



Portfolio statement of the scheme as on September 30, 2007 has been sent to the unitholders. The same can be viewed on the AMC's website [www.QuantumAMC.com](http://www.QuantumAMC.com)  
Past performance may or may not be sustained in future.

**Notes to the Unaudited financial results for the half-year ended September 30, 2007:**

1. There has been no change in the accounting policy during the half-year ended September 30, 2007.
2. The investment of the schemes in the companies and subsidiaries of such companies which have invested more than 5% as per Regulation 25(11) is as follows: QLTEF has invested Rs. 79.56 lacs and Rs. 120.37 lacs in HDFC Ltd and HDFC Bank Ltd respectively. HDFC is the largest home finance company and also the most efficient with perceived benefits from its investments in HDFC AMC, HDFC Standard Life Insurance and HDFC Chubb General Insurance and HDFC Bank is one of the fastest growing and qualitatively the best bank in the Indian financial space. QLF invested Rs. 1,974.80 lacs and Rs. 1,098.15 lacs in short term deposits/NCD of HDFC Bank and Shriram Transport Finance Company Limited respectively during the period prescribed under Regulation 25(11). These investments were made by QLF as it was considered a better option after evaluating various options on risks and asset liability matching basis. Shriram is a niche player in the used commercial vehicles financing segment and is among the fastest growing NBFC.
3. Unit holders holding over 25% of QLTEF and QLF: Two unitholders were holding more than 25% in the net assets of QLF as on September 30, 2007. One investor's average holding during the quarter ended September 2007 was 34.21% and as on September 30, 2007 was Nil and the Second investor's average holding during the quarter ended September 2007 was 24.50% and as on September 30, 2007 was 38.40% of the NAV.
4. No bonus has been declared by the schemes during the half-year ended September 30, 2007.
5. Initial issue expenses of Rs. 0.27 crores pertaining to QLTEF is being amortised over a period of 5 years.
6. The schemes have no exposure to derivative products, foreign securities, ADR's and GDR's.
7. The schemes have not made any borrowings during the half-year ended September 30, 2007.
8. The schemes have not undertaken any underwriting obligation during the half-year ended September 30, 2007.
9. Returns for both the schemes are calculated for the Growth Plan of the schemes considering the movement of NAV during the period.

The above unaudited accounts were approved by the Board of Quantum Trustee Co. Pvt. Ltd. and Quantum Asset Management Co. Pvt. Ltd. on October 29, 2007.

For Quantum Asset Management  
Company Private Limited  
sd/-  
I. V. Subramaniam  
Director

For Quantum Trustee Company Private Limited  
sd/-  
Jagdish Capoor  
Chairman

Place: Mumbai  
Date: October 29, 2007

# QUANTUM MUTUAL FUND

Investment Manager : Quantum Asset Management Company Private Limited . [SEBI (MUTUAL FUNDS) REGULATIONS, 1996]



