



Quantum Tax Saving Fund

An open ended Equity Linked Saving Scheme

As on 31st December 2010

Scheme Feature

Nature of Scheme	Open-ended Equity Linked Savings Scheme with a lock-in period of 3 years
Investment Objective	The investment objective of the Scheme is to achieve long-term capital appreciation by investing primarily in shares of companies that will typically be included in the BSE 200 Index and are in a position to benefit from the anticipated growth and development of the Indian economy and its markets.
Fund Manager	Mr. Atul Kumar (Since December 10, 2008)
Fund Manager Total Experience	9 yrs.
Inception Date (Date of Allotment)	December 23, 2008
Expense Ratio	1.50%
Investment Options	Growth & Dividend (Dividend Option will in turn have two Facilities, Dividend Payout Facility and Dividend Re-investment Facility)
Minimum Application Amount (Under each Option)	₹ 500/- and in multiples of ₹ 500/- thereafter, Additional Investment would be ₹ 500/- and in multiples of ₹ 500/- thereafter
Lock-in Period	3 years from the date of allotment of the respective Units
Net Asset Value (NAV)	Every Business Day
Benchmark Index	BSE 30 Total Return Index

Quantitative Scheme Data[^]

Standard deviation	20.79%
Beta	0.57
Sharpe Ratio	2.95
Portfolio Turnover Ratio	37.98%

[^] Please refer Page 2 for Definitions

NAV December 31, 2010

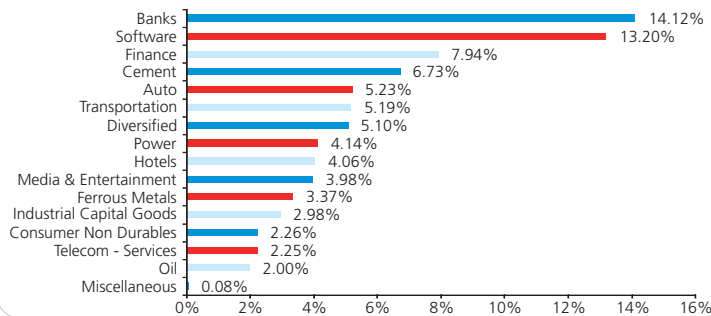
	(₹/Unit)
Growth option	23.9390
Dividend option	23.9310

Performance as on December 31, 2010

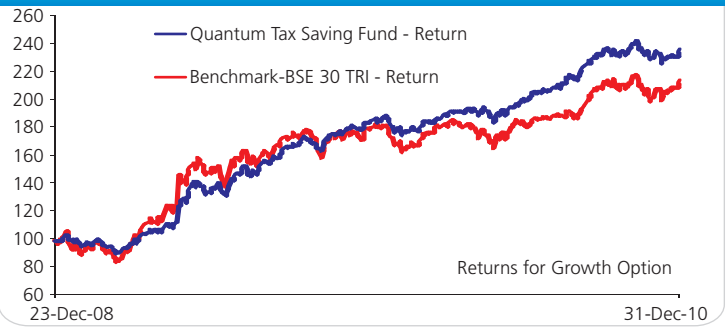
Period	Returns - Growth Option(%) [^]	Returns Benchmark (%) #
6 Months *	17.76%	16.38%
1 year *	28.17%	18.73%
Inception **	53.90%	46.31%

* Absolute Returns ** Compounded Annualised Returns [^] Past Performance may or may not be sustained in the future and may not necessarily provide a basis for comparison with other investments. Performance of the Dividend option for the investor would be net of the dividend distribution tax, as applicable. Date of Inception - December 23, 2008 # Benchmark Index - BSE 30 Total Return Index Since inception returns are calculated on NAV of ₹ 10 invested at inception.

Sector Allocation (% of Net Assets)



Performance as on December 31, 2010



[^] Past Performance May Or May Not Be Sustained In The Future

Fund Size December 2010

	*Average AuM (₹ in Crores)	#Absolute AuM (₹ in Crores)
Growth option	1.70	1.80
Dividend option	0.85	0.88
Total	2.55	2.68

