



# SCHEME INFORMATION DOCUMENT

## QUANTUM LIQUID FUND

(An Open-ended Liquid Scheme. A relatively low interest rate risk and relatively low credit risk)

### Continuous Offer of Units at NAV Based Prices

#### PRODUCT LABEL

This product is suitable for investors who are seeking*	Scheme Riskometer	Benchmark Riskometer (Tier I)
<ul style="list-style-type: none"> <li>Income over the short term</li> <li>Investments in debt / money market instruments.</li> </ul>	<p>Investors understand that their principal will be at Low Risk</p>	
Tier I Benchmark: CRISIL Liquid Debt A-I Index		

\* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)	A-I		
Moderate (Class II)			
Relatively High (Class III)			

MUTUAL FUND	TRUSTEE COMPANY	Asset Management Company
<b>Quantum Mutual Fund</b>  1st Floor, Apeejay House, 3 Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai - 400 020 www.QuantumAMC.com	<b>Quantum Trustee Company Private Ltd.</b>  1st Floor, Apeejay House, 3 Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai - 400 020 CIN - U67190MH2005PTC156119	<b>Quantum Asset Management Company Private Ltd.</b>  1st Floor, Apeejay House, 3 Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai - 400 020 CIN - U65990MH2005PTC156152 www.QuantumAMC.com



The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations) as amended till date and circulars issued thereunder 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 (SID) 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 (ISCs) / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Quantum Mutual Fund, Standard Risk Factors, Special Considerations, Tax and Legal issues and general information on [www.QuantumAMC.com](http://www.QuantumAMC.com).

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 (Section I and II) should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated June 26, 2024.

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Sr. No.	Title	Description
I.	<b>Name of the Scheme</b>	Quantum Liquid Fund
II.	<b>Category of the Scheme</b>	Liquid Fund
III.	<b>Scheme type</b>	An Open-ended Liquid Scheme. A relatively low interest rate risk and relatively low credit risk.
IV.	<b>Scheme Code</b>	QTMM/O/O/LIF/06/03/0002
V.	<b>Investment objective</b>	The primary investment objective of the Scheme is to provide optimal returns with low to moderate levels of risk and high liquidity through judicious investments in money market and debt instruments. There is no assurance that the investment objective of the Scheme will be achieved.
VI.	<b>Liquidity</b>	The Scheme offers purchases and redemptions of units on all Business Days on an ongoing basis at NAV based prices.
VII.	<b>Benchmark</b>	Tier I Benchmark: CRISIL Liquid Debt A-I Index  The Benchmark is representative of the Fund's Investment Objectives & Asset Allocation and most suited for comparison for performance of the scheme.
VIII.	<b>NAV Disclosure</b>	The NAV will be disclosed on the website of the AMC <a href="http://www.QuantumAMC.com">www.QuantumAMC.com</a> and on the website of Association of Mutual Funds in India <a href="http://www.amfiindia.com">www.amfiindia.com</a> by 11.00 p.m. on every Business Days.
IX.	<b>Applicable timelines</b>	Dispatch of redemption proceeds:  The redemption or repurchase proceeds shall be dispatched to the unitholders within three working days from receipt of valid redemption or repurchase request.  Dispatch of IDCW payment:  The Income Distribution Cum Capital Withdrawal payment shall be dispatched to the unitholders within seven working days from the record date.
X.	<b>Plans and Options</b> Plans/Options and sub options under the Scheme	<b>Plans available under the Scheme:</b> <ul style="list-style-type: none"> <li>• Direct Plan</li> <li>• Regular Plan</li> </ul> <b>Options under each Plan(s):</b> <ul style="list-style-type: none"> <li>• Growth Option</li> <li>• Monthly Income Distribution Cum Capital Withdrawal Option (IDCW) <ul style="list-style-type: none"> <li>➤ Payout of Income Distribution cum Capital Withdrawal (IDCW) Facility;</li> <li>➤ Reinvestment of Income Distribution cum Capital Withdrawal (IDCW) Facility</li> </ul> </li> <li>• Daily Reinvestment of Income Distribution Cum Capital Withdrawal option (IDCW)</li> </ul>

**(a) Growth Option:**

The Income will not be declared & distributed under this Option. The income attributable to Units under this Option will continue to remain invested and will be reflected in the Net Asset Value of Units under this Option.

**(b) Monthly Income Distribution Cum Capital Withdrawal Option (IDCW)**

In the Monthly Income Distribution cum Capital Withdrawal Option, the fund will endeavour to declare regular Income Distribution on a monthly basis.

Monthly Income Distribution cum Capital Withdrawal option has two facilities namely Monthly Payout of Income Distribution cum capital withdrawal Facility; and Monthly Reinvestment of Income Distribution cum capital withdrawal Facility.

Income will be declared on every 25th of the month or on the next Business Day if 25th of the month is not a Business Day. The Income declared will be paid to the Unitholders within 7 working days from the declaration of the Income. If the Income Distribution payable to the Unitholder under the Payout of Income Distribution cum Capital Withdrawal Facility is less than or equal to Rs. 500/-, then the Income Distributed will be compulsorily reinvested in the same Facility.

Income will be distributed from the available distributable surplus after the deduction of TDS and applicable surcharge, if any.

**(c) Daily Reinvestment of Income Distribution cum Capital Withdrawal (IDCW) Option**

In the Daily Reinvestment of Income Distribution cum Capital Withdrawal Option, the Fund will endeavour to declare regular Income Distribution on a daily basis. The Income declared under this Option would be re-invested to the credit of the Unitholder's account at the ex-Dividend NAV by way of additional Units of the Scheme and no payout of Income will take place.

Please note that the Income is subject to availability of distributable surplus, if any. There is no assurance or guarantee to Unitholders as to the rate of Income distribution nor that the Income will be regularly paid, though it is the intention of the Mutual Fund to make regular Income distribution under this Option.

Investor should indicate the Direct / Regular Plan for which the subscription is made by indicating the choice in the application form. In case of valid application received without indicating any choice of plan then the application will be processed for plan as under:

Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured
1	Not mentioned	Not mentioned	Direct Plan
2	Not mentioned	Direct	Direct Plan
3	Not mentioned	Regular	Direct Plan
4	Mentioned	Direct	Direct Plan
5	Direct	Not Mentioned	Direct Plan
6	Direct	Regular	Direct Plan

		<table border="1"> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </table> <p>In cases of wrong /invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar Days, the AMC shall reprocess the transaction under Direct Plan from the date of application. In case an investor submits an application with ARN number which is valid but the broker/distributor is not empaneled with the AMC, the transaction will be processed under “Direct Plan” or in the manner notified by SEBI / AMFI from time to time.</p> <p>All Purchase / Switch requests (including under fresh registrations of Systematic Investment Plan (SIP) / Systematic Transfer Plan (STP) or under SIPs/ STPs registered prior to the suspension period).The financial transactions# of an investor where his distributor’s AMFI Registration Number (ARN) has been suspended temporarily or terminated permanently received during the suspension period shall be processed under “Direct Plan” and continue to be processed under “Direct Plan” perpetually unless after suspension of ARN is revoked, unitholder makes a written request to process the future installments / investments under “Regular Plan”. Any financial transactions requests received through the stock exchange platform, from any distributor whose ARN has been suspended, shall be rejected.</p> <p><b><u>Plans for Deployment of Unclaimed Amounts:</u></b></p> <p>The following plans are the plans in Quantum Liquid Fund for deployment of Unclaimed Redemption / IDCW Amounts in the Schemes of Quantum Mutual Fund:</p> <ul style="list-style-type: none"> <li>(i) Unclaimed IDCW Plan Below 3 years</li> <li>(ii) Unclaimed IDCW Plan Above 3 years</li> <li>(iii) Unclaimed Redemption Plan Below 3 years</li> <li>(iv) Unclaimed Redemption Plan Above 3 years</li> </ul> <p>The above plans shall not be available for subscriptions / switch in by the Investors / Unitholders.</p> <p>For further details of above plans, kindly refer SAI.</p>	7	Mentioned	Regular	Regular Plan	8	Mentioned	Not Mentioned	Regular Plan								
7	Mentioned	Regular	Regular Plan															
8	Mentioned	Not Mentioned	Regular Plan															
<b>XI.</b>	<b>Load Structure</b>	<p>Exit Load: The exit load on a graded basis will be levied as follows:</p> <table border="1"> <thead> <tr> <th>Investor Exit Upon Subscription</th> <th>Exit Load as a % of Redemption Proceeds</th> </tr> </thead> <tbody> <tr> <td>Day 1</td> <td>0.0070%</td> </tr> <tr> <td>Day 2</td> <td>0.0065%</td> </tr> <tr> <td>Day 3</td> <td>0.0060%</td> </tr> <tr> <td>Day 4</td> <td>0.0055%</td> </tr> <tr> <td>Day 5</td> <td>0.0050%</td> </tr> <tr> <td>Day 6</td> <td>0.0045%</td> </tr> <tr> <td>Day 7 onwards</td> <td>NIL</td> </tr> </tbody> </table>	Investor Exit Upon Subscription	Exit Load as a % of Redemption Proceeds	Day 1	0.0070%	Day 2	0.0065%	Day 3	0.0060%	Day 4	0.0055%	Day 5	0.0050%	Day 6	0.0045%	Day 7 onwards	NIL
Investor Exit Upon Subscription	Exit Load as a % of Redemption Proceeds																	
Day 1	0.0070%																	
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Day 5	0.0050%																	
Day 6	0.0045%																	
Day 7 onwards	NIL																	

<b>XII.</b>	<b>Minimum Application Amount/switch in</b>	(a) Growth Option - Rs. 5,000/-and in multiples of Re.1/- thereafter. (b) Monthly IDCW Option - Rs. 10,000/-and in multiples of Re.1/- thereafter. (c) Daily Reinvestment of Income Distribution Cum Capital Withdrawal (IDCW) Option- Rs. 1,00,000/-and in multiples of Re.1/- thereafter.
<b>XIII.</b>	<b>Minimum Additional Purchase Amount</b>	Rs. 500/- and in multiples of Re. 1/- thereafter / 50 units
<b>XIV.</b>	<b>Minimum Redemption/switch out amount</b>	Nil
<b>XV.</b>	<b>Segregated Portfolio/side pocketing disclosure</b>	Not Available
<b>XVI.</b>	<b>Swing pricing disclosure</b>	Available During Market Dislocation. For Details, kindly refer SAI.
<b>XVII.</b>	<b>Stock lending/short selling</b>	Not Available
<b>XVIII.</b>	<b>How to Apply and other details</b>	The Applications Forms shall be made available at Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) of Mutual Fund and/ or may be downloaded from the website of AMC. The list of the Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) of the Mutual Fund will be provided on the website of the AMC <a href="http://www.QuantumAMC.com">www.QuantumAMC.com</a> . For further details, please refer to the SAI and Application form for the instructions. It is mandatory to mention the Bank Account Number in the application / requests for redemption. The list of official point of acceptance and collecting bankers' details are available <a href="https://www.quantumamc.com/Downloads/pdfs/collecting-bankers.pdf">https://www.quantumamc.com/Downloads/pdfs/collecting-bankers.pdf</a>
<b>XIX.</b>	<b>Investor Services</b>	<p>Investor may contact the AMC for any Queries / Clarifications / Complaints to Mr. Chandrasen Manjrekar - Vice President Customer Relations at Email - CustomerCare@QuantumAMC.com, Telephone number - 1800 209 3863 / 1800 22 3863 (Toll Free).</p> <p>Ms. Rina Nathani – Investor Relation Officer (IRO) can be contacted at Quantum Asset Management Company Private Limited, 1st Floor, Appejay House, 3 Dinshaw Vachha Road, Churchgate, Mumbai - 400020, Telephone Number 022-61447800, Email <a href="mailto:IRO@Quantumamc.com">IRO@Quantumamc.com</a></p> <p>For any grievances with respect to transactions through Stock Exchange Platform for Mutual Funds, the investors should approach either the stockbroker or the investor grievance cell of the respective stock exchange.</p> <p>For further details / escalation please refer the Grievance Policy available on the AMC Website <a href="https://www.quantumamc.com/downloads/pdfs/grievance_report.pdf">https://www.quantumamc.com/downloads/pdfs/grievance_report.pdf</a></p>
<b>XX.</b>	<b>Specific attribute of the scheme</b>	NIL

**XXI. Special product/facility available on ongoing basis**

• **Systematic Investment Plan (SIP)**

A plan enabling investors to invest in the scheme at periodic intervals by submitting payment instructions.

