					<b>2,030,561.92</b>	<b>100.00</b>

• Top Ten Holdings, (\$) Sponsor,\*\* Thinly Traded / Non-Traded Securities

**Notes:**

- Total NPAs provided for and its percentage to NAV: Nil
- NAVs per unit (Rs.):

NAVs per unit (Rs.)	April 30, 2014	March 31, 2014@
<b>Regular Plan / Option</b>		
Growth Option	25.5016	25.3099
Daily Dividend Reinvestment Option	10.1982	10.1982
Dividend Option (Weekly)	10.3153	10.3345
Dividend Option (Monthly)	10.2680	10.3585
<b>Direct Plan / Option</b>		
Direct Plan - Growth Option	25.5235	25.3306
Direct Plan - Daily Dividend Reinvestment Option	10.1982	10.1982

NAVs per unit (Rs.)	April 30, 2014	March 31, 2014@
Direct Plan - Dividend Option (Weekly)	10.3153	10.3346
Direct Plan - Dividend Option (Monthly)	10.2681	10.3590
<b>Premium Plan**#</b>		
Growth Option	25.9220	25.7260
Daily Dividend Reinvestment Option	12.2598	12.2598

3) Dividend declared during the period April 1, 2014 to April 30, 2014:

Plan / Option	Dividend Amount (Rs. Per Unit)	
	Individuals & HUF	Others
Daily Dividend Reinvestment Option	0.0590	0.0568
Direct Plan - Daily Dividend Reinvestment Option	0.0597	0.0570
Dividend Option (Weekly)	0.0757	0.0725
Direct Plan - Dividend Option (Weekly)	0.0760	0.0728
Dividend Option (Monthly)	0.1311	0.1255
Direct Plan - Dividend Option (Monthly)	0.1318	0.1262
Premium Plan - Daily Dividend Reinvestment Option**#	-	0.0684

4) Total outstanding exposure in Derivative Instruments as on April 30, 2014: Nil

5) Total investments in Foreign Securities / Overseas ETFs / ADRs / GDRs: Nil

6) Average Portfolio Maturity: 34 Days

7) Repo in Corporate Debt: Nil

\*\*# Plan has been discontinued for further subscriptions w.e.f. October 1, 2012.

@ March 31, 2014 was a non Business Day for the Scheme, however NAV for March 31, 2014 was declared being year-end.

## B. Investment Objective and Asset Allocation Pattern Table

Scheme Name	Investment Objective	Asset Allocation Pattern			
MSLF	To provide returns, commensurate with low risk and high liquidity, through a portfolio of money market and short-term debt securities with residual maturity of up to 91 days.	Money market & debt instruments with maturity/ residual maturity/ average maturity not greater than 91 days: 100%			
HLF	To enhance income consistent with a high level of liquidity, through a judicious portfolio mix comprising of money market and debt instruments.	Type of Instruments	Normal* Allocation (% of Net Assets)	Normal Deviation (% of Normal Allocation)	Risk Profile
		Money Market Instruments (including cash/CBLO/Reverse Repo)	50-90	50	Low
		Debt Instruments (including securitised debt)	10 - 50	50	Low to Medium

\* On introduction of cheque writing facility a minimum of 80% of the net assets (as prescribed by RBI) or such other minimum asset allocation as may be prescribed by RBI from time to time will be invested in money market instruments.

The portfolio of the Scheme will comply with the following additional investment restrictions in accordance with the SEBI/IMD/CIR No. 13/150975/09 dated January 19, 2009:

- The Scheme shall make investment in/ purchase debt and money market securities with maturity of upto 91 days only.
- In case of securities with put and call options (daily or otherwise) the residual maturity shall not be greater than 91 days.

### Explanation:

- In case of securities where the principal is to be repaid in a single payout the maturity of the securities shall mean residual maturity. In case the principal is to be repaid in more than one payout then the maturity of the securities shall be calculated on the basis of weighted average maturity of security.
- In case the maturity of the security falls on a non-business day then settlement of securities will take place on the next business day.
- Inter-scheme transfers of securities held in other schemes having maturity of upto 91 days only shall be permitted in this Scheme.

## C. Financial Performance

### MSLF

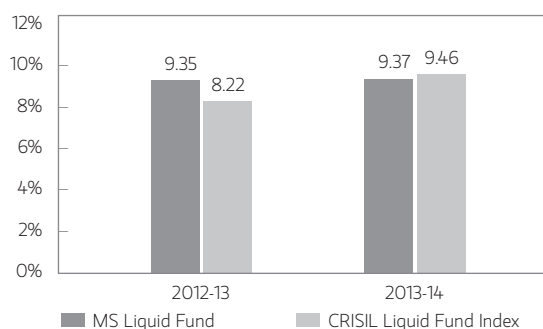
#### Performance as on month ended April 30, 2014 (%)

Period	MSLF	Crisil Liquid Fund Index#
1 year	9.45	9.47
Since inception (CAGR)	9.48	8.85

#Scheme Benchmark.

Past performance is not a guarantee of future returns. All returns are of Growth Option and are computed on simple annualised basis. Since inception returns are calculated on Rs.1000/- invested at inception of the fund (Sep. 08, 2011).

#### Absolute Returns for each financial year for the last 2 years





## HLF

### HLF – Regular Plan – Growth Option

Compounded Annualised Returns as on April 30, 2014	Scheme Returns (%) <sup>^</sup>	Benchmark Returns % <sup>#</sup>
Last 1 Year (365 days)	9.43	9.47
Last 3 Years (1097 days)	9.33	8.74
Last 5 Years (1827 days)	7.76	7.16
Since Inception* (4943 days)	7.16	N.A.

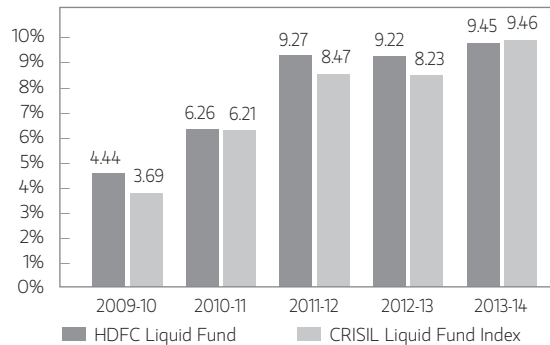
\*Inception Date: October 17, 2000 # Crisil Liquid Fund Index  
 Since inception returns are calculated on Rs.10 (allotment price)  
 N.A. = Not Available

### HLF – Direct Plan – Growth Option

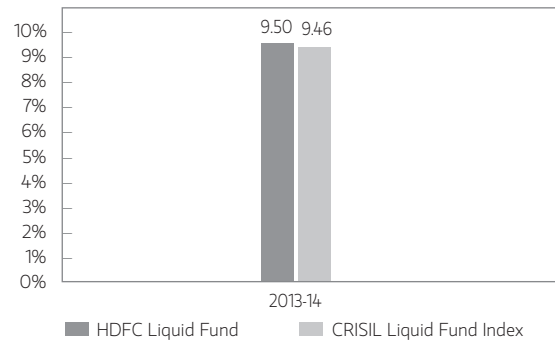
Compounded Annualised Returns as on April 30, 2014	Scheme Returns (%) <sup>^</sup>	Benchmark Returns % <sup>#</sup>
Last 1 Year (365 days)	9.48	9.47
Since Inception@ (484days)	9.40	9.18

@Inception Date: January 1, 2013 # Crisil Liquid Fund Index  
 Since inception returns are calculated on Rs.22.6510 (allotment price)

#### Absolute Returns for each financial year for the last 5 years<sup>^</sup>



#### Absolute Returns for each financial year for the last 1 year<sup>^</sup>



As the Direct Plan was launched only on January 1, 2013, it has completed only one full Financial Year.

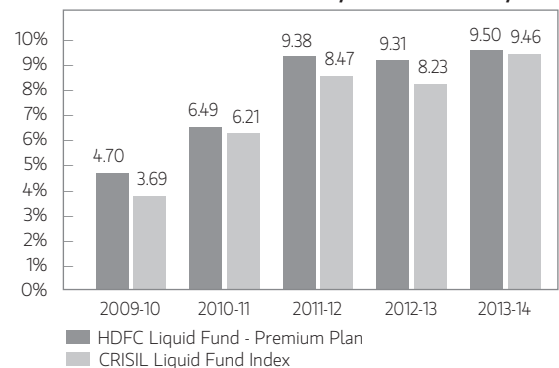
<sup>^</sup>Past performance may or may not be sustained in the future

### HDFC Liquid Fund – Premium Plan – Growth Option

Compounded Annualised Returns as on April 30, 2014	Scheme Returns (%) <sup>^</sup>	Benchmark Returns % <sup>#</sup>
Last 1 Year (365 days)	9.48	9.47
Last 3 Years (1097 days)	9.41	8.74
Last 5 Years (1827 days)	7.91	7.16
Since Inception* (4083 days)	7.15	6.54

\*Inception Date: February 24, 2003 # Crisil Liquid Fund Index  
 Since inception returns are calculated on Rs.11.9684 (allotment price)  
<sup>^</sup>Past performance may or may not be sustained in the future

#### Absolute Returns for each financial year for the last 5 years<sup>^</sup>



## D. Percentage of total non-performing assets and percentage of total illiquid assets to net assets as at April 30, 2014

Scheme Name	Total non-performing assets as % to net assets	Total illiquid assets as % to net assets
MSLF	NIL	NIL
HLF	NIL	NIL

## E. Tax impact of consolidation on the unit holders

Investors of MSLF will be issued units in HLF equivalent to the value of their units held in MSLF. The transaction shall be treated as redemption of units in MSLF and may entail a capital gain or loss in the hands of the investors. Further, in case of Non Resident Indians (NRIs), tax, if any, at applicable rates will be withheld by MS MF / MS AMC and units for the residual value will be issued in HLF.

The units allotted in HLF shall be treated as a fresh subscription.

In view of the individual nature of the implications, each unit holder is advised to consult his own tax advisor.

## F. Total expense ratio as on April 30, 2014

Scheme Name	As per Scheme Information Document (%)	Actual charged (%)
MSLF	2.25 + 0.20 + 0.30 = 2.75	Regular Plan - 0.11% Direct Plan - 0.03%
HLF	2.25 + 0.20 + 0.30 = 2.75	Regular Plan – Regular Option – 0.25% Regular Plan – Direct Option – 0.20% Premium Plan – 0.20%

## G. Main Features - HLF

Particulars	Details
Face Value	Rs.10/- per unit
Plans / Options	<b>Plans:</b> Regular & Direct <b>Options:</b> Growth, Daily Dividend Option (Re-investment only) and Weekly and Monthly Dividend Option (Payout and Re-investment)

Minimum Application Amount	<b>Purchase:</b> Rs. 10,000 and any amount thereafter.
	<b>Additional Purchase:</b> Rs. 5,000 and any amount thereafter.
Minimum Repurchase Amount / Number of Units	Rs. 5,000 or 500 Units
Liquidity	The Scheme will offer Units for Sale / Switch-in and Redemption / Switch-out on every Business Day at NAV based prices. The Mutual Fund will endeavor to despatch the Redemption proceeds within 1 Business Day from the acceptance of the Redemption request.
Load Structure	Exit Load: Nil

#### H. Basis of allocation of Units in Transferee Scheme

MSLF will cease to exist post close of business hours on the Completion Date. The unit holders of MSLF as at the close of business hours on the Completion Date will be allotted units, equivalent to the value of their units in MSLF, under the corresponding option of HLF at the NAV of the Completion Date.

The allotment of units is explained with the help of the following illustration:

Completion Date		27.06.2014
NAV of MSLF as on 27.06.2014	(A)	Rs.15/- per unit
Units outstanding in MSLF as on 27.06.2014	(B)	200 units
Outstanding value before merger	(C) = (A) X (B)	Rs.3000
NAV of HLF as on 27.06.2014	(D)	Rs.20/- per unit
Allotment of units in HLF	(E) = (C) / (D)	150 units
Value of merged units	(F) = (D) X (E)	Rs.3000

Please note that the aforesaid is only an illustration and the actual number of units to be allotted under HLF will be determined by the value of units held in MSLF and the NAVs of MSLF and HLF on the Completion Date.

Impact of tax on capital gains, if any, has not been considered in the above illustration. Further, in case of Non Resident Indians (NRIs), tax, if any, at applicable rates will be withheld and units for the residual value will be issued in HLF.

A fresh account statement reflecting the new units allotted, will be sent to the unit holders of MSLF by HDFC MF.

## II. MORGAN STANLEY ULTRA SHORT TERM FUND (MSUSTF) AND HDFC CASH MANAGEMENT FUND – TREASURY ADVANTAGE PLAN (HCMF-TAP)

### A. Portfolios of MSUSTF and HCMF-TAP as on April 30, 2014

#### (i) MSUSTF

Sr. No.	Name of the Instrument	Rating	Quantity	Mkt. Value (Rs. in Lakhs)	% to NAV
<b>DEBT INSTRUMENTS</b>					
<b>(a) Listed/Awaiting listing on Stock Exchanges</b>					
<b>i) Government Securities</b>			<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>ii) Non-convertible Debentures/Bonds</b>			<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>(b) Privately Placed/Unlisted Non-convertible Debentures/Bonds</b>					
<b>Non-convertible Debentures/Bonds</b>			<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>(c) MONEY MARKET INSTRUMENTS</b>					
<b>i) Certificates of Deposit**</b>					
1.	Oriental Bank of Commerce	CRISIL A1+	500	499.40	11.65%
2.	IDBI Bank Ltd.	CRISIL A1+	500	497.03	11.59%
3.	Syndicate Bank	CARE A1+	500	496.88	11.59%
4.	Bank of India	CRISIL A1+	500	463.93	10.82%
5.	Punjab & Sind Bank	[ICRA]A1+	500	461.81	10.77%
<b>Total</b>				<b>2,419.04</b>	<b>56.43%</b>
<b>ii) Commercial Papers**</b>					
1.	Tata Motors Finance Ltd	[ICRA]A1+	100	481.69	11.24%
<b>Total</b>				<b>481.69</b>	<b>11.24%</b>
<b>iii) Collateralised Borrowing and Lending Obligation</b>				42.99	1.00%
<b>Total</b>				<b>42.99</b>	<b>1.00%</b>
<b>iv) Treasury Bills</b>					
	91 Day - Treasury Bill 2014	Sovereign	25,000	24.96	0.58%
<b>Total</b>				<b>24.96</b>	<b>0.58%</b>
<b>FIXED DEPOSITS PLACED AS MARGIN FOR GOVERNMENT SECURITIES</b>					
	9% HDFC Bank Limited 23 July 2014	182 Days		15.00	0.35%
<b>Total</b>				<b>15.00</b>	<b>0.35%</b>
<b>Mutual Fund Units</b>					
<b>Listed/Awaiting listing on Stock Exchanges</b>					
1.	Morgan Stanley Liquid Fund - Direct Growth Plan		1,02,261	1,300.32	30.33%
<b>Total</b>				<b>1,300.32</b>	<b>30.33%</b>
<b>OTHERS</b>					
	Net Current Assets			3.00	0.07%
<b>Grand Total</b>				<b>4,287.00</b>	<b>100.00%</b>

\*\* Indicates thinly traded/non-traded Securities as defined in SEBI Regulations and Guidelines.

#### Notes :

(1) The provision made for Non Performing Assets as of April 30, 2014 is Nil and its percentage to Net Asset Value is Nil.

(2) Net Asset Values are as follows:	April 30, 2014	March 31, 2014 <sup>^</sup>
Morgan Stanley Ultra Short Term Fund - Regular Growth	1078.3433	1070.3353
Morgan Stanley Ultra Short Term Fund - Daily Dividend Option	1003.6728	1003.6728
Morgan Stanley Ultra Short Term Fund - Weekly Dividend Option	1009.1922	1010.5958 <sup>©</sup>

	April 30, 2014	March 31, 2014 <sup>^</sup>
Morgan Stanley Ultra Short Term Fund - Monthly Dividend Option	1015.7533	1022.1156 ©
Morgan Stanley Ultra Short Term Fund - Direct Plan - Growth	1082.4578	1073.9336
Morgan Stanley Ultra Short Term Fund - Direct Plan - Daily Dividend Option	1014.5425	1014.5425
Morgan Stanley Ultra Short Term Fund - Direct Plan - Weekly Dividend Option	1016.1251	1017.5664 ©
Morgan Stanley Ultra Short Term Fund - Direct Plan - Monthly Dividend Option	1021.9962	1027.8167 ©

<sup>^</sup> As March 31, 2014 was a non- business day for this Scheme, the reporting is as of March 28, 2014.

© NAVs represents inclusive of Dividend declared for Record Date March 28, 2014.

(3) The Scheme has declared dividend in the following plans during the month ended April 30, 2014 Per Unit (Rs.) (Gross)

Morgan Stanley Ultra Short Term Fund - Daily Dividend Option	7.4839
Morgan Stanley Ultra Short Term Fund - Weekly Dividend Option	6.5525
Morgan Stanley Ultra Short Term Fund - Monthly Dividend Option	7.0000
Morgan Stanley Ultra Short Term Fund - Direct Plan - Daily Dividend Option	8.0240
Morgan Stanley Ultra Short Term Fund - Direct Plan - Weekly Dividend Option	6.9884
Morgan Stanley Ultra Short Term Fund - Direct Plan - Monthly Dividend Option	7.0000

(4) The Scheme has not declared any bonus during the month ended April 30, 2014.

(5) During the month ended April 30, 2014, the exposure in derivative products was Nil.

(6) Total Market Value of investments in Foreign Securities & Securitised Debt Instruments as at April 30, 2014 is Nil.

(7) The Average Maturity Period of the Portfolio is 3.08 months.