## UNAUDITED HALF YEARLY FINANCIAL RESULTS FOR THE PERIOD ENDED SEPTEMBER 30, 2007

SL. NO.	PARTICULARS	Quantum Long Term Equity Fund		Quantum Liquid Fund	
		30th September, 2007	30th September, 2006	30th September, 2007	30th September, 2006
1.1	Unit Capital at the beginning of the half-year period [Rs. in Crores]	26.55	11.00	29.37	Not Applicable
1.2	Unit Capital at the end of the period [Rs. in Crores]	27.36	20.94	19.63	15.42
2	Reserves & Surplus [Rs. in Crores]	13.07	2.88	1.16	0.26
3.1	Total Net Assets at the beginning of the half-year period [Rs. in Crores]	30.45	11.26	30.00	Not Applicable
3.2	Total Net Assets at the end of the period [Rs. in Crores]	40.43	23.82	20.79	15.68
4.1	NAV at the beginning of the half -year period [Rs.]	Growth Plan - 11.47 Dividend Plan -11.47	Growth Plan - 10.23 Dividend Plan - 10.23	Growth Plan - 10.6875 Dividend Plan - 10.0000 Monthly Dividend - 10.0193	Not Applicable
4.2	NAV at the end of the period [Rs.]	Growth Plan - 14.78 Dividend Plan -14.78	Growth Plan - 11.37 Dividend Plan - 11.38	Growth Plan - 11.0864 Dividend Plan - 10.0000 Monthly Dividend - 10.0102	Growth Plan - 10.2830 Dividend Plan - 10.0000 Monthly Dividend - 10.0085
4.3	Dividend paid per unit during the half-year [Rs.]	Nil	Nil	Dividend Plan - 0.28661972 Mthly Dividend-0.29113471	Dividend Plan - 0.24355414 Monthly Dividend - 0.27459682
<b>Income</b>					
5.1	Dividend [Rs. in Crores]	0.44	0.16	-	-
5.2	Interest [Rs. in Crores]	0.01	0.14	0.72	0.29
5.3	Profit/(Loss) on sale/redemption of investments (other than inter scheme transfer/sale) [Rs. in Crores]	0.79	Nil	0.19	0.06
5.4	Profit/(Loss) on inter-scheme transfer/sale of investments [Rs. in Crores]	Nil	Nil	Nil	Nil
5.5	Other Income (indicating nature) [Rs. in Crores]	Nil	Nil	Nil	Nil
5.6	Total Income (5.1 to 5.5) [Rs. in Crores]	1.24	0.30	0.91	0.35
<b>Expenses</b>					
6.1	Management Fees [Rs. in Crores]	0.19	0.11	0.02	0.01
6.2	Trustee Fees [Rs. in Crores]	0.02	0.01	Nil	Nil
6.3	Total Recurring Expenses (including 6.1 and 6.2) [Rs. in Crores]	0.43	0.26	0.05	0.12
6.4	Percentage of Management Fees to daily average net assets [%]	1.11%	1.25%	0.18%	0.25%
6.5	Total Recurring expenses as a percentage of daily average net assets [%]	2.49%	2.50%	0.45%	0.45%
7.1	Returns during the half-year [ (+) (-) ] (Absolute)	28.86%	11.14%	3.73%	2.83%
7.2	Compounded Annualised yield in case of schemes in existence for more than 1 Year				
i.	Last 1 year [%] (Absolute)	29.99%	Not Applicable	7.83%	Not Applicable
ii.	Last 3 years [%]	Not Applicable	Not Applicable	Not Applicable	Not Applicable
iii.	Last 5 years [%]	Not Applicable	Not Applicable	Not Applicable	Not Applicable
iv.	Since launch of the schemes [%]				
(a)	QLTEF=13th March 06	28.71%	13.70%	-	-
(b)	QLF=07th April 06	-	-	7.19%	2.82%
8	<b>Performance of the Benchmark indices</b>				
8.1	Returns during the half-year [ (+) (-) ] (Absolute)	33.74%	12.42%	4.00%	Not Applicable
8.2	Compounded Annualised yield in case of schemes in existence for more than 1 Year				
i.	Last 1 year [%] (Absolute)	41.77%	Not Applicable	7.37%	Not Applicable
ii.	Last 3 years [%]	Not Applicable	Not Applicable	Not Applicable	Not Applicable
iii.	Last 5 years [%]	Not Applicable	Not Applicable	Not Applicable	Not Applicable
iv.	Since launch of the schemes				
(a)	QLTEF=13th March 06	38.99%	17.42%	-	-
(b)	QLF=07th April 06	-	-	6.78%	2.67%
9	Provision for Doubtful Income/Debts [Rs. in Crores]	Nil	Nil	Nil	Nil
10	Payments to associate/group companies (if applicable) [Rs. in Crores]	Nil	Nil	Nil	Nil
11	Investments made in associate/group companies (if applicable) [Rs. in Crores]	Nil	Nil	Nil	Nil

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### Notes to the Unaudited financial results for the half-year ended September 30, 2007:

