

Morgan Stanley Gilt Fund Scheme Information Document

An Open ended Gilt Scheme

Offer for Units: At Rs. 10/- per unit during the NFO and at applicable NAV on an ongoing basis.

New Fund Offer Opens on: February 14, 2013

New Fund Offer Closes on: February 21, 2013

Scheme re-opens for continuous sale and repurchase within 5 Business Days from the date of allotment.

Name of Mutual Fund

Morgan Stanley Mutual Fund

Name of Asset Management Company

Morgan Stanley Investment Management Private Limited

Name of Trustee Company

The Board of Trustees

Registered Office & Corporate Office of the above entities

18F/19E, One Indiabulls Centre, Tower 2,
841, Senapati Bapat Marg, Mumbai - 400 013

www.morganstanley.com/indiamf

- The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India [Mutual Funds] Regulations, 1996, [hereinafter referred to as SEBI [MF] Regulations] as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the AMC. The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.
- The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund/Investor Service Centres/Website/Distributors or Brokers.
- The investors are advised to refer to the Statement of Additional Information [SAI] for details of Morgan Stanley Mutual Fund, Tax and Legal issues and general information on www.morganstanley.com/indiamf
- SAI is incorporated by reference [is legally a part of the Scheme Information Document]. For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website.
- The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

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Highlights/Summary of the Scheme

NAME OF THE SCHEME

Morgan Stanley Gilt Fund

TYPE OF THE SCHEME

An open ended gilt scheme

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.

LIQUIDITY

The Scheme will offer Units for Purchase and Redemption at NAV related prices on every Business Day on an on-going basis, commencing not later than 5 business days from the date of allotment.

The Mutual Fund will endeavor to dispatch the Redemption proceeds within 1 Business Day from the date of acceptance of redemption request, but not beyond 10 Business Days from the date of Redemption request. If the payment is not made within the period stipulated in the Regulations, the Unit Holder shall be paid interest @15% p.a. for the delayed period and the interest shall be borne by the AMC.

BENCHMARK INDEX

I-SEC Composite Gilt Index

TRANSPARENCY/NAV DISCLOSURE

The AMC shall update the NAVs of the scheme on the website of the Mutual Fund [www.morganstanley.com/indiamf] and on the website of Association of Mutual Funds in India [www.amfiindia.com] by 9.00 pm every Business Day. In case of any delay, the reasons for such delay would be explained to AMFI in writing. If the NAVs are not available before commencement of Business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAVs.

Portfolio of the Scheme as on the last day of the month shall be disclosed on the website of the Fund on or before the tenth day of the succeeding month. As presently required by SEBI [Mutual Funds] Regulations, a complete statement of the Scheme portfolio would be published by the Mutual Fund in one English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated, within one

month from the close of each half-year [i.e. March 31 and September 30] or alternatively be mailed to the unit holders.

LOAD STRUCTURE

Entry Load: NA

Exit Load: Nil

Pursuant to SEBI circular no. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor. Upfront commission shall be paid directly by the investor to the ARN holder [AMFI registered distributor] based on the investor's assessment of various factors including the service rendered by the ARN holder.

MINIMUM APPLICATION AMOUNT

Purchase:

Rs. 5,000/- plus in multiples of Re. 1/-

Additional Purchase:

Rs. 1,000/- plus in multiples of Re. 1/-

FACE VALUE

Rs. 10 per unit

PLANS/OPTIONS OFFERED

The Scheme will have following Plans and Options:

Plan	Options	Dividend Frequency	Sub-Option/ Facility	Record date
Regular	Growth	-	-	-
	Dividend	Quarterly	Dividend Reinvestment and Pay out	Last Friday* of each calendar quarter
Direct	Growth	-	-	-
	Dividend	Quarterly	Dividend Reinvestment and Pay out	Last Friday* of each calendar quarter

* If Friday is a holiday, then the record date shall be the previous Business Day. For further details in this regard please refer to the Section III A of this document titled 'New Fund Offer'.

The AMC reserves the right to introduce a new Plan/ Option at a later date, subject to SEBI [Mutual Funds] Regulations.

OPTION TO HOLD UNITS IN DEMAT FORM

Pursuant to SEBI Circular no. CIR/IMD/DF/9/2011 dated May 19, 2011, an option to subscribe the units of the Scheme(s)/Plan(s) in dematerialized [demat] form is being provided to the investors.

For further details in this regard please refer to the Section III A of this document titled 'New Fund Offer'.

I. Introduction

A. RISK FACTORS

Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price/value/interest rates of the securities in which the scheme invests fluctuate, the value of your investment in the scheme may go up or down.
- Past performance of the Sponsor, Mutual Fund, AMC or any associates of the Sponsor/AMC does not indicate the future performance of the Scheme of the Mutual Fund.
- Morgan Stanley Gilt Fund is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The Sponsor is not responsible or liable for any loss resulting from the operation of any of the Schemes of Morgan Stanley Mutual Fund beyond the initial contribution of an amount of Rs. 5 lacs towards setting up the Fund.
- The present scheme is not a guaranteed or assured return scheme.
- Dividend declarations will be dependent on the returns achieved by the AMC through active management of the portfolio. The dividend distributions may, therefore, vary from time to time based on investment results of the portfolio. Further, it should be noted that the actual distribution of dividends and frequency thereof are indicative and will depend, *interalia*, on availability of distributable surplus, and will be entirely at the discretion of Trustees.

Risk Factors Associated with Fixed Income and Money Market Instruments:

Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in prices is a function of the existing coupon, days to maturity and the increase or decrease in interest rates. Price-risk is not unique to government securities but is true for all fixed income securities. The default risk however, in respect of Government securities is minimal. Therefore, their prices are influenced only by movement in interest rates in the financial system. On the other hand, in the case of corporate or institutional fixed income securities, such as bonds or debentures, prices are influenced by credit standing of the issuer as well as the general level of interest rates.

- In addition to the factors that affect the values of securities, the NAV of Units of the Scheme will fluctuate with the movement in the broader fixed income, money market and derivatives market and may be influenced by factors influencing such markets in general including but not limited to economic conditions, changes in interest rates, price and volume volatility in the bond and stock markets, changes in taxation, currency exchange rates, foreign investments, political, economic or other developments and closure of the stock exchanges.
- Investments in different types of securities are subject to different levels and kinds of risk. Accordingly, the Scheme's risk may increase or decrease depending upon its investment pattern. E.g. investments in corporate bonds carry a higher level of risk than investments in Government securities. Further, even amongst corporate bonds, bonds which have a higher rating are comparatively less risky than bonds which have a lower rating.
- Even though the Government securities market is more liquid compared to other debt instruments, on occasions, there could be difficulties in transacting in the market due to extreme volatility or unusual constriction in market volumes or on occasions when an unusually large transaction has to be put through. The Central and State Governments are the issuers of the local currency debt. The Government raises money to meet its capital and revenue expenditure by issuing debt or discounted securities. Since these securities carry minimal risks, they may command lower yields.
- The performance of the Scheme may be affected by changes in Government policies, general levels of interest rates and risks associated with trading volumes, liquidity and settlement systems.
- **Interest rate risk:** As with all debt securities, changes in interest rates may affect the NAV of the Scheme since the price of a fixed income instrument falls when the interest rates move up and vice versa. The effect is more prominent when the duration of the instrument is higher. Hence the NAV movement of the Scheme consisting of predominantly fixed income securities is likely to have inverse correlation with the movement in interest rates. In case of a floating rate instrument, this risk is lower as a result of periodic reset of the coupon.
- **Spread risk:** Though the sovereign yield curve might remain constant, investments in corporate bonds are exposed to the risk of spread widening between corporate bonds and gilts. Typically, if this spread widens, the prices of the corporate bonds tend to fall and so could the NAV of the Scheme. Similar risk prevails for the investments in the floating rate bonds,

where the benchmark might remain unchanged, but the spread over the benchmark might vary. In such an event, if the spread widens, the price and the NAV could fall.

- **Credit risk or default risk:** This refers to inability of the issuer of the debt security to make timely payments of principal and/or interest due. It is reflected in the credit rating of the issuer. Hence if the credit rating of the issuer is downgraded, the price of the security will suffer a loss and the NAV will fall. Credit risk factors pertaining to lower rated securities also apply to lower rated zero coupon and deferred interest kind bonds. Lower rated zero coupon and deferred interest kind bonds carry an additional risk, unlike bonds that pay interest through the period of maturity, the Scheme by investing in these bonds will realize no cash till the cash payment date and if the issuer defaults, the Scheme may obtain no return on its investment.
- **Liquidity risk:** This represents the possibility that the realized price from selling the security might be lesser than the valuation price as a result of illiquid market. If a large outflow from the Scheme is funded by selling some of the illiquid securities, the NAV could fall even if there is no change in interest rates. Illiquid securities are typically quoted at a higher yield than the liquid securities and have higher bid offer spreads. Investment in illiquid securities results in higher current yield for the portfolio. Liquidity risk is a characteristic of the Indian fixed income market today. In addition, money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the Scheme and may lead to the Scheme incurring losses till the security is finally sold.
- **Reinvestment risk:** This is associated with the fact that the intermediate cash flows [coupons, prepayment of principal in case of securitized transactions or principal payment in case a security gets called or repurchased] may not be reinvested at the same yield as assumed in the original calculations.
- **Settlement risk:** Different segments of Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. Delays or other problems in settlement of transactions could result in temporary periods when the assets of the Scheme are uninvested and no return is earned thereon. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme's portfolio, due to the absence of a well developed and liquid secondary market for debt securities, may result at times in potential losses to the Scheme in the event of a

subsequent decline in the value of securities held in the Scheme's portfolio.

- **Market risk:** Lower rated or unrated securities are more likely to react to developments affecting the market and the credit risk than the highly rated securities which react primarily to movements in the general level of interest rates. Lower rated or unrated securities also tend to be more sensitive to economic conditions than higher rated securities.

Risk Factors associated with Derivatives:

- AMC may use various derivative products, as permitted by SEBI from time to time, in an attempt to protect the value of the portfolio and enhance Unit holder's interest/value of the Scheme. As and when the schemes trade in the derivatives market there are risk factors and issues concerning the use of derivatives that investors should understand. Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly.
- Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.
- The derivatives market in India is nascent and does not have the volumes that may be seen in other developed markets, which may result in volatility to the values.
- The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.
- There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party [usually referred to as the "counter party"] to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

- The Scheme bears a risk that it may not be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme.
- Interest Rate Swaps [IRS] are highly specialized instruments that require investment technique and risk analysis different from those associated with equity shares and other traditional securities. The use of a IRS requires not only an understanding of the referenced asset, reference rate, or index but also of the swap itself, without the benefit of observing the performance of the swap under all possible market conditions. Swap agreements are also subject to liquidity risk, which exists when a particular swap is difficult to purchase or sell. Swap agreements may be subject to pricing risk, which exists when a particular swap becomes extraordinarily expensive or cheap relative to historical prices or the prices of corresponding cash market instruments. IRS agreements are also subject to counterparty risk on account of insolvency or bankruptcy or failure of the counterparty to make required payments or otherwise comply with the terms of the agreement.

Risk Mitigation Measures:

The scheme invests predominantly in government securities which are actively traded and thereby liquid. The portfolio will be actively managed, based on the interest rate view, shape of the yield curve and the spread between the corporate bonds and gilt securities. Reasonable investments are made at the shorter end of the yield curve and in the on-the-run securities which are the most actively traded segment in the secondary market. This would help to manage liquidity requirement of portfolio as well.

Overview of the Debt Market in India:

Over the years, the Indian Debt Market has grown in size substantially with a wide variety of new participants and instruments. It is getting gradually integrated with the global financial markets with best of the global technology helping the cause. The Reserve Bank of India has been taking steps to make the Indian Debt Market more efficient and vibrant. The increase in the limit of foreign institutional investors' investment in the domestic fixed income market will result in attracting global investors to the Indian Market.

Broadly, the debt market consists of two parts viz. the Money Market and the Debt Market. Money market instruments have a tenor of less than one year while debt market instruments have a tenor of more than one year. Money market instruments are typically commercial paper, certificates of deposit, treasury bills, CBLO etc. Debt market comprises typically of securities issued

by Governments (Central and State), Banks, Financial Institutions, and Companies in the private and public sector, Corporations, Statutory Bodies etc. Government (Central and State) is the largest issuer of debt in the market. Public sector enterprises, quasi government bodies and private sector companies are other issuers. Insurance companies, provident funds, banks, mutual funds, financial institutions, corporate and FIIs are major investors in the market. Government loans are available up to 30 years maturity. Variety of instruments available for investments including plain vanilla bonds, floating rate bonds, money market instruments, structured obligations and interest rate derivatives, make it possible to manage the interest rate risk effectively. The securities available are listed or unlisted, secured or unsecured, public issue or private placements. Credit rating agencies are playing an important role in the market and have been an important source of information to manage the credit risk. The RBI reviews the monetary policy four times a year giving the guidance to the market on direction of interest rate movement, liquidity and credit expansion. The central bank has been operating as an independent authority, formulating the policies to maintain price stability and adequate liquidity.

Screen based order-matching system developed by the RBI for trading in government securities, straight through settlement system for the same, settlements guaranteed by the Clearing Corporation of India Ltd. (CCIL) and innovative instruments like CBLO have contributed in reducing the settlement risk and increasing the confidence level of the market participants. Debt securities like corporate bonds and money market instruments are mainly over the counter (OTC) products, where counterparties deal directly or through broker platforms. The National Stock Exchange of India Limited has a separate platform called the Wholesale Debt Market segment where reporting of trades are done through member brokers. The Bombay Stock Exchange (BSE) also has a similar platform. CCIL has also set up platform for lending and borrowing through the CBLO dealing system and CROMS (Repo Order Matching system). These dealing systems have been fairly successful and in addition to the call money market account for bulk of the overnight lending and borrowing activities of market participants for short term surpluses.