(8) As at April 30, 2014, Treasury Bill of Rs. 25 Lakhs (Face Value) has been placed as collateral with Clearing Corporation of India Limited.

(9) Investment in Repo in Corporate Debt Securities during the month ended April 30, 2014 was Nil.

(ii) HCMF-TAP

ISIN	Coupon (%)	Name of Instrument	Rating	Quantity	Market/ Fair Value (Rs. in Lacs.)	% to NAV
<b>DEBT INSTRUMENTS</b>						
<b>(a) Listed / awaiting listing on Stock Exchanges</b>						
<b>Government Securities</b>					<b>Nil</b>	<b>Nil</b>
<b>Non-Convertible debentures / Bonds</b>						
•	INE001A07KR0	9.40 Housing Development Finance Corporation Ltd.\$**	CRISIL - AAA	2,250.00	22,489.23	2.39
•	INE476M07065	10.20 L&T Housing Finance Ltd.**	CARE - AA	800.00	20,022.38	2.13
•	INE691I07505	9.99 L&T Infrastructure Finance Co. Ltd.**	ICRA - AA+(SO)	800.00	20,015.80	2.13
•	INE721A07EM7	10.00 Shriram Transport Finance Co. Ltd.**	CARE - AA+	1,500.00	14,970.36	1.59
	INE001A07IZ7	9.60 Housing Development Finance Corporation Ltd.\$**	CRISIL - AAA	1,350.00	13,478.20	1.43
	INE523E07996	9.80 L&T Finance Ltd.**	CARE - AA+	400.00	10,008.07	1.06
	INE261F09HZ4	8.83 National Bank for Agriculture & Rural Development**	CRISIL - AAA	1,000.00	9,952.24	1.06
	INE261F09GH4	9.70 National Bank for Agriculture & Rural Development**	CRISIL - AAA	830.00	8,301.43	0.88
	INE001A07IX2	9.55 Housing Development Finance Corporation Ltd.\$**	CRISIL - AAA	800.00	7,988.52	0.85
	INE514E08CP3	8.40 Export - Import Bank of India**	CRISIL - AAA	750.00	7,484.72	0.80
	INE556F09445	9.55 Small Industries Development Bank of India [SIDBI]**	CARE - AAA	650.00	6,504.36	0.69
	INE020B08575	9.43 Rural Electrification Corporation Ltd.**	CRISIL - AAA	600.00	5,991.02	0.64
	INE916DA7386	9.33 Kotak Mahindra Prime Ltd.**	CRISIL - AA+	600.00	5,989.52	0.64
	INE115A07FD8	9.70 LIC Housing Finance Ltd.**	CRISIL - AAA	570.00	5,707.35	0.61
	INE027E07055	10.25 Family Credit Limited**	CARE - AA	200.00	5,005.37	0.53
	INE115A07EIO	10.50 LIC Housing Finance Ltd.**	CRISIL - AAA	500.00	5,004.79	0.53
	INE759E07145	10.10 L&T Fincorp Ltd.**	CARE - AA+	200.00	5,004.58	0.53
	INE115A07EO8	9.55 LIC Housing Finance Ltd.**	CRISIL - AAA	500.00	4,999.31	0.53
	INE557F08EO8	8.59 National Housing Bank**	CRISIL - AAA	500.00	4,998.21	0.53
	INE115A07EK6	9.96 LIC Housing Finance Ltd.**	CRISIL - AAA	500.00	4,995.70	0.53
	INE511C07318	10.10 Magma Fincorp Ltd.**	CARE - AA+	500.00	4,995.14	0.53
	INE121A07GV6	9.50 Cholamandalam Investment and Finance Company Ltd.**	ICRA - AA	500.00	4,974.79	0.53
	INE916DA7576	9.30 Kotak Mahindra Prime Ltd.**	CRISIL - AA+	500.00	4,964.68	0.53
	INE721A07BC4	10.40 Shriram Transport Finance Co. Ltd.**	CARE - AA+	400.00	4,002.98	0.43
	INE721A07ED6	10.10 Shriram Transport Finance Co. Ltd.**	CARE - AA+	400.00	3,996.92	0.42
	INE722A07232	11.50 Shriram City Union Finance Ltd.**	CRISIL - AA-	334,999.00	3,361.38	0.36
	INE115A07AU3	10.20 LIC Housing Finance Ltd.**	CRISIL - AAA	300.00	3,001.46	0.32
	INE296A07773	10.05 Bajaj Finance Ltd.**	ICRA - AA+	30.00	2,998.13	0.32
	INE721A07GK6	10.72 Shriram Transport Finance Co. Ltd.**	CARE - AA+	250.00	2,516.41	0.27
	INE523E07707	10.15 L&T Finance Ltd.**	ICRA - AA+	250.00	2,501.11	0.27
	INE134E08EP6	9.52 Power Finance Corporation Ltd.**	CRISIL - AAA	250.00	2,499.94	0.27
	INE774D07IDO	9.90 Mahindra & Mahindra Financial Services Ltd.**	CRISIL - AA+	250.00	2,497.68	0.27

ISIN	Coupon (%)	Name of Instrument	Rating	Quantity	Market/ Fair Value (Rs. in Lacs.)	% to NAV
INE557F08EB5	9.40	National Housing Bank**	FITCH - AAA	250.00	2,497.59	0.27
INE261F09GQ5	9.38	National Bank for Agriculture & Rural Development**	CRISIL - AAA	250.00	2,495.50	0.27
INE121A07GM5	9.60	Cholamandalam Investment and Finance Company Ltd.**	ICRA - AA	250.00	2,483.50	0.26
INE523E07731	9.97	L&T Finance Ltd.**	ICRA - AA+	200.00	1,998.48	0.21
INE660A07IC9	10.15	Sundaram Finance Ltd.**	ICRA - AA+	150.00	1,500.61	0.16
INE557F08EH2	9.50	National Housing Bank**	CRISIL - AAA	150.00	1,499.67	0.16
INE909H07909	9.92	Tata Motors Finance Ltd.**	CRISIL - AA	150.00	1,498.09	0.16
INE660A07FF8	10.60	Sundaram Finance Ltd.**	ICRA - AA+	100.00	1,000.54	0.11
INE043D07BG8	9.71	IDFC Ltd.**	ICRA - AAA	100.00	1,000.04	0.11
INE115A07CU9	9.59	LIC Housing Finance Ltd.**	CRISIL - AAA	100.00	998.53	0.11
INE001A07JJ9	9.52	Housing Development Finance Corporation Ltd.\$**	CRISIL - AAA	100.00	997.68	0.11
INE001A07KT6	9.20	Housing Development Finance Corporation Ltd.\$**	CRISIL - AAA	55.00	548.00	0.06
INE043D07FF1	10.23	IDFC Ltd.**	ICRA - AAA	50.00	500.81	0.05
INE043D07EI8	9.20	IDFC Ltd.**	ICRA - AAA	20.00	199.39	0.02
INE306N07BR5	9.96	Tata Capital Financial Services Ltd.**	CRISIL - AA+	6.00	60.04	0.01
INE115A07CJ2	9.90	LIC Housing Finance Ltd.**	CRISIL - AAA	5.00	50.00	0.01
INE134E08DO1	9.64	Power Finance Corporation Ltd.**	CRISIL - AAA	4.00	39.99	@@
<b>Sub Total</b>					<b>250,590.24</b>	<b>26.68</b>
<b>Zero Coupon Bonds / Deep Discount Bonds</b>						
INE033L07082		TATA Capital Housing Finance Ltd.**	CRISIL - AA+	595.00	7,597.53	0.81
INE916D07701		Kotak Mahindra Prime Ltd.**	CRISIL - AA+	617.00	5,863.92	0.62
INE033L07405		TATA Capital Housing Finance Ltd.**	CRISIL - AA+	230.00	2,787.56	0.30
INE001A07LCO		Housing Development Finance Corporation Ltd.\$**	CRISIL - AAA	250.00	2,729.56	0.29
INE121A07EF4		Cholamandalam Investment and Finance Company Ltd.**	ICRA - AA	100.00	1,281.51	0.14
INE660A07FG6		Sundaram Finance Ltd.**	ICRA - AA+	50.00	672.46	0.07
INE121A07FI5		Cholamandalam Investment and Finance Company Ltd.**	ICRA - AA	50.00	608.91	0.06
INE976I07BN4		Tata Capital Financial Services Ltd.**	CARE - AA+	48.00	600.99	0.06
INE660A07KJO		Sundaram Finance Ltd.**	ICRA - AA+	65.00	595.28	0.06
INE722A07307		Shriram City Union Finance Ltd.**	CARE - AA	35.00	450.49	0.05
INE667F07832		Sundaram BNP Paribas Home Finance Ltd.**	CARE - AA+	20.00	254.31	0.03
INE660A07HE7		Sundaram Finance Ltd.**	FITCH - AA+	8.00	76.11	0.01
<b>Sub Total</b>					<b>23,518.63</b>	<b>2.50</b>
<b>(b) Privately Placed / Unlisted</b>						
<b>Non-Convertible debentures / Bonds</b>						
INE985N07048	13.00	Jay Properties Private Ltd. **	Unrated	32.00	3,195.06	0.34
<b>Sub Total</b>					<b>3,195.06</b>	<b>0.34</b>
<b>Zero Coupon Bonds / Deep Discount Bonds</b>						
					<b>Nil</b>	<b>Nil</b>
<b>(c) Securitized Debt Instruments</b>						
<b>Total</b>					<b>Nil</b>	<b>Nil</b>
<b>MONEY MARKET INSTRUMENTS</b>						
<b>Bills Rediscounting</b>						
					<b>Nil</b>	<b>Nil</b>
<b>Commercial Papers (CP) / Certificate Of Deposit (CD)</b>						
• INE692A16CZ7		Union Bank of India**	CRISIL - A1+	45,000.00	43,558.65	4.63
• INE691A16HT1		UCO Bank**	CRISIL - A1+	42,500.00	41,080.67	4.36
• INE556F14981		Small Industries Development Bank of India [SIDBI]**	CARE - A1+	6,000.00	29,660.26	3.15
• INE015A14179		Ranbaxy Laboratories Ltd.**	ICRA - A1+	5,000.00	24,163.30	2.57
• INE141A16PT0		Oriental Bank of Commerce**	CRISIL - A1+	18,100.00	17,578.86	1.87
• INE428A16MK7		Allahabad Bank**	CRISIL - A1+	15,000.00	14,863.27	1.58
INE238A16WP8		Axis Bank Ltd.**	CRISIL - A1+	15,000.00	14,852.24	1.58
INE476A16MV3		Canara Bank**	CRISIL - A1+	14,950.00	14,471.41	1.54
INE020B14193		Rural Electrification Corporation Ltd.**	CARE - A1+	3,000.00	14,457.74	1.54
INE608A16EW6		Punjab & Sind Bank**	ICRA - A1+	14,220.00	14,066.02	1.49
INE141A16LY9		Oriental Bank of Commerce**	CRISIL - A1+	14,000.00	13,859.29	1.47
INE028A16AC7		Bank of Baroda**	CRISIL - A1+	10,000.00	9,923.93	1.05
INE651A16GB5		State Bank of Mysore**	ICRA - A1+	10,000.00	9,906.85	1.05
INE028A16979		Bank of Baroda**	CRISIL - A1+	10,000.00	9,897.07	1.05
INE434A16FK9		Andhra Bank**	FITCH - A1+	10,000.00	9,896.93	1.05
INE514E14FX8		Export - Import Bank of India**	CRISIL - A1+	2,000.00	9,886.62	1.05
INE562A16FL5		Indian Bank**	FITCH - A1+	10,000.00	9,883.10	1.05
INE141A16PP8		Oriental Bank of Commerce**	CRISIL - A1+	10,000.00	9,710.64	1.03
INE141A16PH5		Oriental Bank of Commerce**	CRISIL - A1+	10,000.00	9,690.80	1.03

ISIN	Coupon (%)	Name of Instrument	Rating	Quantity	Market/ Fair Value (Rs. in Lacs.)	% to NAV
INE654A16DX0		State Bank of Travancore**	CRISIL - A1+	10,000.00	9,682.55	1.03
INE562A16FX0		Indian Bank**	FITCH - A1+	10,000.00	9,668.14	1.03
INE476A16ND9		Canara Bank**	CRISIL - A1+	8,000.00	7,908.35	0.84
INE476A16NC1		Canara Bank**	CRISIL - A1+	7,000.00	6,924.76	0.74
INE654A16DY8		State Bank of Travancore**	CRISIL - A1+	5,250.00	5,071.05	0.54
INE028A16938		Bank of Baroda**	CRISIL - A1+	5,000.00	4,974.73	0.53
INE140A14DV9		Piramal Enterprises Ltd.**	ICRA - A1+	1,000.00	4,967.49	0.53
INE652A16GR9		State Bank of Patiala**	CRISIL - A1+	5,000.00	4,962.17	0.53
INE514E14FV2		Export - Import Bank of India**	CRISIL - A1+	1,000.00	4,950.54	0.53
INE476A16KB9		Canara Bank**	CRISIL - A1+	5,000.00	4,949.85	0.53
INE134E14535		Power Finance Corporation Ltd.**	CRISIL - A1+	1,000.00	4,907.24	0.52
INE434A16GJ9		Andhra Bank**	FITCH - A1+	5,000.00	4,891.18	0.52
INE028A16AI4		Bank of Baroda**	CRISIL - A1+	5,000.00	4,848.17	0.51
INE654A16DW2		State Bank of Travancore**	CRISIL - A1+	5,000.00	4,847.15	0.51
INE112A16EA5		Corporation Bank**	CRISIL - A1+	5,000.00	4,846.99	0.51
INE705A16JX7		Vijaya Bank**	CARE - A1+	5,000.00	4,836.47	0.51
INE523E14KD1		L&T Finance Ltd.**	CARE - A1+	1,000.00	4,828.47	0.51
INE523H14NM9		JM Financial Products Ltd.**	CRISIL - A1+	1,000.00	4,813.18	0.51
INE112A16EL2		Corporation Bank**	CRISIL - A1+	5,000.00	4,734.91	0.50
INE015A14I87		Ranbaxy Laboratories Ltd.**	ICRA - A1+	1,000.00	4,713.81	0.50
INE121A14J1		Cholamandalam Investment and Finance Company Ltd.**	ICRA - A1+	1,000.00	4,611.94	0.49
INE916D14SF7		Kotak Mahindra Prime Ltd.**	CRISIL - A1+	1,000.00	4,606.62	0.49
INE660A14KP3		Sundaram Finance Ltd.**	CRISIL - A1+	1,000.00	4,603.33	0.49
INE691A16HN4		UCO Bank**	CRISIL - A1+	4,500.00	4,451.63	0.47
INE434A16FW4		Andhra Bank**	FITCH - A1+	4,500.00	4,450.42	0.47
INE028A16AG8		Bank of Baroda**	CRISIL - A1+	4,000.00	3,974.86	0.42
INE166A16IZ9		ING Vysya Bank Ltd.**	CRISIL - A1+	2,500.00	2,472.75	0.26
INE652A16GT5		State Bank of Patiala**	CRISIL - A1+	2,500.00	2,470.84	0.26
INE896L14I79		Indostar Capital Finance Pvt Ltd.**	ICRA - A1+	500.00	2,467.59	0.26
INE112A16EN8		Corporation Bank**	CRISIL - A1+	2,600.00	2,456.29	0.26
INE514E16897		Export - Import Bank of India**	CRISIL - A1+	2,500.00	2,433.75	0.26
INE652A16HM8		State Bank of Patiala**	CRISIL - A1+	2,500.00	2,423.58	0.26
INE651A16FC5		State Bank of Mysore**	ICRA - A1+	2,500.00	2,417.12	0.26
INE916D14QP0		Kotak Mahindra Prime Ltd.**	CRISIL - A1+	500.00	2,412.00	0.26
INE523H14MZ3		JM Financial Products Ltd.**	CRISIL - A1+	500.00	2,410.45	0.26
INE909H14DV2		Tata Motors Finance Ltd.**	ICRA - A1+	500.00	2,408.44	0.26
INE476A16LK8		Canara Bank**	CRISIL - A1+	2,550.00	2,391.15	0.25
INE077E14742		Essel Mining and Industries Limited**	ICRA - A1+	500.00	2,361.00	0.25
INE763G14AW9		ICICI Securities Ltd.**	CRISIL - A1+	500.00	2,301.83	0.24
INE851M14AM1		Volkswagen Finance Private Limited**	FITCH - A1+	320.00	1,476.27	0.16
INE565A16962		Indian Overseas Bank**	ICRA - A1+	1,500.00	1,388.90	0.15
INE112A16EE7		Corporation Bank**	CRISIL - A1+	1,000.00	968.22	0.10
INE565A16822		Indian Overseas Bank**	ICRA - A1+	1,000.00	965.92	0.10
INE483A16GY5		Central Bank of India**	CARE - A1+	900.00	850.84	0.09
INE084A16AR8		Bank of India**	CRISIL - A1+	900.00	833.67	0.09
INE141A16OQ9		Oriental Bank of Commerce**	CRISIL - A1+	800.00	742.66	0.08
INE141A16MH2		Oriental Bank of Commerce**	CRISIL - A1+	750.00	736.44	0.08
INE306N14BZ4		Tata Capital Financial Services Ltd.**	ICRA - A1+	100.00	496.46	0.05
INE651A16FG6		State Bank of Mysore**	ICRA - A1+	500.00	482.37	0.05
INE238A16TY6		Axis Bank Ltd.**	CRISIL - A1+	375.00	362.08	0.04
INE095A16IH8		Indusind Bank Ltd.**	CRISIL - A1+	350.00	342.32	0.04
INE695A16JD2		United Bank of India**	ICRA - A2+	350.00	335.64	0.04
INE090A16A95		ICICI Bank Ltd.**	CARE - A1+	300.00	294.33	0.03
INE237A16UO7		Kotak Mahindra Bank Ltd.**	CRISIL - A1+	250.00	249.48	0.03
INE166A16KB6		ING Vysya Bank Ltd.**	CRISIL - A1+	250.00	240.76	0.03
INE141A16MV3		Oriental Bank of Commerce**	CRISIL - A1+	200.00	192.27	0.02
INE528G16VH8		Yes Bank Ltd.**	ICRA - A1+	150.00	146.71	0.02
INE649A16DW2		State Bank of Hyderabad**	ICRA - A1+	150.00	145.49	0.02
INE141A16MW1		Oriental Bank of Commerce**	CRISIL - A1+	150.00	143.99	0.02
INE077A16AV4		Dena Bank**	CRISIL - A1+	150.00	139.21	0.01
INE008A16SP3		IDBI Bank Ltd.**	ICRA - A1+	125.00	119.13	0.01
INE141A16NC1		Oriental Bank of Commerce**	CRISIL - A1+	100.00	94.87	0.01
INE523E14KU5		L&T Finance Ltd.**	CARE - A1+	20.00	94.34	0.01
INE306N14BJ8		Tata Capital Financial Services Ltd.**	ICRA - A1+	20.00	93.35	0.01
INE851M14ADO		Volkswagen Finance Private Limited**	FITCH - A1+	15.00	70.51	0.01
INE476A16LR3		Canara Bank**	CRISIL - A1+	57.00	53.44	0.01
INE090A16A61		ICICI Bank Ltd.**	CARE - A1+	50.00	49.14	0.01
INE166A16JG7		ING Vysya Bank Ltd.**	CRISIL - A1+	50.00	49.09	0.01
INE238A16SK7		Axis Bank Ltd.**	CRISIL - A1+	50.00	48.83	0.01
INE095A16IF2		Indusind Bank Ltd.**	CRISIL - A1+	50.00	48.82	0.01