Frequency	Eligible Dates	Minimum Amount Per Instalment	Minimum Instalments
Daily	All Business days	Rs. 100 and in multiple of Re. 1 thereafter	30 instalments
Weekly	Any day of the week	Rs. 500 and in multiple of Re. 1 thereafter (for ELSS multiple of Rs.500)	10 instalments
Fortnightly	Any day of alternative Week	Rs. 500 and in multiple of Re. 1 thereafter (for ELSS multiple of Rs.500)	10 instalments
Monthly	Any date (except 29, 30, 31 <sup>st</sup> )	Rs. 500 and in multiple of Re. 1 thereafter (for ELSS multiple of Rs.500)	12 instalments
Quarterly	Any date (Any date (except 29, 30, 31 <sup>st</sup> ))	Rs. 500 and in multiple of Re. 1 thereafter (for ELSS multiple of Rs.500)	12 instalments

• **Systematic Transfer Plan (STP)**

A plan enabling investors to transfer a fixed amount at periodic intervals into other schemes of Quantum Mutual Fund.

Frequency	Eligible Dates	Minimum Amount Per Instalment	Minimum Instalments
Daily	All Business days	Rs. 100 and in multiple of Re. 1 thereafter (for ELSS Rs. 500 and multiple of Rs. 500).	30 instalments
Weekly	Any day of the week	Rs. 500 and in multiple of Re. 1 thereafter	10 instalments
Fortnightly	Any day of alternative Week	Rs. 500 and in multiple of Re. 1 thereafter	10 instalments
Monthly	Any date (except 29, 30,31 <sup>st</sup> )	Rs. 500 and in multiple of Re. 1 thereafter	12 instalments
Quarterly	Any date (except 29, 30,31 <sup>st</sup> )	Rs. 500 and in multiple of Re. 1 thereafter	12 instalments
<b>Minimum balance to start STP: Rs.5000/-</b>			



- **Systematic Withdrawal Plan (SWP)**

A plan enabling investors to withdraw sums from their unit accounts in the Scheme at periodic intervals.

Frequency	Eligible Dates	Minimum Amount Per Instalment	Minimum Instalments
Weekly	Any day of the week	Rs. 500 and in multiple of Re. 1 thereafter	10 instalments
Fortnightly	Any day of alternative Week	Rs. 500 and in multiple of Re. 1 thereafter	10 instalments
Monthly	Any date	Rs. 500 and in multiple of Re. 1 thereafter	10 instalments
Quarterly	Any date	Rs. 500 and in multiple of Re. 1 thereafter	10 instalments
<b>Minimum balance to start SWP: Rs.5000/-</b>			

- **Switching Option**

- Inter-Scheme Switching  
switch part or all investments from one plan / option of the scheme to plan / option of the other scheme of Quantum Mutual Fund subject to terms and conditions of the respective scheme.
- Intra-Scheme Switching  
switch part or all investments within the scheme from one plan / option to other plan / option of the respective scheme.

**Instant Redemption (Access) Facility**

This facility enables an investor to receive credit redemption proceeds to registered bank account instantly from the receipt of Instant Redemption Request using Immediate Payment Services (IMPS) provided by various banks.

The maximum redemption amount shall be Rs. 50,000 or 90% of latest value of investment (as per last available NAV on records) in the scheme, whichever is lower. This limit shall be applicable per calendar day, per scheme, per investor.

For further details of above special products / facilities, kindly refer SAI.

**XXII.**

**Weblink**

TER for Last 6 months:

[https://www.quantumamc.com/FileCDN/Pdf/TER\\_Dec23toMay24.xlsx](https://www.quantumamc.com/FileCDN/Pdf/TER_Dec23toMay24.xlsx)

Daily TER: <https://www.quantumamc.com/regulatory-document#collapseSix>

Fact Sheet: <https://www.quantumamc.com/factsheets/combined/-1/0/0>

## **DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**

It is confirmed that:

- (i) The Scheme Information Document submitted 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, have been 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 Scheme.
- (iv) KFin Technologies Limited Registrar & Transfer Agent and Custodian Deutsche Bank A.G. are registered with SEBI and their registration is valid, as on date.
- (v) The contents of the Scheme Information Document including figures, data, yields etc. have been checked and are factually correct
- (vi) The AMC has complied with the compliance checklist applicable for Scheme Information Documents and there are no deviations from the regulations
- (vii) 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.
- (viii) The Trustees have ensured that Quantum Liquid Fund is approved by them is a new product offered by Quantum Mutual Fund and is not a minor modification of any existing scheme/fund/product.

*for Quantum Asset Management Company Private Limited*

**Place: Mumbai**  
**Date: June 26, 2024**

**Sd/-**  
**Malay Vora**  
**Head – Legal & Compliance**

**A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?**

The asset allocation under the Scheme, under normal circumstances, will be as follows:

Instruments	Indicative allocations (% of total assets)	
	Minimum	Maximum
Money Market Instruments and other short term debt instruments with maturity / residual maturity* upto 91 days	0%	100%

\* In case of securities where the principal is to be repaid in a single payout the maturity of the securities shall mean residual maturity. In case the principal is to be repaid in more than one payout then the maturity of the securities shall be calculated on the basis of weighted average maturity of security. In case of securities with put and call options (daily or otherwise) the residual maturity of the securities shall not be greater than 91 days. In case the maturity of the security falls on a non-business day then settlement of securities will take place on the next business day.

The Cumulative Gross Exposure across Money Market Instruments and other short term debt instruments with maturity / residual maturity upto 91 days shall not exceed 100% of the net assets of the Scheme pursuant to para-No. 12.24 of SEBI Master Circular No. SEBI /HO/IMD/ IMD-PoD-1 / P/ CIR / 2023/74 dated May 19, 2023.

The Scheme shall hold at least 20% of its net assets in liquid assets. For this purpose, 'liquid assets' shall include Cash, Government Securities, T-bills and Repo on Government Securities.

Cash and cash equivalents as per SEBI letter no. SEBI/HO/ IMD-II/DOF3/ OW/P/ 2021/ 31487 / 1 dated November 03, 2021 which includes T-bills, Government Securities and Repo on Government Securities having residual maturity of less than 91 Days, shall not be considered for the purpose of calculating gross exposure limit.

**Indicative Table**

Sr. No.	Type of Instruments	Percentage of Exposure	Circular Reference
1	Securities Lending	Nil	NA
2	Interest Rate Derivatives – interest rate futures/options/swaps	Nil	NA
3	Securitized Debt	Nil	NA
4	Structured Obligations / Credit Enhanced Debt	Nil	NA
5	Repo / Reverse Repo of Corporate Debt Securities	Nil	NA
6	Debt Instruments having Special Features	Nil	NA
7	Foreign debt Securities	Nil	NA

**Portfolio Rebalancing in case of deviation from Asset Allocation Under Defensive Consideration**

The asset allocation pattern indicated above may change from time to time, depending on liquidity considerations or on account of high levels of subscriptions or Repurchase / Redemptions relative to Scheme size, or upon various defensive considerations including market conditions, market opportunities, applicable regulations and political and economic factors. These proportions may vary substantially depending upon the perception of the AMC the intention being at all times to seek to protect the interests of the Unitholders. Such

changes in the investment pattern will be for short term and only for defensive considerations. In the event of deviations from the above asset allocation table, the Fund Manager will carry out rebalancing within 30 Calendar Days in accordance to para-No. 2.9 of SEBI Master Circular No. SEBI /HO/IMD/ IMD-PoD-1 / P/ CIR / 2023/74 dated May 19, 2023. However, at all the times the portfolio will adhere to the overall investment objectives of the Scheme.

### **Portfolio Rebalancing in case of Passive Breach**

Pursuant to para-No. 2.9 of SEBI Master Circular No. SEBI /HO/IMD/ IMD-PoD-1 / P/ CIR / 2023/74 dated May 19,2023 In the event of deviation from the above asset allocation due to passive breaches (occurrence of instances not arising out of omission and commission of the AMC), the rebalancing shall be done within 30 Business Days. In case the rebalancing is not done within 30 Business Days, then justification in writing including details of efforts taken to rebalance the portfolio shall be place before the Investment Committee. The Investment Committee, if so desires, can extend the timelines upto 60 Business Days from the date of completion of 30 Business Days rebalancing period.

In case the portfolio of scheme is not rebalanced within the aforementioned mandated plus extended timelines, the AMCs shall:

- i. not be permitted to launch any new scheme till the time the portfolio is rebalanced.
- ii. not to levy exit load, if any, on the investors exiting from the scheme.

AMC shall report the deviation to Trustees at each stage. Further, in case the AUM of deviated portfolio is more than 10% of the AUM of main portfolio of scheme:

1. AMCs shall immediately disclose the same to the investors through SMS and email / letter including details of portfolio not rebalanced.
2. AMCs shall also immediately communicate to investors through SMS and email / letter when the portfolio is rebalanced.

AMCs shall also disclose any deviation from the mandated asset allocation to investors along with periodic portfolio disclosures as specified by SEBI from the date of lapse of mandated plus extended rebalancing timelines.

## **B. WHERE WILL THE SCHEME INVEST?**

Subject to the Regulations and the disclosures as made under the Section “How the Scheme will allocate its Assets”, the corpus of the Scheme can be invested in any (but not exclusive) of the following securities / instruments:

(a) Money Market Instruments and other short term debt instruments with maturity / residual maturity upto 91 days Debt & Money market instruments.