Indicative levels of the instruments currently trading are as follows:

Instrument	Maturity	Yield	Liquidity
CBLO/Repo	Short	7.00-8.50%	Very High
CP/CD/T Bills	Short	7.80-10.0%	Very High
Securitized Debt	Short/Medium	9.0-11.0%	Low
PSU Bonds/Corporate Bonds	Medium	8.5-10.0%	Medium
Central/State Government Securities	Low to High	7.75-8.50%	High

These are only indicative levels on January 30, 2013 and are likely to change depending upon the prevailing market conditions.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme/Plan having a separate portfolio shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme/Plan(s). However, if such limit is breached during the NFO of the Scheme, the Fund will endeavor to ensure that within a period of three months or the end of succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme does not have a minimum of 20 investors in the stipulated period, the provisions of 39[2][c] of the Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme shall be wound up and the units would be redeemed at Applicable NAV. The two conditions mentioned above shall also be complied within each succeeding calendar quarter thereafter on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over 25% limit. Failure on the part of the said investor to redeem his exposure over the 25% limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATIONS, IF ANY

- The Sponsor is not responsible or liable for any loss resulting from the operations of any of the Schemes of Morgan Stanley Mutual Fund beyond the initial contribution of an amount of Rs. 500,000 collectively made by them towards setting up the Fund or such other accretions and additions to the initial corpus set up by the Sponsor.
- Neither this Scheme Information Document nor the Units have been registered in any other jurisdiction. The distribution of this Scheme Information Document in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of this Scheme Information Document are required to inform themselves about, and to observe, any such restrictions.
- Prospective investors should review/study this Scheme Information Document carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to

legal, taxation, or financial/investment matters and are advised to consult their own professional advisor[s] as to the legal, tax, financial or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal [by way of sale, switch or Redemption or conversion into money] of Units and to the treatment of income [if any], capitalization, capital gains, any distribution, and other tax consequences relevant to their subscription, acquisition, holding, capitalization, disposal [by way of sale, transfer, switch or conversion into money] of Units within their jurisdiction of nationality, residence, incorporation, domicile etc. or under the laws of any jurisdiction to which they or any managed funds to be used to Purchase/gift Units are subject, and also to determine possible legal, tax, financial or other consequences of subscribing/gifting, purchasing or holding Units before making an application for Units.

- Morgan Stanley Mutual Fund/the AMC have not authorized any person to give any information or make any representations, either oral or written, not stated in this Scheme Information Document in connection with issue of Units under the Scheme. Prospective investors are advised not to rely upon any information or representations not incorporated in this Scheme Information Document as the same have not been authorized by the Fund or the AMC. Any subscription, Purchase or sale made by any person on the basis of statements or representations which are not contained in this Scheme Information Document or which are inconsistent with the information contained herein shall be solely at the risk of the investor.
- Subject to the Regulations, from time to time, funds managed by the affiliates/associates of the Sponsor may invest either directly or indirectly in the Scheme. The funds managed by these affiliates/associates may acquire a substantial portion of the Scheme's Units and collectively constitute a major investment in the Scheme. Accordingly, Redemption of Units held by such funds may have an adverse impact on the value of the Units of the Scheme because of the timing of any such Redemption and may affect the ability of other Unit Holders to redeem their respective Units.
- As the liquidity of the Scheme's investments may sometimes be restricted by trading volumes settlement periods and transfer procedures, the time taken by the Fund for Redemption of Units may be significant in the event of an inordinately large number of Redemption requests or of a restructuring of the Scheme's portfolio. In view of this, the Trustees has the right, in its sole discretion, to limit redemptions under certain circumstances - please refer paragraph "Right to Limit Redemptions" in Section III A under Units and Offer.

- The AMC, under powers delegated by the Trustees, shall have absolute discretion to reject any application, prevent further transactions by a Unit Holder, if after due diligence, the investor/Unit Holder/a person making the payment on behalf of the investor does not fulfill the requirements of the “Know Your Customer” or the AMC believes that the transaction is suspicious in nature as regards money laundering. In this behalf the AMC reserves the right to reject any application and effect a mandatory Redemption of Units allotted. If the payment for Purchase of Units are made by a third party [e.g. a Power of Attorney Holder, a Financing agency, a relative, etc.], the Unit Holder may be required to give such details of such transaction so as to satisfy the AMC of the source and/or consideration underlying the transaction.
- Pursuant to SEBI’s circular: SEBI/IMD/CIR No. 14/151044/09 dated January 19, 2009 the AMC shall not offer any indicative portfolio and indicative yield and that no communication regarding the same in any manner whatsoever, shall be issued by any mutual fund or distributors of its products.

Investors are urged to study the terms of the Statement of Additional Information and Scheme Information Document before investing in the Scheme and to retain this Scheme Information Document for future reference.

D. DEFINITIONS:

In this Scheme Information Document, the following terms shall have the meanings mentioned against the respective term unless the context suggest otherwise:

AMFI: Association of Mutual Funds in India

Asset Management Company, AMC or Investment Manager: Morgan Stanley Investment Management Private Limited incorporated under the provisions of the Companies Act, 1956, and approved by SEBI to act as Investment Manager for the Schemes of Morgan Stanley Mutual Fund.

Applicable NAV: The Net Asset Value applicable for Redemptions/Repurchase/switches etc., based on the Business Day and relevant cut-off times on which the application is accepted at the official points of acceptance.

Application Form/Key Information Memorandum: A form meant to be used by an investor to open a Folio and purchase Units in the Scheme. Any modifications to the application form will be made by way of an addendum. On the issue of such addendum, the application form will be deemed to be updated by the addendum.

Applications supported by Blocked Amount or ASBA: An application containing an authorization given by the investor to block the application money in his/her specified bank account towards the subscription of units offered

during the NFO of the Scheme. If an investor applying through ASBA facility, the application money towards the subscription of units shall be debited from his specified bank account only if his/her application is selected for allotment of units.

Business Day: A day not being:

1. A Saturday or Sunday; or
2. A day on which Banks in Mumbai and/or the Reserve Bank of India are closed for business or clearing, or
3. A day on which there is no RBI clearing/settlement of securities; or
4. A day on which the money markets are closed or otherwise not accessible; or
5. A day on which both BSE and NSE are closed, whether or not the banks in Mumbai are open; or
6. A day on which Purchase and Redemption of Units is suspended or a book closure period is announced by the Trustees/AMC; or
7. A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time.

Provided that the days when the banks in any location where the AMC’s Investor Service Centres/Collection Centres are located, are closed due to a local holiday, such days will be treated as non Business Days at such centres for the purposes of accepting fresh subscriptions. However, if the Investor Service Centre in such locations is open on such local holidays, then redemption and switch requests will be accepted at those centres, provided it is a Business Day for the Scheme on an overall basis.

Notwithstanding the above, the AMC reserves the right to change the definition of Business Day and to declare any day as a Business Day or otherwise at any or all ISCs.

CBLO: Collateralized Borrowing and Lending Obligation.

Contingent Deferred Sales Charge/CDSC: A charge to the Unit Holder upon exiting [by way of Redemption] based on the period of holding of Units. The Regulations provide that a CDSC may be charged only for a no-Load Scheme and only for the first four years after the Purchase and caps the percentage of NAV that can be charged in each year.

Collection Bank[s]: The Bank[s] with which the AMC has entered into an agreement, from time to time, to enable customers to deposit their applications for Units during New Fund Offer.

Custodian: JP Morgan Chase Bank branch registered under the SEBI [Custodian of Securities] Regulations, 1996, currently acting as Custodian to the Scheme or any other custodian who is approved by the Trustees.

Cut-off time: Cut-off timing, in relation to an investor making an application to a mutual fund for purchase or

sale of units, shall mean the outer limits of timings within a particular day which are relevant for determination of the NAV that is to be applied for his/her transaction.

Depository: Depository as defined in the Depositories Act, 1996.

Designated Collection Centres: ISCs designated by the AMC as listed at the end of this document.

Dividend: Income distributed by Scheme on the Units, where applicable.

Entry Load: A Load charged to an investor on Purchase of Units based on the amount of investment or any other criteria decided by the AMC, from time to time. However, pursuant to SEBI's directive, no entry load can be charged to the investors for any Schemes effective August 1, 2009.

EFT: Electronic Fund Transfer

Exit Load: A Load [other than CDSC] charged to the Unit Holder on exiting the Scheme [by way of Redemption] based on period of holding, or any other criteria decided by the AMC.

Floating Rate Debt Instruments: Floating rate debt instruments are debt securities issued by Central and/or State Government, Corporate Bodies or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half-yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Mutual Fund. Floating rate debt instruments, can be synthetically created by swapping Money Market Instruments and Fixed Rate Debt Instruments for floating rate returns.

Foreign Institutional Investors/FII: An entity registered with SEBI under Securities and Exchange Board of India [Foreign Institutional Investors] Regulations, 1995 as amended from time to time.

Fund/Mutual Fund/MSMF: Morgan Stanley Mutual Fund, a Trust registered with SEBI under the Regulations, vide Registration No. MF/005/93/1 dated November 5, 1993.

Gilts or Government Securities: Securities created and issued by the Central Government and/or a State Government [including Treasury Bills] or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.

Investment Agreement/IMA: The agreement dated November 03, 1993, entered into between Board of Trustees and Morgan Stanley Investment Management Company Private Limited, as amended from time to time.

Investor Service Centre/ISC: Official points of acceptance of transaction/service requests from investors. These will be designated by the AMC from time to time.

Load: A charge that may be levied to an investor at the time of Purchase of Units of the Scheme or to a Unit Holder at the time of Redemption of Units from the Scheme.

MS Gilt Fund: Morgan Stanley Gilt Fund, an open-ended gilt scheme.

Net Asset Value/NAV: Net Asset Value of the Units of the Scheme [including options there under] calculated in the manner provided in this Scheme Information Document or as may be prescribed by the Regulations from time to time.

New Fund Offer/NFO: The offer for Purchase of Units at the inception of the Scheme, available to the investors during the NFO Period.

Non Resident Indian/NRI: Non Resident Indian as defined in the Foreign Exchange Management Act, 1999.

Ongoing Offer: Ongoing offer is an offer of units under the scheme when it becomes open for continuous purchase/ sale after the closure of the New Fund Offer Period.

PIO: Person of Indian Origin means a citizen of any country other than Bangladesh or Pakistan, if

[a] he/she at any time held Indian passport; or

[b] he/she or either of his/her parents or any of his/her grandparents were a citizen of India by virtue of the Constitution of India or the Indian Citizenship Act 1955 [57 of 1955]; or

[c] the person is a spouse of a Indian citizen or a person referred to in sub clause [a] or [b] above.

PoA: Power of Attorney

Purchase/Subscription: Subscription to/purchase of units of the scheme.

Purchase price: The price at which the units can be purchased and calculated in the manner provided in this Scheme Information Document.

RBI: Reserve Bank of India.

Registrar: Karvy Computershare Private Limited registered under the SEBI [Registrar to an Issue and Share Transfer Agents] Regulations, 1993, appointed as the Registrar and Transfer Agent for the Scheme, or any other registrar that may be appointed by the AMC.

Redemption: Repurchase of Units by the Scheme from a Unit Holder.

Redemption Price: The price [being Applicable NAV minus Exit Load/CDSC] at which the Units can be redeemed and calculated in the manner provided in this Scheme Information Document.

Scheme: Morgan Stanley Gilt Fund.

Scheme Information Document/ SID: This document issued by MSMF offering units of Morgan Stanley Gilt

Fund for subscription. Any modifications to this document will be made by way of an addendum, which will be attached thereto. On issuance of an addendum, the SID will be deemed to be updated to the effect of the addendum issued.

SEBI: Securities and Exchange Board of India established under the SEBI Act, 1992.

SEBI Regulations/Regulations: Securities and Exchange Board of India [Mutual Funds] Regulations, 1996 as amended from time to time, including by way of circulars or notifications issued by SEBI and the Government of India.

Sponsor: Morgan Stanley being the settler of Morgan Stanley Mutual Fund.

Switch: Sale of a Unit in one Scheme/Plan/Option against purchase of a Unit in another Scheme/Plan/Option.

Systematic Investment Plan/SIP: A facility enabling investors to save and invest in the Scheme at frequency/dates prescribed by the Mutual Fund, by submitting post-dated cheques/payment instructions.

Systematic Transfer Plan/STP: A facility enabling the unit holders to transfer their investments from/to other schemes of Morgan Stanley Mutual Fund at a frequency/dates prescribed by the Mutual Fund from time to time, by giving a single instruction to the Mutual Fund.

Systematic Withdrawal Plan/SWP: A facility enabling the unit holders to withdraw amount from the Scheme at a frequency prescribed by the Mutual Fund from time to time, by giving a single instruction to the Mutual Fund.

Transaction Slip: A form meant to be used by Unit Holders seeking additional Purchase or Redemption of Units in the Scheme, change in bank account details, switch-in or switch-out and such other facilities offered by the AMC and mentioned in Transaction Slips.

Trustees/Board of Trustees: The Trustees to the Morgan Stanley Mutual Fund.

Trust Deed: The Trust Deed dated November 3, 1993 made by and between the Sponsor and the Board of Trustees, establishing Morgan Stanley Mutual Fund.

Unit: The interest of an investor, which consists of one undivided share in the net assets of the Scheme.

Unit Holder: A person holding Units of the Scheme of Morgan Stanley Mutual Fund offered under this Scheme Information Document.

Interpretation

For all purposes of this Scheme Information Document, except as otherwise expressly provided or unless the context otherwise requires:

- The terms defined in this Scheme Information Document include the plural as well as the singular.
- Pronouns having a masculine or feminine gender shall be deemed to include the other.
- All references to “US\$” refer to United States Dollars and “Rs.” refer to Indian Rupees.
- References to times of day [i.e. a.m. or p.m.] are to Mumbai [India] times and references to a day are to a calendar day including non Business Day.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

- [i] The draft Scheme Information Document forwarded to SEBI is in accordance with the SEBI [Mutual Funds] Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- [ii] All legal requirements connected with the launching of the scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, were duly complied with.
- [iii] The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed scheme.
- [iv] The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.
- [v] The contents of the SID including figures, data, yields, etc. have been checked and are factually correct.

Sd/-

Sonali Bendke
Compliance Officer

Place: Mumbai
Date: November 09, 2012

Note: The aforesaid certificate was submitted to Securities and Exchange Board of India on November 09, 2012

II. Information about the Scheme

A. TYPE OF THE SCHEME

An Open ended Gilt Scheme

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

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.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal circumstances, the asset allocation would be as follows:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	
Securities issued by Central and State Government and Treasury bills	65	100	Sovereign
CBLO, Repo against Government securities	0	35	Low to Sovereign

Pursuant to SEBI Circular No. Cir/IMD/DF/11/2010 dated August 18, 2010, the cumulative gross exposure to debt and derivative positions will not exceed 100% of the net assets of the Scheme.

Investment in Derivatives – Up to 20% of the Net asset of the Scheme, based on the opportunities available subject to guidelines issued by SEBI from time to time. These positions may be taken to hedge the portfolio, rebalance the same as permitted under SEBI Regulations from time to time.

The Scheme will not engage in securities lending.

Change in Investment Pattern:

Subject to the SEBI Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions can vary depending upon the perception of the Investment Manager; the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be for short term period and for defensive considerations only. In such cases the portfolio will be rebalanced within 30 days in line with the stated asset allocation.