ISIN	Coupon (%)	Name of Instrument	Rating	Quantity	Market/ Fair Value (Rs. in Lacs.)	% to NAV
INE166A16KD2		ING Vysya Bank Ltd.**	CRISIL - A1+	50.00	47.97	0.01
INE090A16G81		ICICI Bank Ltd.**	CARE - A1+	50.00	47.57	0.01
INE141A16NQ1		Oriental Bank of Commerce**	CRISIL - A1+	50.00	47.20	0.01
INE090A16K36		ICICI Bank Ltd.**	CARE - A1+	50.00	46.76	@@
INE095A16MN8		Indusind Bank Ltd.**	CRISIL - A1+	40.00	39.56	@@
<b>Sub Total</b>					<b>504,345.05</b>	<b>53.62</b>
<b>Treasury bills</b>						
IN002013X493		91 Days T-Bill - 2014	- Sovereign	10,000,000.00	9,901.86	1.05
IN002014Y028		91 Days T-Bill - 2014	- Sovereign	2,348,000.00	2,252.01	0.24
IN002013Z092		91 Days T-Bill - 2014	- Sovereign	1,350,000.00	1,323.14	0.14
<b>Sub Total</b>					<b>13,477.01</b>	<b>1.43</b>
<b>Collateralised Borrowing &amp; Lending Obligation</b>						
<b>Total</b>					<b>Nil</b>	<b>Nil</b>
<b>Total</b>					<b>517,822.06</b>	<b>55.05</b>
<b>FIXED DEPOSITS</b>						
<b>Deposits (maturity not exceeding 91 days)</b>						
		Corporation Bank			47,000.00	4.99
		Central Bank of India			26,500.00	2.81
		Vijaya Bank			25,000.00	2.66
		Yes Bank Ltd.			20,000.00	2.12
		Indusind Bank Ltd.			6,000.00	0.64
<b>Deposits (Placed as Margin)</b>					<b>Nil</b>	<b>Nil</b>
<b>Sub Total</b>					<b>124,500.00</b>	<b>13.22</b>
<b>Total</b>					<b>124,500.00</b>	<b>13.22</b>
<b>OTHERS</b>						
<b>Net Current Assets</b>					<b>21,769.29</b>	<b>2.21</b>
<b>Total</b>					<b>21,769.29</b>	<b>2.21</b>
<b>Grand Total</b>					<b>941,395.28</b>	<b>100.00</b>

• Top Ten Holdings, (\$) Sponsor,\*\*) Thinly Traded / Non-Traded Securities, @@ Less than 0.01%

**Notes:**

- Total NPAs provided for and its percentage to NAV: Nil
- NAVs per unit (Rs.):

NAVs per unit (Rs.)	April 30, 2014	March 31, 2014@
<b>Wholesale Option **#</b>		
Growth Option	28.2178	28.0295
Daily Dividend Reinvestment Option	10.0315	10.0315
Dividend Option (Weekly)	10.0606	10.0698
Dividend Option (Monthly)	10.0546	10.1537
<b>Retail Option</b>		
Growth Option	27.4081	27.2387
Daily Dividend Reinvestment Option	10.0315	10.0315
Dividend Option (Weekly)	10.0603	10.0686
Dividend Option (Monthly)	10.0542	10.1479
<b>Direct Plan / Option</b>		
Direct Plan - Growth Option	27.6526	27.4671
Direct Plan - Dividend Option	10.0315	10.0315
Direct Plan - Dividend Option (Weekly)	10.0606	10.0699
Direct Plan - Dividend Option (Monthly)	10.2047	10.1542

- Dividend declared during the period April 1, 2014 to April 30, 2014:

Plan / Option	Dividend Amount (Rs. Per Unit)	
	Individuals & HUF	Others
Retail Option - Daily Dividend Reinvestment Option	0.0511	0.0490
Retail Option - Dividend Option (Weekly)	0.0550	0.0527
Retail Option - Dividend Option (Monthly)	0.1217	0.1165
Retail Option - Direct Plan - Daily Dividend Reinvestment Option	0.0552	0.0530
Retail Option - Direct Plan - Dividend Option (Weekly)	0.0601	0.0575
Retail Option - Direct Plan - Dividend Option (Monthly)	0.0141	0.0135
Wholesale Option - Daily Dividend Reinvestment Option	0.0550	0.0527
Wholesale Option - Dividend Option (Weekly)	0.0597	0.0572
Wholesale Option - Dividend Option (Monthly)	0.1299	0.1244

- Total outstanding exposure in Derivative Instruments as on April 30, 2014: Nil
- Total investments in Foreign Securities / Overseas ETFs / ADRs / GDRs: Nil
- Average Portfolio Maturity: 104 Days
- Repo in Corporate Debt: Nil

\*\*# Plan has been discontinued for further subscriptions w.e.f. October 1, 2012.

@ March 31, 2014 was a non Business Day for the Scheme, however NAV for March 31, 2014 was declared being year-end.



**B. Investment Objective and Asset Allocation Pattern Table**

Scheme Name	Investment Objective	Asset Allocation Pattern			
MSUSTF	To provide liquidity and generate reasonable returns from a portfolio of money market and short-term debt instruments.	<b>Type of Security</b>	<b>% of Net Assets</b>	<b>Risk Profile</b>	
		Money market & debt instruments* with average maturity of the portfolio not being more than 1 year	Upto 100%	Low	
* including securitized debt up to 50% of net assets of the Scheme. No investment shall be made in foreign securitized debt.					
HCMF – TAP	To generate regular income through investment in debt securities and money market instruments.	<b>Type of Instruments</b>	<b>Normal Allocation (% of Net Assets)</b>	<b>Normal Deviation (% of Normal Allocation)</b>	<b>Risk Profile</b>
		Fixed Rate Debt Securities & Money Market Instruments	50	Upto 100	Low to medium
		Floating Rate Debt Securities & Money Market Instruments	50	Upto 100	Low to medium
It is the intention of the Scheme that the investments in securitised debts will not normally exceed 50% of the net assets of the Scheme.					

**C. Financial Performance MSUSTF**

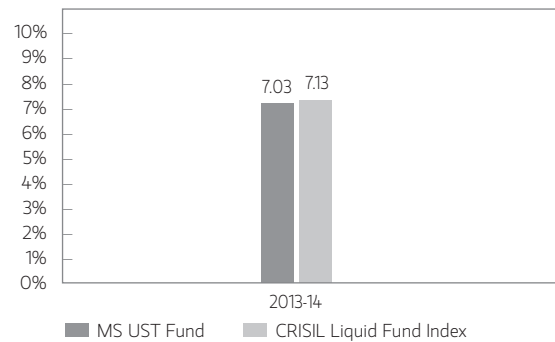
**Performance as on month ended April 30, 2014 (%)**

Period	MS UST Fund	Crisil Liquid Fund Index#
Since inception (absolute)	7.83	7.85

#Scheme Benchmark.

Past performance is not a guarantee of future returns. All returns are of Regular Growth Option. Since inception returns are calculated on Rs. 10/- invested at inception of the fund (July 27, 2013).

**Absolute Returns for each financial year for the last 1 year \***



\*Data starts from inception date July 27, 2013

**HCMF-TAP**

**HCMF-TAP - Regular Plan**

Compounded Annualised Returns as on April 30, 2014	Scheme Returns (%)^	Benchmark Returns %#
Last 1 Year (365 days)	8.21	9.47
Last 3 Years (1097 days)	8.58	8.74
Last 5 Years (1827 days)	7.40	7.16
Since Inception* (5277 days)	7.22	N.A.

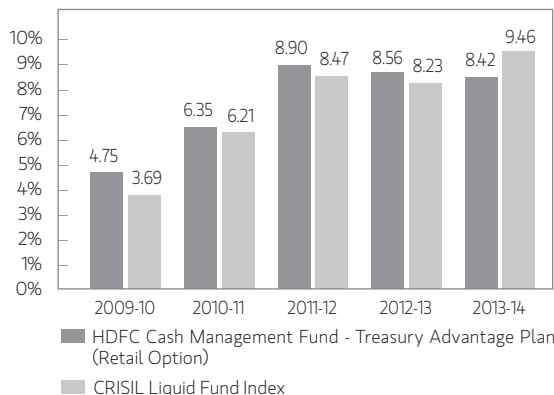
\*Inception Date: November 18, 1999# Crisil Liquid Fund Index N.A. = Not Available  
Since inception returns are calculated on Rs.10 (allotment price)

**HCMF-TAP - Direct Plan**

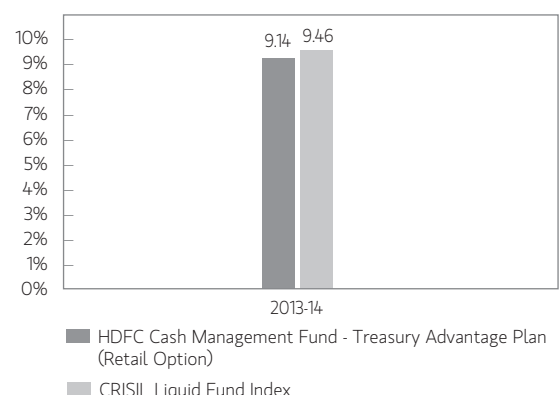
Compounded Annualised Returns as on April 30, 2014	Scheme Returns (%)^	Benchmark Returns %#
Last 1 Year (365 days)	8.92	9.47
Since Inception@ (484 days)	9.04	9.18

@Inception Date: January 1, 2013 # Crisil Liquid Fund Index  
Since inception returns are calculated on Rs.24.6535 (allotment price)

**Absolute Returns for each financial year for the last 5 years^**



**Absolute Returns for each financial year for the last 1 year^**



As the Direct Plan was launched only on January 1, 2013, it has completed only one full Financial Year.

^Past performance may or may not be sustained in the future

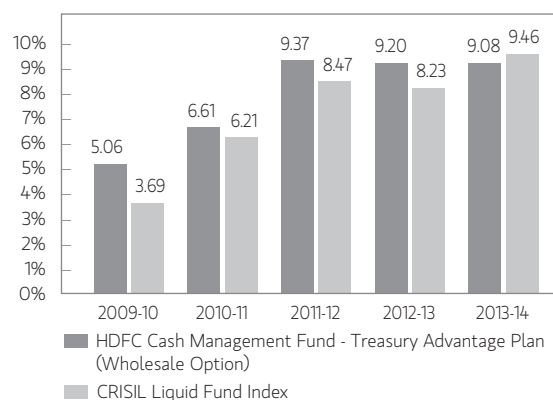
**HDFC Cash Management Fund – Treasury Advantage Plan – Wholesale Option – Growth Option**

Compounded Annualised Returns as on April 30, 2014	Scheme Returns (%) <sup>^</sup>	Benchmark Returns % <sup>#</sup>
Last 1 Year (365 days)	8.86	9.47
Last 3 Years (1097 days)	9.17	8.74
Last 5 Years (1827 days)	7.87	7.16
Since Inception* (2564 days)	8.08	7.41

\*Inception Date: April 23, 2007 # Crisil Liquid Fund Index

Since inception returns are calculated on Rs.16.3449 (allotment price)

<sup>^</sup>Past performance may or may not be sustained in the future

**Absolute Returns for each financial year for the last 5 years<sup>^</sup>**

**D. Percentage of total non-performing assets and percentage of total illiquid assets to net assets as at April 30, 2014**

Scheme Name	Total non-performing assets as % to net assets	Total illiquid assets as % to net assets
MSUSTF	NIL	NIL
HCMF – TAP	NIL	NIL

**E. Tax impact of consolidation on the unit holders**

Investors of MSUSTF will be issued units in HCMF-TAP equivalent to the value of their units held in MSUSTF. The transaction shall be treated as redemption of units in MSUSTF and may entail a capital gain or loss in the hands of the investors. Further, in case of Non Resident Indians (NRIs), tax, if any, at applicable rates will be withheld by MS MF / MS AMC and units for the residual value will be issued in HCMF-TAP.

The units allotted in HCMF-TAP shall be treated as a fresh subscription.

In view of the individual nature of the implications, each unit holder is advised to consult his own tax advisor.

**F. Total expense ratio as on April 30, 2014**

Scheme Name	As per Scheme Information Document (%)	Actual charged (%)
MSUSTF	2.25 + 0.20 + 0.30 = 2.75	Regular Plan- 0.62% Direct Plan- 0.12%
HCMF-TAP	2.25 + 0.20 + 0.30 = 2.75	Retail Plan – Regular Option – 1.30% Retail Plan – Direct Option – 0.65% Wholesale Plan – 0.70%

**G. Main Features – HCMF-TAP (Retail Option)**

Particulars	Details
Plans / Options	<b>Plans:</b> Regular & Direct <b>Options:</b> Growth, Dividend – Daily (Re-investment only) and Weekly and Monthly Dividend (Re-investment and Payout)
Minimum Application Amount	<b>Growth, Weekly and Monthly Dividend Option</b> Purchase: Rs. 5,000 and any amount thereafter. Additional Purchase: Rs. 1,000 and any amount thereafter. <b>Daily Dividend Option</b> Purchase: Rs. 10,000 and any amount thereafter. Additional Purchase: Rs. 5,000 and any amount thereafter.
Minimum Repurchase Amount / Number of Units	<b>Growth, Weekly and Monthly Dividend Option</b> Rs. 1,000 or 100 Units <b>Daily Dividend Option</b> Rs. 5,000 or 500 Units
Liquidity	The Scheme will offer Units for Sale / Switch-in and Redemption / Switch-out on every Business Day at NAV based prices. The Mutual Fund will endeavor to despatch the Redemption proceeds within 3-4 Business Days from the acceptance of the Redemption request.
Load Structure	Exit Load: Nil

**H. Basis of allocation of Units in Transferee Scheme**

MSUSTF will cease to exist post close of business hours on the Completion Date. The unit holders of MSUSTF as at the close of business hours on the Completion Date will be allotted units, equivalent to the value of their units in MSUSTF, under the corresponding option of HCMF-TAP at the NAV of the Completion Date.

The allotment of units is explained with the help of the following illustration:

Completion Date		27.06.2014
NAV of MSUSTF as on 27.06.2014	(A)	Rs.15/- per unit
Units outstanding in MSUSTF as on 27.06.2014	(B)	200 units
Outstanding value before merger	(C) = (A) X (B)	Rs.3000
NAV of HCMF-TAP as on 27.06.2014	(D)	Rs.20/- per unit
Allotment of units in HCMF-TAP	(E) = (C) / (D)	150 units
Value of merged units	(F) = (D) X (E)	Rs.3000

Please note that the aforesaid is only an illustration and the actual number of units to be allotted under HCMF-TAP will be determined by the value of units held in MSUSTF and the NAVs of MSUSTF and HCMF-TAP on the Completion Date.

Impact of tax on capital gains, if any, has not been considered in the above illustration. Further, in case of Non Resident Indians (NRIs), tax, if any, at applicable rates will be withheld and units for the residual value will be issued in HCMF-TAP.

A fresh account statement reflecting the new units allotted, will be sent to the unit holders of MSUSTF by HDFC MF.