The fund would be invested in the following debt and money market instruments will include but not restricted to:

1. Commercial Papers
2. Certificate of Deposits
3. Treasury Bills
4. Securities issued by Central and State Government
5. Repos/reverse repos in securities issued by central government and state government securities
6. Securities guaranteed by the Central and State Government
7. Corporate Debt securities
8. Debt obligations of banks and financial institutions
9. Fixed Deposits issued by scheduled commercial banks
10. Bills of Exchange issued by scheduled commercial banks
11. Tri-Party Repo (TREPs)
12. MIBOR related instruments
13. Usance, trade and commercial bills accepted/co-accepted by banks

## **C. WHAT ARE THE INVESTMENT STRATEGIES?**

### **Investment Strategy**

The primary investment objective of the Scheme is to provide optimal returns with low to moderate levels of risk and high liquidity through judicious investments in money market and debt instruments.

The fund management team would endeavor to maintain consistent performance in the Scheme by balancing yields and safety as well as maintaining high liquidity.

Various risks carried by debt investments such as Interest Rate Risk, Liquidity Risk, default Risk, etc. cannot be eliminated, but can be minimized by diversification and hedging.

The fund management team has a Dynamic Model in place to balance and minimize the various risks in the debt markets.

The fund management team would actively track the local interest rate markets as well as the developments in global markets and accordingly rebalance the portfolio of the Scheme.

The investment objective would be achieved in the following order of priority:

- Legality & compliance – Ensuring that the portfolio is at all times completely compliant with all rules and regulations – internal and external.
- Portfolio Liquidity – Ensuring that the Portfolio can be liquidated at minimal impact cost to the investors.
- Capital Preservation – Ensuring that the investments are made in a manner to minimize market risks and choosing securities which have low default / Downgrade risk.
- Yield and Return Enhancement – After meeting the above objectives, the rigorous and in-depth research and analysis of the macro economic situation and fixed income markets should provide for timely investment opportunities which enhance the total returns for an investor – on a risk adjusted basis.

The fund management team would actively track the local interest rate markets as well as the developments in global markets and accordingly rebalance the portfolio of the Scheme.

The overall Investment strategy revolves around the above laid down Investment Objectives as investors in a Liquid Fund seek optimal deployment of their surplus funds. Although the investment pattern for the scheme is for short term instruments, the research and analysis on the macro economy situation is carried out for short term as well as for a more structural and longer term horizon – so as to ensure that the portfolio investments are well positioned for all eventual and likely scenarios.

Thus, this dynamic combination of a rigorous top down macro economy and fixed income research and emphasis on Portfolio liquidity and capital preservation is expected to offer risk adjusted returns.

### **INVESTMENT PROCESS AND RECORDING OF INVESTMENT DECISIONS**

#### **INVESTMENT PROCESS**

The fund management process is Committee driven. The Investment Committee has been constituted comprising of Managing Director & Chief Executive Officer, Chief Investment Officer, Fund Managers, Head of Compliance, Head of Operations and Risk Officer.

The Committee would oversee and review the investment process on an ongoing basis. All the statutory regulations including the SEBI & RBI Act, Regulations, guidelines and circulars issued from time to time would be adhered to. The investment decisions of the Scheme will be carried out by the Designated Fund Manager.

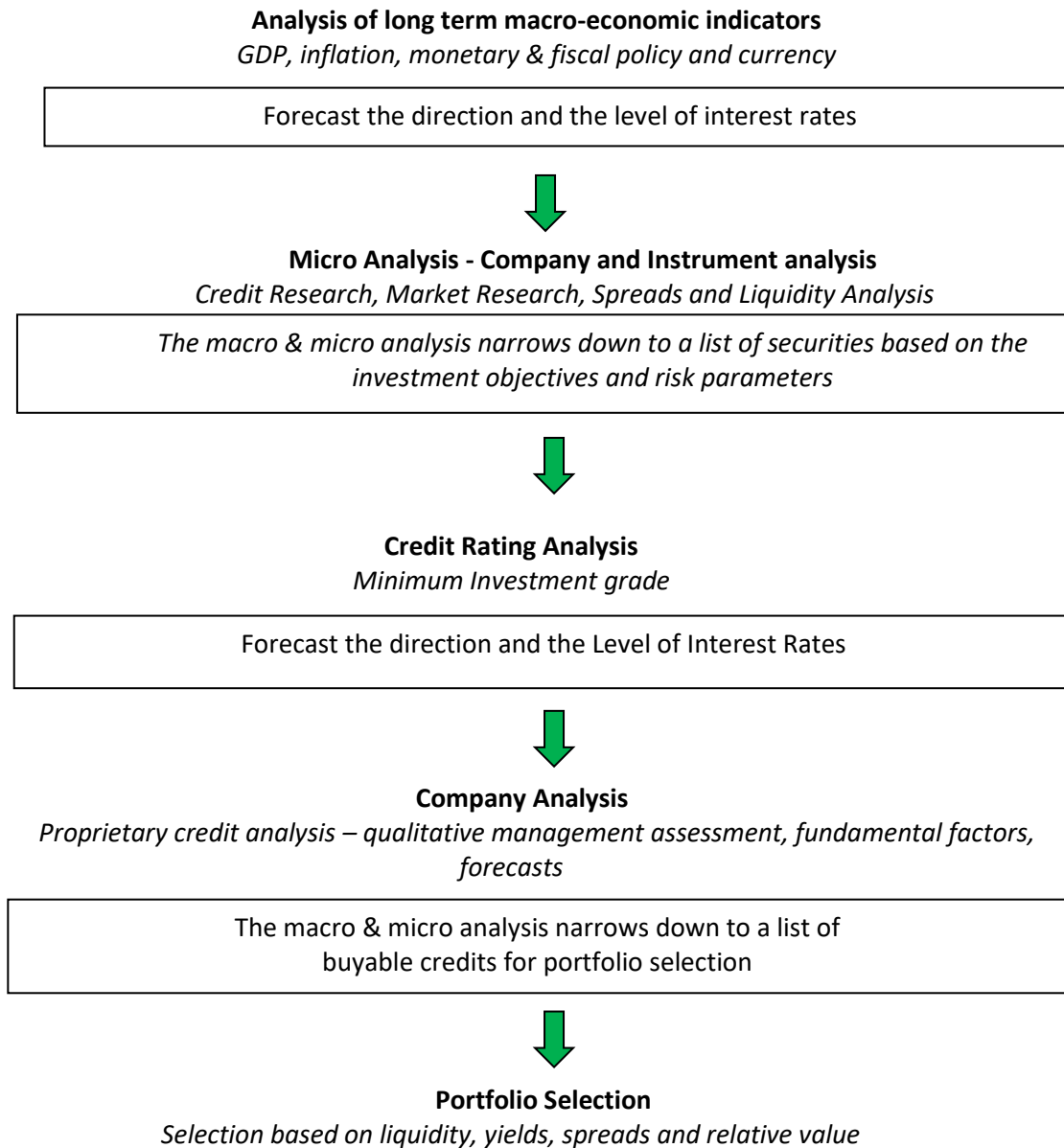
The performance of the Scheme would be periodically reviewed by the Board of Directors of the AMC & the Trustee.

A comprehensive Investment & Risk Policy and Procedures for investment in Fixed Income instruments has been put in place which governs the Investment Process. The Investment process is systematic, disciplined and research driven.

The investment decisions of the Scheme will be carried out by the Designated Fund Manager.

The Investment process is systematic, disciplined and research driven.

The research process combines the macro factors (broad economy) and micro factors (security level) for investment decisions. A brief description of the Top Down approach is as follows:



## **PORTFOLIO CONSTRUCTION**

The fund follows a top down (Macro → Micro) approach to build its portfolio. The fund management team takes a view on the direction of interest rates on the basis of its analysis of long term factors and on the choice of security based on its micro analysis.

Thus the macro and micro investment analysis leads to an efficient portfolio with regard to the following aspects:

- Maturity profile
- Credit quality
- Spread differential to its benchmark
- Liquidity
- Holding period
- Risk Profile (Average Maturity, Modified Duration)

## **RECORDING OF INVESTMENT DECISION**

The Fund Manager for the Scheme is responsible for making buy/sell decisions in respect of the securities. The investment decisions are made on a daily basis keeping in view inflows/outflows into the scheme, the market conditions, research reports and all other relevant aspects.

The Managing Director & Chief Executive Officer is not involved in the investment decision making process.

Record of all investment decisions will be maintained with justifications for the same as required under the regulations.

It is the responsibility of the AMC to ensure that the investments are made as per the internal / Regulatory guidelines, Scheme's investment objective and in the best interest of the Unit holders of the Scheme.

All investment decisions shall be recorded in terms of pursuant to para-No 12.23 of SEBI Master Circular No. SEBI /HO/IMD/ IMD-PoD-1 / P/ CIR / 2023/74 dated May 19, 2023 or as may be revised by SEBI from time to time.

## **PERFORMANCE MEASUREMENT AND REPORTING**

The Investment Committee of the AMC at its regular meeting shall review performance of the Scheme, compliance of the various investment restrictions and compliance with the investment objectives stipulated in the Scheme Information Document and all other applicable SEBI Regulations. The AMC and Trustees shall also review the performance of the scheme at their periodical Board Meetings. The performance would be compared with the performance of the Benchmark and with peer group in the industry.

The MD & CEO/Fund Manager will make presentations to the Board of the AMC and the Trustees periodically, indicating the performance of the Scheme. The Board of AMC and Trustee will review the performance of the Scheme in comparison to the benchmark.

The MD & CEO / Fund Manager will bring to the notice of the AMC Board, specific factors if any, which are impacting the performance of the Scheme. The Board on consideration of all relevant factors may, if necessary, give appropriate directions to the AMC. Similarly, the performance of the Scheme will be submitted to the Trustees. The MD & CEO/Fund Manager will explain to the Trustees, the details on the Schemes' performance vis-à-vis the benchmark returns. The Trustees and the AMC Board may also review the performance of the schemes vis-à-vis the benchmark and may take corrective action in case of unsatisfactory performance.



#### D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

Tier I – CRISIL Liquid Debt A-I Index

The benchmark is representative of Fund’s Investment Objectives and Asset allocation and most suited for comparison for performance of the scheme.

The Trustee/AMC reserves the right to change the benchmark for the evaluation of the performance of the Scheme from time to time, keeping in mind the Investment Objective & Asset Allocation of the Scheme and the appropriateness of the benchmark.