D. WHERE WILL THE SCHEME INVEST?

The Scheme shall invest in Government Securities defined in Section 2(2) of the Public Debt Act, 1944. The Scheme will seek to underwrite issuance of Government Securities

if any and to the extent permitted by SEBI/RBI and subject to the prevailing rules and regulations specified in this respect and may also participate in their auction from time to time. Below is an inclusive list of securities the Scheme would invest in:

- Securities issued by the Central and State Governments and/or repos/reverse repos in such Government Securities as may be permitted by RBI [including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills].
- Collateralized Borrowing & Lending Obligations [CBLO].
- Derivative instruments.
- Mutual Funds investing in Government securities.
- Any other securities/instruments as may be permitted by SEBI from time to time.
- **Investment in other scheme/s of the Mutual Fund:**
For the purpose of liquidity, the Scheme may invest in another scheme managed by the same AMC or by the AMC of any other Mutual Fund without charging any fees on such investments, provided that aggregate inter-scheme investment made by all schemes managed by the same AMC or by the AMC of any other Mutual Fund shall not exceed 5% of the net asset value of the Fund.
- **Investment in associate/group companies of the Sponsor:**
As per SEBI Regulations, the Scheme shall not make any investments in any un-listed securities of associate/group companies of the Sponsor. The Fund will also not make investment in privately placed securities issued by associate/group companies of the Sponsor. The Scheme may invest not more than 25% of the net assets in listed securities of group companies of the Sponsor/Asset Management Company/Mutual Fund.

The Scheme may avail for liquidity support from the RBI extended to Mutual Funds dedicated for investments in Government Securities via. circular no. IDMC. No. 2741/03.01.00/95-96 dated April 20, 1996 as amended from time to time.

The securities mentioned above could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity subject to details mentioned above and restrictions mentioned under 'Section I-What Are The Investment Restrictions'. The securities may be acquired through Initial Public Offerings [IPOs], secondary market operations, private placement, rights offers or negotiated deals. The scheme may invest the funds of the scheme in short term deposits of scheduled commercial banks as permitted under extant regulations.

Investment by AMC, Sponsor or their affiliates in the Scheme:

Subject to the Regulations, the AMC, the Sponsor, the Trustees and their associates or affiliates, may invest either directly or indirectly in the Scheme. However, AMC shall not charge any investment management and advisory services fee on its own investment in the Scheme.

Procedure and Recording of Investment Decisions:

The Investment Manager will carry out the daily investment activities within the framework of SEBI guidelines in accordance with the investment objective of the scheme.

All investment decisions will be recorded in writing. The Fund Manager will continuously monitor all investment decisions and their impact on the performance of the Scheme and carry out suitable adjustment at periodic intervals. Adherence to overall risk parameters will also be monitored on a regular basis. The Board of AMC and Trustees will review the performance of the Scheme in relation to the benchmark, and other appropriate peer groups, based on performance data available.

The AMC has appointed an Investment Management Committee comprising of the Chief Executive Officer, the members from Investment Team and Associate Director/s of the AMC. The Committee's role is laid down by the Board of Directors of the AMC and Board of Trustees wherein the Committee will review the investment policy, portfolio and performance of the Scheme periodically. However, the day-to-day investment management decisions will solely be of the Portfolio Manager of the Scheme.

E. WHAT ARE THE INVESTMENT STRATEGIES?

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.

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.

The government securities market is the largest and the most liquid market in India. These securities are issued by Government of India and State Governments to raise

finance to meet their Revenue and Capital expenditure. The Investment Manager believes that the various measures being initiated by RBI and the priority being accorded to the development of this market will lead to further deepening and widening of this market. The Central and State governments raise large sums from the market every year to meet their revenue and capital expenditure. Banks, Non-Banking Finance Companies, insurance companies and provident funds are required by various statutes to invest in government securities and therefore are big investors in this market. The government securities market continues to remain the most liquid market and provides an avenue for investment where credit risk aversion is of paramount importance.

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.

The Scheme aims to provide an opportunity to retail investors to invest in Government Securities through an actively managed portfolio of Government Securities.

Investment in Derivatives:

Derivatives products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

In terms of Circular No. MFD.BC.191/07.01.279/1999-2000 and MPD.BC.187/07.01.279/1999-2000 dated November 1, 1999 and July 7, 1999 respectively issued by Reserve Bank of India permitting participation by Mutual Funds in Interest Rate Swaps and Forward Rate Agreements, the Fund will use derivative instruments for the purpose of hedging and portfolio balancing. Further, the guidelines issued by Reserve Bank of India from time to time for forward rate agreements and interest rate swaps and other derivative products would be adhered to by the mutual fund along with relevant provisions laid down by SEBI from time to time.

Interest Rate Swaps [IRS]

An IRS is an agreement between two parties to exchange stated interest obligations for an agreed period in respect of a notional principal amount. The most common form is a fixed to floating rate swap where one party receives a fixed [pre-determined] rate of interest while the other receives a floating [variable] rate of interest.

Forward Rate Agreement [FRA]

An FRA is basically a forward starting IRS. It is an agreement between two parties to pay or receive the difference between an agreed fixed rate [the FRA rate] and the interest rate [reference rate] prevailing on a stipulated future date, based on a notional principal amount for an agreed period. The only cash flow is the difference between the FRA rate and the reference rate. As is the case with IRS, the notional amounts are not exchanged in FRAs.

Illustration of a derivatives transaction

Basic Structure of a Swap

Bank A has a 6 month Rs. 10 Crore liability, currently being deployed in call. Bank B has a Rs. 10 Crore 6 month asset, being funded through call. Both banks are running an interest rate risk.

To hedge this interest rate risk, they can enter into a 6 month MIBOR [Mumbai Inter Bank Offered Rate] swap.

Through this swap, A will receive a fixed pre agreed rate [say 7%] and pay “call” on the NSE MIBOR [“the benchmark rate”]. Bank A’s paying at “call” on the benchmark rate will hedge the interest rate risk of lending in call. B will pay 7% and receive interest at the benchmark rate. Bank A’s receiving of “call” on the benchmark rate will hedge his interest rate risk arising from his call borrowing.

The mechanism is as follows:

- Assume the swap is for Rs. 10 Crore March 1, 2011 to September 1, 2011. A is a fixed rate receiver at 7% and B is a floating rate receiver at the overnight compounded rate.
- On March 1, 2011, A and B will exchange only an agreement of having entered this swap. This documentation would be as per International Swaps and Derivatives Association [ISDA].
- On a daily basis, the benchmark rate fixed by NSE will be tracked by them. On September 1, 2011 they will calculate the following:
 - A is entitled to receive interest on Rs.10 Crore at 7% for 184 days i.e. Rs. 35.3 lac, [this amount is known at the time the swap was concluded] and will pay the compounded benchmark rate.
 - B is entitled to receive daily compounded call rate for 184 days & pay 7% fixed.

- On September 1, 2011, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 35.3 lac, A will pay B the difference. If the daily compounded benchmark rate is lower, then B will pay A the difference.
- Effectively, Bank A earns interest at the rate of 7% p.a. for six months without lending money for 6 months fixed, while Bank B pays interest @ 7% p.a. for 6 months on Rs. 10 Crore, without borrowing for 6 months fixed.

As per above said RBI circulars, mutual funds are permitted to do Interest Rate Swaps/Forward Rate Agreements, for hedging purposes only. Accordingly, the AMC would undertake the same for similar purposes only. IRS and FRAs do also have inherent credit and settlement risks. However, these risks are substantially reduced as they are limited to the interest streams and not the notional principal amounts.

Investments in derivatives will be in accordance with the extant SEBI regulations/guidelines. Presently, derivatives shall be used for hedging and/or portfolio balancing purposes, as permitted under the Regulations. The circumstances under which such transactions would be entered into would be when, using the IRS route it is possible to generate better returns/meet the objective of the scheme at a lower cost. For e.g. if buying a 2 Yr MIBOR based instrument and receiving the 2 Yr swap rate yields better return than the 2 Yr AAA corporate instrument, the scheme would endeavor to do that. Alternatively, the scheme would also look to hedge existing fixed rate positions if the view on interest rates is that it would likely rise in the future.

F. FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the scheme, in terms of Regulation 18[15A] of the SEBI [MF] Regulations:

[i] **Type of a scheme** - Open ended Gilt Scheme

[ii] **Investment Objective**

- **Main Objective** – Income
For detailed Investment Objective of the scheme, please refer to Section II B of this document titled ‘What Is The Investment Objective Of The Scheme?’
- **Asset Allocation pattern** – As mentioned in part C under Section II titled “Information about the Scheme.”

[iii] **Terms of Issue**

- Liquidity provisions such as listing, repurchase, redemption.

The Fund will sell and redeem the Units on an ongoing basis. As the Scheme will redeem Units on a continuous basis as laid down herein, the transfer facility is found redundant. Units of the Scheme shall therefore be non-transferable. However, if a transferee becomes a holder of Units by operation of law including upon enforcement of a pledge, then the Fund may, subject to production of such evidence, which in their opinion is sufficient, proceed to effect the transfer within 30 days from the date of lodgment if the intended transferee is otherwise eligible to hold the Units.

- Aggregate fees and expenses charged to the scheme.

Recurring Expenses structure is mentioned in Section IV titled “Fees and Expenses.”

In accordance with Regulation 18[15A] of the SEBI [MF] Regulations, the Trustees shall ensure that no change in the fundamental attributes of the Scheme[s] and the Plan[s]/ Option[s] hereunder or the trust or fee and expenses payable or any other change which would modify the Scheme[s] and the Plan[s]/Option[s] there under and affect the interests of Unit holders is carried out unless:

- A written communication about the proposed change is sent to each Unit holder and an

H. WHO MANAGES THE SCHEME?

Name of the Fund Manager	Age/ Qualification	Experience	Names of other Schemes under his management
Mr. Ritesh Jain Lead Portfolio Manager – Fixed Income	38 years PGDBA [Finance], B.Com.	Ritesh joined Morgan Stanley Investment Management Private Limited as a part of the Investment Team in March 2009. Prior to joining Morgan Stanley, he worked with Principal PNB Asset Management Company Pvt. Ltd. since 2001, where he headed Fixed Income division, managing around Rs. 6000 Crore under different Fixed Income Plans. Ritesh holds a PGDBA from K.J. Somaiya Institute of Management Studies & Research, Mumbai and B.Com. [Hons.] from University of Kolkata. He has over 13 years of experience in investment management.	<ul style="list-style-type: none"> • Morgan Stanley Short Term Bond Fund, • Morgan Stanley Active Bond Fund. • Morgan Stanley Liquid Fund • Morgan Stanley Multi-Asset Fund [Debt and Fixed Income assets]

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

As per the Trust Deed read with the Regulations, the following investment restrictions apply in respect of the Scheme at the time of making investments. However, all investments by the Scheme will be made in accordance with the investment objective, investment strategy, investment pattern and details mentioned in section on where the Scheme will invest as described previously.

1. Transfers of investments from one scheme to another scheme in the same mutual fund shall be allowed only if:
 - a) such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for the spot transaction); and transfers of unquoted securities will be made as per

advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and

- The Unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

The Scheme will benchmark its performance against I-SEC Composite Gilt Index.

I-Sec Composite Gilt Index is an average of Short Term Sovereign Bond Index i.e. Si-BEX, Medium Term Sovereign Bond Index i.e. Mi-BEX and Long-Term Sovereign Bond Index i.e. Li-BEX and comprises of the most liquid fixed-coupon Government Securities and is thus representative of the overall Indian gilts market. Since the Fund intends to invest across Gilt Securities of various maturities without limiting itself to a particular segment of Yield curve, I-Sec Composite Gilt Index is chosen as an ideal benchmark for this Scheme.

the policy laid down by the Trustees from time to time; and

- b) the securities so transferred are in conformity with the investment objective of the scheme to which such transfer has been made.
2. The Scheme shall buy and sell securities on the basis of deliveries and shall in all cases of purchases take delivery of relevant securities, and in all cases of sell deliver the securities.

Provided that a MF may enter into derivatives transactions in a recognized stock exchange subject to framework specified by SEBI.

Provided further that the sell of government securities already contracted for purchase shall be permitted in accordance with guidelines issued by RBI.

3. The Fund shall get the securities purchased/transferred in the name of the Fund on account of the Scheme, wherever the investments are intended to be of long term nature.
 - b) any security issued by way of private placement by an associate or group company of the sponsor; or
 - c) the listed securities of group companies of the sponsor which is in excess of 25% of the net assets.
4. Pending deployment of funds of the Scheme in securities in terms of investment objectives of the Scheme, the Scheme can invest the funds of the Scheme in short term deposits of scheduled commercial banks subject to:
 - a] Total investment of the scheme in Short term deposit[s] of all the Scheduled Commercial Banks put together shall not exceed 15% of the net assets. However, this limit can be raised up to 20% of the net assets with prior approval of the trustees. Further, investments in Short Term Deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the mutual fund in short term deposits.
 - b] Scheme shall not invest more than 10% of the net assets in short term deposit[s], of any one scheduled commercial bank including its subsidiaries.
 - c] Scheme shall not invest in short-term deposit of a bank, which has invested in that scheme.
 - d] AMC shall not charge investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks in case of liquid and debt oriented schemes.
 - e] "Short Term" for such parking of funds by Mutual Funds shall be treated as a period not exceeding 91 days.
 - f] Such short-term deposits shall be held in the name of the concerned scheme.

However, the above provisions will not be applicable in case of the term deposits placed as margin money for trading in cash and derivatives market.
5. The Scheme shall not make any investment in
 - a) any unlisted security of any associate or group company of the sponsor;
 - b) any security issued by way of private placement by an associate or group company of the sponsor; or
 - c) the listed securities of group companies of the sponsor which is in excess of 25% of the net assets.
6. The Scheme shall not make any investment in any fund of fund scheme.
7. The Scheme may invest in another scheme (except Fund of Funds schemes) under the same AMC or any other mutual fund without charging any fees, provided that the aggregate inter-scheme investment made by all schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the Fund.
8. No term loans for any purpose may be advanced by the Fund and the Fund shall not borrow except to meet temporary liquidity needs of the Scheme for the purpose of repurchase, redemption of Units or payment of interest or dividends to Unit Holders, provided that the Fund shall not borrow more than 20% of the net assets of the Scheme and the duration of such a borrowing shall not exceed a period of six months.

All the investment restrictions will be applicable at the time of making investment. The Scheme will comply with any other Regulations applicable to the investments of Mutual Funds from time to time.

Apart from the investment restrictions prescribed under the Regulations, internal risk parameters for limiting exposure to a particular scrip or sector may be prescribed from time to time to respond to dynamic market conditions as well as opportunities.

The Trustees/AMC may alter these above stated limitations from time to time, and also to the extent the Regulations change so as to permit the Scheme to make its investments in the full spectrum of permitted investments in order to achieve its investment objective.

J. HOW HAS THE SCHEME PERFORMED?

This is a new Scheme and does not have any performance track record.