### III. MORGAN STANLEY ACTIVE BOND FUND (MSABF) AND HDFC HIGH INTEREST FUND – DYNAMIC PLAN (HHIF-DP)

#### A. Portfolios of MSABF and HHIF-DP as on April 30, 2014

##### (i) MSABF

Sr. No.	Name of the Instrument	Rating	Quantity	Mkt. Value (Rs. in Lakhs)	% to NAV
<b>DEBT INSTRUMENTS</b>					
<b>(a) Listed/Awaiting listing on Stock Exchanges</b>					
<b>i) Government Securities</b>					
1.	8.12% GOI Bonds 2020	Sovereign	4,800,000	4,608.65	12.91%
2.	8.83% GOI Bonds 2023	Sovereign	950,000	950.00	2.66%
3.	1.44% IIGS 2023	Sovereign	276,600	232.42	0.65%
<b>Total</b>				<b>5,791.07</b>	<b>16.23%</b>
<b>ii) Non-convertible Debentures/Bonds</b>					
1.	LIC Housing Finance Ltd.**	CARE AAA	360	3,584.42	10.04%
2.	Food Corporation of India	CRISIL AAA	350	3,566.41	9.99%
3.	Housing Development Finance Corporation Ltd.**	CRISIL AAA	350	3,478.83	9.75%
4.	Rural Electrification Corporation Ltd.**	CRISIL AAA	250	2,492.58	6.98%
5.	Rural Electrification Corporation Ltd.**	CRISIL AAA	100	995.40	2.79%
<b>Total</b>				<b>14,117.63</b>	<b>39.56%</b>
<b>(b) Privately Placed/Unlisted Non-convertible Debentures/Bonds</b>			<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>(c) MONEY MARKET INSTRUMENTS</b>					
<b>i) Certificates of Deposit**</b>					
1.	Corporation Bank	CRISIL A1+	2,500	2,328.90	6.53%
2.	Oriental Bank of Commerce	CRISIL A1+	2,500	2,327.92	6.52%
3.	Indian Overseas Bank	[ICRA]A1+	2,500	2,321.93	6.51%
4.	Bank of India	CRISIL A1+	2,500	2,319.63	6.50%
5.	Punjab & Sind Bank	[ICRA]A1+	2,000	1,847.22	5.18%
6.	Canara Bank	CRISIL A1+	1,500	1,391.94	3.90%
7.	Union Bank of India	CRISIL A1+	1,300	1,205.36	3.38%
8.	Karur Vysya Bank Ltd.	CRISIL A1+	250	249.51	0.70%
<b>Total</b>				<b>13,992.41</b>	<b>39.21%</b>
<b>ii) Commercial Papers</b>			<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>iii) Collateralised Borrowing and Lending Obligation</b>				508.88	1.43%
<b>Total</b>				<b>508.88</b>	<b>1.43%</b>
<b>iv) Treasury Bills</b>					
	91 Day - Treasury Bill 2014	Sovereign	100,000	99.84	0.28%
<b>Total</b>				<b>99.84</b>	<b>0.28%</b>
<b>FIXED DEPOSITS PLACED AS MARGIN FOR GOVERNMENT SECURITIES</b>		<b>Tenor</b>			
1.	9% HDFC Bank Limited 23 July 2014	182 Days		400.00	1.12%
2.	9% HDFC Bank Limited 25 July 2014	181 Days		80.00	0.22%
<b>Total</b>				<b>480.00</b>	<b>1.35%</b>
<b>OTHERS</b>					
Net Current Assets				697.44	1.95%
<b>Grand Total</b>				<b>35,687.26</b>	<b>100.00%</b>

\*\* Indicates thinly traded/non-traded Securities as defined in SEBI Regulations and Guidelines.

#### Notes :

(1) The provision made for Non Performing Assets as of April 30, 2014 is Nil and its percentage to Net Asset Value is Nil.

Net Asset Values are as follows:	April 30, 2014	March 31, 2014 ^
Morgan Stanley Active Bond Fund - Regular Quarterly Dividend	11.6294	11.8001 ©
Morgan Stanley Active Bond Fund - Regular Growth	13.0111	12.9241
Morgan Stanley Active Bond Fund - Institutional Plus Quarterly Dividend##	N.A.++	N.A.++
Morgan Stanley Active Bond Fund - Institutional Plus Growth##	N.A.++	N.A.++
Morgan Stanley Active Bond Fund - Direct Plan - Quarterly Dividend Option	11.7884	11.9449 ©
Morgan Stanley Active Bond Fund - Direct Plan - Growth Option	13.1752	13.0753

++ No units outstanding as of the Date reported.

^ As March 31, 2014 was a non- business day for this Scheme, the reporting is as of March 28, 2014.

© NAVs represents inclusive of Dividend declared for Record Date March 28, 2014.

## Plan(s) discontinued from accepting subscriptions w.e.f. October 01, 2012.

(3) The scheme has not declared any bonus or dividend during the month ended April 30, 2014.

- (4) During the month ended April 30, 2014., the exposure in derivative products was Nil.
- (5) Total Market Value of investments in Foreign Securities & Securitised Debt Instruments as at April 30, 2014 is Nil.
- (6) The Average Maturity Period of the Portfolio is 36.89 months.
- (7) As at April 30, 2014, Treasury Bill of Rs. 100 Lakhs (Face Value) has been placed as collateral with Clearing Corporation of India Limited.
- (8) Investment in Repo in Corporate Debt Securities during the month ended April 30, 2014 was Nil.

(ii) HHIF-DP

ISIN	Coupon (%)	Name of Instrument	Rating	Quantity	Market/ Fair Value (Rs. in Lacs.)	% to NAV	
<b>DEBT INSTRUMENTS</b>							
<b>(a) Listed / awaiting listing on Stock Exchanges</b>							
•	IN0020020072	8.35	Government Securities	Sovereign	8,000,000.00	7,739.90	10.56
•	IN0020130038	7.28	Government Securities	Sovereign	7,650,000.00	7,181.41	9.80
•	IN0020130061	8.83	Government Securities	Sovereign	6,500,000.00	6,499.98	8.87
•	IN0020070044	8.32	Government Securities	Sovereign	5,500,000.00	5,129.40	7.00
•	IN0020130053	9.20	Government Securities	Sovereign	3,750,000.00	3,785.63	5.16
•	IN1520130072	9.50	State Government of Gujarat	Sovereign	3,000,000.00	3,035.93	4.14
•	IN1520130130	9.37	State Government of Gujarat	Sovereign	2,500,000.00	2,510.22	3.42
	IN2220130123	9.39	State Government of Maharashtra	Sovereign	2,500,000.00	2,509.88	3.42
	IN0020120039	8.33	Government Securities	Sovereign	2,075,500.00	1,956.44	2.67
	IN0020050012	7.40	Government Securities	Sovereign	2,000,000.00	1,688.18	2.30
	IN1520130189	9.60	State Government of Gujarat	Sovereign	1,500,000.00	1,516.06	2.07
	IN0020110014	7.83	Government Securities	Sovereign	1,500,000.00	1,456.67	1.99
	IN0020110063	8.83	Government Securities	Sovereign	500,000.00	487.00	0.66
	IN1520120149	8.68	State Government of Gujarat	Sovereign	500,000.00	481.51	0.66
	IN0020120062	8.30	Government Securities	Sovereign	500,000.00	460.11	0.63
	IN0020050061	7.61	Government Securities	Sovereign	250,000.00	247.73	0.34
	IN0020120013	8.15	Government Securities	Sovereign	250,000.00	237.77	0.32
	IN0020120047	8.20	Government Securities	Sovereign	250,000.00	234.15	0.32
	IN2820130010	8.51	State Government of Punjab	Sovereign	75,000.00	71.26	0.10
	<b>Sub Total</b>				<b>47,229.23</b>	<b>64.43</b>	
<b>Non-Convertible debentures / Bonds</b>							
•	INE114A07851	8.25	Steel Authority of India Ltd.**	CARE - AAA	500.00	4,905.29	6.69
•	INE861G08035	9.95	Food Corporation of India	CRISIL - AAA(SO)	400.00	4,075.90	5.56
•	INE134E08FQ1	8.94	Power Finance Corporation Ltd.**	CRISIL - AAA	350.00	3,345.73	4.56
	INE153A08022	9.38	Mahanagar Telephone Nigam Ltd.**	CARE - AAA(SO)	250.00	2,507.71	3.42
	INE134E08FK4	8.95	Power Finance Corporation Ltd.**	CRISIL - AAA	250.00	2,455.40	3.35
	INE020B07HYO	9.38	Rural Electrification Corporation Ltd.**	CRISIL - AAA	100.00	995.40	1.36
	INE752E07LA4	8.70	Power Grid Corporation of India Ltd.**	CRISIL - AAA	100.00	974.61	1.33
	INE053F09FP0	10.70	Indian Railway Finance Corporation Ltd.**	CRISIL - AAA	50.00	546.28	0.75
	INE245A08034	11.40	Tata Power Co. Ltd.**	CRISIL - AA-	50.00	516.04	0.70
	INE752E07EZ6	9.33	Power Grid Corporation of India Ltd.**	CRISIL - AAA	40.00	499.96	0.68
	INE589A07029	8.83	Neyveli Lignite Corporation Ltd.**	CRISIL - AAA	50.00	488.39	0.67
	INE134E08FN8	8.90	Power Finance Corporation Ltd.**	CRISIL - AAA	50.00	481.80	0.66
	<b>Sub Total</b>				<b>21,792.51</b>	<b>29.73</b>	
<b>Zero Coupon Bonds / Deep Discount Bonds</b>					<b>Nil</b>	<b>Nil</b>	
<b>(b) Privately Placed / Unlisted</b>							
<b>Non-Convertible debentures / Bonds</b>					<b>Nil</b>	<b>Nil</b>	
<b>Zero Coupon Bonds / Deep Discount Bonds</b>					<b>Nil</b>	<b>Nil</b>	
<b>(c) Securitised Debt Instruments</b>					<b>Nil</b>	<b>Nil</b>	
<b>Total</b>					<b>69,021.74</b>	<b>94.16</b>	
<b>MONEY MARKET INSTRUMENTS</b>							
<b>Bills Rediscounting</b>					<b>Nil</b>	<b>Nil</b>	
<b>Commercial Papers (CP) / Certificate Of Deposit (CD)</b>					<b>Nil</b>	<b>Nil</b>	
<b>Treasury Bills</b>					<b>Nil</b>	<b>Nil</b>	
<b>Collateralised Borrowing &amp; Lending Obligation</b>					<b>2,782.81</b>	<b>3.80</b>	
<b>Total</b>					<b>2,782.81</b>	<b>3.80</b>	
<b>OTHERS</b>							
<b>Net Current Assets</b>					<b>1,493.47</b>	<b>2.04</b>	
<b>Total</b>					<b>1,493.47</b>	<b>2.04</b>	
<b>Grand Total</b>					<b>73,298.02</b>	<b>100.00</b>	

• Top Ten Holdings, (\$) Sponsor, (\*\*) Thinly Traded / Non-Traded Securities

**Notes:**

- 1) Total NPAs provided for and its percentage to NAV: Nil
- 2) NAVs per unit (Rs.):

NAV per unit (Rs.)	April 30, 2014	March 31, 2014@
<b>Regular Plan / Option</b>		
Growth Option	41.6750	41.2936
Dividend Option(Quarterly)	11.3043	11.2008
Dividend Option (Half Yearly)	10.9074	10.8076
Dividend Option (Yearly)	11.7393	11.6319
<b>Direct Plan / Option</b>		
Direct Plan - Growth Option	42.1147	41.6950
Direct Plan - Dividend Option(Quarterly)	11.4263	11.3124
Direct Plan - Dividend Option (Half Yearly)	11.2916	11.1791
Direct Plan - Dividend Option (Yearly)	11.8747	11.7563

@ March 31, 2014 was a non Business Day for the Scheme, however NAV for March 31, 2014 was declared being year-end.

- 3) Dividend declared during the period April 1, 2014 to April 30, 2014: Nil
- 4) Total outstanding exposure in Derivative Instruments as on April 30, 2014: Rs. 500 Lakhs

**Hedging positions through Swaps as on April 30, 2014**

Long/(Short) Positions	Underlying Security	Notional Value (in Rs. Lakhs)	Maturity date
Long	7.83% GOI 2018	500	13-Jun-16
Short	7.83% GOI 2018	(500)	13-Jun-16

- 5) Total investments in Foreign Securities / Overseas ETFs / ADRs / GDRs: Nil
- 6) Average Portfolio Maturity: 9.17 Years
- 7) Repo in Corporate Debt: Nil

**B. INVESTMENT OBJECTIVE AND ASSET ALLOCATION PATTERN TABLE**

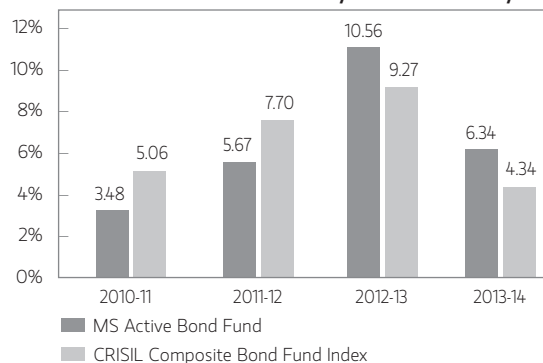
Scheme Name	Investment Objective	Asset Allocation Pattern						
MSABF	To generate optimal returns through active management of the portfolio consisting of debt and money market securities.	Debt & Money market instruments: 0-100%						
HHIF-DP	To generate regular income through investment in debt securities and money market instruments of various maturity dates with a view to maximise income while maintaining the optimum balance of yield, safety and liquidity.	<table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>% of Net Assets</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Debt and Money market Instruments*</td> <td>100</td> <td>Low to medium</td> </tr> </tbody> </table> <p>*Investment in Securitised debt, if undertaken, would not exceed 30% of the net assets of the Scheme.</p>	Type of Instruments	% of Net Assets	Risk Profile	Debt and Money market Instruments*	100	Low to medium
Type of Instruments	% of Net Assets	Risk Profile						
Debt and Money market Instruments*	100	Low to medium						

**C. Financial Performance****MSABF****Performance as on month ended April 30, 2014 (%)**

Period	MSABF	CRISIL Composite Bond Fund Index#
1 year	4.33	3.15
3 years	7.65	7.31
Since inception (CAGR)	5.49	6.25

#Scheme Benchmark.

Past performance is not a guarantee of future returns. All returns are of Regular Growth Option. Since inception returns are calculated on Rs. 10/- invested at inception of the fund (May 28, 2009).

**Absolute Returns for each financial year for the last 4 years****HHIF-DP****HHIF –Dynamic Plan – Regular Plan – Growth Option**

Compounded Annualised Returns as on April 30, 2014	Scheme Returns (%)^	Benchmark Returns %#
Last 1 Year (365 days)	3.76	3.15
Last 3 Years (1097 days)	7.90	7.30
Last 5 Years (1827 days)	6.39	5.93
Since Inception* (6211 days)	8.75	N.A.

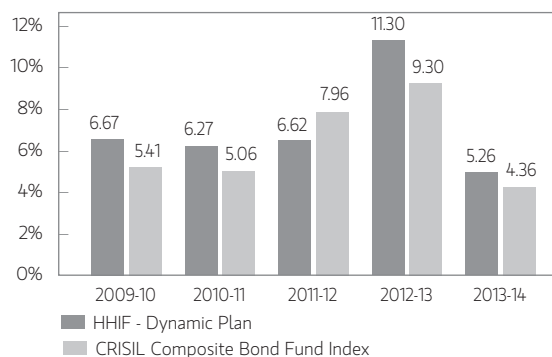
\*Inception Date: April 28, 1997 # Crisil Composite Bond Fund Index  
Since inception returns are calculated on Rs.10 (allotment price)  
N.A. = Not Available

**HHIF –Dynamic Plan – Direct Plan – Growth Option**

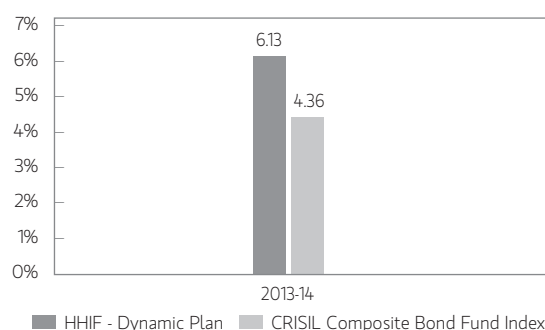
Compounded Annualised Returns as on April 30, 2014	Scheme Returns (%)^	Benchmark Returns %#
Last 1 Year (365 days)	4.66	3.15
Since Inception@ (484 days)	7.06	5.48

@Inception Date: January 1, 2013 # Crisil Composite Bond Fund Index  
Since inception returns are calculated on Rs.38.4715 (allotment price)

#### Absolute Returns for each financial year for the last 5 years<sup>^</sup>



#### Absolute Returns for each financial year for the last 1 year<sup>^</sup>



As the Direct Plan was launched only on January 1, 2013, it has completed only one full Financial Year.

<sup>^</sup>Past performance may or may not be sustained in the future

#### D. Percentage of total non-performing assets and percentage of total illiquid assets to net assets as at April 30, 2014

Scheme Name	Total non-performing assets as % to net assets	Total illiquid assets as % to net assets
MSABF	NIL	NIL
HHIF-DP	NIL	NIL

#### E. Tax impact of consolidation on the unit holders

Investors of MSABF will be issued units in HHIF-DP equivalent to the value of their units held in MSABF. The transaction shall be treated as redemption of units in MSABF and may entail a capital gain or loss in the hands of the investors. Further, in case of Non Resident Indians (NRIs), tax, if any, at applicable rates will be withheld by MS MF / MS AMC and units for the residual value will be issued in HHIF-DP.

The units allotted in HHIF-DP shall be treated as a fresh subscription.

In view of the individual nature of the implications, each unit holder is advised to consult his own tax advisor.