#### E. WHO MANAGES THE SCHEME?

Name of the Fund Manager	Age	Educational Qualifications	Tenure of the Managing the Scheme	Brief Experience	Other Schemes Managed
Mr. Pankaj Pathak– Fund Manager	37	PGDM (Banking and Finance), CFA (CFA Institute, USA), B.Sc., JAIIB & CAIIB	6 years and 6 months Since November 24, 2017	Over 15 years of experience in Fixed income investments and Research. He joined Quantum Asset Management Company Private Limited in August, 2013 as a Dealer Fixed Income and presently is Fund Manager – Fixed Income. Prior to joining Quantum, he was associated with Bank of Maharashtra.	<ul style="list-style-type: none"> <li>Quantum Dynamic Bond Fund</li> <li>Quantum Multi Asset Allocation Fund</li> </ul>

#### F. HOW IS THE SCHEME DIFFERENT FROM EXISTING SCHEMES OF THE MUTUAL FUND?

As on May 31, 2024 the Fund has following schemes under the Debt category. Please refer <https://www.quantumamc.com/FileCDN/Pdf/Comparison Table All Schemes.xlsx> for detailed comparative table

Sr. No.	Scheme Names
1	Quantum Dynamic Bond Fund
2	Quantum Liquid Fund

**G. HOW HAS THE SCHEME PERFORMED?**

**A) Performance of Scheme as on May 31, 2024**

**Quantum Liquid Fund - Direct Plan - Growth Option**

Period	Scheme Returns %	Tier – I Benchmark Returns % (CRISIL Liquid Fund A-I Index)
1 Year*	7.06%	7.28%
3 Years**	5.49%	5.75%
5 Years**	4.93%	5.28%
7 Years**	5.37%	5.75%
10 Years**	5.98%	6.39%
Since Inception**	6.76%	6.81%

Past performance may or may not be sustained in future.

\* Annualized \*\* CAGR Date of Inception April 07, 2006.

**Quantum Liquid Fund - Regular Plan – Growth Option**

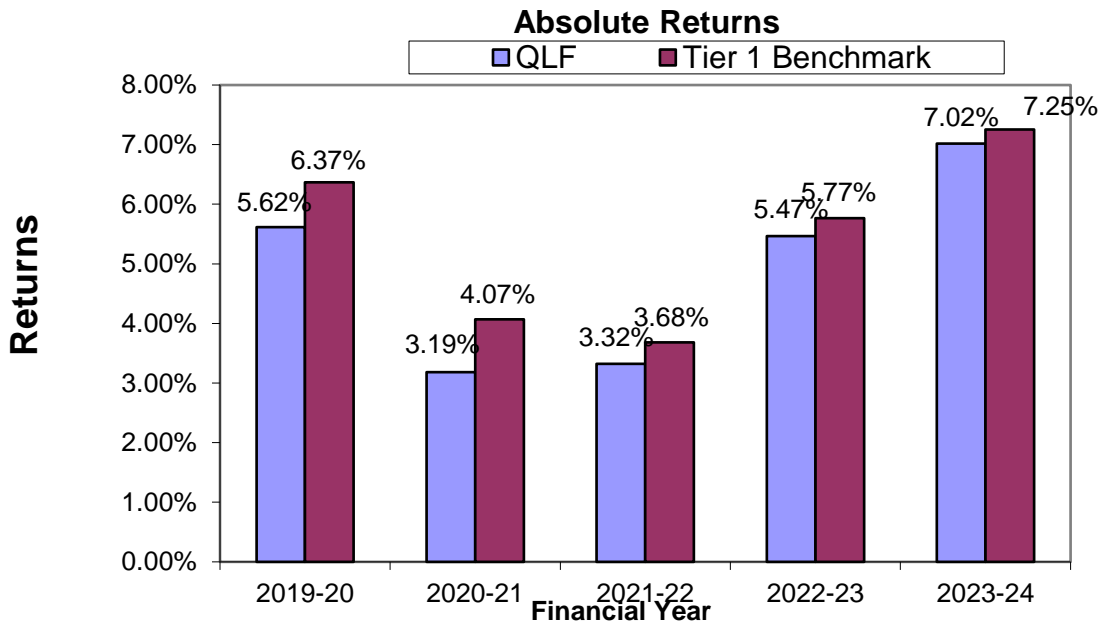
Period	Scheme Returns %	Tier – I Benchmark Returns % (CRISIL Liquid Fund A-I Index)
1 Year*	6.96%	7.28%
3 Years**	5.39%	5.75%
5 Years**	4.83%	5.28%
7 Years**	5.28%	5.75%
Since Inception**	5.29%	5.77%

Past performance may or may not be sustained in future.

\* Annualized \*\* CAGR Date of Inception April 07, 2006.

**B) Absolute Returns for the last 5 Financial Years**

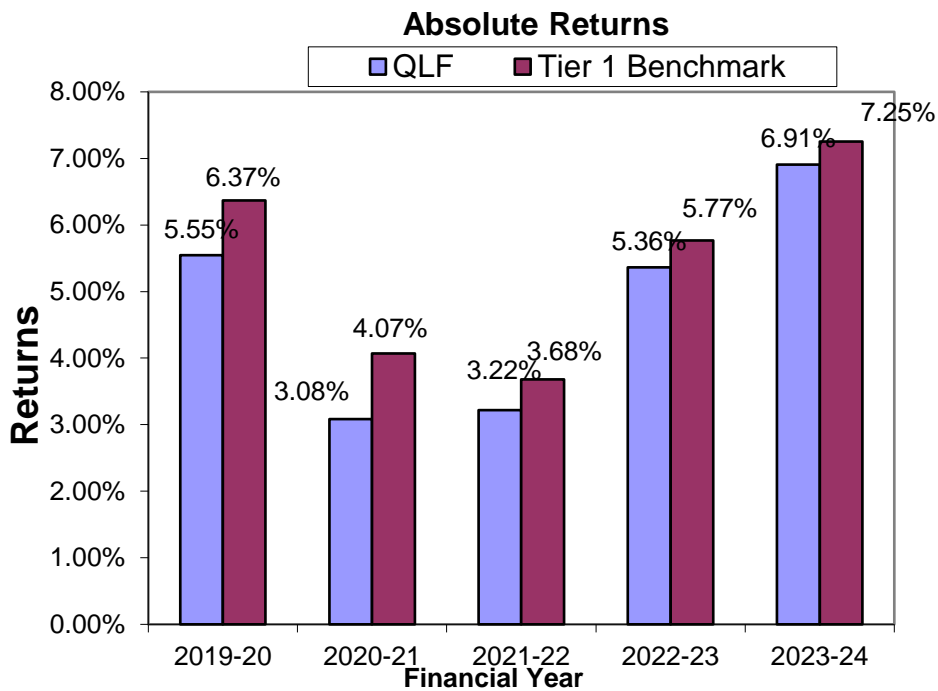
**Quantum Liquid Fund - Direct Plan - Growth Option**



Date of Inception – April 07, 2006

Past performance may or may not be sustained in future.

**Quantum Liquid Fund - Regular Plan - Growth Option**



Date of Inception – April 07, 2006

Past performance may or may not be sustained in future.

## H. ADDITIONAL SCHEME RELATED DISCLOSURES

i. **SCHEME'S PORTFOLIO HOLDINGS AS ON MAY 31, 2024** – [https://www.quantumamc.com/FileCDN/Pdf/Top\\_10\\_holding\\_and\\_Fund\\_allocation.xlsx](https://www.quantumamc.com/FileCDN/Pdf/Top_10_holding_and_Fund_allocation.xlsx)

ii. **DISCLOSURE OF NAME AND EXPOSURE TO TOP 7 ISSUERS, STOCKS, GROUPS AND SECTORS AS A PERCENTAGE OF NAV OF THE SCHEME IN CASE OF DEBT AND EQUITY ETFS/INDEX FUNDS THROUGH A FUNCTIONAL WEBSITE LINK THAT CONTAINS DETAILED DESCRIPTION** – Not Applicable

iii. **PORTFOLIO DISCLOSURE - FORTNIGHTLY / MONTHLY / HALF YEARLY**

- **Fortnightly** - <https://www.quantumamc.com/portfolio/quantum-liquid-fund/5/1/0/0>
- **Monthly** - [www.quantumamc.com/portfolio/combined/-1/1/0/0](https://www.quantumamc.com/portfolio/combined/-1/1/0/0)
- **Half Yearly** - <https://www.quantumamc.com/regulatory-document/quantum-mutual-fund-half-yearly-portfolio-statement/806>

iv. **SCHEME'S PORTFOLIO TURNOVER RATIO:** 16.72%

v. **Aggregate investment in the Scheme as on May 31, 2024:**

Sr. No.	Category of Persons	Net Value		Market Value (in Rs.)
		Units	NAV per unit	
1.	Scheme's Fund Manager	32046.914	32.794	10,50,946.50

The Investment includes investments made under Alignment of Interest by Designated Employees in terms of SEBI Master Circular No. SEBI /HO/IMD/ IMD-PoD-1 / P/ CIR / 2023/74 dated May 19,2023

For investments by key personnel and AMC directors including regulatory provisions in this regard kindly refer SAI.

vi. **INVESTMENTS OF AMC IN THE SCHEME**

The AMC may invest in the Scheme at any time during the continuous offer period subject to the SEBI Regulations & circulars issued by SEBI and to the extent permitted by its Board of Directors from time to time. As per the existing SEBI Regulations, the AMC will not charge investment management and advisory fee on the investment made by it in the Scheme.

Further, the AMC shall, based on the risk value assigned to the scheme, invest minimum amount as a percentage of assets under management of the scheme, pursuant to para-No. 6.9.2 of SEBI Master Circular No. SEBI /HO/IMD/ IMD-PoD-1 / P/ CIR. / 2023/74 dated May 19,2023. For details of such investments please refer the link: <https://www.quantumamc.com/downloads/AMC-Investment-in-schemes-of-Quantum-MF.pdf>

**A. COMPUTATION OF NAV**

NAV of the Scheme will be computed by considering, Market or Fair Value of Scheme's investments (+) Current Assets (-) Current Liabilities and Provisions Divided by No. of Units outstanding under Scheme on the valuation date.

The NAV will be calculated and announced as of the close of every Business Day by 11.00 p.m. The repurchase price shall not be lower than 95% of the NAV subject to SEBI regulation as amended from time to time. For other details such as policies w.r.t computation of NAV, rounding off, investment in foreign securities, procedure in case of delay in disclosure of NAV etc. refer to SAI.

**B. NEW FUND OFFER (NFO) EXPENSES**

This section does not apply to the Scheme covered in this SID, as the ongoing offer of the Scheme has commenced after the NFO and the Units are available for continuous subscription and redemption.

**C. ANNUAL SCHEME RECURRING EXPENSE**

These are the fees and expenses for operating the scheme. These expenses include, Registrar and Transfer Agent fee, marketing and selling costs, custody fees etc.

The estimated recurring expenses of the Scheme are as under:

Expense Head	% of daily Net Assets
Investment Management and Advisory Fees	Up to 0.35%
Trustee fee	
Audit fees	
Custodian fees	
Registrar & Transfer Fees	
Marketing & Selling expense including agent commission	
Cost related to investor communications	
Cost of fund transfer from location to location	
Cost of providing account statements and IDCW redemption cheques and warrants	
Costs of statutory Advertisements	
Cost towards investor education & awareness <sup>^</sup>	
Goods and Services tax on expenses other than investment and advisory fees	
Goods and Services tax on brokerage and transaction cost	
Other expenses*	
<b>Maximum total expense ratio (TER) permissible under Regulation 52 (6) (C)</b>	Up to 0.35%
Additional expenses for gross new inflows from specified cities under Regulation 52 (6A) (b)	NIL
Additional expenses under regulation 52 (6A) (c)	NIL

\*as permitted under the Regulations.