K. COMPARISON WITH OTHER DEBT ORIENTED SCHEMES OF MSMF:

Name of the scheme	Investment Objectives	Comparison with other Debt Oriented Schemes of MSMF	AUM as on January 18, 2013 [Rs. in Crore]	No. of Folios as on January 18, 2013
Morgan Stanley Short Term Bond Fund	The investment objective is to generate income from a diversified portfolio of short to medium term debt and money market securities.	Morgan Stanley Short Term Bond Fund invests in a diversified portfolio of short and medium term debt and money market instruments. The aim is to generate optimum return from a moderate risk portfolio. On a risk-return matrix, it is positioned slightly higher than Liquid and Ultra Short Term Funds.	346.52	1309
Morgan Stanley Active Bond Fund	The investment objective is to generate optimal returns through active management of the portfolio consisting of debt and money market securities.	Morgan Stanley Active Bond Fund invests in a diversified portfolio of medium and long term debt. The aim is to generate return from a relatively high risk trading portfolio. On a risk-return matrix, it is positioned above Liquid, Ultra Short Term and Short-term Bond Funds.	160.13	688
Morgan Stanley Liquid Fund	The investment objective of the Scheme is 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.	Morgan Stanley Liquid Fund invests only in money market/Short Term debt with an aim to generate optimum return from a low risk and high liquid portfolio. On a risk-return matrix, it is positioned at the lower end of the matrix.	409.56	402
Morgan Stanley Multi-Asset Fund	Plan A – 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.	Morgan Stanley Multi Asset Fund proposes to generate regular income by investing in a portfolio comprises of debt/money market instrument along with limited exposure to Equities and Gold ETFs.	60.14	667
	Plan B – 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.		76.01	2382
Plan A and Plan B have separate portfolios.				
Morgan Stanley Gilt Fund	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 or any security unconditionally guaranteed by the Central/ State Government.	Morgan Stanley Gilt Fund proposes to invests in sovereign securities issued by the Central Government and/or a State Government or repos/reverse repos in such securities or any security unconditionally guaranteed by the Central/State Government with an aim to generate return from a low credit risk and high liquid portfolio.	Not Applicable	Not Applicable

III. Units and Offer

This section provides details you need to know for investing in the scheme.

A. NEW FUND OFFER [NFO]

New Fund Offer Period

This is the period during which a new scheme sells its units to the investors.

NFO Opens on: February 14, 2013

NFO Closes on: February 21, 2013

The AMC/Board of Trustees reserves the right to close the NFO of the Scheme before the above-mentioned date. The AMC/Board of Trustees also reserve the right to extend the closing date of NFO subject to the condition that NFO shall not be kept open for more than 15 days.

New Fund Offer Price

This is the price per unit that the investors have to pay to invest during the NFO.

Rs. 10 Per Unit

Minimum Amount for Application in the NFO

Rs. 5,000/- plus in multiples of Re. 1/-

Minimum Target amount

This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 5 Business Days from the closure of the NFO, interest as specified by SEBI [currently 15% p.a.] will be paid to the investors from the expiry of 5 Business Days from the date of closure of the subscription period.

Rs. 20 Crore

Maximum Amount to be raised [if any]

This is the maximum amount which can be collected during the NFO period, as decided by the AMC.

None

Plans/Options offered

The Scheme will have following Plans and Options:

Plan	Options	Dividend Frequency	Sub-Option/ Facility	Record date
Regular	Growth	–	–	–
	Dividend	Quarterly	Dividend Reinvestment and Pay out	Last Friday* of each calendar quarter.
Direct	Growth	–	–	–
	Dividend	Quarterly	Dividend Reinvestment and Pay out	Last Friday* of each calendar quarter.

* If Friday is a holiday, then the record date shall be the previous Business Day.

The AMC reserves the right to introduce a new Plan/ Option at a later date, subject to SEBI [Mutual Funds] Regulations.

Direct Plan: Direct Plan will have a lower expense ratio excluding distribution expenses, commission etc., and no commission for distribution of units will be paid/charged under Direct Plan.

Growth option: Under this option, income earned on the Scheme's corpus will remain invested in the Scheme and will be reflected in the Net Asset Value [NAV].

Dividend Option: Under this option, dividends will be declared at specified frequencies at the discretion of the Board of Trustees, subject to availability of distributable surplus. On payment of dividend, the NAV of the unit under the said dividend option will fall to the extent of payout and applicable statutory levies, if any.

Dividend Re-investment: Under this facility, the dividend due and payable to the unit holders will be compulsorily and without any further act by the unit holder, re-invested in the respective dividend option at a price based on the prevailing ex-dividend NAV per unit. The amount of dividend re-invested will be net of tax deducted at source wherever applicable.

On re-investment of dividend, the number of units at the credit of the unit holder will increase to the extent of dividend re-invested divided by the applicable NAV. There shall however be no load on the dividend so re-invested.

Dividend Payout: Under this facility, dividend declared, if any will be paid [subject to deduction of dividend distribution tax and applicable statutory levy, if any] to those unit holders whose names appear in the register of unit holders on the notified record date.

In case the investor has not specified any of the following in the application form, the default attributes to be applicable are as under:

Default Plan: Direct Plan

Default Option: Growth

In case of Dividend Option, default sub-option: Dividend Re-investment

Dividend Policy

The Board of Trustees may decide to distribute by way of dividend, the surplus by way of realized profit, dividends and interest, net of losses, expenses and taxes, if any, to Unit Holders in the dividend option of the Scheme if such surplus is available and adequate for distribution in the opinion of the Trustees. The Board of Trustees' decision with regard to availability and adequacy, rate, timing and frequency of distribution shall be final. The dividend will be due to only those Unit Holders whose names appear in the register of Unit Holders in the Dividend option of

the Scheme on the record date. The Unit Holders have the option of receiving the dividend or reinvesting the same. Though it is the intention of the Mutual Fund to make regular dividend distribution, there is no assurance or guarantee that the dividends will be regularly paid.

Dividend distribution procedure:

Pursuant to SEBI circular no. SEBI/IMD/CIR No. 1/64057/06, dated April 4, 2006, the procedure for dividend distribution will be as follows:

1. Quantum of dividend and record date shall be fixed by the Board of Trustees. Dividend so decided shall be paid, subject to availability of distributable surplus as on the date of declaration of dividend.
2. Within 1 calendar day of the decision by the Board of Trustees, the AMC shall issue notice to the public communicating the decision about the Dividend including the record date, in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where Head Office of the Mutual Fund is situated.
3. Record date shall be the date, which will be considered for the purpose of determining the eligibility of investors whose name appear on the register of unit holders for receiving dividends. The Record Date will be 5 calendar days from the date of issue of notice.
4. The NAV will be adjusted to the extent of Dividend distribution and statutory levy, if any at the close of business hours on record date.
5. Before the issue of such notice, no communication indicating the probable date of dividend declaration in any manner whatsoever will be issued by the Mutual Fund.

However, please note that in case of dividend option/s where the frequency of dividend declaration is up to and including Monthly basis, the requirement of issuing a notice, as mentioned above communicating the decision of declaring dividend [including the record date], is not mandatory. Accordingly, no notice as mentioned above will be published by AMC in case of dividend declared under the Scheme under dividend option where the frequency of dividend declaration is up to and including Monthly basis.

The AMC shall dispatch to the Unit Holders, the dividend warrants within 30 days of the date of declaration of dividend.

Allotment

Investors may apply for Units by filling up an Application Form. All valid and complete applications will be allotted Units at the Applicable NAV for the application amount. Allotment of units shall be made within 5 Business Days from the closure of the NFO, and the Scheme shall be

available for ongoing repurchase/sale/trading within 5 Business Days of the allotment.

For applicants applying through 'Applications Supported by Blocked Amount [ASBA]', on allotment, the amount will be unblocked in their respective bank accounts and account will be debited only to the extent required to pay for allotment of Units applied in the application form.

Please refer to Section on Accounts Statements under section [B] titled 'On-going offer details' for details with regards to the Statement of accounts.

Refund

The Fund will refund the application money to applicants whose applications are found to be incomplete, invalid or have been rejected for any other reason whatsoever. Refund instruments will be dispatched within 5 Business Days from the closure of the NFO. In the event of delay beyond 5 Business Days, the AMC shall be liable to pay interest @15% P.A. or such other rate as may be prescribed from time to time. Refund orders will be marked "A/c payee" only and drawn in the name of the applicant. All refund orders will be sent by registered post or through RTGS, NEFT or direct credit facility.

Who can invest?

This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.

The following is an indicative list of persons who are generally eligible and may apply for subscription to the Units of the Scheme:

- Indian resident adult individuals, either singly or jointly [not exceeding three] or on an Anyone or Survivor basis;
- Minor through parent/lawful guardian; [please see the note below]
- Companies, bodies corporate, public sector undertakings, association of persons or bodies of individuals and societies registered under the Societies Registration Act, 1860;
- Religious and Charitable Trusts, Wakfs or endowments of private trusts [subject to receipt of necessary approvals as required] and Private Trusts authorized to invest in mutual fund schemes under their trust deeds;
- Partnership Firms constituted under the Partnership Act, 1932;
- Proprietorship in the name of the sole proprietor;
- A Hindu Undivided Family [HUF] through its Karta;
- Banks [including Co-operative Banks and Regional Rural Banks] and Financial Institutions;

- Non-Resident Indians [NRIs]/Persons of Indian Origin [PIO] on full repatriation basis or on non-repatriation basis;
- Foreign Institutional Investors [FIIs] registered with SEBI on full repatriation basis;
- Army, Air Force, Navy and other para-military funds and eligible institutions;
- Scientific and Industrial Research Organizations;
- Provident/Pension/Gratuity and such other Funds as and when permitted to invest;
- International Multilateral Agencies approved by the Government of India/RBI;
- The Trustee, AMC or Sponsor or their associates [if eligible and permitted under prevailing laws]; and
- A Mutual Fund through its schemes, including Fund of Funds schemes.
- Qualified Foreign Investors [QFI- in terms of SEBI circular: CIR/IMD/DF/14/2011 dated August 9, 2011 and subject to conditions mentioned therein] residing in countries where the Scheme would be eligible for subscription from time to time.

Note: Minor Unit Holder on becoming major may inform the Registrar about attaining majority and provide his specimen signature duly authenticated by his banker as well as his details of bank account and PAN [if required] to enable the Registrar to update their records and allow him to operate the Account in his own right.

It should be noted that the following entities cannot invest in the scheme:

- Overseas Corporate Bodies [OCBs] shall not be allowed to invest in the Scheme. These would be firms and societies which are held directly or indirectly but ultimately to the extent of at least 60% by NRIs and trusts in which at least 60% of the beneficial interest is similarly held irrevocably by such persons [OCBs.]
- Non-Resident Indians residing in the United States of America and Canada.
- Non-Resident Indians residing in the Financial Action Task Force [FATF], Non Compliant Countries and Territories [NCCTs] [currently there are no countries as non-co-operative].
- Foreign Investors that are not an Indian residents under the Foreign Exchange Management Act, 1999 [FEMA Act] except Qualified Foreign Investors, FIIs registered with SEBI, sub account of an FII or otherwise explicitly permitted under FEMA Act/by RBI/ by any other applicable authority.

The Fund reserves the right to include/exclude new/existing

categories of investors to invest in the Scheme from time to time, subject to SEBI Regulations and other prevailing statutory regulations, if any.

Subject to the Regulations, any application for Units may be accepted or rejected in the sole and absolute discretion of the Trustees. For example, the Trustees may reject any application for the Purchase of Units if the application is invalid or incomplete or if, in its opinion, increasing the size of any or all of the Scheme's Unit capital is not in the general interest of the Unit Holders, or if the Trustee for any other reason does not believe that it would be in the best interest of the Scheme or its Unit Holders to accept such an application.

The AMC/Trustee may need to obtain from the investor verification of identity or such other details relating to a subscription for Units as may be required under any applicable law, which may result in delay in processing the application.

Where can you submit the filled up applications?

The applications duly filled up and signed by the applicants should be submitted at the office of collection centres, ISCs and official points of acceptance whose name and addresses are mentioned at the end of this document.

How to Apply?

Please refer to the SAI and Application form for the instructions.

Listing

The Scheme being open ended, the Units are not proposed to be listed on any stock exchange and no transfer facility is provided. However, the Fund may at its sole discretion list the Units on one or more stock exchanges at a later date.

Transactions through the BSE/NSE Platform:

SEBI vide circular No. SEBI/IMD/CIR No.11/183204/2009 dated November 13, 2009 initiated use of the existing infrastructure for secondary market transactions for facilitating transactions in Mutual Fund schemes.

Accordingly, in terms of the aforesaid circular and subsequent operating guidelines issued by National Stock Exchange ["NSE"] and Bombay Stock Exchange ["BSE"], the units of the Scheme are available for transactions on BSE StAR MF Platform and NSE's Mutual Fund Service System ["MFSS"], collectively referred to as "the Stock Exchange Platforms".

Those investors desiring to transact through the Stock Exchange Platforms could do the same through eligible registered trading members ["Brokers"] of NSE and BSE. Please note the following in this regard:

1. Investors, whether existing or new, shall be eligible to transact through Stock Exchange Platform.

2. The Stock Exchange Platform currently permits only purchase/redemption of Units. Switching of units is currently not permitted. Investors should also note that the Units of the Schemes are not listed on Stock Exchange and hence the same cannot be traded thereon. The Stock Exchange Platform is only to enable purchase/redemption of Units.
3. Brokers who are eligible to enable transactions through the Stock Exchange Platform would be considered as Official Points of Acceptance. Such Brokers would issue a time stamped confirmation slip for the transaction entered into the system, which shall be considered for applicability of NAV.
4. The applicability of NAV will be subject to guidelines issued by SEBI on Uniform cut-off timings. Currently, the cut-off time is 3.00 pm for the Scheme.
5. Units can be held by investors in physical [i.e. through Statement of Account] or dematerialized [demat] mode, as may be opted by them. However, in case of purchase transaction, investor will have to transfer the funds to AMFI certified Stock Exchange Broker irrespective of mode of holding i.e. physical or demat. Separate folios will be allotted for Units held in physical and demat mode.
6. Non-Financial Transactions/Service requests: For non-financial transactions/service requests such as change of address, change of bank details, etc., investors should approach ISCs if Units are held in physical mode and their respective DPs if Units are held in demat mode.

Units in Physical Mode-Subscription/redemption process:

- [a] Investors desiring to purchase/redeem the Units in physical form, [i.e. where Units are held through Statement of Account issued by Mutual Fund] should approach AMFI certified stock exchange Brokers along with the application form for subscription/redemption with applicable documents, if any.
- [b] The AMFI certified stock exchange broker shall verify the application for mandatory details and KYC compliance.
- [c] After completion of the verification, the purchase order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor.
- [d] The investor will transfer the funds to the AMFI certified stock exchange brokers.
- [e] Allotment details will be provided by the AMFI certified stock exchange brokers to the investor.
- [f] Minimum amount or units for redemption shall be Rs. 1,000/- or 100 Units or account balance, whichever is lower.

- [g] Existing Unit holders desiring to convert the existing physical Units into demat form must submit dematerialization request at their Depository Participant [DP].
- [h] An account statement evidencing the transaction will be issued by Morgan Stanley Mutual Fund to investors.