* Cumulative Daily AuM/No of days in the month
AuM as on December 31, 2010

Portfolio

Name of Investment	Industry	Quantity	Market Value In Lakhs	% to Net Asset	Name of Investment	Industry	Quantity	Market Value In Lakhs	% to Net Asset
EQUITY & EQUITY RELATED									
A) Listed /awaiting Listing On The Stock Exchange									
Tata Consultancy Services Ltd	Software	1,412.00	16.46	6.13	Crompton Greaves Ltd	Industrial Capital Goods	2,582.00	8.00	2.98
Housing Development Finance Corporation Ltd	Finance	2,244.00	16.34	6.09	State Bank of India	Banks	269.00	7.56	2.82
Bajaj Auto Ltd	Auto	910.00	14.02	5.23	3i Infotech Ltd	Software	12,468.00	7.46	2.78
HDFC Bank Ltd	Banks	588.00	13.80	5.14	Axis Bank Ltd	Banks	503.00	6.79	2.53
Hindustan Unilever Ltd	Diversified	4,369.00	13.67	5.10	Tata Global Beverages Ltd	Consumer Non Durables	5,602.00	6.06	2.26
Infosys Technologies Ltd	Software	334.00	11.50	4.29	Bharti Airtel Ltd	Telecom - Services	1,686.00	6.05	2.25
PTC India Ltd	Power	8,679.00	11.10	4.14	Oil & Natural Gas Corporation Ltd	Oil	417.00	5.37	2.00
The Indian Hotels Company Ltd	Hotels	11,277.00	10.89	4.06	Power Finance Corporation Ltd	Finance	1,601.00	4.97	1.85
Zee Entertainment Enterprises Ltd	Media & Entertainment	7,261.00	10.69	3.98	Gateway Distriparks Ltd	Transportation	3,836.00	4.33	1.61
ING Vysya Bank Ltd	Banks	2,640.00	9.73	3.62	Zee Learn Ltd	Miscellaneous	740.00	0.20	0.08
Container Corporation Of India Ltd	Transportation	757.00	9.59	3.58	b) Unlisted	-	-	-	-
Ultratech Cement Ltd	Cement	841.00	9.12	3.40	TOTAL			221.69	82.63
Tata Steel Ltd	Ferrous Metals	1,328.00	9.04	3.37	c) CBLO*			45.78	17.06
ACC Ltd	Cement	831.00	8.94	3.33	d) Net Receivable/(payable)			0.83	0.31
					Grand Total			268.30	100.00

* Cash & cash Equivalents



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Load Structure

Entry Load

N.A.*

*In terms of SEBI circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has notified that, w.e.f. August 01, 2009 there will be no entry load charged to the schemes of the Mutual Fund and the upfront commission to distributors will be paid by the investor directly to the distributor, based on his assessment of various factors including the service rendered by the distributor.

Exit Load

NIL

Brokerage & Commissions Paid

Brokerages Paid for Equity Trading for December 2010	₹ 5,071.66
Distributor Commissions Paid till date	NIL

The indicative Asset Allocation

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	High/Medium/Low
Equity & Equity - related securities*	80%	100%	High
Debt & Money Market Instruments	0%	20%	Low to Medium

In accordance with the ELSS, investments by the Scheme in equity and equity related Securities will not fall below 80% of the net assets of the Scheme.

*Equity related Securities shall mean all those instruments which are permitted as per ELSS Guidelines from time to time and shall include equities, cumulative convertible preference shares and fully convertible debentures and bonds of companies. Investment may also be made in partly convertible issues of debentures and bonds including those issued on rights basis subject to the condition that, as far as possible, the non-convertible portion of the debentures so acquired or subscribed, shall be disinvested within a period of 12 (twelve) months.

^Definitions

Standard deviation measures historical volatility. A high standard deviation suggests high volatility, while lower standard deviation would refer to more stability.

Beta is the tendency of a fund's returns to respond to market swings. A beta of 1 indicates that the fund price will move with the market. A beta of less than 1 means that the security will be less volatile than the market. A beta of greater than 1 indicates that the security's price will be more volatile than the market.

Sharpe Ratio is used to characterise how well the return of an asset compensates the investor for the risk taken. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance has been.

Portfolio Turnover Ratio is the percentage of a fund's assets that have changed over the course of a year.

Disclaimer

Investment Objective: Quantum Tax Saving Fund's (QTSF) investment objective is to achieve long term capital appreciation by investing primarily in shares of companies that will typically be included in the BSE 200 index and are in a position to benefit from the anticipated growth and development of the Indian economy and its markets. **Asset Allocation:** QTSF will primarily invest in Equity and equity related securities but may invest in debt and Money Market Instruments as permitted under the Equity Linked Saving Scheme. **Terms of Issue:** QTSF is an open ended Equity Linked Savings Scheme (ELSS) offering Growth and Dividend Options. The Units can be subscribed at the applicable NAV, subject to applicable load on all business days during the continuous Offer. **Entry Load:** N.A. **Exit Load:** Nil. **Risk Factors:** All Mutual Funds and securities investments 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. **Quantum Tax Saving Fund is the name of the scheme and does not in any manner indicate either the quality of the Scheme, its future prospects or returns. Scheme specific Risk:** Equity and Equity related instruments are by nature volatile and prone to price fluctuations due to both macro and micro factors. The Investor may lose money over short or long period due to fluctuation in Scheme's NAV in response to factors such as economic and political developments, changes in interest rates and market movement and over longer periods during market downturns. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments of QTSF. Units issued under QTSF will not be redeemed until the expiry of 3 (three) years from the date of their allotment **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 ₹ 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. The Sponsor/AMC/Fund has no bearing on the expected performance of the scheme. **Mutual fund investments are subject to market risks. Please read the Scheme Information Document(s) /Key Information Memorandum(s)/ Statement of Additional Information/Addendums carefully before investing. Scheme Information Document(s)/Key Information Memorandum(s)/Statement of Additional Information can be obtained at any of our Investor Service Centers or at the office of the AMC 505, Regent Chambers, 5th Floor, Nariman Point, Mumbai – 400 021 or on AMC Website www.QuantumAMC.com/www.QuantumMF.com**