<sup>^</sup>Investor Education and Awareness initiatives.

Pursuant to para-No. 10.1.16 of SEBI Master Circular No. SEBI /HO/IMD/ IMD-PoD-1 / P/ CIR / 2023/74 dated May 19,2023the AMC shall annually set apart at least 2 basis points p.a. (i.e. 0.02% p.a.) on daily net assets of

the Scheme within the limits of total expenses prescribed under Regulation 52 of SEBI (MF) Regulations for investor education and awareness initiatives undertaken by the Fund.

The Total Expense Ratio of Direct Plan will be lower to the extent of the distribution expenses / commission which is charged to the Regular Plan.

Goods and Services Tax and Statutory Levies, if any on Investment Advisory fees will be charged to scheme within the overall limit of expense as permitted under the SEBI Regulations.

Brokerage and transaction cost incurred for the purpose of execution of trade will be expensed out in the scheme to the extent of 0.12% for cash market transactions. Brokerage and transaction costs exceeding of 0.12% for cash market transactions if any may be charged to the scheme within the maximum limit of TER as prescribed under regulation 52 of the Regulations.

The AMC has estimated that the above expense will be charged to the Scheme as permitted under Regulation 52 of SEBI (Mutual Funds) Regulations, 1996. For actual current expense being charged, the investor should refer to the website of the Mutual Fund viz. [www.QuantumAMC.com](http://www.QuantumAMC.com). The Fund would update the current expense ratio of the scheme on the website at least three working days prior to the effective date of the change. Investor can refer <https://www.quantumamc.com/total-expense-ratio> for total expense ratio details. Additionally, the Fund will disclose the Total Expense Ratio (TER) of the Scheme on daily basis on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)).

As per Regulation 52(6)(c) of SEBI (MF) Regulations, the total expenses of the Scheme, including Investment Management and Advisory Fees shall be subject to following limits as specified below:

<b>Asset Under Management Slab</b>	<b>Expense Ratio (p.a.)</b>
On the first Rs.500 Crores of the daily net assets	2.00
On the next Rs.250 Crores of the daily net assets	1.75
On the next Rs.1,250 Crores of the daily net assets	1.50
On the next Rs.3,000Crores of the daily net assets	1.35
On the next Rs.5,000 Crores of the daily net assets	1.25
On the next Rs.40,000 Crores of the daily net assets	Total expense ratio reduction of 0.05% for every increase of Rs.5,000 Crores of daily net assets or part thereof
On balance of the assets	0.80%

The maximum recurring expenses of the Scheme, including the investment management and advisory fee, together with additional expenses if any, shall not exceed the limits prescribed under Regulation 52 of the SEBI (Mutual Funds) Regulations 1996 read with the SEBI Master circular dated May 19,2023.

#### **ILLUSTRATION OF IMPACT OF EXPENSE RATIO ON SCHEME'S RETURN:**

<b>Particular</b>	<b>Regular Plan</b>	<b>Direct Plan</b>
Opening NAV at the beginning of the year (Rs.) (a)	100	100
Closing NAV before charging expense at the end of the year (b)	112	112
Scheme's gross returns for the year	12%	12%
Expense Charged during the year (other than Distribution Expenses/ Commission) (Rs.) (c)	1	1
Distribution Expenses/ Commission charged during the year (Rs.) (d)	0.15	0
NAV after charging expense (b-c-d)	110.85	111
Net Return to the Investor	10.85%	11%

The purpose of the above illustration is to explain the impact of expense ratio of the scheme. Above calculation are bases on assumed NAV and Expenses. The actual NAV, expenses and return on your investment may be more or less.

#### D. LOAD STRUCTURE

Load is an amount which is paid by the investor to subscribe to the units or to redeem the units from the scheme. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC ([www.QuantumAMC.com](http://www.QuantumAMC.com)) or may call at (toll free no. 1-800-22-3863 /1-800-20-9 3863) or your distributor

Type of Load	Load chargeable (as % age of NAV)																
Exit Load	The exit load on a graded basis will be levied as follows:																
	<table border="1"> <thead> <tr> <th>Investor Exit Upon Subscription</th> <th>Exit Load as a % of Redemption Proceeds</th> </tr> </thead> <tbody> <tr> <td>Day 1</td> <td>0.0070%</td> </tr> <tr> <td>Day 2</td> <td>0.0065%</td> </tr> <tr> <td>Day 3</td> <td>0.0060%</td> </tr> <tr> <td>Day 4</td> <td>0.0055%</td> </tr> <tr> <td>Day 5</td> <td>0.0050%</td> </tr> <tr> <td>Day 6</td> <td>0.0045%</td> </tr> <tr> <td>Day 7 onwards</td> <td>NIL</td> </tr> </tbody> </table>	Investor Exit Upon Subscription	Exit Load as a % of Redemption Proceeds	Day 1	0.0070%	Day 2	0.0065%	Day 3	0.0060%	Day 4	0.0055%	Day 5	0.0050%	Day 6	0.0045%	Day 7 onwards	NIL
	Investor Exit Upon Subscription	Exit Load as a % of Redemption Proceeds															
	Day 1	0.0070%															
	Day 2	0.0065%															
	Day 3	0.0060%															
	Day 4	0.0055%															
	Day 5	0.0050%															
	Day 6	0.0045%															
	Day 7 onwards	NIL															
Redemption / Switched Outs will be done on First in First out (FIFO) basis. The above mentioned Exit Load shall be equally applicable to Systematic Withdrawal Plan (SWP), Systematic Transfer Plan (STP) and Switches including existing installment of existing SIPs/ STPs / SWPs falling due after the effective date. However, no exit load will be charged for switching between option / plan within the scheme.																	

## I. Introduction

### A. Definitions/interpretation

Please refer the link :

[https://www.quantumamc.com/FileCDN/Pdf/Combined definitions & interpretations.pdf](https://www.quantumamc.com/FileCDN/Pdf/Combined%20definitions%20&%20interpretations.pdf)

### B. Risk Factors

#### Scheme specific risk factors:

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. As the Scheme will be investing in debt and money market instruments it may have the following risks:

#### **Risk Related to Debt & Money Market Instruments**

- **Interest Rate Risk/Market Risk:**

Changes in interest rate may affect the Scheme's net asset value. Generally, the prices of instruments increase as interest rates decline and decrease as interest rates rise. Prices of long-term securities fluctuate more in response to such interest rate changes than short-term securities. Indian debt and government securities markets can be volatile leading to the possibility of price movements up or down in the fixed income securities and thereby to possible movements in the NAV.

- **Credit Risk or Default Risk:**

Credit risk or Default risk refers to the risk that an issuer of a debt instrument may default (i.e. the issuer will be unable to make timely principal and interest payments on the security). Because of this risk, bonds issued by non-government agencies are sold at a higher yield above those offered on Government Securities which are sovereign obligations and free of credit risk. Normally, the value of a debt instrument will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.

- **Liquidity Risks:**

This refers to the ease at which a security can be sold at or near its true value. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Reduced liquidity in the secondary market may have an adverse impact on market price and the Scheme's ability to dispose of particular securities, when necessary, to meet the Scheme's liquidity needs or in response to a specific economic event or even during rebalancing of the Scheme's investment portfolio.

- **Concentration Risk:**

The Scheme will invest in certain securities of certain companies, industries, sectors, asset type etc. based on its investment objectives and policies as outlined in this Scheme Information Document. The funds invested by the Scheme in certain securities of industries, sectors, etc. may acquire a substantial portion of the Scheme's investment portfolio and collectively may constitute a risk associated with non-diversification and thus could affect the value of investments.



- **Settlement Risk:**

Different segments of the financial markets have different settlement cycle/ periods and such settlement cycle/periods may be impacted by unforeseen circumstances, leading to Settlement Risk. The liquidity of the Scheme's investments may be inherently restricted by trading volumes, transfer procedures and settlement periods.

- **Re-investment Risk:**

This risk refers to the interest rate levels at which cash flows received from the securities in the Scheme or from maturities in the Scheme are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk refers to the fall in the rate for reinvestment of interim cash flows than earlier assumed. the inability of the Approved Intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the Approved Intermediary.

Certain fixed income securities give an issuer the right to call back its securities before their maturity date, in periods of declining interest rates. The possibility of such prepayment may force the fund to reinvest the proceeds of such investments in securities offering lower yields, resulting in lower interest income for the Scheme.

- **NAV Performance Risk:**

The value of, and income from, an investment in the Scheme can decrease as well as increase, depending on a variety of factors which may affect the values and income generated by the Scheme's portfolio of securities. The returns of the Scheme's investments are based on the current yields of the securities, which may be affected generally by factors affecting capital markets such as price and volume, volatility in the stock markets, interest rates, currency exchange rates, foreign investment, changes in Government and Reserve Bank of India policy, taxation, political, economic or other developments, closure of the Stock Exchanges etc.

Investors should understand that the investment pattern indicated, in line with prevailing market conditions, is only a hypothetical example as all investments involve risk and there is no assurance that the Scheme's investment objective will be attained or that the Scheme shall be in a position to maintain the model percentage of investment pattern particularly under exceptional circumstances. Different types of securities in which the Scheme would invest as stated in the offer document carry different levels and types of risk. Accordingly, the Scheme's risk may increase or decrease depending upon its investment pattern e.g. corporate bonds carry a higher amount of risk than Government securities. Further even amongst corporate bonds, bonds which are AAA rated are comparatively less risky than bonds which are AA rated.

Lower rated or unrated securities are more likely to react to developments affecting the market and carry a higher credit risk than the highly rated securities which react primarily to movements in the general level of interest rates. Lower rated securities also tend to be more sensitive to economic conditions than higher rated securities. The Investment Manager will consider both credit risk and market risk in making investment decisions.

The Scheme will endeavour to invest in highly researched securities offering relative yield for the commensurate risks. However, the erosion in the value of the investments/portfolio in the case of the debt markets passing through a bearish phase is a distinct possibility.

The NAV of the Scheme is largely dependent on the performance of the various debt instruments wherein the investment has been made which may fluctuate from time to time. The Scheme may use techniques and instruments for efficient portfolio management and diversify to reduce the risk of such fluctuations. However, these techniques and instruments if imperfectly used have the risk of the Scheme incurring losses due to mismatches particularly in a volatile market. The Fund's ability to use these techniques may be limited by market conditions, regulatory limits and tax considerations (if any).

Besides, the fact that skills needed to use these instruments are different from those needed to select the Scheme's securities. The use of these techniques involves possible impediments to effective portfolio management or the ability to meet repurchase/redemption requests or other short-term obligations because of the percentage of the Scheme's assets segregated to cover its obligations.