Units in Demat Mode:

Pursuant to SEBI Circular no. CIR/IMD/DF/9/2011 dated May 19, 2011, an option to subscribe in the units of the Scheme(s)/Plan(s) in dematerialized [demat] form is being provided to the investors.

Consequently, the Unit holders under the Scheme/Plan(s) shall have an option to subscribe/ hold the Units in demat form in accordance with the provisions laid under the Scheme/Plan(s) and in terms of the guidelines/procedural requirements as laid by the Depositories [i.e. NSDL/CDSL] from time to time except plans with daily, weekly and fortnightly dividend options, if any and SIP transactions under all Scheme/Plan(s) of MSMF. Please note the following in this regard:

- [a] Investors intending to deal in depository mode [i.e. holding Units in electronic form in a depository account] should have a demat account with a DP. For such investors, the KYC performed by DP in terms of SEBI Circular No. MRD/DoP/Dep/Cir-29/2004 dated August 24, 2004 shall be considered enough compliance with applicable requirements specified in this regard in terms of SEBI Circular ISD/AML/CIR-1/2008 dated December 19, 2008.
- [b] The investor who chooses the depository mode is required to place an order for purchase/redemption [subject to applicable limits prescribed by Stock Exchanges] with the Broker.
- [c] Minimum amount or units for redemption shall be Rs. 1,000/- or 100 Units or account balance, whichever is lower.
- [d] In case of purchase, the Registrar will credit the Units to the depository account of the investor directly. In case of redemption, payout will be made to the Unit holder's bank account as recorded with the Depository.
- [e] A demat statement will be sent by the DP showing the credit/debit of Units to investor's account. The Fund would not be issuing any account statement in such cases.
- [f] Investors who hold Units in demat mode can only transact through the Stock Exchange Platform. In case investors wish to transact through any other mode, they can do so after rematerializing the Units by making an application to their DP.

In case, the Unit holder desires to hold the Units in

Dematerialized/Rematerialized form at a later date, the request for conversion of units held in non-demat form into Demat form or vice-versa should be submitted along with a Demat/Remat Request Form to their Depository Participants.

Units held in demat form will be transferable subject to the provisions laid under the Scheme/Plan(s) and in accordance with provisions of Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as may be amended from time to time.

Special Products/facilities available during the NFO:

ASBA Facility:

The Mutual Fund will offer ASBA facility during the NFO of the Scheme.

ASBA is an application containing an authorization given by the investor to block the application money in his specified bank account towards the subscription of units offered during the NFO of the Scheme. If an investor is applying through ASBA facility, the application money towards the subscription of units shall be debited from his/her bank account only if his/her application is selected for allotment of units.

Other Special products like Systematic Investment Plan, Systematic Transfer Plan will be available only during ongoing basis. Please refer to section titled "Ongoing offer details" for further details.

The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity [the scheme or the AMC] involved in the same

The number of Units held by the Unit Holder in his folio will stand reduced by the number of Units redeemed. Units once redeemed will be extinguished and will not be reissued.

Restrictions, if any, on the right to freely retain or dispose of units being offered

Pledge of units for loan:

In conformity with the guidelines and notifications issued by SEBI/Government of India/any other regulatory body from time to time, Units under the Scheme may be offered as security by way of a lien/charge in favor of scheduled banks, financial institutions, non-banking finance companies [NBFCs], or any other body. The Registrar will note and record the lien against such Units. A standard form for this purpose is available on request with the Registrar.

The Unit Holder will not be able to redeem/switch Units under lien until the Lien Holder provides written authorization to the Fund that the lien/charge may be vacated. As long as Units are under lien, the Lien Holder

will have complete authority to exercise the lien, thereby redeeming such Units and receiving payment proceeds. In such instance, the Unit Holder will be informed by the Registrar through an account statement. All benefits accruing on the units under lien during the period of the lien in the form of bonus, dividend or otherwise shall be subject to lien.

Lien on Units:

On an ongoing basis, when existing and new investors make subscriptions, a lien on units allotted will be created, and such units shall not be available for redemption until the payment proceeds are realized by the Fund. In case a Unit holder redeems units soon after making purchases, the redemption cheque will not be dispatched until sufficient time has elapsed to provide reasonable assurance that cheques or drafts for units purchased have been cleared.

In case the cheque/draft is dishonored by the bank, the transaction shall be reversed and the units allotted earlier shall be cancelled, and a fresh Account Statement/ Confirmation slip shall be dispatched to the Unit holder.

For NRIs, the Fund may mark a lien on units in case documents, which need to be submitted, are not given in addition to the application form and before the submission of the redemption request. However, Morgan Stanley Investment Management Pvt. Ltd. reserves the right to change operational guidelines for lien on units from time to time.

Suspension of Purchase and Redemption of units:

Subject to the approval of the Boards of the AMC and of the Trustees, and subject also to necessary communication of the same to SEBI, the determination of the NAV of the Units of the Scheme, and consequently of the Purchase, Redemption and switching of Units, may be temporarily suspended in any of the conditions described below:

- i. When one or more stock exchanges or markets which provide the basis of valuation for a substantial portion of the assets of the Scheme is closed otherwise than for ordinary holidays.
- ii. When, as a result of political, economic or monetary events or any other circumstances outside the control of the Trustees and the AMC, the disposal of the assets of the Scheme is not considered to be reasonably practicable or might otherwise be detrimental to the interests of the Unit Holders.
- iii. In the event of breakdown in the means of communication used for the valuation of investments of the Scheme, so that the value of the securities of the Scheme cannot be accurately or reliably arrived at.
- iv. If, in the opinion of the AMC, extreme volatility of markets causes or might cause, prejudice to the interests of the Unit Holders of the Scheme.

- v. In case of natural calamities, war, strikes, riots, and bandhs.
- vi. In case of any other event of force majeure or disaster that in the opinion of the AMC affects the normal functioning of the AMC or the Registrar.
- vii. If so directed by SEBI.

In any of the above eventualities, the time limits for processing requests for subscription and Redemption of Units will not be applicable. All types of subscription and Redemption of Units will be processed on the basis of the immediately next Applicable NAV after the resumption of dealings in Units.

Right to limit redemptions:

The Trustees may, in the general interest of the Unit Holders of the Scheme and when considered appropriate to do so based on unforeseen circumstances/unusual market conditions, limit the total number of Units which may be redeemed on any Business Day to 5% of the total number of Units then in issue, under the Scheme and option[s] thereof, or such other percentage as the Trustees may determine. Any Units which consequently are not redeemed on a particular Business Day will be carried forward for Redemption to the next Business Day, in the order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV [subject to the prevailing Load] of the Business Day on which Redemption is made. Under such circumstances, to the extent multiple Redemption requests are received at the same time on a single Business Day, redemptions will be made on a prorata basis, based on the size of each Redemption request, the balance amount being carried forward for Redemption to the next Business Day. In addition, the Trustees reserve the right, in its sole discretion, to limit redemptions with respect to any single account to an amount of Rs. 1 lac in a single day.

B. ONGOING OFFER DETAILS

Ongoing Offer Period

This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.

The Scheme will re-open for ongoing subscriptions and redemptions within 5 Business Days from the date of allotment.

Ongoing price for subscription [purchase]/switch-in [from other schemes/plans of the mutual fund] by investors.

This is the price you need to pay for purchase/switch-in.

At the applicable NAV.

Ongoing price for redemption [sale]/switch outs [to other schemes/plans of the Mutual Fund] by investors.

This is the price you will receive for redemptions/switch outs.

Example: If the applicable NAV is Rs. 10, exit load is 2% then redemption price will be:

$$Rs. 10 * [1 - 0.02] = Rs. 9.80$$

At the applicable NAV subject to prevailing exit load.

Cut off timing for subscriptions/redemptions/switches

This is the time before which your application [complete in all respects] should reach the official points of acceptance.

The Cut-off time for the Scheme is 3 pm and the Applicable NAV will be as under:

For Purchase/switch-in:

- a) In respect of valid Purchase applications [along with necessary documents] of investment amount less than Rs. 2 lacs accepted at an Official Point of Acceptance along with a local cheque or demand draft payable at par at the place where it is received up to 3 pm on a Business Day, the closing NAV of the day of receipt of application will be applicable;
- b) In respect of valid Purchase applications [along with necessary documents] of investment amount equal to or more than Rs. 2 lacs accepted at an Official Point of Acceptance along with a local cheque or demand draft payable at par at the place where it is received up to 3 pm on a Business Day, and the funds are available for utilization before the cut-off time without availing any credit facility, whether intra-day or otherwise, the closing NAV of the day of receipt of application will be applicable;
- c) In respect of valid Purchase applications [along with necessary documents] of investment amount less than Rs. 2 lacs accepted at an Official Point of Acceptance along with a local cheque or demand draft payable at par at the place where it is received after 3 pm on a Business Day, the closing NAV of the next Business Day will be applicable,
- d) In respect of valid Purchase applications [along with necessary documents] of investment amount equal to or more than Rs. 2 lacs accepted at an Official Point of Acceptance along with a local cheque or demand draft payable at par at the place where it is received after 3 pm on a Business Day, and the funds are available for utilization on the same day without availing any credit facility, whether intra-day or otherwise, the closing NAV of the next Business Day will be applicable, and
- e) Irrespective of the time of receipt of application of investment amount equal to or more than Rs. 2 lacs, where the funds are not available for utilization before the cut-off time without availing any credit facility, whether intra-day or otherwise, the closing NAV of the day on which the funds are available for utilization will be applicable.

For allotment of units, it shall be ensured that:

- a) For all valid applications of investment amount less than Rs. 2 lacs the application is received before the applicable cut-off time;
- b) For all valid applications of investment amount equal to or more than Rs. 2 lacs
 - i. the application is received before the applicable cut-off time,
 - ii. Funds for the entire amount of subscription/ purchase as per the application/switch-in request are credited to the bank account of the Scheme before the cut-off time,
 - iii. The funds are available for utilization before the cut-off time without availing any credit facility whether intra-day or otherwise, by the Scheme.

For Redemption/Switch out:

- a) In respect of valid applications accepted at an Official Point of Acceptance up to 3.00 p.m. on a Business Day, the closing NAV of the same day will be applicable; and
- b) In respect of valid applications accepted at an Official Point of Acceptance after 3.00 p.m., the closing NAV of the next Business Day will be applicable.

Where can the applications for purchase/redemption switches be submitted?

Please refer to the detailed list of Official Points of Acceptance at the end of this document.

Minimum amount for purchase/redemption/swiches

a) Subscription of Units

Minimum Application Amount [first time in the scheme]

Rs. 5,000/- plus in multiples of Re. 1/-

Minimum Additional Application Amount

Rs. 1,000 plus in multiples of Re. 1/-.

b) Redemption of Units

The Unit Holder has the option to request for Redemption either in amount in rupees or in number of units. In case the request for redemption specifies both i.e. the amount in Rupees as well as the number of units to be redeemed, then the later will be considered as the redemption request and the request will be processed accordingly. The minimum amount in rupees for Redemption shall be Rs. 1,000/- or 100 Units or account balance, whichever is lower.

Units can be redeemed [sold back to the Fund] at the Redemption Price. If an investor has purchased Units of a Scheme on more than one Business Day the Units will be redeemed on a first-in-first-out basis. If multiple Purchases are made on the same day, the Purchase appearing earliest in the account statement will be redeemed first.

c) Switches

Valid applications for 'switch-out' shall be treated as applications for Redemption and valid applications for 'switch-in' shall be treated as applications for Purchase, and the provisions of the minimum redemption amount as stated in [b] above and Minimum Application Amount [first time in the scheme] or Minimum Additional Application Amount for purchase as stated in [a] above, as the case may be, shall apply.

Minimum balance to be maintained and consequences of non maintenance:

Investors may note that in case balance in the account of the unit holder does not cover the amount of redemption request, the Mutual Fund is authorized to close the account of such unit holder and redeem the entire balance to the unit holder.

Closure of Unit holder's account:

Investors may note that AMC at its sole discretion may close a unit holder's account under a plan/option, after giving a notice of 30 days, if at the time of any part redemption, value of the balance falls below Rs. 1,000 [or such other amount as AMC may decide from time to time] or where the units are held by the unit holder in breach of any Regulation.

Special Products available

a) Systematic Investment Plan (SIP):

This facility enables investors to save and invest periodically over a longer period of time. It is a convenient way to "invest as you earn" and affords the investor an opportunity to enter the market regularly, thus averaging the acquisition cost of Units. The conditions for investing in SIP will be as follows:

- SIP Frequency : Monthly and quarterly;
- Minimum SIP instalment amount: Rs. 1,000/- and in multiples of Re.1/- thereafter;
- Minimum No. of SIP instalments : 6 instalments [including the first SIP cheque];
- SIP Dates* : 1st/5th/10th/15th/20th/25th of the month/ of any month in the quarter;
- Registration period: There must be at least 21 days between the first SIP cheque and subsequent due date of ECS [debit clearing];
- The load structure prevailing at the time of submission of the SIP application [whether fresh or extension] will apply for all the installments indicated in such application;
- The investors may avail multiple SIPs per month/ quarter under the same folio/account on specified SIP dates mentioned above;

- All the cheques/payment instructions [including the first cheque/payment instruction] shall be of equal amounts in case of SIP applications;
- Investors may also choose to invest any lump sum amount along with the first SIP installment by way of a single cheque/payment instruction. However, in such a scenario, the minimum amount of the first cheque/payment instruction has to be Rs. 5,000/-.

*In case any of the dates is a non business day, the transaction will be effective at the applicable NAV of the next business day.

Group SIP [GSIP]:

GSIP is a Systematic Investment Plan for Corporate Employees to subscribe to the Units of the Scheme, whereby employees can enroll with their Employers to participate in the Monthly Systematic Investment Plan, and the Employer would coordinate with MSMF collectively on behalf of its employees.

Following are the key features of GSIP:

- Employers could choose from any of the existing SIP dates viz. 1st, 5th, 10th, 15th, 20th or 25th offered under Systematic Investment Plan at a monthly frequency of any of the Schemes of MSMF for GSIP on behalf of its employees.
- Employees interested to invest in the GSIP would be required to fill up requisite application forms and authorize their employers to deduct the monthly amount of investment from their salaries for duration as specified by them.
- Minimum installment amount per investor would be Rs. 250/- per month.
- Minimum number of GSIP installments would be 6 for Monthly SIP with no limit on maximum duration/ amount.
- The Employers would then, on behalf of the investors, issue a single consolidated local cheque/draft favoring “Morgan Stanley Mutual Fund [Scheme Name]” on behalf of all its employees who enroll for the GSIP.
- Load Structure as in force at the time of application would be applicable for GSIP investments.
- Dividend and Redemption Proceeds as applicable would be credited to the bank account of the employee as per the mandate provided in the application form.
- All communication will be sent to the address that employee mentions in his/her application form.
- In accordance with prevailing Regulations, account statement for Systematic Investment Plan will be dispatched once every quarter ending March, June, September and December within 10 Business Days

from the end of the respective quarter. However, the first Account Statement shall be issued within 10 business days of the initial investment. A soft copy of the Account Statement shall be mailed to the investors under SIP to their e-mail address, if provided, on a monthly basis. In case of specific request received from investors, the Mutual Fund shall provide the Account Statement to the investors within 5 business days from the receipt of such request without any charges.