#### F. Total expense ratio as on April 30, 2014

Scheme Name	As per Scheme Information Document (%)	Actual charged (%)
MSABF	2.25 + 0.20 + 0.30 = 2.75	Regular Plan – 2.10% Direct Plan – 1.10%
HHIF-DP	2.25 + 0.20 + 0.30 = 2.75	Regular Plan – 1.56% Direct Plan – 0.56%

#### G. Main Features - HHIF-DP

Particulars	Details
Plans / Options	<b>Plans:</b> Regular and Direct Plan <b>Options:</b> (i) Growth, (ii) Quarterly Dividend, (iii) Half-Yearly Dividend and (iv) Yearly Dividend (with Payout and Reinvestment facility).
Minimum Application Amount	<b>Purchase:</b> Rs. 5,000 and any amount thereafter. <b>Additional Purchase:</b> Rs. 1,000 and any amount thereafter.
Minimum Repurchase Amount / Number of Units	Rs. 500 or 50 Units
Liquidity	The Scheme will offer Units for Sale / Switch-in and Redemption / Switch-out on every Business Day at NAV based prices. The Mutual Fund will endeavor to despatch the Redemption proceeds within 3-4 Business Days from the acceptance of the Redemption request.
Load Structure	Exit Load: <ul style="list-style-type: none"> <li>In respect of each purchase / switch-in of Units, an Exit Load of 0.50% is payable if Units are redeemed / switched-out within 3 months from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 3 months from the date of allotment.</li> </ul>

#### H. Basis of allocation of Units in Transferee Scheme

MSABF will cease to exist post close of business hours on the Completion Date. The unit holders of MSABF as at the close of business hours on the Completion Date will be allotted units, equivalent to the value of their units in MSABF, under the corresponding option of HHIF-DP at the NAV of the Completion Date.

The allotment of units is explained with the help of the following illustration:

Completion Date		27.06.2014
NAV of MSABF as on 27.06.2014	(A)	Rs.15/- per unit
Units outstanding in MSABF as on 27.06.2014	(B)	200 units
Outstanding value before merger	(C) = (A) X (B)	Rs.3000
NAV of HHIF-DP as on 27.06.2014	(D)	Rs.20/- per unit
Allotment of units in HHIF-DP	(E) = (C) / (D)	150 units
Value of merged units	(F) = (D) X (E)	Rs.3000

Please note that the aforesaid is only an illustration and the actual number of units to be allotted under HHIF-DP will be determined by the value of units held in MSABF and the NAVs of MSABF and HHIF-DP on the Completion Date.

Impact of tax on capital gains, if any, has not been considered in the above illustration. Further, in case of Non Resident Indians (NRIs), tax, if any, at applicable rates will be withheld and units for the residual value will be issued in HHIF-DP.

A fresh account statement reflecting the new units allotted, will be sent to the unit holders of MSABF by HDFC MF.



IV. MORGAN STANLEY SHORT TERM BOND FUND (MSSTBF) AND HDFC SHORT TERM PLAN (HSTP) (AFTER CHANGE IN FUNDAMENTAL ATTRIBUTES IN HSTP)

A. Portfolios of MSSTBF and HSTP as on April 30, 2014

(i) MSSTBF

Sr. No.	Name of the Instrument	Rating	Quantity	Mkt. Value (Rs. in Lakhs)	% to NAV
<b>DEBT INSTRUMENTS</b>					
<b>(a) Listed/Awaiting listing on Stock Exchanges</b>					
<b>i) Government Securities</b>			<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>ii) Non-convertible Debentures/Bonds</b>					
1.	Tata Motors Finance Ltd**	CRISIL AA	250	2,519.65	9.79%
2.	Housing Development Finance Corporation Ltd.	CRISIL AAA	250	2,503.30	9.72%
3.	IDFC Ltd.**	[ICRA]AAA	250	2,492.30	9.68%
4.	Rural Electrification Corporation Ltd.	CRISIL AAA	200	2,009.81	7.81%
5.	LIC Housing Finance Ltd.**	CARE AAA	130	1,294.37	5.03%
6.	Tata Capital Financial Services Ltd**	[ICRA]AA+	50	499.96	1.94%
<b>Total</b>				<b>11,319.39</b>	<b>43.97%</b>
<b>(b) Privately Placed/Unlisted Non-convertible Debentures/Bonds</b>			<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>(c) MONEY MARKET INSTRUMENTS</b>					
<b>i) Certificates of Deposit**</b>					
1.	Corporation Bank	CRISIL A1+	2,500	2,328.90	9.05%
2.	Oriental Bank of Commerce	CRISIL A1+	2,500	2,327.92	9.04%
3.	Indian Overseas Bank	[ICRA]A1+	2,500	2,321.93	9.02%
4.	Bank of India	CRISIL A1+	2,000	1,855.71	7.21%
5.	Punjab & Sind Bank	[ICRA]A1+	2,000	1,847.22	7.17%
6.	Union Bank of India	CRISIL A1+	1,200	1,112.64	4.32%
7.	Canara Bank	CRISIL A1+	1,000	927.96	3.60%
8.	Karur Vysya Bank Ltd.	CRISIL A1+	250	249.51	0.97%
<b>Total</b>				<b>12,971.78</b>	<b>50.38%</b>
<b>ii) Commercial Papers</b>			<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>iii) Collateralised Borrowing and Lending Obligation</b>				<b>782.82</b>	<b>3.04%</b>
<b>Total</b>				<b>782.82</b>	<b>3.04%</b>
<b>iv) Treasury Bills</b>					
	91 Day - Treasury Bill 2014	Sovereign	100,000	99.84	0.39%
<b>Total</b>				<b>99.84</b>	<b>0.39%</b>
<b>FIXED DEPOSITS PLACED AS MARGIN FOR GOVERNMENT SECURITIES</b>		<b>Tenor</b>			
	9% HDFC Bank Limited 23 July 2014	182 Days		145.00	0.56%
<b>Total</b>				<b>145.00</b>	<b>0.56%</b>
<b>OTHERS</b>					
	Net Current Assets			427.34	1.66%
<b>Grand Total</b>				<b>25,746.16</b>	<b>100.00%</b>

\*\* Indicates thinly traded/non-traded Securities as defined in SEBI Regulations and Guidelines.

**Notes :**

(1) The provision made for Non Performing Assets as of April 30, 2014 is Nil and its percentage to Net Asset Value is Nil.

Net Asset Values are as follows:	April 30, 2014	March 31, 2014 <sup>^</sup>
Morgan Stanley Short Term Bond Fund - Regular Weekly Reinvestment Dividend	10.3930	10.4065 ©
Morgan Stanley Short Term Bond Fund - Regular Monthly Dividend	10.3607	10.4199 ©
Morgan Stanley Short Term Bond Fund - Regular Growth	14.5706	14.4717
Morgan Stanley Short Term Bond Fund - Institutional Plus Weekly Dividend###	10.5256	10.5378 ©
Morgan Stanley Short Term Bond Fund - Institutional Plus Monthly Dividend###	10.3507	10.4130 ©
Morgan Stanley Short Term Bond Fund - Institutional Plus Growth###	14.8775	14.7692
Morgan Stanley Short Term Bond Fund - Direct Plan - Daily Dividend	N.A.++	N.A.++
Morgan Stanley Short Term Bond Fund - Direct Plan - Weekly Dividend	10.4749	10.4861 ©
Morgan Stanley Short Term Bond Fund - Direct Plan - Monthly Dividend	10.9624	10.8816
Morgan Stanley Short Term Bond Fund - Direct Plan - Quarterly Dividend	N.A.++	N.A.++
Morgan Stanley Short Term Bond Fund - Direct Plan - Growth	14.6914	14.5831

<sup>^</sup> As March 31, 2014 was a non-business day for this Scheme, the reporting is as of March 28, 2014.

© NAVs represents inclusive of Dividend declared for Record Date March 28, 2014.

++ No units outstanding as of the Date reported.

### Plan(s) discontinued from accepting subscriptions w.e.f. October 01, 2012.

- (3) The Scheme has declared dividend in the following plans during the month ended April 30, 2014 Per Unit (Rs.) (Gross)
- |  |        |
|--|--------|
| Morgan Stanley Short Term Bond Fund - Regular Weekly Reinvestment Dividend | 0.0691 |
| Morgan Stanley Short Term Bond Fund - Regular Monthly Dividend             | 0.0690 |
| Morgan Stanley Short Term Bond Fund - Institutional Plus Weekly Dividend   | 0.0728 |
| Morgan Stanley Short Term Bond Fund - Institutional Plus Monthly Dividend  | 0.0729 |
| Morgan Stanley Short Term Bond Fund - Direct Plan - Weekly Dividend        | 0.0728 |
- (4) The Scheme has not declared any bonus during the month ended April 30, 2014
- (5) During the month ended April 30, 2014, the exposure in derivative products was Nil.
- (6) Total Market Value of investments in Foreign Securities & Securitised Debt Instruments as at April 30, 2014 is Nil.
- (7) The Average Maturity Period of the Portfolio is 16.17 months.
- (8) As at April 30, 2014, Treasury Bill of Rs. 100 Lakhs (Face Value) has been placed as collateral with Clearing Corporation of India Limited.
- (9) Investment in Repo in Corporate Debt Securities during the month ended April 30, 2014 was Nil.

(ii) HSTP

ISIN	Coupon (%)	Name of Instrument	Rating	Quantity	Market/ Fair Value (Rs. in Lacs.)	% to NAV
<b>DEBT INSTRUMENTS</b>						
<b>(a) Listed / awaiting listing on Stock Exchanges</b>						
IN0020020072	8.35	Government Securities	Sovereign	3,000,000.00	2,902.46	1.52
IN1520120115	8.75	State Government of Gujarat	Sovereign	2,000,000.00	1,984.04	1.04
<b>Sub Total</b>					<b>4,886.50</b>	<b>2.56</b>
<b>Non-Convertible debentures / Bonds</b>						
• INE721A07EE4	10.10	Shriram Transport Finance Co. Ltd.**	CARE - AA+	500.00	4,999.74	2.62
INE149A07105	9.95	Tube Investments of India Ltd.**	CRISIL - AA	40.00	4,004.31	2.10
INE020B07HY0	9.38	Rural Electrification Corporation Ltd.**	CRISIL - AAA	400.00	3,981.59	2.09
INE722A07414	10.60	Shriram City Union Finance Ltd.**	CRISIL - AA-	350,000.00	3,505.77	1.84
INE909H07AI9	9.60	Tata Motors Finance Ltd.**	CARE - AA-	350.00	3,490.04	1.83
INE735N08029	10.05	BMW India Financial Services Pvt. Ltd.**	CRISIL - AAA	250.00	2,506.96	1.32
INE115A07CR5	9.76	LIC Housing Finance Ltd.**	CRISIL - AAA	250.00	2,503.93	1.31
INE115A07EO8	9.55	LIC Housing Finance Ltd.**	CRISIL - AAA	250.00	2,499.66	1.31
INE155A08092	9.85	Tata Motors Ltd.**	CARE - AA+	250.00	2,499.02	1.31
INE001A07KE8	9.45	Housing Development Finance Corporation Ltd.\$**	CRISIL - AAA	250.00	2,495.29	1.31
INE064K08012	8.40	ONGC Videsh Ltd.**	CRISIL - AAA	250.00	2,480.59	1.30
INE514E08852	8.45	Export - Import Bank of India**	CRISIL - AAA	250.00	2,470.38	1.30
INE134E08FU3	8.29	Power Finance Corporation Ltd.	CRISIL - AAA	250.00	2,470.35	1.30
INE069A08038	8.99	Aditya Birla Nuvo Ltd.**	ICRA - AA+	250.00	2,428.49	1.27
INE134E08FV1	8.27	Power Finance Corporation Ltd.**	CRISIL - AAA	200.00	1,958.27	1.03
INE306N07344	9.93	Tata Capital Financial Services Ltd.**	ICRA - AA+	175.00	1,750.04	0.92
INE722A07224	11.85	Shriram City Union Finance Ltd.**	CRISIL - AA-	150,000.00	1,524.50	0.80
INE756I07043	9.95	HDB Financial Services Ltd.**	CARE - AAA	300.00	1,503.08	0.79
INE721A07BC4	10.40	Shriram Transport Finance Co. Ltd.**	CARE - AA+	150.00	1,501.12	0.79
INE134E08EC4	9.55	Power Finance Corporation Ltd.	CRISIL - AAA	150.00	1,499.07	0.79
INE155A08142	9.15	Tata Motors Ltd.**	CARE - AA+	150.00	1,490.30	0.78
INE752E07KD0	8.85	Power Grid Corporation of India Ltd.**	CRISIL - AAA	120.00	1,467.24	0.77
INE722A07216	12.10	Shriram City Union Finance Ltd.	CRISIL - AA-	100,000.00	1,018.46	0.53
INE721A07AV6	11.60	Shriram Transport Finance Co. Ltd.**	CRISIL - AA	100,000.00	1,016.62	0.53
INE062A09130	9.85	State Bank of India**	CRISIL - AAA	100.00	1,011.89	0.53
INE735N08037	10.25	BMW India Financial Services Pvt. Ltd.**	CRISIL - AAA	100.00	1,010.46	0.53
INE001A07IL7	9.85	Housing Development Finance Corporation Ltd.\$**	CRISIL - AAA	100.00	1,002.44	0.53
INE261F09HG4	9.35	National Bank for Agriculture & Rural Development**	CRISIL - AAA	100.00	1,001.25	0.53
INE134E08DT0	9.41	Power Finance Corporation Ltd.**	CRISIL - AAA	100.00	1,000.06	0.52
INE851M07028	9.70	Volkswagen Finance Private Limited**	FITCH - AAA	100.00	997.68	0.52
INE020B08773	9.25	Rural Electrification Corporation Ltd.**	CRISIL - AAA	100.00	997.03	0.52
INE043D07EF4	9.15	IDFC Ltd.	ICRA - AAA	100.00	996.69	0.52
INE309K08029	8.60	Airports Authority of India**	CRISIL - AAA	100.00	993.98	0.52
INE752E07KE8	8.85	Power Grid Corporation of India Ltd.**	CRISIL - AAA	80.00	975.58	0.51
INE804I07SH4	11.60	ECL Finance Ltd.**	CARE - AA	93,094.00	944.82	0.50
INE261F09HL4	9.50	National Bank for Agriculture & Rural Development**	CRISIL - AAA	53.00	530.94	0.28
INE155A07193	2.00	Tata Motors Ltd.**	CRISIL - AAA(SO)	35.00	521.54	0.27
INE081A07175	10.20	Tata Steel Ltd.**	FITCH - AA	50.00	501.88	0.26
INE306N07252	10.15	Tata Capital Financial Services Ltd.**	ICRA - AA+	50.00	500.18	0.26
INE752E07KC2	8.85	Power Grid Corporation of India Ltd.**	CRISIL - AAA	40.00	493.09	0.26

ISIN	Coupon (%)	Name of Instrument	Rating	Quantity	Market/ Fair Value (Rs. in Lacs.)	% to NAV
INE114A07851	8.25	Steel Authority of India Ltd.**	CARE - AAA	50.00	490.53	0.26
INE020B08815	8.70	Rural Electrification Corporation Ltd.	CRISIL - AAA	50.00	487.48	0.26
INE268A07145	9.10	SesaSterlite Ltd.**	CRISIL - AA+	50.00	486.05	0.26
INE155A08100	9.84	Tata Motors Ltd.**	CARE - AA+	40.00	399.55	0.21
INE514E08CZ2	9.50	Export - Import Bank of India**	CRISIL - AAA	9.00	90.09	0.05
INE001A07KK5	9.35	Housing Development Finance Corporation Ltd.\$**	CRISIL - AAA	1.00	9.96	0.01
<b>Sub Total</b>					<b>72,507.99</b>	<b>38.05</b>
<b>Zero Coupon Bonds / Deep Discount Bonds</b>						
• INE417L07012		Madura Garments Lifestyle Retail Co Ltd. **	ICRA - AA+(SO)	750.00	8,778.39	4.61
• INE668F07038		Jyothy Laboratories Limited**	CARE - AA-	500.00	5,330.69	2.80
INE587B07TI6		GE Capital Services India**	CRISIL - AAA	250.00	3,063.51	1.61
INE400K07036		Andhra Pradesh Expressway Ltd.**	ICRA - AAA(SO)	241.00	2,782.88	1.46
INE400K07044		Andhra Pradesh Expressway Ltd.**	ICRA - AAA(SO)	160.00	1,835.54	0.96
INE001A07GX6		Housing Development Finance Corporation Ltd.\$**	CRISIL - AAA	17.00	224.47	0.12
INE976I07BN4		Tata Capital Financial Services Ltd.**	CARE - AA+	2.00	25.04	0.01
INE660A07HE7		Sundaram Finance Ltd.**	FITCH - AA+	2.00	19.03	0.01
<b>Sub Total</b>					<b>22,059.55</b>	<b>11.58</b>
<b>(b) Privately Placed / Unlisted</b>						
<b>Non-Convertible debentures / Bonds</b>						
• INE985N07048	13.00	Jay Properties Private Ltd. **	Unrated	75.00	7,488.43	3.93
• INE413007072	13.45	Prime Publishing Private Limited **	Unrated	65.00	6,517.03	3.42
INE895D08485	9.78	Tata Sons Ltd.**	CRISIL - AAA	350.00	3,504.21	1.84
INE317K07016	12.25	Neptune Realtors Private Ltd. **	Unrated	350.00	3,500.36	1.84
INE413007080	13.45	Prime Publishing Private Limited **	Unrated	10.00	1,002.01	0.53
INE413007106	13.45	Prime Publishing Private Limited **	Unrated	7.00	702.36	0.37
<b>Sub Total</b>					<b>22,714.40</b>	<b>11.93</b>
<b>Zero Coupon Bonds / Deep Discount Bonds</b>						
• INE750H07055		Samvardhana Motherson International Ltd.**	BWR - A(SO)	120.00	12,169.87	6.39
INE750H07063		Samvardhana Motherson International Ltd.**	BWR - A(SO)	6.00	610.19	0.32
<b>Sub Total</b>					<b>12,780.06</b>	<b>6.71</b>
<b>(c) Securitised Debt Instruments</b>						
INE176G15017		Loan Securitisation Trust (Series XX)**	CRISIL - AAA(SO)	71.00	57.36	0.03
<b>Sub Total</b>					<b>57.36</b>	<b>0.03</b>
<b>Total</b>					<b>135,005.86</b>	<b>70.86</b>
<b>MONEY MARKET INSTRUMENTS</b>						
<b>Bills Rediscounting</b>					<b>Nil</b>	<b>Nil</b>
<b>Commercial Papers (CP) / Certificate Of Deposit (CD)</b>						
• INE084A16AQ0		Bank of India**	CRISIL - A1+	10,000.00	9,285.03	4.87
• INE095A16MN8		Indusind Bank Ltd.**	CRISIL - A1+	7,500.00	7,418.15	3.89
• INE434A16FK9		Andhra Bank**	FITCH - A1+	7,000.00	6,927.85	3.64
• INE008A16VE1		IDBI Bank Ltd.**	ICRA - A1+	5,000.00	4,944.74	2.60
INE692A16CZ7		Union Bank of India**	CRISIL - A1+	5,000.00	4,839.85	2.54
INE084A16AO5		Bank of India**	CRISIL - A1+	5,000.00	4,834.16	2.54
INE077A16BT6		Dena Bank**	CRISIL - A1+	2,500.00	2,467.25	1.30
INE608A16GC3		Punjab & Sind Bank**	ICRA - A1+	2,250.00	2,078.13	1.09
INE090A16N33		ICICI Bank Ltd.**	CARE - A1+	2,000.00	1,995.56	1.05
INE166A16IX4		ING Vysya Bank Ltd.**	CRISIL - A1+	450.00	445.74	0.23
INE476A16KC7		Canara Bank**	CRISIL - A1+	450.00	445.72	0.23
INE695A16HZ9		United Bank of India**	ICRA - A2+	150.00	147.70	0.08
<b>Sub Total</b>					<b>45,829.88</b>	<b>24.06</b>
<b>Treasury bills</b>						
IN002013Z100		364 Days T-Bill 2014	Sovereign	387,750.00	378.78	0.20
<b>Sub Total</b>					<b>378.78</b>	<b>0.20</b>
<b>Collateralised Borrowing &amp; Lending Obligation</b>					<b>2,315.55</b>	<b>1.22</b>
<b>Sub Total</b>					<b>2,315.55</b>	<b>1.22</b>
<b>Total</b>					<b>48,524.21</b>	<b>25.48</b>
<b>OTHERS</b>						
<b>Net Current Assets</b>					<b>6,960.80</b>	<b>3.66</b>
<b>Total</b>					<b>6,960.80</b>	<b>3.66</b>
<b>Grand Total</b>					<b>190,490.87</b>	<b>100.00</b>