### **Risk Associated with Investments in Investment in Corporate Debt Market Development Fund (CDMDF)**

CDMDF is set up as a scheme of the Trust registered as an Alternative Investment Fund ('AIF') in accordance with the SEBI (Alternative Investment Funds) Regulations, 2012 ("AIF Regulations"). The objective of the CDMDF is to help to develop the corporate debt market by providing backstop facility to instill confidence amongst the market participants in the corporate debt/bond market during times of market dislocation and to enhance the secondary market liquidity. In times of market dislocation, CDMDF shall purchase and hold eligible corporate debt securities from the participating investors (i.e., specified debt-oriented MF schemes to begin with) and sell as markets recover. The CDMDF will thus act as a key enabler for facilitating liquidity in the corporate debt market and to respond quickly in times of market dislocation. The trigger and period for which the backstop facility will be open shall be as decided by SEBI. Thus, this backstop facility will help Fund Manager to generate better liquidity during market dislocation to help the scheme fulfill liquidity obligations under stress situation.

In accordance with the requirement of regulation 43A of SEBI (Mutual Funds) Regulations, 1996 read with SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/129 dated July 27, 2023 on investment by Mutual Fund Schemes in units of Corporate Debt Market Development Fund ('CDMDF'), the Scheme shall invest 25 bps of its AUM in the units of the CDMDF. An incremental contribution to CDMDF shall be made every six months to ensure 25 bps of scheme AUM is invested in units of CDMDF. However, if AUM decreases there shall be no return or redemption from CDMDF. Contribution made to CDMDF, including the appreciations on the same, if any, shall be locked-in till winding up of the CDMDF.

The investments in CDMDF units shall not be considered as violation while considering maturity restriction as applicable for various purposes (including applicable investment limits) and the calculations of Potential Risk Class (PRC) Matrix, Risk-o-meter, Stress testing and Duration for various purposes shall be done after excluding investments in units of CDMDF.

### **C. Risk mitigation strategies**

Risk is an important part of the investment functions. Effective Risk Management is critical to Fund Management for achieving financial goals. Investments made by the Scheme shall be made in accordance with Investment Objective of the Scheme and provisions of SEBI (Mutual Funds) Regulations.

The Fund has identified the following Risks and designed Risk Management Strategies which is the part of the Investment Process to manage such risks.

<b>Types of Risk</b>	<b>Risk Management Strategies</b>
<b>Interest Rate Risk</b>	<p>Measured through Average Maturity Duration / Portfolio Sensitivity to interest rate changes.</p> <p>The investment is made only in shorter tenor instruments (&lt; 91 days) and has low duration and is thus exposed to lower market risks.</p>
<b>Credit and Default Risk</b>	<p>Measured through Portfolio credit quality.</p> <p>The Scheme is mandated to invest a minimum of up to 80% in instruments with the highest credit rating as given by a SEBI registered credit rating agency which helps maintain good portfolio quality.</p>
<b>Liquidity Risk</b>	<p>Measured through Trading Data / Portfolio Liquidity Report.</p> <p>The Scheme caps the illiquid assets as a % of portfolio to ensure that the fund remains liquid to meet redemptions.</p>
<b>Mismatch Risk / ALM (Asset Liability mismatch) Risk (Investor horizon and asset maturity mismatch)</b>	<p>Measured through ALM Report.</p> <p>The scheme shall hold minimum 20% of Net assets in 'liquid assets' like cash, Treps, government securities etc. in accordance with SEBI Guidelines.</p> <p>The Fund has a well laid down ALM and Liquidity Risk Management policy which ensures that the portfolio holds sufficient liquid assets to meet potential redemption at any given point of time.</p>

**A. Where will the scheme invest?**

Subject to the Regulations and the disclosures as made under the Section “How the Scheme will allocate its Assets”, the corpus of the Scheme can be invested in any (but not exclusive) of the following securities / instruments:

The Scheme may invest in the following asset classes:

- (a) Debt and Money Market Instruments.
- (b) Any other Securities / asset class / instruments as permitted under SEBI Regulations in line with the Investment Objective of the Scheme subject to regulatory approval, if any required.

The fund would be invested in the following debt and money market instruments will include but not restricted to:

1. Commercial Papers
2. Certificate of Deposits
3. Treasury Bills
4. Securities issued by Central and State Government
5. Repos/reverse repos in securities issued by central government and state government securities
6. Securities guaranteed by the Central and State Government
7. Corporate Debt securities
8. Debt obligations of banks and financial institutions
9. Fixed Deposits issued by scheduled commercial banks
10. Bills of Exchange issued by scheduled commercial banks
11. Tri-Party Repo (TREPs)
12. MIBOR related instruments
13. Usance, trade and commercial bills accepted/co-accepted by banks

The above list is not exhaustive and may include any other instrument as Mutual Fund may be permitted by SEBI/RBI/such other regulatory authority from time to time.

Investments in corporate commercial papers, debentures and bonds will usually be in instruments which have been assigned investment grade ratings by an approved rating agency.

Investments in unrated securities will be made subject to SEBI Regulations and with the prior approval of the Trustee and the Board of Directors of Quantum AMC and within the parameters laid down by the Board of Directors of the AMC & Trustee.

The Scheme may invest a part of the portfolio in various debt securities issued by corporates and/or state and Central Government. Such government securities may include securities which are supported by the ability to borrow from the Treasury or supported only by India's sovereign guarantee or of the state government or supported by GOI/State Government in some other way.

**Overview of Debt markets in India**

Indian bond markets have grown over the years on the back of deregulation of interest rates, broad-basing of market participants, new instruments, improvement in market liquidity and increasing confidence in the trading and settlement systems. India is unique in developing markets in its success of screen based

government bond trading - (NDS OM – Negotiated Dealing system – Online Module) and overnight fund deployment through a screen based order matching product known as Tri-Party Repo (TREP). As non- bank entities were phased out of the call money market, the Tri-Party Repo provided a good platform for funds deployment by mutual funds and insurance companies. It is a screen based, anonymous, clearing corporation settlement guarantee product which has resulted in its popularity and increasing volumes. Even the Repo markets have got a boost in recent times with the launch of screen based (basket and individual security) repo dealing system known as CROMS. As RBI has allowed shorting in government bond markets, the presence of an anonymous screen-based repo security borrowing mechanism is very useful for market participants. The Screen based government bond trading system – (NDS-OM) has gained in its popularity and now commands a substantial market share in the overall volume.

The major players in the Indian bond market are banks, insurance and provident /pension funds, financial institutions, mutual funds and FIIs. The debt market trading is largely institutional in nature and has limited direct retail participation. The investors invest in instruments which are issued by the government (centre and state), corporate, banks, financial institutions. The instruments are largely fixed rate but there also increasing issuances of floating rate instruments, zero coupon bonds, step up notes, perpetual bonds and other innovative structures. Indian bond market also has a long yield curve with the government issuing bonds of upto 50-year maturity. There have also been increasing instances of corporate issuing bonds with 15 year maturity.

The Indian bond market volumes have improved considerably in the last few years. Government bonds today volumes are now comparable of the equity cash market. The government bond market is the largest debt segment and it also is the most liquid market. Corporate bond market size has grown, and daily volumes are on the rise, but it is still small in comparison to the government bond market. Another interesting feature of the Indian bond market is the presence of a robust overnight borrowing and lending market. The daily volumes in the Tri-Party Repo and market Repo suggests of a highly active and liquid overnight market. Money markets in India are dominated by Treasury bills issued by the government, Certificate of Deposits issued by banks and commercial papers issued by corporate.

Below is the summary of the key market instruments and its yield levels currently and over the last few years.

Instrument Type	Mar 2016	Mar 2017	Mar 2018	Mar 2019	Mar 2020	Mar 2021	Mar 2022	Mar 2023	Mar 2024	May 2024
Repo rate	6.75	6.25	6.00	6.25	4.40	4.00	4.00	6.5	6.50	6.50
364 Day Treasury Bills	7.06	6.10	6.47	6.69	4.49	3.77	4.45	7.16	6.99	7.02
10 year Government Bond	7.46	6.68	7.40	7.35	6.14	6.17	6.82	7.32	7.05	6.99
5 year AAA PSU Corporate Bond	8.22	7.42	8.59	8.15	6.67	6.28	6.35	7.79	7.60	7.66

(Source: Bloomberg; All data for the last day of working of month for respective years.)

### Investment in Corporate Debt Market Development Fund

As per the requirement of regulation 43A of SEBI (Mutual Funds) Regulations, 1996, SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/128 dated July 27, 2023 on framework for Corporate Debt Market Development Fund and SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/129 dated July 27, 2023 on investment by mutual fund schemes and Asset Management Companies (AMCs) in units of Corporate Debt Market Development Fund (“CDMDF”), the Scheme and Quantum Asset Management Company Private Limited (‘the AMC’) shall invest such percentage of net assets in the units of the CDMDF.

CDMDF is set up as a scheme of the Trust registered as an Alternative Investment Fund (“AIF”) in accordance with the SEBI (Alternative Investment Funds) Regulations, 2012 (“AIF Regulations”). The objective of the

CDMDF is to help to develop the corporate debt market by providing backstop facility at the time of market dislocation to benefit the wider corporate debt market. The primary motive to set up a back stop facility is to instill confidence amongst the participants in the corporate debt/bond market during times of market dislocation and to enhance the secondary market liquidity. Further, in times of market dislocation, the Scheme shall have access to sell corporate debt securities held in the portfolio and CDMDF shall purchase listed corporate debt securities from the Scheme. The trigger and period for which the backstop facility will be open shall be as decided by SEBI.

In accordance with the requirement of regulation 43A of SEBI (Mutual Funds) Regulations, 1996 read with SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/129 dated July 27, 2023 on investment by Mutual Fund Schemes and AMCs in units of Corporate Debt Market Development Fund ('CDMDF'), scheme shall invest 25 bps of its AUM of the Scheme. Further, an incremental contribution to CDMDF shall be made every six months to ensure 25 bps of scheme AUM is invested in units of CDMDF. However, if AUM decreases there shall be no return or redemption from CDMDF. Contribution made to CDMDF, including the appreciations on the same, if any, shall be locked-in till winding up of the CDMDF. However, in case of winding up of contributing Scheme, inter-scheme transfers within the same Mutual Fund or across Mutual Funds may be undertaken.'

- a) The CDMDF shall deal only in following securities during normal times:
  - Low duration Government Securities
  - Treasury bills
  - Tri-party Repo on G-sec
  - Guaranteed corporate bond repo with maturity not exceeding 7 days
- b) Corporate debt securities to be bought by CDMDF during market dislocation include listed money market instruments. The long-term rating of issuers shall be considered for the money market instruments. However, if there is no long-term rating available for the same issuer, then based on credit rating mapping of CRAs between short term and long term ratings, the most conservative long term rating shall be taken for a given short term rating.
- c) CDMDF shall follow the Fair Pricing document, while purchase of corporate debt securities during market dislocation as specified in SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/128 dated July 27, 2023 and circulars / guidelines/ letters issued by SEBI and AMFI from time to time
- d) CDMDF shall follow the loss waterfall accounting and guidelines w.r.t. purchase allocation and trade settlement of corporate debt securities bought by CDMDF, specified in SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/128 dated July 27, 2023 and circulars / guidelines/ Letters issued by SEBI and AMFI from time to time.