Systematic Transfer Plan [STP]:

- STP Frequency : Monthly
- Minimum STP instalment amount[^] : Rs. 1,000/- and in multiples of Re.1/- thereafter for Monthly option
- Minimum No. of STP instalments : Monthly - 6 instalments
- STP Dates* : Monthly Option: 1st/5th/10th/15th/20th/25th of the month
- Registration period: 7 days gap for registration
- Minimum Balance for registration of STP – Rs. 6,000/-

Systematic Withdrawal Plan [SWP]:

- SWP Frequency : Monthly
- Minimum SWP instalment amount[^]: Rs. 1,000/- and in multiples of Re.1/- thereafter.
- Minimum No. of SWP instalments : 6 instalments
- SWP Dates* : 1st of every month
- Registration period: 7 days gap for registration
- Minimum Balance for registration of SWP – Rs. 6,000/-
- SWP is not available for investments under lock-in period and for investments which are pledged.

* The Units will be redeemed at the Applicable NAV of the dates specified by AMC on which such transactions are sought. However, if any of the dates on which the transaction is sought is a non Business Day, the transaction will be effected at the Applicable NAV of the next Business Day.

[^] If the amount of instalment is greater than the amount available in that account for transfer [under STP]/ redemption [under SWP], the entire available amount will be transferred [under STP]/redeemed [under SWP] and the STP/SWP will terminate automatically.

The Trustees/AMC reserves the right to modify the facilities at any time in future on a prospective basis.

Switching Options:

[a] Inter-scheme switching option:

Unit holders under the Scheme have the option to switch part or all of their Unit holdings in the Scheme to any other

Scheme offered by the Mutual Fund from time to time. The Mutual Fund also provides the investor the flexibility to switch their investments from any other Scheme[s]/ Plan[s] offered by the Mutual Fund to this Scheme.

The Switch will be effected by way of a redemption of units from the Scheme at the applicable NAV, subject to exit load, if any, and re-investment of redemption proceeds into another Scheme offered by the Mutual Fund at applicable NAV, and accordingly the Switch must comply with the Redemption rules of the Switch-out scheme, and Subscription rules of the Switch-in Scheme.

[b] Intra-Scheme switching option:

Unit holders under the Scheme have the option to switch their Unit holdings from one Plan/option to another Plan/option subject to fulfilment of minimum investment amount of the respective Plan/Option. The Switches would be processed at the applicable NAV based prices, and the difference between the NAVs of the two options will be reflected in the number of units allotted.

Switching shall be subject to the applicable “cut off time and applicable NAV” as mentioned in the section on “cut off timing”. In case of switch transactions, from one scheme to another, the allocation shall be in line with redemption payouts.

Application via Electronic mode:

Subject to the investor fulfilling certain terms and conditions stipulated by the AMC as under, Morgan Stanley Investment Management Private Limited, Morgan Stanley Mutual Fund or any other agent or representative of the AMC, Mutual Fund, the Registrar may accept transactions through any electronic mode [“fax /web/ electronic transactions”] as permitted by SEBI or other regulatory authorities:

- i] The acceptance of the fax/web/electronic transactions will be solely at the risk of the transmitter of the fax/ web/electronic transactions and the recipient shall not in any way be liable or responsible for any loss, damage caused to the transmitter directly or indirectly, as a result of the transmitter sending or purporting to send such transactions.
- ii] The recipient will also not be liable in the case where the transaction sent or purported to be sent is not processed on account of the fact that it was not received by the recipient.
- iii] The transmitter’s request to the recipient to act on any fax/web/electronic transmission is for the transmitter’s convenience and the recipient is not obliged or bound to act on the same.
- iv] The transmitter acknowledges that fax/web/ electronic transactions is not a secure means of giving instructions/transactions requests and that the

transmitter is aware of the risks involved including those arising out of such transmission.

- v] The transmitter authorizes the recipient to accept and act on any fax/web/electronic transmission which the recipient believes in good faith to be given by the transmitter and the recipient shall be entitled to treat any such fax/web/electronic transaction as if the same was given to the recipient under the transmitter’s original signature.
- vi] The transmitter agrees that security procedures adopted by the recipient may include signature verification, telephone call backs which may be recorded by tape recording device and the transmitter consents to such recording and agrees to cooperate with the recipient to enable confirmation of such fax/web/electronic transaction requests.
- vii] The transmitter accepts that the fax/web/electronic transactions shall not be considered until time stamped as a valid transaction request in the Scheme in line with SEBI regulations.
- viii] In consideration of the recipient from time to time accepting and at its sole discretion acting on any fax/ web/electronic transaction request received/purporting to be received from the transmitter, the transmitter agrees to indemnify and keep indemnified the AMC, Directors, employees, agents, representatives of the AMC, Morgan Stanley Mutual Fund and Trustees from and against all actions, claims, demands, liabilities, obligations, losses, damages, costs and expenses of whatever nature [whether actual or contingent] directly or indirectly suffered or incurred, sustained by or threatened against the indemnified parties whatsoever arising from or in connection with or any way relating to the indemnified parties in good faith accepting and acting on fax/web/electronic transaction requests including relying upon such fax/ electronic transaction requests purporting to come from the transmitter even though it may not come from the transmitter.

The AMC reserves the right to discontinue the facility at any point of time.

Accounts Statements

Consolidated Account Statement [CAS]:

Pursuant to Regulation 36 of SEBI [Mutual Funds] Regulations, 1996 and amendments thereto, read with SEBI circular No. Cir/IMD/DF/16/2011 dated September 8, 2011, the investor whose transaction has been accepted by the AMC/Mutual Fund shall receive the following:

- (i) On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted by way of email and/or SMS and/or

Physical Statement within 5 Business Days from the date of receipt of transaction request at the registered e-mail address and/or mobile number and/or registered address.

- (ii) Thereafter, a consolidated account statement [CAS]^ for each calendar month to the Unit holder/s in whose folio/s transaction/s has/have taken place during the month on or before 10th of the succeeding month.

^Consolidated Account Statement [CAS] shall contain details relating to all the transactions carried out by the investor across all schemes of all mutual funds during the month and holding at the end of the month including transaction charges, if any, paid to the distributor.

- (iii) For the purpose of sending CAS, common investors across mutual funds shall be identified by their valid Permanent Account Number [PAN] & KYC. The CAS shall not be received by the Unit holders for the folio/s not updated with valid PAN & KYC details. The Unit holders are therefore requested to ensure that the folio/s are updated with their valid PAN & KYC.
- (iv) In case of a specific request received from the Unit holders, the AMC/Fund will provide the account statement to the investors within 5 Business Days from the receipt of such request.
- (v) In the event, the account has more than one registered holder, the first named Unit holder shall receive the CAS/account statement.

Further, the CAS detailing holding across all schemes of all mutual funds at the end of every six months [i.e. September and March every year], shall be sent on or before 10th day of succeeding month, to all such Unit holders in whose folios no transaction has taken place during that period.

The consolidated account statement will be sent by e-mail to the Unit holders whose e-mail address is available, unless a specific request is made to receive in physical.

The statement of holding of the beneficiary account holder for units held in demat will be sent by the respective Depository Participants periodically.

Dividend

The dividend warrants shall be dispatched to the unit holders within 30 days of the date of declaration of the dividend.

In case of unit holders having a bank account with certain banks with whom the Mutual Fund would have an arrangement from time to time, the dividend proceeds shall be directly credited to their account.

The dividend will be paid by warrant and payments will be made in favor of the Unit holder [registered holder of the units or, if there is more than one registered holder,

only to the first registered holder] with bank account number furnished to the Mutual Fund. Please note that it is mandatory for the unit holders to provide the bank account details as per the directives of SEBI.

Further, the dividend proceeds may be paid by way of ECS/EFT/NEFT/RTGS/any other manner through which the investor's bank account specified in the Registrar & Transfer Agent's records is credited with the dividend proceeds as per the instructions of the unit holders.

Redemption

The Mutual Fund will endeavor to dispatch the Redemption proceeds within 1 Business Day from the date of acceptance of redemption request, but not beyond 10 Business Days from the date of Redemption request.

Please note that it is mandatory for the unit holders to provide the Bank account details as per the directives of SEBI.

A Transaction Slip can be used by the unit holder to request for redemption. The requisite details shall be entered in the Transaction Slip and submitted at ISC/Official Point of Acceptance. Transaction Slips can be obtained from any of the ISCs/Official Point of Acceptance.

Redemption proceeds will be paid to the investor through Real Time Gross Settlement [RTGS], NEFT, Direct Credit, Cheque or demand draft.

Redemption by NRIs/FIIs:

Credit balances in the account of an NRI/FII Unit holder, may be redeemed by such Unit holder in accordance with the procedure described in SID and subject to any procedures laid down by the RBI, if any. Payment to NRI/FII Unit holders will be subject to the relevant laws/guidelines of the RBI as are applicable from time to time [also subject to deduction of tax at source as applicable].

In the case of NRIs:

- (i) Credited to the NRI investor's NRO account, where the payment for the purchase of the Units redeemed was made out of funds held in NRO account or
- (ii) Remitted abroad or at the NRI investor's option, credited to his NRE/FCNR/NRO account, where the Units were purchased on repatriation basis and the payment for the purchase of Units redeemed was made by inward remittance through normal banking channels or out of funds held in NRE/FCNR account.

Delay in payment of redemption/repurchase proceeds

The Asset Management Company shall be liable to pay interest to the unit holders at such rate as may be specified by SEBI for the period of such delay [presently @ 15% per annum]. However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC/Trustees are required to obtain from the investor/unit holders verification of identity or such

other details relating to subscription for Units under any applicable law or as may be requested by a regulatory body or any government authority, which may result in delay in processing the application.

C. PERIODIC DISCLOSURES

Net Asset Value

This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.

The NAV will be disclosed on AMFI's website i.e. www.amfiindia.com and on the MSMF website i.e. www.morganstanley.com/indiamf by 9.00 pm at the close of every business day. The NAVs of the Scheme shall also be released for publication in at least two daily newspapers on a daily basis as per SEBI [Mutual Funds] Regulations.

In case of delay in declaring the NAV beyond 9.00 p.m. on any Business Day, the reasons for such delay would be explained to AMFI and SEBI in writing. NAVs would however be endeavored to be made available before commencement of business hours the following Business Day, failing which a press release explaining the material reasons for non-availability would be released.

Portfolio Disclosure

This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.

Portfolio of the Scheme as on the last day of the month shall be disclosed on the website of the Fund on or before the tenth day of the succeeding month.

Also, the Fund shall before the expiry of one month from the close of each half-year [March 31st and September 30th] publish a complete statement of Scheme portfolio, in the prescribed format, in one national English daily newspaper circulating in the whole of India, and in the language of the region where the Head office of the Mutual Fund is situated. Alternatively, a complete statement of Scheme portfolio may be mailed to the respective unit holders.

Scheme portfolio details shall also be hosted on the website of the Mutual Fund namely, www.morganstanley.com/indiamf and on the website of AMFI namely, www.amfiindia.com.

Half Yearly Results

The mutual fund shall within one month from the close of each half year, i.e. on March 31st, and on September 30th, host a soft copy of its unaudited financial results on its website namely, www.morganstanley.com/indiamf and an advertisement disclosing the hosting of such financial results on its website, in at least one English daily newspaper having nationwide circulation and in a newspaper having

wide circulation published in the language of the region where the Head Office of the mutual fund is situated.

The Unaudited Financial Results shall also be hosted on the website of AMFI namely, www.amfiindia.com.

Annual Report

An annual report of the Scheme will be prepared as at the end of each financial year [March 31st] and copies of the annual report or an abridged summary thereof will be mailed [including transmission by e-mail, if so decided by AMC] to all Unit Holders as soon as possible but not later than 4 months from the closure of the relevant financial year. If the report is mailed in a summary form, the full report will be available for inspection at the registered office of the Trustees and a copy thereof on request to the Unit Holders on payment of a nominal fee. These results shall also be displayed on the website of the Mutual Fund and Association of Mutual Funds in India.

Associate Transactions

Please refer to Statement of Additional Information [SAI].

Taxation

The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/ authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.

	Resident Investors*	Mutual Fund**
Tax on Dividend	Nil	Dividend Distribution Tax: For individual/HUF investors where dividend is declared: 12.5% on the amount distributed For other than individual/HUF investors: 30% on the amount distributed
Capital Gains:		
Long Term	10% without indexation benefit	Nil
Short Term	At marginal tax rate applicable to the investor	Nil

*The aforementioned tax rates would be increased by a surcharge of:

- 5% - in case of domestic corporate Unit Holders, where the total income exceeds Rs. 10,000,000/-
- Nil – in case of individual/ HUF/AOP/BOI, firm/ LLP, local authority and co-operative societies.

Further, education cess at the rate of 3% would be charged on amount of tax inclusive of the applicable surcharge for all Unit Holders.

**The tax would be increased by a surcharge of 5% and

education cess at the rate of 3% on the amount of tax inclusive of surcharge.

The rates mentioned above are as per the Finance Act, 2012.

For further details on taxation please refer to the clause on Taxation in the SAI

Investor services

Investors may contact the ISCs and/or offices of the AMC for any queries/complaints or clarifications.

Mr. Sidhartha Gupta has been appointed as the Investor Relations Officer and he may be contacted at 18F/19F, One Indiabulls Centre, Tower 2, 841 Senapati Bapat Marg, Mumbai 400 013 and for written communication at mfinvestorcare@morganstanley.com

Customer Service Executives of Morgan Stanley Mutual Fund can be reached at the following toll free number 1800 425 1313.

D. COMPUTATION OF NAV

The NAV of Units under the Scheme shall be calculated by the following method:

$$\text{NAV} = \frac{\text{Market or fair value of the Scheme's investments} + \text{Current assets} - \text{Current Liabilities and Provisions}}{\text{No. of Units outstanding under the Scheme}}$$

The NAV will be calculated up to four decimal places for the Scheme. Separate NAVs will be calculated and announced for each Plan/Option. Units will be allotted up to three decimal places.

The valuation of the Scheme's assets and calculation of the Scheme's NAV shall be subject to audit on an annual basis and such regulations as may be prescribed by SEBI from time to time.

IV. Fees and Expenses

This section outlines the expenses that will be charged to the scheme.

A. NEW FUND OFFER [NFO] EXPENSES

These expenses are incurred for the purpose of various activities related to NFO. In accordance with SEBI guidelines, the NFO expenses will be borne by the AMC/ Sponsor.