• Top Ten Holdings, (\$) Sponsor,\*\*) Thinly Traded / Non-Traded Securities

**Notes:**

- 1) Total NPAs provided for and its percentage to NAV: Nil
- 2) NAVs per unit (Rs.):

NAVs per unit (Rs.)	April 30, 2014	March 31, 2014@
<b>Regular Plan / Option</b>		
Growth Option	24.5570	24.3764
Dividend Option	10.3332	10.3420
<b>Direct Plan / Option</b>		
Direct Plan - Growth Option	24.6370	24.4505
Direct Plan - Dividend Option	10.3334	10.3422

@ March 31, 2014 was a non Business Day for the Scheme, however NAV for March 31, 2014 was declared being year-end.

- 3) Dividend declared during the period April 1, 2014 to April 30, 2014:

Plan / Option	Dividend Amount (Rs. Per Unit)	
	Individuals & HUF	Others
Dividend Option	0.0665	0.0637
Direct Plan - Dividend Option	0.0682	0.0682

- 4) Total outstanding exposure in Derivative Instruments as on April 30, 2014: Nil
- 5) Total investments in Foreign Securities / Overseas ETFs / ADRs / GDRs: Nil
- 6) Average Portfolio Maturity: 1.45 Years
- 7) Repo in Corporate Debt: Nil

**B. Investment Objective and Asset Allocation Pattern Table**

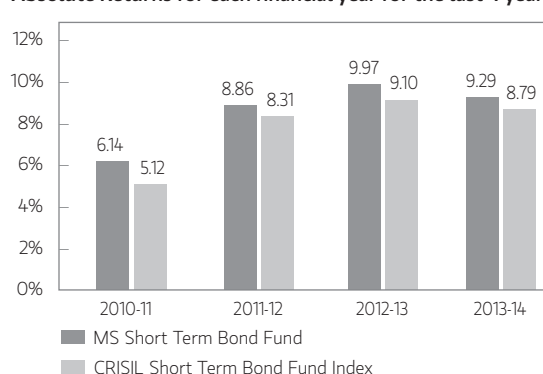
Scheme Name	Investment Objective	Asset Allocation Pattern												
MSSTBF	To generate income from a diversified portfolio of short to medium term debt and money market securities.	Money market & debt instruments with residual maturity/average maturity/ interest rate reset not greater than 1 year: 25-100%  Debt instruments including Government Securities with residual maturity greater than 1 year: 0-75%												
HSTP	To generate regular income through investment in debt securities and money market instruments.	After the change in fundamental attributes: <b>Type of Instruments</b>  Debt Securities with less than 3 years residual maturity and Money Market Instruments  Debt Securities with less than 5 years residual maturity  It is the intention of the Scheme that the investments in securitized debt will not, normally exceed 60% of the net assets of the Scheme.  Average maturity shall be from 1 to 3 years.												
		<table border="1"> <thead> <tr> <th></th> <th>Minimum Allocation (% of Net Assets)</th> <th>Maximum Allocation (% of Net Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Debt Securities with less than 3 years residual maturity and Money Market Instruments</td> <td>80</td> <td>100</td> <td>Low to Medium</td> </tr> <tr> <td>Debt Securities with less than 5 years residual maturity</td> <td>0</td> <td>20</td> <td>Low to Medium</td> </tr> </tbody> </table>		Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile	Debt Securities with less than 3 years residual maturity and Money Market Instruments	80	100	Low to Medium	Debt Securities with less than 5 years residual maturity	0	20	Low to Medium
	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile											
Debt Securities with less than 3 years residual maturity and Money Market Instruments	80	100	Low to Medium											
Debt Securities with less than 5 years residual maturity	0	20	Low to Medium											

**C. Financial Performance****MSSTBF****Performance as on month ended April 30, 2014 (%)**

Period	MSSTBF	CRISIL Bond Fund Index#
1 year	8.41	8.36
3 years	9.36	8.78
Since inception (CAGR)	7.94	7.24

#Scheme Benchmark.

Past performance is not a guarantee of future returns. All returns are of Regular Growth Option. Since inception returns are calculated on Rs. 10/- invested at inception of the fund (May 26, 2009).

**Absolute Returns for each financial year for the last 4 years****HSTP****HDFC Short Term Plan – Regular Plan – Growth Option**

Compounded Annualised Returns as on April 30, 2014	Scheme Returns (%)^	Benchmark Returns %#
Last 1 Year (365 days)	7.16	8.36
Last 3 Years (1097 days)	8.78	8.77
Last 5 Years (1827 days)	7.47	7.18
Since Inception* (4444 days)	7.66	N.A.

\*Inception Date: February 28, 2002 # Crisil Short Term Bond Fund Index  
Since inception returns are calculated on Rs.10 (allotment price)

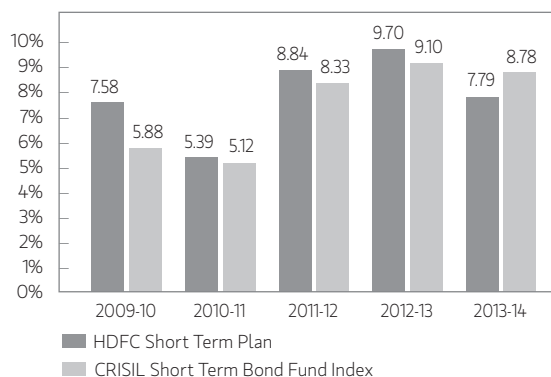
N.A. = Not Available

**HDFC Short Term Plan – Direct Plan – Growth Option**

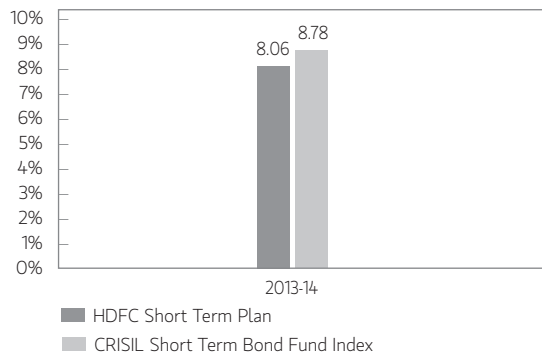
Compounded Annualised Returns as on April 30, 2014	Scheme Returns (%)^	Benchmark Returns %#
Last 1 Year (365 days)	7.42	8.36
Since Inception@ (484 days)	8.23	8.72

@Inception Date: January 1, 2013 # Crisil Short Term Bond Fund Index  
Since inception returns are calculated on Rs.22.1829 (allotment price)

#### Absolute Returns for each financial year for the last 5 years<sup>^</sup>



#### Absolute Returns for each financial year for the last 1 year<sup>^</sup>



As the Direct Plan was launched only on January 1, 2013, it has completed only one full Financial Year.

<sup>^</sup>Past performance may or may not be sustained in the future

#### D. Percentage of total non-performing assets and percentage of total illiquid assets to net assets as at April 30, 2014

Scheme Name	Total non-performing assets as % to net assets	Total illiquid assets as % to net assets
MSSTBF	NIL	NIL
HSTP	NIL	NIL

#### E. Tax impact of consolidation on the unit holders

Investors of MSSTBF will be issued units in HSTP equivalent to the value of their units held in MSSTBF. The transaction shall be treated as redemption of units in MSSTBF and may entail a capital gain or loss in the hands of the investors. Further, in case of Non Resident Indians (NRIs), tax, if any, at applicable rates will be withheld by MS MF / MS AMC and units for the residual value will be issued in HSTP.

The units allotted in HSTP shall be treated as a fresh subscription.

In view of the individual nature of the implications, each unit holder is advised to consult his own tax advisor.

#### F. Total expense ratio as on April 30, 2014

Scheme Name	As per Scheme Information Document (%)	Actual charged (%)
MSSTBF	2.25 + 0.20 + 0.30 = 2.75	Regular Plan – 1.15% Direct Plan – 0.50% Institutional Plus Plan- 0.60%
HSTP	2.25 + 0.20 + 0.30 = 2.75	Regular Plan – 0.74% Direct Plan – 0.49%

#### G. Main Features - HSTP

Particulars	Details
Plans / Options	<b>Plans:</b> Regular and Direct <b>Options:</b> (i) Growth and (ii) Dividend (Monthly) with Payout and Reinvestment facility.
Minimum Application Amount	<b>Purchase:</b> Rs. 5,000 and any amount thereafter. <b>Additional Purchase:</b> Rs. 1,000 and any amount thereafter.
Minimum Repurchase Amount / Number of Units	Rs. 500 or 50 Units
Liquidity	The Scheme will offer Units for Sale / Switch-in and Redemption / Switch-out on every Business Day at NAV based prices. The Mutual Fund will endeavor to despatch the Redemption proceeds within 3-4 Business Days from the acceptance of the Redemption request.
Load Structure	Exit Load: <ul style="list-style-type: none"> <li>In respect of each purchase / switch-in of Units, an Exit Load of <b>0.75%</b> is payable if Units are redeemed / switched-out <b>within 12 months</b> from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched out after 12 months from the date of allotment.</li> </ul>

#### H. Basis of allocation of Units in Transferee Scheme

MSSTBF will cease to exist post close of business hours on the Completion Date. The unit holders of MSSTBF as at the close of business hours on the Completion Date will be allotted units, equivalent to the value of their units in MSSTBF, under the corresponding option of HSTP at the NAV of the Completion Date.

The allotment of units is explained with the help of the following illustration:

Completion Date		27.06.2014
NAV of MSSTBF as on 27.06.2014	(A)	Rs.15/- per unit
Units outstanding in MSSTBF as on 27.06.2014	(B)	200 units
Outstanding value before merger	(C) = (A) X (B)	Rs.3000
NAV of HSTP as on 27.06.2014	(D)	Rs.20/- per unit
Allotment of units in HSTP	(E) = (C) / (D)	150 units
Value of merged units	(F) = (D) X (E)	Rs.3000

Please note that the aforesaid is only an illustration and the actual number of units to be allotted under HSTP will be determined by the value of units held in MSSTBF and the NAVs of MSSTBF and HSTP on the Completion Date.

Impact of tax on capital gains, if any, has not been considered in the above illustration. Further, in case of Non Resident Indians (NRIs), tax, if any, at applicable rates will be withheld and units for the residual value will be issued in HSTP.

A fresh account statement reflecting the new units allotted, will be sent to the unit holders of MSSTBF by HDFC MF.

V. MORGAN STANLEY MULTI ASSET FUND (PLAN A AND PLAN B)

A. Portfolio of MSMAF as on April 30, 2014

(i) MSMAF – Plan A

Sr. No.	Name of the Instrument	Industry@/Rating	Quantity	Mkt. Value (Rs. in Lakhs)	% to NAV
<b>Equity &amp; Equity-Related</b>					
<b>Listed/Awaiting listing on Stock Exchanges</b>					
1	Infosys Ltd.	Software	1,449	46.09	2.37%
2	Tata Consultancy Services Ltd.	Software	1,816	39.76	2.04%
3	Oil & Natural Gas Corporation Ltd.	Oil	10,904	35.45	1.82%
4	Axis Bank Ltd.	Banks	2,256	34.23	1.76%
5	Reliance Industries Ltd.	Petroleum Products	3,593	33.62	1.73%
6	ICICI Bank Ltd.	Banks	2,631	32.71	1.68%
7	ING Vysya Bank Ltd.	Banks	5,614	31.79	1.63%
8	HDFC Bank Ltd.	Banks	3,783	27.29	1.40%
9	Maruti Suzuki India Ltd.	Auto	1,148	22.08	1.13%
10	Hero Moto Corp Ltd.	Auto	989	21.76	1.12%
11	Lupin Ltd.	Pharmaceuticals	2,199	21.76	1.12%
12	Oberoi Realty Ltd.	Construction	9,293	19.20	0.99%
13	Dr. Reddy's Laboratories Ltd.	Pharmaceuticals	562	15.21	0.78%
<b>Total</b>				<b>380.95</b>	<b>19.57%</b>
<b>DEBT INSTRUMENTS</b>					
<b>(a) Listed/Awaiting listing on Stock Exchanges</b>					
<b>i) Government Securities</b>					
1.	8.12% GOI Bonds 2020	Sovereign	425,000	408.06	20.96%
2.	8.83% GOI Bonds 2023	Sovereign	100,000	100.00	5.14%
<b>Total</b>				<b>508.06</b>	<b>26.10%</b>
<b>ii) Non-convertible Debentures/Bonds</b>					
1.	Rural Electrification Corporation Ltd.	CRISIL AAA	25	251.23	12.91%
2.	LIC Housing Finance Ltd.**	CARE AAA	5	49.78	2.56%
<b>Total</b>				<b>301.01</b>	<b>15.47%</b>
<b>(b) MONEY MARKET INSTRUMENTS</b>					
<b>i) Certificates of Deposit**</b>					
1.	Punjab & Sind Bank	[ICRA]A1+	250	230.90	11.86%
<b>Total</b>				<b>230.90</b>	<b>11.86%</b>
<b>ii) Commercial Papers</b>					
				Nil	Nil
<b>iii) Collateralised Borrowing and Lending Obligation</b>					
				<b>295.93</b>	<b>15.20%</b>
<b>Total</b>				<b>295.93</b>	<b>15.20%</b>
<b>iv) Treasury Bills</b>					
91 Day - Treasury Bill 2014			Sovereign	25,000	24.96
<b>Total</b>				<b>24.96</b>	<b>1.28%</b>
<b>FIXED DEPOSITS PLACED AS MARGIN FOR GOVERNMENT SECURITIES</b>					
9% HDFC Bank Limited 25 July 2014			Tenor	185.00	9.50%
<b>Total</b>				<b>185.00</b>	<b>9.50%</b>
<b>OTHERS</b>					
Net Current Assets				19.93	1.02%
<b>Grand Total</b>				<b>1,946.74</b>	<b>100.00%</b>

\*\* Indicates thinly traded/non-traded Securities as defined in SEBI Regulations and Guidelines.

@ Industry classification as recommended by AMFI.