## **B. What are the investment restrictions?**

Pursuant to the Regulations and amendments thereto, the following investment restrictions are applicable to the Scheme:

1. The Mutual Fund 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 sale, deliver the securities and shall in no case put itself in a position whereby it has to make short sale or carry forward transaction.
2. The Mutual Fund shall enter into transactions relating to Government Securities only in dematerialised form.
3. Save as otherwise expressly provided under SEBI (MF) Regulations, the Mutual Fund shall not advance any loans for any purpose.
4. The Mutual Fund shall get the securities purchased/ transferred in the name of the Mutual Fund on account of the Scheme, wherever the investments are intended to be of a long - term nature.
5. The Scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorised to carry out such activity under the Act subject to the below limits at rating level:

The scheme shall not invest more than:

- a. 10% of its NAV in debt and money market securities rated AAA; or
- b. 8% of its NAV in debt and money market securities rated AA; or
- c. 6% of its NAV in debt and money market securities rated A and below issued by a single issuer.

The above investment limits may be extended by up to 2% of its NAV of the Scheme with prior approval of the Board of Trustees and Board of Directors of the AMC, subject to overall limit of 12% of its NAV of the Scheme for a single issuer.

Provided that such limit shall not be applicable for investments in Government Securities, treasury bills and Tri-party Repos on Government securities or treasury bills (TREPS).

Provided further that investments within such limit can be made in mortgaged backed securitized debts which are rated not below investment grade by a credit rating agency registered with SEBI.

6. The Scheme shall not invest in unlisted debt instruments including commercial papers, except Government Securities and other money market instruments.

Provided that the Scheme may invest in unlisted non- convertible debentures up to a maximum of 10% of the debt portfolio of the Scheme subject to such conditions as may be specified by SEBI from time to time.

7. Transfer of investments from one scheme to another scheme in the same Mutual Fund, shall be allowed only if:-
  - (i) such transfers are made at the prevailing market price for quoted Securities on spot basis

Explanation : spot basis shall have the same meaning as specified by Stock Exchange for spot transactions

Provided that inter scheme transfer of money market or debt security (irrespective of maturity) shall take place based on prices made available by valuation agencies as prescribed by SEBI from time to time.

(ii) the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

8. The Scheme may invest in another scheme(s) under the same AMC or any other mutual fund without charging any fees, provided that aggregate inter-scheme investment made by all schemes under the same AMC or in schemes under the management of any other asset management shall not exceed 5% of the net asset value of the Mutual Fund.
9. The Scheme shall not make any investments in:
  - a. any unlisted security of an associate or group company of the Sponsors;
  - b. any security issued by way of private placement by an associate or group company of the Sponsors;
  - c. the listed securities of group companies of the Sponsors which is in excess of 25% of the net assets;
10. The Scheme shall not invest in any other Fund of Funds Scheme.
11. The Scheme total exposure in a particular sector (excluding investments in Bank CDs, triparty repo on Government securities or treasury bills, G-Secs, TBills, short term deposits of Scheduled Commercial Banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the scheme. Provided that an additional exposure to financial services sector (over and above the limit of 20%) not exceeding 10% of the net assets of the scheme shall be allowed only by way of increase in exposure to Housing Finance Companies (HFCs). Further, an additional exposure of 5% of the net assets of the scheme has been allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio. However, the overall exposure in HFCs shall not exceed the sector exposure limit of 20% of the net assets of the scheme. Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/exposure in HFCs shall not exceed 20% of the net assets of the scheme.
12. The total exposure of the Scheme in a Group (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the Scheme. Such investment limit may be extended to 25% of the net assets of the Scheme with the prior approval of the Board of Trustees.

The investments by a scheme in debt and money market instruments of group companies of both the Sponsor and the asset management company shall not exceed 10% of the net assets of the scheme. Such limit may be extended to 15% of the net asset of the scheme with the prior approval of the Board of Trustees.

13. The Scheme shall hold at least 20% of their net assets in liquid assets. For this purpose, 'liquid assets' shall include Cash, Government Securities, T-bills and Repo on Government Securities.
14. The Scheme shall not invest in debt securities having structured obligations (SO rating) and/ or credit enhancements (CE rating). However, debt securities with government guarantee shall be excluded from such restriction.



15. The Scheme may invest upto 5% of its net assets in unrated debt instruments subject to conditions that such investments can be made only in such instruments, including bills re-discounting, usance bills, etc., that are generally not rated and for which separate investment norms or limits are not provided in MF Regulations & various circulars issued thereunder. All such investments shall be made with the prior approval of the Board of AMC & Trustee. Provided further that mutual fund schemes shall comply with the norms under this clause within the time and in the manner as specified by the Board.

The AMC/Trustee may alter these above stated restrictions from time to time to the extent the SEBI (MF) Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its investment objective. The AMC/Trustee may from time to time alter these restrictions in conformity with the SEBI (MF) Regulations. All investment restrictions shall be applicable at the time of making investment.

### **C. Fundamental Attributes**

Following are the Fundamental Attributes of the scheme, in terms of Clause 1.14 of SEBI Master Circular for Mutual Funds dated May 19, 2023:

#### **(i) Type of a scheme**

An Open Ended Liquid Scheme. A relatively low interest rate risk and low credit risk.

#### **(ii) Investment Objective**

##### **(a) Main Objective**

The primary investment objective of the Scheme is to provide optimal returns with low to moderate levels of risk and high liquidity through judicious investments in money market and debt instruments. However, there is no assurance that the investment objective of the Scheme will be achieved. There is no assurance that the investment objective of the Scheme will be achieved.

##### **(b) Investment pattern**

The Debt/Money Market, any other short term debt instruments having maximum repricing tenor of 91 days in maturity as stated in asset allocation above while retaining the option to alter the asset allocation for a short term period on defensive consideration.

#### **(i) Terms of Issue**

1. Liquidity Liquidity provisions such as listing, repurchase, redemption.

The Scheme is open ended. The Units can be sold back to the Mutual Fund on every Business Day at the Repurchase/Redemption Price. The Scheme being open ended; the Units are not proposed to be listed on any stock exchange. The procedure for Repurchase/Redemption is provided in the Other Scheme Specific Disclosure.

2. Aggregate fees and expenses charged to the scheme.

The aggregate fees and expenses charged to the Scheme are provide in Part III- other details – Annual Scheme Recurring Expenses.

3. The Scheme is not a guaranteed or assured return scheme and hence no safety net or guarantee is provided.

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations and Clause 1.14.1.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023 the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

- i. SEBI has reviewed and provided its comments on the proposal.
- ii. A written communication about the proposed change is sent to each Unit Holder and an 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
- iii. The Unit Holders are given an option for a period of 30 (thirty) calendar days to exit at the prevailing NAV without any Exit Load.

Fundamental attributes will not cover such actions of the Trustee of the Fund or the Board of Directors of the AMC, made in order to conduct the business of the Trust, the Scheme or the AMC, where such business is in the nature of discharging the duties and responsibilities with which they have been charged. Nor will it include changes to the Scheme made in order to comply with changes in Regulation with which the Scheme has been required to comply.

**D. Other Scheme Specific Disclosures:**

Listing and transfer of units	<p>It is not proposed to list the units issued under this scheme. However, the Mutual Fund may at its sole discretion list the Units on one or more stock exchanges at a later date.</p> <p>The units of the scheme held in the dematerialized form will be fully and freely transferable (subject to lien, if any marked on the units) in accordance with provisions of SEBI (Depositories and Participants) Regulations, 1996 as may be amended from time to time and as stated in SEBI Circular No. CIR / IMD/DF/10/2010 dated August 18, 2020. The units held in physical form (i.e. by way of an account statement) are transferable post requisite procedures and formalities applicable in this regard.</p>
Dematerialization of units	<p>The unit holders are given an option to hold the units in physical mode or in dematerialized mode.</p> <p>The Investor intending to hold the units in dematerialized mode will be required to have a beneficiary account with a Depository Participant and will be required to mention the DP's Name, DP ID No. and Beneficiary Account No. with the DP in the application form at the time of subscription / additional purchase of the units of the Scheme.</p>

<p>Policy for declaration of Income Distribution cum capital withdrawal (IDCW Policy)</p>	<p>Under this Option, the income can be distributed is subject to availability of distributable surplus, as computed in accordance with SEBI Regulations. The amounts can be distributed out of investors capital (Equalization Reserve), which is part of sale price that represents realized gains.</p> <p>In terms of SEBI guidelines, the Trustees shall fix the quantum of income distribution and the record date (which is the date that will be considered for the purpose of determining the eligibility of investors). Income Distribution if distributed, will be paid (subject to deduction of tax at source, if any) to those Unitholders whose names appear in the Register of Unitholders on the notified record date. The AMC shall, within one calendar day of the decision by the Trustee, issue notice to the public, communicating the decision, including the record date. The record date shall be 2 working days from the date of publication in at least one English newspaper or in a newspaper published in the language of the region where the Head Office of the mutual fund is situated, whichever is issued earlier. In case of Units held in dematerialized mode, the Depositories (NSDL/ CDSL) will give the list of demat account holders and the number of Units held by them in electronic form on the Record date to the Registrars and Transfer Agent of the Mutual Fund who shall be eligible to receive the Income Distribution.</p> <p>The payment of dividend to the unitholders shall be made within seven working days from the record date.</p> <p>It must be distinctly understood that the actual income distribution and the frequency thereof will inter-alia, depend on the availability of distributable surplus as computed in accordance with SEBI Regulations. The decision of the Trustee in this regard shall be final. There is no assurance or guarantee to Unitholders as to the rate of income distribution nor will that income distribution be distributed regularly on distribution of income, the NAV will stand reduced by the amount income distributed and statutory levy, if any, at the close of business hours on record date. The Trustee / AMC reserves the rights to change the record date from time to time.</p>
<p>Allotment</p>	<p>All the Applicants whose cheques / subscription amount towards purchase of Units have been realised will receive allotment of Units, provided that the applications are complete in all respects and are found to be in order.</p> <p>The Trustee retains the sole and absolute discretion to reject any application which are not complete in all respects / in order. The process of allotment of Units in demat mode and sending of allotment confirmation by way of email and / or Short Messaging Service (SMS) (if the mobile number is not registered under Do Not Call Registry) specifying the number of units or</p>