B. ANNUAL RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. The table below includes expenses w.r.t. Investment Management and Advisory Fee charged by the AMC, Custody fees, Registrar and Transfer Agents' fee, marketing and selling costs etc. as estimated by the AMC. For actual current expenses being charged, the investor should refer to the website of the mutual fund.

Particulars	% of Daily Net Assets
Investment Management and Advisory Fees	
Trustee Fees	
Audit Fees	
Custodian Fees	
RTA Fees	
Marketing & Selling expenses incl. agent commission	
Cost related to investor communications	
Cost of fund transfer from location to location	
Cost of providing account statements and dividend redemption cheques and warrants	Up to 2.25%
Cost of statutory Advertisements	
Cost towards investor education & awareness [at least 2 bps]	
Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades respectively	
Service tax on expenses other than investment and advisory fees	
Service tax on brokerage and transaction cost	
Maximum total expense ratio [TER] permissible under Regulation 52(6)(c)(i) and (6)(a)	Up to 2.25%
Additional expenses under Regulation 52 (6A) (c)	Up to 0.20%
Additional expenses for gross new inflows from specified cities	Up to 0.30%

Commission/expenses for distribution of units will not be charged under Direct Plan.

These estimates have been made in good faith as per the information available to the Investment Manager based on past experience.

Regulatory limits on total expenses in terms of Regulation 52 is as follows:

Daily Net Assets	Maximum as a % of Daily Net Assets
On the first Rs. 100 crore	2.25%
On the next Rs. 300 crore	2.00%
On the next Rs. 300 crore	1.75%
On the balance of the assets	1.50%
Additional Expenses on total daily net assets	0.20%

The following expenses would be chargeable in addition to the limits specified above:

- [i] 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 and 0.05 per cent in case of derivatives transactions, and
- [ii] Service tax on investment management and advisory fees.

The following are the additional details regarding expenses under the head "Additional Expenses for gross new inflows in specified cities" referred in the above table:

Expenses not exceeding of 0.30 per cent of daily net assets will be charged, if the new inflows from such cities as specified by the SEBI from time to time are at least higher of -

- [i] 30 per cent of gross new inflows in the scheme, or;
- [ii] 15 per cent of the average assets under management [year to date] of the scheme,

Provided that if inflows from such cities are less than the higher of sub-clause (i) or sub-clause (ii), such expenses on daily net assets of the scheme shall be charged on proportionate basis.

Provided further that expenses charged under this clause shall be utilized for distribution expenses incurred for bringing inflows from such cities.

Provided further that amount incurred as expense on account of inflows from such cities shall be credited back to the scheme in case the said inflows are redeemed within a period of one year from the date of investment.

The types of expenses disclosed in this Section are as permitted under the Regulation 52 of SEBI [MF] Regulations. Any expenses in excess of the same shall be borne by the AMC, or Trustees or Sponsor. Morgan Stanley Mutual Fund would update the current expense ratios on its website within two business days mentioning the effective date of the change.

C. LOAD STRUCTURE

In accordance with SEBI circular SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, effective August 1, 2009, there shall be no entry load for all mutual fund schemes. Upfront commission shall be paid directly by the investor to the ARN holder [AMFI registered distributor] based on the investor's assessment of various factors including the service rendered by the ARN holder.

Load structure including SIP transactions:

Type of Load	Load chargeable [% of NAV]
Entry	NA
Exit	Nil

Applicability of Exit Load and Holding period calculation in case of Switches:

MSMF has categorized all the Schemes in the below mentioned 'Fund Families'. The table below lists down the details regarding applicability of exit load and holding period for calculating exit load at the time of:

- [a] Switching from one plan/ option to another within the same Scheme;
- [b] Switching to another Scheme belonging the same Fund Family;
- [c] Switching to another Scheme belonging to a different Fund Family.

Fund Family			
I	II	III	
Morgan Stanley ACE Fund	Morgan Stanley Short Term Bond Fund	Morgan Stanley Liquid Fund	
Morgan Stanley Growth Fund	Morgan Stanley Active Bond Fund	Morgan Stanley Gilt Fund	
Morgan Stanley Multi Asset Fund (Plan A and B)			
Sr. No.	Scenario	Exit Load Applicable at the time of Switch-out	Holding Period Calculation for applicability of Exit Load in the Switch-in Scheme
1	Switch Within the Scheme (Intra Scheme - Option/ Plan Change)	Nil	Original Date of Investment in the Scheme
2	Switch Within the Fund Family (Inter Scheme - Same Fund Family)	Nil	Date of Switch
3	Switch Between Schemes of Different Fund Families (Inter Scheme - Separate Fund Family)	Applicable as per the Switch-out Scheme's Load Structure	Date of Switch

Note:

The matrix of Fund Families is only indicative and based upon the existing schemes. The AMC reserves the right to change/update/move/add/remove Schemes in the above stated Fund Families or add/delete Fund Family as per its discretion.

Exit Load charged to the investors will be credited back to the Scheme net of service tax.

The Trustees retain the right to change/impose Exit Load subject to the provisions below:

- i) Any such changes/impositions would be chargeable only for prospective Purchases and Redemptions from such prospective Purchases [applying First in First Out basis].
- ii) The AMC shall arrange to display a notice in all the ISCs for any change in the prevalent load structure. An addendum detailing the changes in load structure will

be attached to Scheme Information Documents and Application Forms. Unit holders/prospective investors will be informed of changed/prevaling load structures through various means of communication such as public notice published in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated and/or display at ISCs/Distributors' offices, on account statements, investor newsletters, etc.

- iii) The Redemption Price will not be lower than 93% of the applicable NAV and the Purchase Price will not be higher than 107% of the applicable NAV, provided that the difference between the Redemption Price and the Purchase Price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time, which is currently 7% calculated on the Purchase Price.

The investors are requested to check the prevailing load structure of the Scheme before investing. *For the current applicable load structure, please refer to the website of the Mutual Fund namely, www.morganstanley.com/indiamf or may call at 1800 425 1313 or your distributor.*

D. TRANSACTION CHARGES

Transaction Charge will be levied on purchase/subscription received from investors in cases where the distributor/agent have opted to receive the said charge for the particular product:

(i) First Time Investor across all Mutual Funds:

First time mutual fund investor is an investor who invests for the first time ever in any mutual fund either by way of subscription or systematic investment plan. In such cases, transaction charge of Rs. 150/- for subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the concerned distributor/agent provided that the said distributor has opted for the transaction charge, and the balance amount of subscription shall be invested.

(ii) Not a First Time Mutual Fund Investor:

Transaction charge of Rs. 100/- per subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the concerned distributor/agent provided that the distributor has opted for the transaction charge, and the balance amount of subscription shall be invested.

In case of investment through Systematic Investment Plan [SIPs], the transaction charge shall be deducted only if the total commitment [i.e. amount per SIP installment x No. of installments] amounts to Rs. 10,000/- or more. In such cases, the transaction charge shall be deducted in 4 installments.

It is clarified that there will be **no transaction charge on:**

- i. Subscription for an amount less than Rs. 10,000/-; or
- ii. Transactions other than purchases/subscriptions relating to new inflows [such as switch or systematic transfer plan]; or
- iii. Direct subscription [subscription not routed through any distributor/agent]; or
- iv. Subscription routed through distributor who has chosen to 'Opt-out' of charging the transaction charge.

E. DISTRIBUTOR'S EMPLOYEE UNIQUE IDENTIFICATION NUMBER (EUIN)

SEBI vide its circular no CIR/IMD/DF/21/2012 dated September 13, 2012 has directed mutual funds to capture the employee unique identity number (EUIN). Thus all the Non individual ARN holders are required to provide the EUIN in addition to their ARN code in the application form.

V. Rights of Unitholders

Please refer to SAI for details.

VI. Penalties, Pending Litigation or Proceedings, findings of inspections or investigations for which action may have been taken or is in the process of being taken by any regulatory authority

A. Penalties/fines imposed in case of foreign Sponsor:

Following is the list of Top ten penalties imposed on Morgan Stanley from April 1, 2009 till December 31, 2012:

1. On July 13, 2009, the Firm (specifically Morgan Stanley Capital Group Inc. (“MSCGI”) and TransMontaigne) entered into a settlement with the State of Florida to settle an investigation into price gouging in the sale of gasoline during the 2008 hurricane season. Without admitting any fault, liability, or wrongdoing whatsoever, the Firm agreed to pay to the Department of Agriculture and Consumer Services and the Office of the Attorney General, Department of Legal Affairs the aggregate sum of \$2.28 million.
2. On April 29, 2010, MSCGI reached a settlement with the CFTC relating to a single request by a former MSCGI trader on February 06, 2009 that his counterparty at UBS reported a TAS Block trade after the close rather than within 5 minutes. Without admitting or denying findings, MSCGI agreed to pay a civil monetary penalty in the amount of \$14 million, plus post-judgment interest; and to comply with undertakings set forth in the Offer. The settlement amount largely reflects a disgorgement of profits associated with the trade.
3. On June 24, 2010, Morgan Stanley & Co. (“MS&Co.”) settled with the Massachusetts Attorney General Office who undertook an investigation into the financing, purchase, and securitization of allegedly unfair residential mortgage loans during the period late 2005 through the first half of 2007 by MS&Co. (together with its affiliates involved in the mortgage financing and securitization business). Without admitting or denying allegations, Morgan Stanley entered into Assurance of Discontinuance. MS&Co. settled the matter for \$102.71 million.
4. On September 9, 2011, Morgan Stanley Mortgage Capital Holdings LLC (“MSMCH”), without admitting or denying liability, agreed to make payments totaling \$15.90 million in connection with the Nevada Attorney General’s investigation concerning potential misrepresentations by loan originators to Nevada consumers who took out subprime loans that were bought and securitized by MSMCH. \$10.88 million (of the \$15.9 million) went to the State of Nevada to be used by the Attorney General for mortgage fraud and foreclosure prevention and similar purposes, and to reimburse the State for the costs of the investigation.
5. On November 2, 2011, Morgan Stanley Smith Barney (“MSSB”), without admitting or denying the findings, consented to a censure and a fine in the amount of \$1 million. The Firm also agreed to make restitution to the investors in the total amount of \$0.37 million, plus interest. FINRA alleged that MSSB violated FINRA and MSRB rules in connection with the sale/purchase of corporate and municipal bonds to/from customers at a price that was not fair and reasonable (including any markup or markdown). FINRA further alleged that the Firm’s supervisory system for markups and markdowns was inadequate for purposes of determining whether such markups/markdowns were excessive and did not provide reasonable policies and procedures designed to comply with applicable securities laws, regulations, and FINRA rules concerning markups/markdowns.
6. On November 16, 2011, Morgan Stanley Investment Management Inc. (“MSIM”) settled charges by the SEC relating to The Malaysia Fund, Inc. (the “Fund”), and a closed - end investment company launched and managed by MSIM. The settlement relates to the period from 1996 until the end of 2007, during which time the SEC found MSIM represented to investors and to the independent members of the Fund’s board of directors that the Fund’s unaffiliated Malaysian sub-adviser, AMMB Consultant Senderian Berhad (“AMMB”) was providing certain services that AMMB in fact was not providing. Effective December 31, 2007, AMMB was terminated. Without admitting or denying the findings, MSIM consented to a censure and was ordered to make a reimbursement to the Fund in the amount of \$1.85 million for the amount of advisory fees the Fund paid to AMMB from 1996 until the end of 2007, less a credit of \$0.54 million for the portion MSIM had already reimbursed to the Fund. MSIM also was ordered to pay a civil money penalty in the amount of \$1.50M to the U.S. Treasury. MSIM was further ordered to implement and maintain policies and procedures specifically governing: (1) the investment advisory contract renewal process of the mutual funds for which it serves as investment adviser; (2) MSIM’s oversight of certain service providers, including sub-advisers; and (3) MSIM’s disclosures regarding such service providers. Lastly, MSIM was ordered to certify, in writing, compliance with the undertakings above, which certification shall be supported by written evidence of compliance and exhibits.
7. On November 16, 2011, without admitting or denying

the SEC's findings, FrontPoint paid \$33.02 million in connection with an investigation of trading in Human Genome Sciences Inc. (HGSI) by FrontPoint during December 2007 and January 2008. The SEC found that the FrontPoint Project Manager caused FrontPoint's Healthcare Funds to liquidate their entire position in HGSI based on inside information prior to the release of negative information about an HGSI drug trial. The FrontPoint Healthcare Funds, as relief defendants, entered into an agreement with the SEC to pay \$33.02 million to disgorge losses avoided as a result of the Project Manager's conduct.

8. On April 20, 2012, MS&Co. entered into a settlement with FINRA of threatened charges arising from 2-plus year old investigation into sales of leveraged ETFs from January 01, 2008 – June 30, 2009 . UBS, Wells/Wachovia and Citigroup were also subjects of the investigation and entered into settlements with FINRA. MS agreed to a fine of \$1.75 million plus restitution of \$0.60 million.
 9. On June 5, 2012, Morgan Stanley without admitting or denying the underlying allegations and without adjudication of any issue of rule or fact, the Firm accepted and consented to entry of findings and the imposition of a fine of \$6.75 million with CFTC, CBOT, and CME relating to the execution, processing and reporting of numerous off-exchange futures trades as exchanges for related positions (EFRPs) without the corresponding and related cash, OTC swap, OTC option, or other OTC derivative position. (CFTC, \$5 million; CBOT, \$1 million; CME, \$0.75million)
 10. On December 17, 2012, Morgan Stanley & Co. LLC has entered into a settlement of \$5 million, neither admitting nor denying the allegations, made by the Commonwealth of Massachusetts, Securities Division, in connection with an investigation involving Morgan Stanley's role as lead underwriter for the initial public offering of Facebook, Inc.
- B.** In case of Indian Sponsor(s), details of all monetary penalties imposed and/or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/or the AMC and/ or the Board of Trustees/Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall

also be disclosed – Not Applicable since Morgan Stanley Mutual Fund does not have Indian Sponsor.

- C.** Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/or suspension and/or cancellation and/or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/or the AMC and/ or the Board of Trustees/Trustee Company and/or any of the directors and/or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed - None.
- D.** Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/or the AMC and/or the Board of Trustees/Trustee Company and/ or any of the directors and/or key personnel are a party should also be disclosed separately - None.
- E.** Any deficiency in the systems and operations of the Sponsor(s) and/or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency, shall be disclosed - None.

Notes:

1. The Scheme under this Scheme Information Document is approved by the Board of Trustees on November 5, 2012.
2. The Board of Trustees have ensured that Morgan Stanley Gilt Fund is a new product offered by Morgan Stanley Mutual Fund and is not a minor modification of any of existing schemes of the Mutual Fund.
3. Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI [Mutual Funds] Regulations, 1996 and the guidelines there under shall be applicable.

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

Sd/-

Anthony Heredia
Managing Director & CEO

Place: Mumbai

Date: February 1, 2013

OFFICIAL POINTS OF ACCEPTANCE DURING NFO AND ONGOING OFFER

MORGAN STANLEY INVESTMENT MANAGEMENT PVT. LTD.