**Notes :**

- The provision made for Non Performing Assets as of April 30, 2014. is Nil and its percentage to Net Asset Value is Nil.
- Net Asset Values are as follows:

	April 30, 2014	March 31, 2014 <sup>^</sup>
Morgan Stanley Multi Asset Fund Plan A - Growth Option	11.7478	11.7133
Morgan Stanley Multi Asset Fund Plan A - Regular Monthly Dividend Option	10.6048	10.5736
Morgan Stanley Multi Asset Fund Plan A - Regular Quarterly Dividend Option	10.3811	10.5492 <sup>©</sup>
Morgan Stanley Multi Asset Fund Plan A - Direct Plan - Growth Option	11.8260	11.7858
Morgan Stanley Multi Asset Fund Plan A - Direct Plan - Monthly Dividend Option	N.A.++	10.6717
Morgan Stanley Multi Asset Fund Plan A - Direct Plan - Quarterly Dividend Option	10.4657	10.6266 <sup>©</sup>

<sup>^</sup> As March 31, 2014 was a non-business day for this Scheme, the reporting is as of March 28, 2014.  
<sup>©</sup> NAVs represents inclusive of Dividend declared for Record Date March 28, 2014.  
++ No units outstanding as of the Date reported.
- The Scheme has not declared any bonus or dividend during the month ended April 30, 2014.
- Details of derivatives exposure and transaction:
  - Hedging Position through Futures as on April 30, 2014 is Nil and for the month ended April 30, 2014 there were no non-hedging transactions through futures which have been squared off/expired.
  - Other than Hedging Position through Futures as on April 30, 2014 is Nil and for the month ended April 30, 2014 there were no non-hedging transactions through futures which have been squared off/expired.
  - Hedging Position through Put Options as on April 30, 2014 is Nil and for the month ended April 30, 2014 there were no hedging transactions through option which have been exercised/expired.
  - Other than Hedging Positions through Options as on April 30, 2014 is Nil and for the month ended April 30, 2014 there were no non-hedging transactions through options which have been exercised/expired.
  - Hedging Positions through swaps as on April 30, 2014 is Nil.



- (5) Total Market Value of investments in Foreign Securities & Securitised Debt Instruments as at April 30, 2014 is Nil.  
(6) The Average Maturity Period of the Portfolio is 37.02 months.  
(7) As at April 30, 2014, Treasury Bill of Rs. 25 Lakhs (Face Value) has been placed as collateral with Clearing Corporation of India Limited.  
(8) Investment in Repo in Corporate Debt Securities during the month ended April 30, 2014 was Nil.

(ii) MSMAF – Plan B

Sr. No.	Name of the Instrument	Industry@/Rating	Quantity	Mkt. Value (Rs. in Lakhs)	% to NAV
<b>Equity &amp; Equity-Related</b>					
<b>Listed/Awaiting listing on Stock Exchanges</b>					
1	Oil & Natural Gas Corporation Ltd.	Oil	11,178	36.34	1.90%
1	ING Vysya Bank Ltd.	Banks	6,214	35.19	1.84%
2	ICICI Bank Ltd.	Banks	2,730	33.94	1.78%
3	HDFC Bank Ltd.	Banks	4,607	33.23	1.74%
4	Reliance Industries Ltd.	Petroleum Products	3,534	33.07	1.73%
5	Hero MotoCorp Ltd.	Auto	1,481	32.59	1.71%
6	Maruti Suzuki India Ltd.	Auto	1,605	30.86	1.62%
7	Oberoi Realty Ltd.	Construction	13,170	27.21	1.43%
8	Tata Consultancy Services Ltd.	Software	1,191	26.07	1.37%
9	Infosys Ltd.	Software	755	24.02	1.26%
10	Lupin Ltd.	Pharmaceuticals	2,380	23.55	1.23%
11	Dr. Reddy's Laboratories Ltd.	Pharmaceuticals	864	23.38	1.22%
12	Axis Bank Ltd.	Banks	1,171	17.77	0.93%
<b>Total</b>				<b>377.22</b>	<b>19.76%</b>
<b>DEBT INSTRUMENTS</b>					
<b>(a) Listed/Awaiting listing on Stock Exchanges</b>					
<b>i) Government Securities</b>					
1	8.83% GOI Bonds 2023	Sovereign	300,000	300.00	15.71%
2	8.12% GOI Bonds 2020	Sovereign	275,000	264.04	13.83%
<b>Total</b>				<b>564.04</b>	<b>29.54%</b>
<b>ii) Non-convertible Debentures/Bonds</b>					
1	Rural Electrification Corporation Ltd.	CRISIL AAA	25	251.23	13.16%
2	LIC Housing Finance Ltd.**	CARE AAA	5	49.78	2.61%
<b>Total</b>				<b>301.01</b>	<b>15.76%</b>
<b>(b) MONEY MARKET INSTRUMENTS</b>					
<b>i) Certificates of Deposit**</b>					
1	Punjab & Sind Bank	[[ICRA]A1+	250	230.90	12.09%
<b>Total</b>				<b>230.90</b>	<b>12.09%</b>
<b>ii) Commercial Papers</b>					
				<b>Nil</b>	<b>Nil</b>
<b>iii) Collateralised Borrowing and Lending Obligation</b>					
				185.96	9.74%
<b>Total</b>				<b>185.96</b>	<b>9.74%</b>
<b>iv) Treasury Bills</b>					
91 Day - Treasury Bill 2014				24.96	1.31%
<b>Total</b>				<b>24.96</b>	<b>1.31%</b>
<b>FIXED DEPOSITS PLACED AS MARGIN FOR GOVERNMENT SECURITIES</b>					
9% HDFC Bank Limited 25 July 2014				135.00	7.07%
<b>Total</b>				<b>135.00</b>	<b>7.07%</b>
<b>Mutual Fund Units</b>					
<b>Listed/Awaiting listing on Stock Exchanges</b>					
1	Goldman Sachs Gold Exchange Traded Scheme		3,328	92.71	4.86%
<b>Total</b>				<b>92.71</b>	<b>4.86%</b>
<b>OTHERS</b>					
Net Current Assets				(2.41)	-0.13%
<b>Grand Total</b>				<b>1,909.39</b>	<b>100.00%</b>

\*\* Indicates thinly traded/non-traded Securities as defined in SEBI Regulations and Guidelines.

@ Industry classification as recommended by AMFI.

**Notes :**

- (1) The provision made for Non Performing Assets as of April 30, 2014 is Nil and its percentage to Net Asset Value is Nil.
- (2) Net Asset Values are as follows:
- |  | April 30, 2014 | March 31, 2014 ^ |
|--|----------------|------------------|
| Morgan Stanley Multi Asset Fund Plan B - Regular Growth Option                   | 11.3992        | 11.3676          |
| Morgan Stanley Multi Asset Fund Plan B - Regular Quarterly Dividend Option       | 10.3466        | 10.4578 ©        |
| Morgan Stanley Multi Asset Fund Plan B - Regular Monthly Dividend Option         | 10.4228        | 10.3939          |
| Morgan Stanley Multi Asset Fund Plan B - Direct Plan - Growth Option             | 11.4751        | 11.4382          |
| Morgan Stanley Multi Asset Fund Plan B - Direct Plan - Monthly Dividend Option   | N.A.++         | 10.5419          |
| Morgan Stanley Multi Asset Fund Plan B - Direct Plan - Quarterly Dividend Option | 10.5659        | 10.6706 ©        |
- ^ As March 31, 2014 was a non-business day for this Scheme, the reporting is as of March 28, 2014.  
© NAVs represents inclusive of Dividend declared for Record Date March 28, 2014.  
++ No units outstanding as of the Date reported.
- (3) The Scheme has not declared any bonus or dividend during the month ended April 30, 2014.
- (4) Details of derivatives exposure and transaction:
- (a) Hedging Position through Futures as on April 30, 2014 is Nil and for the month ended April 30, 2014 there were no non-hedging transactions through futures which have been squared off/expired.

- (b) Other than Hedging Position through Futures as on April 30, 2014 is Nil and for the month ended April 30, 2014 there were no non-hedging transactions through futures which have been squared off/expired.
- (c) Hedging Position through Put Options as on April 30, 2014 is Nil and for the month ended April 30, 2014 there were no hedging transactions through option which have been exercised/expired.
- (d) Other than Hedging Positions through Options as on April 30, 2014 is Nil and for the month ended April 30, 2014 there were no non-hedging transactions through options which have been exercised/expired.
- (e) Hedging Positions through swaps as on April 30, 2014 is Nil.
- (5) Total Market Value of investments in Foreign Securities & Securitised Debt Instruments as at April 30, 2014 is Nil.
- (6) The Average Maturity Period of the Portfolio is 48.29 months.
- (7) As at April 30, 2014, Treasury Bill of Rs. 25 Lakhs (Face Value) has been placed as collateral with Clearing Corporation of India Limited.
- (8) Investment in Repo in Corporate Debt Securities during the month ended April 30, 2014 was Nil.

## B. Investment Objective and Asset Allocation Pattern Table

Scheme Name	Investment Objective	Asset Allocation Pattern																
MSMAF – Plan A, An open-ended debt scheme	The Scheme seeks to generate regular income through investments in debt & money market instruments, along with capital appreciation through limited exposure to equity and equity related instruments.	<ul style="list-style-type: none"> <li>Debt and Money Market instruments: 80-100%</li> <li>Equity and Equity related instruments: 0-20%</li> </ul>																
MSMAF – Plan B (An open-ended debt scheme)	The Scheme seeks to generate regular income through investments in debt & money market instruments, along with capital appreciation through limited exposure to equity and equity related instruments and provide diversification by investing in Gold ETFs.	<ul style="list-style-type: none"> <li>Debt and Money Market instruments: 65-100%</li> <li>[i] Equity and Equity related instruments and [ii] Gold Exchange Traded Funds: 0-35% (where each of [i] and [ii] will not exceed 20% of net assets)</li> </ul>																
HDFC Dynamic PE Ratio Fund of Funds (An open-ended fund of funds scheme)	To seek capital appreciation by managing the asset allocation between specified equity and debt schemes of HDFC Mutual Fund	<table border="1"> <thead> <tr> <th>Type of Instruments</th> <th>Minimum Allocation (% of Net Assets)</th> <th>Maximum Allocation (% of Net Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Units of specified equity schemes of HDFC Mutual Fund <sup>1</sup></td> <td>0</td> <td>100</td> <td>High</td> </tr> <tr> <td>Units of specified debt schemes of HDFC Mutual Fund <sup>2</sup></td> <td>0</td> <td>100</td> <td>Medium</td> </tr> <tr> <td>Money Market Instruments and/or Units of Liquid / Money Market Schemes of HDFC Mutual Fund</td> <td>0</td> <td>10</td> <td>Low</td> </tr> </tbody> </table> <p><b>Underlying schemes</b></p> <p><sup>1</sup> Specified Equity Schemes – HDFC Growth Fund, HDFC Equity Fund, HDFC Top 200 Fund, HDFC Capital Builder Fund, HDFC Mid Cap Opportunities Fund, HDFC Infrastructure Fund, HDFC Large Cap Fund and HDFC Small and Mid Cap Fund.</p> <p><sup>2</sup> Specified Debt Schemes – HDFC Income Fund, HDFC High Interest Fund – Dynamic Plan, HDFC High Interest Fund – Short Term Plan, HDFC Short Term Plan, HDFC Short Term Opportunities Fund, HDFC Medium Term Opportunities Fund, HDFC Floating Rate Income Fund – Short Term Plan, HDFC Gilt Fund – Long Term Plan, HDFC Corporate Debt Opportunities Fund, HDFC Cash Management Fund – Treasury Advantage Plan and HDFC Banking and PSU Debt Fund.</p> <p>AMC reserves the right to modify the list of specified equity / debt schemes from time to time and such change shall tantamount to a change in the fundamental attributes of the Scheme.</p>	Type of Instruments	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile	Units of specified equity schemes of HDFC Mutual Fund <sup>1</sup>	0	100	High	Units of specified debt schemes of HDFC Mutual Fund <sup>2</sup>	0	100	Medium	Money Market Instruments and/or Units of Liquid / Money Market Schemes of HDFC Mutual Fund	0	10	Low
Type of Instruments	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)	Risk Profile															
Units of specified equity schemes of HDFC Mutual Fund <sup>1</sup>	0	100	High															
Units of specified debt schemes of HDFC Mutual Fund <sup>2</sup>	0	100	Medium															
Money Market Instruments and/or Units of Liquid / Money Market Schemes of HDFC Mutual Fund	0	10	Low															
(After change in fundamental attribute of MSMAF)																		

## C. Financial Performance

### MSMAF – Plan A and MSMAF – Plan B

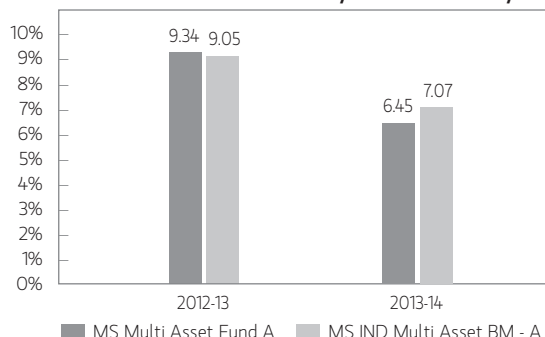
#### Performance as on month ended April 30, 2014 (%)

Period	MSMAF-A	MS IND Multi Asset BM - A
1 year	4.17	5.16
Since inception (CAGR)	7.5	7.74

#Scheme Benchmark - 80% of CRISIL Composite Bond Fund Index + 20% CNX Nifty

Past performance is not a guarantee of future returns. All returns are of Regular Growth Option. Since inception returns are calculated on Rs. 10/- invested at inception of the fund (Feb. 06, 2012).

#### Absolute Returns for each financial year for the last 2 years



Period	MSMAF-B	MS IND Multi Asset BM - B
1 year	3.83	4.40
Since inception (CAGR)	6.05	6.31

#Scheme Benchmark - 70% of CRISIL Composite Bond Fund Index + 15% CNX Nifty + 15% Domestic Price of Gold

Past performance is not a guarantee of future returns. All returns are of Regular Growth Option. Since inception returns are calculated on Rs. 10/- invested at inception of the fund (Feb. 06, 2012).

**Absolute Returns for each financial year for the last 2 years**

Year	MS Multi Asset Fund B	MS IND Multi Asset BM - B
2012-13	8.08	8.12
2013-14	4.89	4.62

**D. Percentage of total non-performing assets and percentage of total illiquid assets to net assets as at April 30, 2014**

Scheme Name	Total non-performing assets as % to net assets	Total illiquid assets as % to net assets
MSMAF – Plan A	NIL	NIL
MSMAF – Plan B	NIL	NIL

**E. Tax impact of consolidation on the unit holders**

**For Unit holders of Plan B of MSMAF and of Monthly Dividend Option of Plan A**

Quarterly Dividend Option under Plan A will be renamed as “Dividend Option” (under the HDFC Dynamic PE Ratio Fund of Funds after the change in Fundamental Attribute). The Trustee shall reserve the right to declare dividends under this Option depending on the availability of distributable surplus. Further, Unit holders under Monthly Dividend Option of Plan A and under the Monthly & Quarterly Dividend Options of Plan B shall be allotted units under the Dividend Option at the last available applicable NAV of the Dividend Option on the Completion Date. Unit holders under Growth Option of Plan B will be allotted units under the Growth Option of Plan A at the last available applicable NAV of the latter on the Completion Date. The transaction shall be treated as redemption of units in the respective Plans / Options and may entail a capital gain or loss in the hands of the investors. Further, in case of Non Resident Indians (NRIs), tax, if any, at applicable rates will be withheld by MS MF / MS AMC and units for the residual value will be issued in the relevant Option of HDFC Dynamic PE Ratio Fund of Funds.

The units allotted in HDFC Dynamic PE Ratio Fund of Funds shall be treated as a fresh subscription.

In view of the individual nature of the implications, each unit holder is advised to consult his own tax advisor.

**F. Total expense ratio as on April 30, 2014**

Scheme Name	As per Scheme Information Document (%)	Actual charged (%)
MSMAF – Plan A	2.25 + 0.20 + 0.30 = 2.75	Regular Plan- 2.30% Direct Plan- 1.80%
MSMAF – Plan B	2.25 + 0.20 + 0.30 = 2.75	Regular Plan- 2.30% Direct Plan- 1.80%

**G. Main Features – HDFC Dynamic PE Ratio Fund of Funds (After change in fundamental attributes of MSMAF)**

Particulars	Details																					
Type of Scheme	An open-ended fund of funds scheme																					
Investment Strategy	This Scheme is proposed to be dynamically managed through a Fund of Funds (FOF) structure following a Dynamic Price to Earnings (PE) Ratio Model.  Accordingly, the Scheme shall allocate its assets between equity schemes and debt schemes based on the 1 year forward PE ratio as per the Bloomberg Consensus estimate as per the followings bands:																					
	<table border="1"> <thead> <tr> <th>1 Year Forward PE ratio as per Bloomberg Consensus Estimate</th> <th>Equity Schemes (%)</th> <th>Debt Schemes (%)</th> </tr> </thead> <tbody> <tr> <td>Upto 12</td> <td>90-100</td> <td>0-10</td> </tr> <tr> <td>Greater than 12 - Upto 16</td> <td>70-90</td> <td>10-30</td> </tr> <tr> <td>Greater than 16 - Upto 20</td> <td>50-70</td> <td>30-50</td> </tr> <tr> <td>Greater than 20 - Upto 25</td> <td>30-50</td> <td>50-70</td> </tr> <tr> <td>Greater than 25 - Upto 30</td> <td>10-30</td> <td>70-90</td> </tr> <tr> <td>Greater than 30</td> <td>0-10</td> <td>90-100</td> </tr> </tbody> </table>	1 Year Forward PE ratio as per Bloomberg Consensus Estimate	Equity Schemes (%)	Debt Schemes (%)	Upto 12	90-100	0-10	Greater than 12 - Upto 16	70-90	10-30	Greater than 16 - Upto 20	50-70	30-50	Greater than 20 - Upto 25	30-50	50-70	Greater than 25 - Upto 30	10-30	70-90	Greater than 30	0-10	90-100
1 Year Forward PE ratio as per Bloomberg Consensus Estimate	Equity Schemes (%)	Debt Schemes (%)																				
Upto 12	90-100	0-10																				
Greater than 12 - Upto 16	70-90	10-30																				
Greater than 16 - Upto 20	50-70	30-50																				
Greater than 20 - Upto 25	30-50	50-70																				
Greater than 25 - Upto 30	10-30	70-90																				
Greater than 30	0-10	90-100																				
	PE ratios would be reviewed on monthly basis and the portfolio will be rebalanced accordingly.																					
	The AMC reserves the right to change the Agency / publication from Bloomberg Consensus to any other reputable and reliable Agency / publication. Any such change will be communicated to the investors by way of a public notice.																					
	Further,																					
	(a) The Scheme's investment in any underlying Scheme shall not exceed 20% of the net assets of that underlying Scheme.																					
	(b) Redemptions by the Scheme shall not exceed 5% of the net assets of an underlying scheme on a Business Day. The redemptions will be staggered to comply with this limit even in case portfolio rebalancing is triggered due to change in PE Ratios.																					
Benchmark	CRISIL Balanced Fund Index																					
Plans / Options	<b>Plans:</b> Regular and Direct  <b>Options:</b> Growth, Dividend (Re-investment and Payout)																					
Minimum Application Amount	<b>Purchase:</b> Rs. 5,000/- and any amount thereafter  <b>Additional Purchase:</b> Rs. 1,000/- and any amount thereafter																					