- There has been no change in the accounting policy during the half-year ended September 30, 2007.
- The investment of the schemes in the companies and subsidiaries of such companies which have invested more than 5% as per Regulation 25(11) is as follows: QLTEF has invested Rs. 79.56 lacs and Rs. 120.37 lacs in HDFC Ltd and HDFC Bank Ltd respectively. HDFC is the largest home finance company and also the most efficient with perceived benefits from its investments in HDFC AMC, HDFC Standard Life Insurance and HDFC Chubb General Insurance and HDFC Bank is one of the fastest growing and qualitatively the best bank in the Indian financial space. QLF invested Rs. 2,002.07 lacs and Rs. 1,298.15 lacs in short term deposits of HDFC Bank and Shriram Transport Finance Company Limited respectively during the half-year ended September 30, 2007. These investments were made by QLF as it was considered a better option after evaluating various options on risks and asset liability matching basis. Shriram is a niche player in the used commercial vehicles financing segment and is among the fastest growing NBFC.
- Unit holders holding over 25% of QLTEF and QLF: Two unitholders were holding more than 25% in the net-assets of QLF as on September 30, 2007.
- No bonus has been declared by the schemes during the half-year ended September 30, 2007.
- Initial issue expenses of Rs. 0.27 crores pertaining to QLTEF is being amortised over a period of 5 years.
- The schemes have no exposure to derivative products, foreign securities, ADR's and GDR's.
- The schemes have not made any borrowings during the half-year ended September 30, 2007.
- The schemes have not undertaken any underwriting obligation during the half-year ended September 30, 2007.
- Returns for both the schemes are calculated for the Growth Plan of the schemes considering the movement of NAV during the period.

For Quantum Asset Management Company Private Limited

Sd/-  
Ajit Dayal - Chairman

For Quantum Trustee Company Private Limited

Sd/-  
Jagdish Capoor - Chairman

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FUND  
Or Call: 022-2282-9414

**Investment Objective:** QLTEF's investment objective is to achieve long-term capital appreciation. QLF's investment objective is to provide optimal returns with moderate levels of risk and high liquidity. **Asset Allocation:** QLTEF will primarily invest in Equity and Equity related securities, but may invest in money market instruments to meet liquidity needs. QLF will invest in Money Market and other short term debt instruments having maximum repricing tenor of one year. **Terms of Issue:** QLTEF is an open-ended Equity Scheme offering Growth and Dividend Plans. The units can be subscribed/redeemed at the applicable NAV, subject to applicable load, on all business days during the continuous offer. QLF is an open-ended Liquid Scheme offering Growth, Daily Dividend Re-investment and Monthly Dividend Payout Plans. The units can be subscribed /redeemed at the applicable NAV, subject to applicable load, on all business days during the continuous offer. **Entry Load:** Nil in case of both QLTEF and QLF. **Exit Load:** in case of QLTEF: On redemption/switchout within 6 months of allotment- 4%, after 6 months but within 12 months- 3%, after 12 months but within 18 months-2%, after 18 months but within 24 months-1%, after 24 months-Nil. In case of QLF: Nil **Statutory Details:** Quantum Mutual Fund (the Fund) has been constituted as a Trust under the Indian Trusts Act, 1882. **Sponsors:** Quantum Advisors Private Limited. (liability of Sponsor limited to Rs. 1,00,000/-) **Trustee:** Quantum Trustee Company Private Limited. **Investment Manager:** Quantum Asset Management Company Private Limited (AMC). The Sponsor, Trustee and the Investment Manager are incorporated under the Companies Act, 1956. **Risk Factors:** Investments in mutual funds are subject to market risks including uncertainty of dividend distributions and the NAV of the schemes may go up or down depending upon the factors and forces affecting the securities markets and there is no assurance or guarantee that the objectives of the scheme will be achieved. The past performance of the Sponsor has no bearing on the expected performance of the scheme. **Quantum Long-Term Equity Fund and Quantum Liquid Fund** are the names of the schemes and do not in any manner indicate either the quality of the Schemes, its future prospects or returns. **Scheme specific risk:** QLTEF and QLF are the first equity and liquid schemes being launched by the AMC. The AMC has no previous experience in managing equity or liquid schemes. Equity and Equity related instruments are by nature volatile and prone to price fluctuations due to both macro and micro factors. QLF proposes to invest the portfolio in debt and money market instruments. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments of the QLTEF and QLF. **Please read the Offer Document of QLTEF and QLF before investing.** Offer Document/Key Information Memorandum/Application Form available at the Quantum AMC Office at 107, Regent Chambers, Nariman Point, Mumbai-400021.