

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Morgan Stanley Emerging Markets Domestic Debt Fund, Inc.		2 Issuer's employer identification number (EIN) 20-8359088	
3 Name of contact for additional information Michael Conklin	4 Telephone No. of contact 312-706-4706	5 Email address of contact msiptax.req@morganstanley.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact c/o Morgan Stanley Tax, 440 S. LaSalle Street, 39th Floor		7 City, town, or post office, state, and Zip code of contact Chicago, IL, 60605	
8 Date of action See Item 14 Below	9 Classification and description COMMON STOCK DIVIDENDS		
10 CUSIP number 617477104	11 Serial number(s) N/A	12 Ticker symbol EDD / XEDDX	13 Account number(s) N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ The Issuer paid quarterly distributions to common stock shareholders during fiscal year-end October 31, 2014.
All or part of such distributions constitute a non-taxable return of capital.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶

The quantitative effect of the distributions reported as a return of capital on a per share basis are set forth in the table below:

Record Date	Payment Date	Total Dividend	Return of Capital
3/31/2014	4/15/2014	0.250000	0.216340
6/30/2014	7/15/2014	0.250000	0.216340
9/30/2014	10/15/2014	0.250000	0.216340

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ Issuer's current and accumulated earnings were compared to distributions paid during the fiscal year ended October 31, 2014. The non-taxable return of capital represents the amount of distributions paid during the taxable fiscal year ended October 31, 2014 in excess of issuer's current and accumulated earnings and profits under IRC Section 316.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Internal Revenue Code Section 301(c)(2) and Section 316

18 Can any resulting loss be recognized? ▶ Not applicable.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The reportable year is fiscal year ending October 31, 2014

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ *Michael Conklin* Date ▶ 7/13/15

Print your name ▶ Michael Conklin Title ▶ Assistant Treasurer

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.