Minimum Repurchase Amount / Number of Units	Rs. 1,000/- and any amount thereafter
Liquidity	The Scheme will offer Units for Sale / Switch-in and Redemption / Switch-out on every Business Day at NAV based prices. The Mutual Fund will endeavor to despatch the Redemption proceeds within 3-4 Business Days from the acceptance of the Redemption request.
Load Structure	<p><b>Exit Load</b></p> <ul style="list-style-type: none"> <li>In respect of each purchase / switch-in of units, an Exit Load of <b>1.00%</b> is payable if Units are redeemed / switched-out <b>within 1 year</b> from the date of allotment.</li> <li>No Exit Load is payable if Units are redeemed / switched-out after 1 year from the date of allotment.</li> </ul>
Expense Ratio	<p>As per Regulatory Limits as follows:</p> <ul style="list-style-type: none"> <li>(i) The total expenses of the Scheme under Regulation 52 (6) including weighted average of charges levied by the underlying schemes shall not exceed 2.50 per cent of the daily net assets.</li> <li>(ii) Additional expenses permissible under Regulation 52(6A)(c) towards various permissible expenses - not exceeding 0.20% of daily net assets of the Scheme</li> <li>(iii) Expenses in case of inflows from cities beyond Top 15 cities charged proportionately under Regulation 52(6A)(b) - not exceeding 0.30% of daily net assets of the Scheme</li> <li>(iv) Brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment, not exceeding 0.12 per cent in case of cash market transactions.</li> <li>(v) Service Tax on Investment Management and Advisory Fees.</li> </ul>

#### H. Basis of allocation of Units in Transferee Scheme

MSMAF – Plan B will cease to exist post close of business hours on the Completion Date. The unit holders of Growth Option under MSMAF – Plan B as at the close of business hours on the Completion Date will be allotted units, equivalent to the value of their units in MSMAF – Plan B, under the Growth Option of MSMAF – Plan A at the NAV of the Completion Date. However, **Quarterly Dividend Option under Plan A will be renamed as "Dividend Option". Unit holders under Monthly Dividend Option of Plan A and under the Monthly & Quarterly Dividend Options of Plan B (hereinafter for ease referred to as "Transferor Option") shall be allotted units under the Dividend Option (hereinafter for ease referred to as "Transferee Option") at the last available applicable NAV of the Transferee Option on the Completion Date.**

The allotment of units is explained with the help of the following illustration:

Completion Date		27.06.2014
NAV of Transferor Option as on 27.06.2014	(A)	Rs.15/- per unit
Units outstanding in Transferor Option as on 27.06.2014	(B)	200 units
Outstanding value in Transferor Option before merger	(C) = (A) X (B)	Rs.3000
NAV of Transferee Option as on 27.06.2014	(D)	Rs.20/- per unit
Allotment of units in Transferee Option	(E) = (C) / (D)	150 units
Value of merged units	(F) = (D) X (E)	Rs.3000

Please note that the aforesaid is only an illustration and the actual number of units to be allotted under MSMAF – Plan A will be determined by the value of units held in the existing Plans on the Completion Date.

Impact of tax on capital gains, if any, has not been considered in the above illustration. Further, in case of Non Resident Indians (NRIs), tax, if any, at applicable rates will be withheld and units for the residual value will be issued.

Upon Completion, a fresh account statement reflecting the new units allotted and change in name of the Scheme / Plan / Option, will be sent to the unit holders of MSMAF – Plan A and Plan B by HDFC MF.

## Exhibit 6

### LIST OF SERVICE PROVIDERS TO THE SCHEMES

Upon Completion, following shall act as the Service Providers to the Schemes

#### 1. Registrar and Transfer Agents (For all Schemes)

M/s Computer Age Management Services Pvt. Limited  
New No. 10, Old No. 178, M. G. R. Salai,  
Nungambakkam, Chennai 600 034.  
SEBI Registration No: INR000002813

#### 2. Custodian (For all Schemes other than Morgan Stanley Growth Fund and Morgan Stanley A.C.E. Fund which are proposed to be changed to HDFC Large Cap Fund and HDFC Small and Mid Cap Fund respectively)

HDFC Bank Limited  
Custody Services,  
Lodha - I Think Techno Campus Office,  
Floor 8, Next to Kanjurmarg Railway Station,  
Kanjurmarg (East), Mumbai - 400 042.  
SEBI Registration No: IN/CUS / 001

#### 3. Custodian for Morgan Stanley Growth Fund and Morgan Stanley A.C.E. Fund (which are proposed to be changed to HDFC Large Cap Fund and HDFC Small and Mid Cap Fund respectively)

Citibank N.A.  
First International Financial Centre (FIFC),  
11th Floor, Plot No C54-55, G Block,  
Bandra Kurla Complex, Bandra (East), Mumbai 400 051

#### 4. Fund Accountant (For all Schemes)

Citibank N.A. shall cease to act as the fund accountant of the Schemes and HDFC MF shall undertake the fund accounting activities in-house.

## Exhibit 7

### DRAFT OF AMENDMENT TO MS TRUST DEED

DRAFT DEED OF AMENDMENT TO MS TRUST DEED

Dated this [•] day of [•], 2014

**MORGAN STANLEY**

And

**Mr. Jagdish Baijal**

**Mr. Dorab Sopariwala**

**Ms. Neelam Deo**

**Mr. Andrew Onslow**

And

**MORGAN STANLEY INVESTMENT MANAGEMENT PRIVATE LIMITED**

ADDENDUM NO. 9 TO THE DEED OF TRUST

of

THE MORGAN STANLEY MUTUAL FUND

### ADDENDUM NO. 9 TO DEED OF TRUST

**THIS NINTH ADDENDUM TO THE DEED OF TRUST** dated this [•] day of [•], 2014 made between **MORGAN STANLEY**, (originally known as MORGAN STANLEY GROUP, INC.), a corporation organized and existing under the laws of the state of Delaware, United States of America, with its principal place of business at 1585, Broadway, New York 10036, United States of America, hereinafter called the "**Settlor**", which expression shall, unless repugnant to the meaning or context thereof, be deemed to include its successors and assigns, of the First Part and

- (1) Mr. Jagdish Baijal
- (2) Mr. Dorab Sopariwala
- (3) Mr. Andrew Onslow
- (4) Ms. Neelam Deo

hereinafter collectively variously called the "**Board of the Trustees of the MORGAN STANLEY MUTUAL FUND**" or the "**Board of Trustees**" or the "**Trustees**" and individually called as "Trustee", which expression shall, unless repugnant to the meaning or context thereof, be deemed to include the persons named the Trustee for the time being of these presents, and their successors, of the Second Part, and **MORGAN STANLEY INVESTMENT MANAGEMENT PRIVATE LIMITED**, (formerly known as Morgan Stanley Dean Witter Investment Management India Private Limited) an asset management company, incorporated under the Companies Act, 1956 and presently having its registered office at 18F/19F, One Indiabulls Centre, Tower 2, Senapati Bapat Marg, Mumbai - 400 013, hereinafter called the "**Investment Manager**" which expression shall, unless repugnant to the meaning or the context thereof, be deemed to include its successors and assigns, of the Third Part.

WHEREAS:

- A.** By a Deed of Trust dated 3rd November 1993, ("**the Deed of Trust**") the Settlor established the Morgan Stanley Mutual Fund ("**the Mutual Fund**") on the terms and conditions mentioned therein for the purpose of setting up a mutual fund by way of trust for the purpose of pooling of capital from members of the public for its collective investment for the participation by persons as beneficiaries, in profit or income arising there from of which the Investment Manager was the Asset Management Company.
- B.** The Mutual Fund was registered by the Securities and Exchange Board of India ("**SEBI**") on 5th November 1993 under Registration No. MF/005/93/1, and SEBI also granted approval to the Investment Manger to act as the Asset Management Company for the Mutual Fund.
- C.** The Deed of Trust was lodged and registered with the Sub-Registrar of Assurance, Bombay on 4th November 1993 under Registration No. 2880/93.
- D.** By Addendums to the Deed of Trust dated 29th August, 1994, 6th March 1995, 6th October 1997, 9th October 1998, 19th October 2000, 9th October 2001, 27th February 2003 and 29th April, 2013 (collectively the "**First, Second, Third, Fourth, Fifth, Sixth, Seventh and Eighth Addendums**") amendments were made. The First, Second, Third, Fourth, Fifth, Sixth, Seventh and Eight Addendums have been lodged for registration with the Sub- Registrar of Assurance, Bombay.
- E.** It is proposed that a new clause 9A and clause 11(d), as set out below, shall be inserted into the Deed of Trust, after clause 9 and clause 11(c), respectively.
- F.** Pursuant to the approval dated [•] granted by SEBI and consent of the majority of the unit-holders of the schemes floated under the Mutual Fund, the Trustees, the Mutual Fund and the Investment Manager have agreed to incorporate the changes required to be stated in the Deed of Trust dated 3rd November 1993 by executing this addendum.

NOW THIS WITNESSETH AND IT IS HEREBY AGREED AND DECLARED BY THE PARTIES HERETO AS UNDER:

1. The following new clause 9A shall be inserted in the Deed of Trust, after clause 9, as follows:

**"9A. TRANSFER / MERGER / CONSOLIDATION OF SCHEMES BY THE TRUSTEES**

9A.1 Notwithstanding anything in this Deed of Trust, the Trustees may, where the Trustees are of the view that it is in the interest of unit-holders of the various schemes floated under the Mutual Fund, and subject to the prior approval of SEBI, hand over the trusteeship together with the full responsibility for the trusteeship, management and administration of any one or more schemes of the Mutual Fund to the trustee(s) (whether a trustee company or board of individual trustees) and asset management company of any other mutual fund registered with SEBI (the "**New Mutual Fund**"). Such hand over of trusteeship,

management and administration may be effected in accordance with the terms and conditions as may be prescribed by SEBI and such terms and conditions as may be agreed to by the Trustees and the Investment Manager with the trustee(s) and the asset management company of the New Mutual Fund. Forthwith upon the completion of such hand over of trusteeship, management and administration of the schemes in the aforesaid manner, the Trustees and the Investment Manager shall be released of all their future obligations and responsibilities in respect of such transferred schemes.

9A.2 Subject to the SEBI (Mutual Funds) Regulations, 1996, the Trustees may merge the Mutual Fund or any of the schemes of the Mutual Fund with any other mutual fund or scheme of any other mutual fund, as the case may be."

2. The following new clause 11(d) shall be inserted in the Trust Deed, after clause 11(c), as follows:  
"11. (d) upon the Trustees handing over the trusteeship, management and administration of all the schemes of the Mutual Fund to the trustee(s) and asset management company of the New Mutual Fund, as provided in Clause 9A above. Subsequent to such handing over of the trusteeship, management and administration of all the schemes of the Mutual Fund, the Trustees shall, and shall procure that the Investment Manager shall, take all necessary actions for deregistration of the Mutual Fund, Trustees and Investment Manager with SEBI."
3. The Settlor, the Board of Trustees and the Investment Manager hereby confirm the Deed of Trust dated 3rd November 1993 is, and subsequent addendums to the Deed of Trust are, valid and subsisting and hereby confirm, revalidate and ratify the Deed of Trust.
4. The Deed of Trust shall be governed by the SEBI (Mutual Funds) Regulations, 1996 ("**1996 Regulations**") as may be modified, amended or clarified from time to time including any statutory replacement or modification thereof as if the 1996 Regulations and all amendments thereto were a part of the Deed of Trust and any reference therein to the 1993 Regulations shall be deemed to be a reference to the 1996 Regulations.
5. In the event of any inconsistency, contradiction or difference of interpretation between the SEBI (Mutual Funds) Regulations, 1996 and any of the provisions of the Deed of Trust dated 3rd November, 1993, the provisions of the 1996 Regulations (including any amendments thereto) shall prevail.
6. The Deed of Trust dated 3rd November 1993 as amended by the First, Second, Third, Fourth, Fifth, Sixth, Seventh and Eight Addendums and this Ninth Addendum shall remain in full force and effect in accordance with its tenor.

**IN WITNESS WHEREOF** the Parties hereto have executed this Deed of Trust, or caused this Deed of Trust to be executed on the day and year first hereinabove written.

**SIGNED AND DELIVERED BY:**

\_\_\_\_\_  
For and on behalf of the within named Settlor, MORGAN STANLEY

In the presence of:

**SIGNED AND DELIVERED BY** the within named Trustees:

1. Mr. Jagdish Bajjal
2. Mr. Dorab Sopariwala
3. Ms. Neelam Deo
4. Mr. Andrew Onslow

In the presence of:

**SIGNED AND DELIVERED BY:**

\_\_\_\_\_  
For and on behalf of the within named Investment Manager,  
**MORGAN STANLEY INVESTMENT MANAGEMENT PRIVATE LIMITED**

In the presence of:

## Exhibit 8

### DETAILS OF THE UNCLAIMED DIVIDEND AND REDEMPTION AMOUNTS IN THE SCHEMES AS ON MARCH 31, 2014

In view of the decision to transfer the balance remaining unclaimed on accounts of redemption proceeds and dividends in the accounts from MSMF to HDFC MF, set out below are the details of the unclaimed dividend and redemption amounts in the Schemes as on March 31, 2014:

Scheme	Unclaimed Redemption (Rs.)		Unclaimed Dividend (Rs.)	
	No. of Investors	Amount (Rs.)	No. of Investors	Amount (Rs.)
Morgan Stanley Growth Fund	638	90,73,078/-	3,57,355	12,04,96,996/-
Morgan Stanley A.C.E. Fund	105	18,18,695/-	71	1,32,706/-
<b>Total</b>	<b>743</b>	<b>1,08,91,773/-</b>	<b>3,57,426</b>	<b>12,06,29,702/-</b>

None of the other schemes of MSMF have any unclaimed redemption or dividend amount as of March 31, 2014.



## Exhibit 9

### FORMAT OF BALLOT PAPER FOR VOTING ON THE PROPOSED AMENDMENT TO MS TRUST DEED

To,  
Board of Trustees  
(Trustee: Morgan Stanley Mutual Fund)  
RTA  
Karvy Computershare Pvt. Ltd.  
Karvy Registry House  
Unit: Morgan Stanley Mutual Fund  
21, Avenue 4, Street No.1, Banjara Hills,  
Hyderabad – 500 034

Dear Sirs,

I/We, unit holders of \_\_\_\_\_

Scheme/s of the Morgan Stanley Mutual Fund, have read and understood the communication sent by Morgan Stanley Investment Management Private Limited dated May 14, 2014 and provide our consent to the changes proposed to be made to the Trust Deed dated November 3, 1993 constituting the Morgan Stanley Mutual Fund.

I Agree

I Disagree

(Please Tick (✓)the relevant option)

Folio No.\*: \_\_\_\_\_

First / Sole Unit holder/Guardian

Name: \_\_\_\_\_

Signature\* \_\_\_\_\_

\*Mandatory

Date: \_\_\_\_\_

#### Instructions

1. Please fill up and sign the Ballot Paper and mail to the Registrar, Karvy Computershare Pvt. Ltd. at the address mentioned above. You may use this inland letter itself for this purpose. Please note that you shall not have to bear the postal charges for mailing the same.
2. Your Ballot Paper should reach the Registrar on or before the close of business hours of June 10, 2014. Ballot Papers which are unsigned or incomplete or with signature mismatch will not be considered. Only valid Ballot Papers received upto the close of business hours on June 10, 2014 will be counted.
3. If mode of holding is "Joint" or "Anyone or Survivor" the first named holder has to sign the Ballot Paper.

Fold Three and Paste

**BUSINESS REPLY INLAND LETTER**

Postage will  
be paid by  
the Addressee

Permit No. HDC/B-977  
Banjara Hills P.O.  
Hyderabad - 500 034

No Postage  
Stamp  
necessary if  
posted in  
INDIA

To

KARVY COMPUTERSHARE PRIVATE LIMITED  
KARVY REGISTRY HOUSE  
Unit: **Morgan Stanley Mutual Fund**  
21, Avenue 4, Street No. 1, Banjara Hills,  
Hyderabad - 500 034.

Fold Two

Fold One



## Book Post

*If undelivered please return to:*

Karvy Computershare Private Limited  
Karvy Registry House  
Unit: Morgan Stanley Mutual Fund  
21 Avenue 4, Street No. 1,  
Banjara Hills, Hyderabad 500 034

**Registered Office:**

Morgan Stanley Mutual Fund  
18F/19F, Tower 2, One Indiabulls Centre,  
841, Senapati Bapat Marg,  
Mumbai 400 013  
Toll Free: 1800 425 1313  
email: [msmfcustomer@karvy.com](mailto:msmfcustomer@karvy.com)

[www.morganstanley.com/indiamf](http://www.morganstanley.com/indiamf)

# Morgan Stanley