Ahmedabad: Broadway Business Centre, 1st Floor, Sahajanand Complex, C. G. Road, Ahmedabad - 380 006 **Bangalore:** 928, Regus Business Centre, Level 9, Raheja Towers, 26/27 Mahatma Gandhi Road, Bangalore - 560 001 **Chandigarh:** Office No. 303, 3rd Floor, Reliant Business Centre, SCO No. 60-61-62, Sector 17 C, Chandigarh - 160 017 **Chennai:** 208, Apeejay Business Centre, Apeejay House, 39/12 Haddows Road, Nungambakkam, Chennai - 600 006 **Hyderabad:** Office No. 214, DBS Business Centre, 43 - 46 Sardar Patel Road, Secunderabad - 500 003 **Kolkata:** Office No. 8, 8th Floor, Apeejay Business Centre, Apeejay House, Block A, 15 Park Street, Kolkata - 700 016. **Mumbai:** 18th Floor, One Indiabulls Centre, Tower 2, 841, Senapati Bapat Marg, Mumbai - 400 013 **New Delhi:** 11th Floor, HT House, 18-20, K G Marg, Connaught Place, New Delhi - 110 001 **Pune:** Master's Executive Centre, Cabin No. 5, 1237 Sneh Leela, Apte Road, Pune - 411 004.

OFFICIAL POINTS OF ACCEPTANCE DURING NFO

KARVY COMPUTERSHARE PRIVATE LIMITED

Ahmedabad: 201-202, Shail Buildings, Opp. Madhusudhan House, Off C. G. Road, Nr. Navrangpura Telephone Exchange, Ahmedabad - 380 006 **Bangalore:** No. 51/25, 1st Floor, Surya Building, Ratna Avenue, Richmond Road, Bangalore - 560 025 **Bellary:** No.1 Khb Colony, Gandhinagar, Bellary - 583 101 **Bhavnagar:** Surabhi Mall, 301, 3rd Floor, Waghawadi Road, Bhavnagar - 364 001 **Bhubaneswar:** 2nd & 3rd Floor, Janardan House, A 181, Saheed Nagar, Bhubaneswar - 751 007 **Chandigarh:** SCO-371-372, First Floor, Above HDFC Bank, Sector 35B, Chandigarh - 160 022 **Chennai:** Flat No. F11, First Floor, Akshya Plaza, (Erstwhile Harris Road), Opp. Chief City Metropolitan Court, #108, Adhithanar Salai, Egmore, Chennai - 600 002 **Cochin:** Building No. 39, Ali Arcade, 1st Floor, Near Atlantis Junction, Kizhvana Road, Panampili Nagar, Cochin - 682 036 **Coimbatore:** 1057/1058, Jaya Enclave, Avanashi Road, Coimbatore - 641 018 **Dehradun:** Kaulagarh Road, Near Sirmaur Marg, Above Reliance Webworld, Dehradun - 248 001 **Durgapur:** MWAV-16 Bengal Ambuja, 2nd Floor, City Centre, Dist. Burdwan, Durgapur - 713 216 **Gurgaon:** Shop No. 18, Ground Floor, Sector - 14, Opp. AKD Tower, Near Huda Office, Gurgaon - 122 001 **Guwahati:** 54 Sagarika Bhawan, R. G. Baruah Road (AIDC Bus Stop), Guwahati - 781 024 **Hubli:** 22 & 23, 2nd Floor, Eureka Junction, T B Road, Hubli - 580 029 **Hyderabad:** 8-2-596 Karvy Plaza, Avenue 4, Street No.1, Banjara Hills, Hyderabad - 500 034 **Jaipur:** S-16 A, 3rd Floor, Land Mark, Opp. Jaipur Club, Mahavir Marg, C-Scheme, Jaipur - 302 001 **Jalandhar:** Lower Ground Floor, Office No. 3, Arora Prime Tower, Plot No. 28, G T Road, Jalandhar - 144 004 **Jamshedpur:** Kanchan Tower, 3rd Floor, Chhaganlal Dayalji Sons, 3-S B Shop Area, (Near Traffic Signal), Main Road, Bistupur, Jamshedpur - 831 001 **Jodhpur:** 203, Modi Arcade, Chupasni Road, Jodhpur - 342 001 **Kanpur:** B 15/46, Opp. Muir Mills, Civil Lines, Kanpur - 208 001 **Kohlapur:** 605/1/4 E Ward, Near Sultane Chambers, Shahupuri 2nd Lane, Kolhapur - 416 001 **Kolkata:** South **Kolkata:** 166, A Rashbehari Avenue, 2nd Floor, Near Adi Dhakeshwari Bastralaya, Opp. Fortis Hospital, Kolkata - 700 029 **Dalhousie:** 19, R. N. Mukherjee Road, 2nd Floor, Dalhousie, Kolkata - 700 001 **Lucknow:** Usha Sadan, 24, Prem Nagar, Ashok Marg, Lucknow - 226 001 **Ludhiana:** SCO - 136, First Floor, Above Airtel Show Room, Feroze Gandhi Market, Ludhiana - 141 001 **Mangalore:** Ground Floor, Mahendra Arcade, Kodial Bail, Mangalore - 575 003 **Moradabad:** Om Arcade, Parker Road, Above Syndicate Bank, Tari Khana Chowk, Moradabad - 244 001 **Mumbai:** Fort: Office No. 01/04, 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind Bombay Stock Exchange, Fort, Mumbai - 400 001 **Thane:** 101, Yashwant Building, Ram Ganesh Gadkari Path, Ram Maruti Road, Naupada, Thane (West) - 400 602 **Nagpur:** Plot No. 2/1, House No. 102/1, Mangaldeep Apartment, Mata Mandir Road, Opp. Khandelwal Jewellers, Dharampeth, Nagpur - 440 010 **Nasik:** S-12, 2nd Floor, Suyojit Sankul, Sharanpur Road, Nasik - 422 002 **New Delhi:** 305, 3rd Floor, New Delhi House, Bara Khamba Road, Connaught Place, New Delhi - 110 001 **Panjim:** City Business Centre, Coelho Pereira Building, Room Nos.18,19 & 20, Dada Vaidya Road, Panjim - 403 001. **Pune:** Shop No. 16, 17 & 18, Ground Floor, Shreenath Plaza, Dnyaneshwar Paduka Chowk, F.C. Road, Pune - 411 004 **Rajkot:** 102-103, Siddhi Vinayak Complex, Dr. Yagnik Road, Opp. Ramkrishna Ashram, Rajkot - 360 001 **Surat:** G-16, Empire State Building, Udhna Darwaja, Ring Road, Surat - 395 009 **Vadodara:** SB-4&5, Mangaldeep Complex, Opposite Mesonic Hall, Productivity Road, Alkapuri, Vadodara - 390 007 **Vijayawada:** 39-10-7, Opp. Municipal Water Tank, Labbipet, Vijayawada - 520 010 **Visakhapatnam:** 47-14-5/1, Eswar Paradise, Dwaraka Nagar, Main Road, Visakhapatnam - 530 016

OFFICIAL POINTS OF ACCEPTANCE DURING ONGOING OFFER

KARVY COMPUTERSHARE PRIVATE LIMITED

Ahmedabad: 201-202, Shail Buildings, Opp. Madhusudhan House, Off C. G. Road, Nr. Navrangpura Telephone Exchange, Ahmedabad - 380 006 **Allahabad:** RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S P Marg, Civil Lines, Allahabad - 211 001 **Amritsar:** 72A, Taylor's Road, Aga Heritage, Gandhi Ground, Amritsar - 143 001 **Asansol:** 114/71, G.T. Road, Near Sony Centre, Bhanga Pachil, Asansol - 713 303 **Aurangabad:** Ramkunj, Railway Station Road, Near Osmanpura Circle, Aurangabad - 431 005 **Bangalore:** No. 51/25, 1st Floor, Surya Building, Ratna Avenue, Richmond Road, Bangalore - 560 025 **Bhavnagar:** Surabhi Mall, 301, 3rd Floor, Waghawadi Road, Bhavnagar - 364 001 **Bhubaneswar:** 2nd & 3rd Floor, Janardan House, A 181, Saheed Nagar, Bhubaneswar - 751 007 **Burdwan:** 63, G. T. Road, Birhata, Halder Complex, 1st Floor, Burdwan -713 101 **Calicut:** 2nd Floor, Sowbhagya Shopping Complex, Areyadathupalam Mavoor Road, Calicut - 673 004 **Chandigarh:** SCO-371-372, First Floor, Above HDFC Bank, Sector 35B, Chandigarh - 160 022 **Chennai:** Flat No. F11, First Floor, Akshya Plaza, (Erstwhile Harris Road), Opp. Chief City Metropolitan Court, #108, Adhithanar Salai, Egmore, Chennai - 600 002 **Cochin:** Building No. 39, Ali Arcade, 1st Floor, Near Atlantis Junction, Kizhvana Road, Panampili Nagar, Cochin - 682 036 **Coimbatore:** 1057/1058, Jaya Enclave, Avanashi Road, Coimbatore - 641 018 **Cuttack:** Dargha Bazar, Opp. Dargha Bazar Police Station, Buxibazar, Cuttack - 753 001 **Dehradun:** Kaulagarh Road, Near Sirmaur Marg, Above Reliance Webworld, Dehradun - 248 001 **Durgapur:** MWAV-16 Bengal Ambuja, 2nd Floor, City Centre, Dist. Burdwan, Durgapur - 713 216 **Guntur:** Door No. 6-10-27, 10/1 Sri Nilayam, Arundelpet Guntur - 522 002 **Guwahati:** 54 Sagarika Bhawan, R. G. Baruah Road (AIDC Bus Stop), Guwahati - 781 024 **Hubli:** 22 & 23, 2nd Floor, Eureka Junction, T B Road, Hubli - 580 029 **Hyderabad:** 8-2-596 Karvy Plaza, Avenue 4, Street No.1, Banjara Hills, Hyderabad - 500 034 **Indore:** G-7, Royal Ratan Building, M. G. Road, Opp. Kotak Mahindra Bank, Indore - 452 010 **Jaipur:** S-16 A, 3rd Floor, Land Mark, Opp. Jaipur Club, Mahavir Marg, C-Scheme, Jaipur - 302 001 **Jalandhar:** Lower Ground Floor, Office No. 3, Arora Prime Tower, Plot No. 28, G T Road, Jalandhar - 144 004 **Jamnagar:** 108, Madhav Plaza, Opp. SBI Bank, Near Lal Bangalow, Jamnagar - 361 001 **Jamshedpur:** Kanchan Tower, 3rd Floor, Chhaganlal Dayalji Sons, 3-S B Shop Area, (Near Traffic Signal), Main Road, Bistupur, Jamshedpur - 831 001 **Jodhpur:** 203, Modi Arcade, Chupasni Road, Jodhpur - 342 001

OFFICIAL POINTS OF ACCEPTANCE DURING ONGOING OFFER (CONTD.)

Kanpur: B 15/46, Opp. Muir Mills, Civil Lines, Kanpur - 208 001 **Kolkata:** **South Kolkata:** 166, A Rashbehari Avenue, 2nd Floor, Near Adi Dhakeshwari Bastralaya, Opp. Fortis Hospital, Kolkata - 700 029 **Dalhousie:** 19, R. N. Mukherjee Road, 2nd Floor, Dalhousie, Kolkata - 700 001 **Lucknow:** Usha Sadan, 24, Prem Nagar, Ashok Marg, Lucknow - 226 001 **Ludhiana:** SCO - 136, First Floor, Above Airtel Show Room, Feroze Gandhi Market, Ludhiana - 141 001 **Madurai:** Rakesh Towers, 30-C, Bye-pass Road, 1st Floor, Opp. Nagappa Motors, Madurai - 625 010 **Mangalore:** Ground Floor, Mahendra Arcade, Kodial Bail, Mangalore - 575 003 **Margao:** 2nd Floor, Dalal Commercial Complex, Opp. Hari Mandir, Pajifond, Margao - 403 601 **Moradabad:** Om Arcade, Parker Road, Above Syndicate Bank, Tari Khana Chowk, Moradabad - 244 001 **Mumbai:** **Fort:** Office No. 01/04, 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind Bombay Stock Exchange, Fort, Mumbai - 400 001 **Borivali:** A/1, Himanshu Bldg., Gr. Floor, Near DHL Courier, Sodawala Lane, Borivali (West), Mumbai - 400 091 **Thane:** 101, Yashwant Building, Ram Ganesh Gadkari Path, Ram Maruti Road, Naupada, Thane (West) - 400 602 **Mysore:** L-350, Silver Tower, Clock Tower, Ashoka Road, Mysore - 570 001 **Nagpur:** Plot No. 2/1, House No. 102/1, Mangaldeep Apartment, Mata Mandir Road, Opp. Khandelwal Jewellers, Dharampeth, Nagpur - 440 010 **Nasik:** S-12, 2nd Floor, Suyojit Sankul, Sharanpur Road, Nasik - 422 002 **Navsari:** 1st Floor, Chinmay Arcade, Opp. Sattapir, Tower Road, Navsari - 396 445 **New Delhi:** 305, 3rd Floor, New Delhi House, Bara Khamba Road, Connaught Place, New Delhi - 110 001 **Panipat:** 1st Floor, Krishna Tower, Above Amertex, G T Road, Panipat - 132 103 **Patna:** 3A, 3rd Floor, Anand Tower, Beside Chankya Cinema Hall, Exhibition Road, Patna - 800 001 **Pune:** Shop No. 16, 17 & 18, Ground Floor, Shreenath Plaza, Dnyaneshwar Paduka Chowk, F.C. Road, Pune - 411 004 **Rajkot:** 102-103, Siddhi Vinayak Complex, Dr. Yagnik Road, Opp. Ramkrishna Ashram, Rajkot - 360 001 **Ranchi:** Commerce Towers, 3rd Floor, Room No. 307, Beside Mahabir Towers, Main Road, Ranchi - 834 001 **Salem:** No. 40, Brindavan Road, Near Perumal Koil, Fairlands, Salem - 636 016 **Surat:** G-16, Empire State Building, Udhna Darwaja, Ring Road, Surat - 395 009 **Trichy:** 60, Srikrishna Arcade, 1st Floor, Thennur High Road, Trichy - 620 017 **Trivandrum:** 2nd Floor, Akshaya Towers, Sasthamangalam, Trivandrum - 695 010 **Vadodara:** SB-4&5, Mangaldeep Complex, Opposite Mesonic Hall, Productivity Road, Alkapuri, Vadodara - 390 007 **Varanasi:** D64/132, 1st Floor, Anant Complex, Sigra, Varanasi - 221 010 **Vijayawada:** 39-10-7, Opp. Municipal Water Tank, Labbipet, Vijayawada - 520 010 **Visakhapatnam:** 47-14-5/1, Eswar Paradise, Dwaraka Nagar, Main Road, Visakhapatnam - 530 016

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