	<p>issue units in the dematerialized form as soon as possible but not later than within 5 working days from the date of receipt of application. The said allotment confirmation will be sent to the investors / unit holders registered email address and / or mobile number.</p>
<p>Who can Invest? (This is an indicative list and investors shall consult their financial advisor to ascertain whether the scheme is suitable to their risk profile.)</p>	<p>The following persons are eligible and may apply for subscription to the Units of the Scheme (subject, wherever relevant, to purchase of units of mutual funds being permitted under relevant statutory regulations and their respective constitutions and not prohibited by law):</p> <ul style="list-style-type: none"> <li><b>i.</b> Resident adult individuals either singly or jointly (not exceeding three); or on an Anyone or Survivor basis</li> <li><b>ii.</b> A Hindu Undivided Family (HUF) through its Karta;</li> <li><b>iii.</b> Public Sector Undertakings, Association of Persons or a body of individuals whether incorporated or not;</li> <li><b>iv.</b> Minors through parent / legal guardian. There shall not be joint holding with minor investments;</li> <li><b>v.</b> Partnership Firms &amp; Limited Liability Partnerships (LLP);</li> <li><b>vi.</b> Companies, Bodies Corporate and societies registered under the Societies Registration Act, 1860; Co-Operative Societies registered under the Co-Operative Societies Act, 1912, One Person Company.</li> <li><b>vii.</b> Banks &amp; Financial Institutions;</li> <li><b>viii.</b> Mutual Funds registered with SEBI / Alternative Investment Funds registered with SEBI;</li> <li><b>ix.</b> Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds;</li> <li><b>x.</b> Non-Resident Indians (NRIs)/ Persons of Indian origin residing abroad (PIO) / Overseas Citizen of India (OCI) on repatriation basis or on non-repatriation basis;</li> <li><b>xi.</b> Foreign Portfolio Investors (FPI) registered with SEBI in accordance with applicable laws;</li> <li><b>xii.</b> Army, Air Force, Navy and other para-military units and bodies created by such institutions;</li> <li><b>xiii.</b> Scientific and Industrial Researches, Multilateral Funding Agencies/Bodies Corporate incorporated outside India with</li> </ul>

	<p>the permission of Government of India/Reserve Bank of India;</p> <p><b>xiv.</b> Other schemes of Quantum Mutual Fund subject to the conditions and limits prescribed by SEBI Regulations.</p> <p><b>xv.</b> Trustee, AMC or Sponsor or their associates may subscribe to Units under the Scheme; and</p> <p><b>xvi.</b> Such other individuals / institutions / body corporate etc., as may be decided by the AMC/Mutual Fund from time to time, so long as wherever applicable they are in conformity with SEBI Regulations.</p>
<p>Who cannot invest?</p>	<p>It should be noted that the following persons cannot invest in the Scheme:</p> <ul style="list-style-type: none"> <li>• United States Person (US Person) as defined under regulations promulgated under the US Securities Act of 1933</li> <li>• Person residing in USA and Canada</li> <li>• NRI residing in any FATF (Financial Action Task Force) declared non-compliant country/territory.</li> </ul> <p>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.</p> <p><b>Note:</b></p> <p>If an Indian Resident / Non-Resident Indian / Persons of Indian origin residing abroad (PIO) / Overseas Citizen of India (OCI), (New as well as existing investors), at the time of initiating new purchase request including new SIP/ STP/ SWP is situated or located in USA / Canada, then such investor shall not be allowed to make such a request / invest using Electronic Mode such as Website, Email, WhatsApp etc. till the time investor returns back to India.</p>
<p>How to Apply and other details</p>	<p>The Applications Forms shall be made available at Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) of Mutual Fund and/ or may be downloaded from the website of AMC. The list of the Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) of the Mutual Fund will be provided on the website of the AMC <a href="http://www.QuantumAMC.com">www.QuantumAMC.com</a>. For further details, please refer to the SAI and Application form for the instructions. It is mandatory to mention the Bank Account Number in the application / requests for redemption. The list of official point of acceptance and collecting bankers' details are</p>

available

<https://www.quantumamc.com/Downloads/pdfs/collecting-bankers.pdf>

Applications complete in all respects, can be submitted at:

- (a)** Quantum Asset Management Company Private Limited, 1<sup>st</sup> Floor, Apeejay House, 3 Dinshaw Vachha Road, Churchgate, Mumbai – 400020 or its Investor Service Centers / Collection Centers details mentioned on back cover page of SID;
- (b)** KFin Technologies Limited, Selenium Tower B, Plot number 31 & 32, Financial District, Nanakramguda Serilingampally Mandal, Hyderabad - 500032 or its Investor Services Center/ Collection Center details mentioned on back cover page of this SID.
- (c)** Investors can purchase / redeem units of the Scheme through Electronic Mode - Website, Electronic Mail (Email), Email with Attachment, Short Messaging Services (SMS), WhatsApp Messenger and other Electronic Modes as may be permitted and notify by the AMC from time to time. Please refer SAI for the details terms and conditions for transactions through Electronic Mode.
- (d)** Investors can purchase / redeem units of the Scheme through an online website of KFin Technologies Limited [www.kfintech.com](http://www.kfintech.com) / a mobile application - KTRACK / KBOLT Go. Please refer SAI for detailed process on subscription / redemption of units of the scheme through KFIN website / mobile applications.
- (e)** In order to facilitate transactions in mutual fund units BSE has introduce BSE STAR MF Platform and NSE has introduce Mutual Fund Service System (MFSS). Investors can purchase/redeem units of the Scheme by placing an order for purchase/redemption with the members (Stock Broker) / clearing members of stock exchanges /Distributors. These members (Stock Brokers) / clearing members / Distributors would be availing the platform / mechanism provided by the stock exchanges for placing an order for purchase / redemption of units of the Scheme through Stock Exchange Infrastructure. Please refer SAI for detailed process on subscription / redemption of units of the scheme through stock exchange mechanism.
- (f)** Investors can purchase / redeem units of the Scheme through Mutual Fund Utility India Private Limited (MFUI) platform either electronically on [www.mfuonline.com](http://www.mfuonline.com) or physically through the authorized Points of Service (“POS”) of MFUI details of which are available on AMC website.

	<p>Please refer SAI for detailed terms and conditions for transactions through MFUI platform.</p> <p><b>(g)</b> Transaction Through MFCentral - Pursuant to para-No. 16.6 of SEBI Master Circular No. SEBI /HO/IMD/ IMD-PoD-1 / P/ CIR / 2023/74 dated May 19,2023, to comply with the requirements of RTA interoperable Platform for enhancing investors' experience in Mutual Fund transactions / service requests, the Qualified RTA's, Kfin Technologies Limited ("KFintech") and Computer Age Management Services Limited ("CAMS") have jointly developed MFCentral - A digital platform for Mutual Fund investors. Investors can purchase / redeem units of the schemes of units of the Scheme MFCentral either electronically <a href="https://www.mfcentral.com">https://www.mfcentral.com</a> or physically through the authorized Points of Service of MFCentral as and when available by MFCentral.</p>
<p>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.</p>	<p>Presently, AMC does not intend to re-issue the units once redeemed. The number of units held by the unit holder in demat mode or in physical mode will stand reduced by the numbers of units redeemed.</p>
<p>Restrictions, if any, on the right to freely retain or dispose of units being offered.</p>	<p><b>RIGHT TO RESTRICT REDEMPTION AND/OR SUSPEND REDEMPTION OF THE UNITS - Pursuant to para-No. 1.12 of SEBI Master Circular No. SEBI /HO/IMD/ IMD-PoD-1 / P/ CIR / 2023/74 dated May 19,2023.</b></p> <p>The Fund at its sole discretion reserves the right to restrict Redemption (including switch-out) of the Units of the Scheme of the Fund on circumstance leading to a systemic crisis or event that severely constricts market liquidity or the efficient markets such as:</p> <ul style="list-style-type: none"> <li><b>a.</b> Liquidity Issue - when market at large becomes illiquid affecting almost all securities rather than any issuer specific security.</li> <li><b>b.</b> Market failures / Exchange closures - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies.</li> <li><b>c.</b> Operation Issue - when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out).</li> </ul> <p>The restriction may be imposed on redemption for a period not exceeding 10 working days in any 90 days period and subject to</p>

	<p>approval of the Board of AMC and Trustee on occurrence of the above event. The Restriction shall be informed to SEBI immediately.</p> <p>Redemption request up to Rs.2 Lakhs shall not be subject to such restriction and where redemption requests are above Rs.2 lakhs, the AMC shall redeem the first Rs.2 lakhs without such restriction and remaining part over and above Rs.2 lakhs shall be subject to such restriction.</p> <p>The AMC / Trustee reserves the right to change / modify the provisions pertaining to the right to restrict Redemption of the Units in the Scheme(s) of the Fund in accordance with SEBI (Mutual Funds) Regulations.</p>
<p>Cut off timing for subscriptions/ redemptions/ switches</p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>The cut-off times for determining Applicable NAV's for subscription, redemptions and switch-outs to be made at the Investor Service Centres/ Official Points of Acceptance from time to time are as per the details given below:</p> <p><b>1) Purchases / Switch-ins:</b></p> <p>A. In respect of valid application received upto 1.30 p.m. on a Business Day at the official point(s) of acceptance and funds for the entire amount of subscription/ purchase (including switch in) as per the application are credited to the bank account of the Scheme and are available for utilization before the cut-off time (1.30 p.m.) - the Closing NAV of the day immediately preceding the day of receipt of application;</p> <p>B. In respect of valid application received after 1.30 p.m. on a Business Day at the official point(s) of acceptance and funds for the entire amount of subscription / purchase (including switch in) as per the application are credited to the bank account of the Scheme on the same day or before the cut-off time of the next business day i.e. funds are available for utilization before the cut-off time (1.30 p.m.) of the next Business Day, the closing NAV of the day immediately preceding the next Business Days ; and</p> <p>C. However irrespective of the time of receipt of application at the official point(s) of acceptance, where the funds for the entire amount of subscription/ purchase (including switch in) as per the application are credited to the bank account of the Scheme on or before the cut-off time of the subsequent Business day i.e. the funds are available for utilisation before the cut-off time of the subsequent Business day, the closing NAV of the such subsequent Business Day shall be applicable.</p>



	<p>It may be noted that in case of Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), Transfer of Income Distribution Cum Capital Withdrawal Facility, the units will be allotted based on the funds available for utilization by the respective schemes / target schemes irrespective of the installment date of the SIP, STP or record date of Income Distribution.</p> <p><b>2. Redemptions/Switch-outs:</b></p> <p>In respect of valid applications received up to 3 p.m. on a Business Day - the closing NAV of the day immediately preceding the next Business Day, shall be applicable. • In respect of valid applications received after 3 p.m. on a Business Day - the closing NAV of the next Business Day shall be applicable.</p> <p><b>Instant Redemption (Access) Facility:</b></p> <p>(a) Where the application is received up to 3.00 pm – the lower of (i) NAV of previous Calendar Day and (ii) NAV of Calendar Day on which application is received will be considered;</p> <p>(b) Where the application is received after 3.00 pm – the lower of (i) NAV of the Calendar Day on which such application is received, and (ii) NAV of the next Calendar Day will be considered</p>	
<p>Minimum amount for purchase/redemption/switches for direct subscriptions/redemption with the AMC</p>	<p><b>Minimum amount for purchase / Switch-ins</b></p>	<p><b>Amount</b></p>
	<p>Initial Investment (for Growth Option)</p>	<p>Rs. 5,000/- and in multiples of Re. 1/- thereafter.</p>
	<p>Initial Investment (for Monthly IDCW Option)</p>	<p>Rs. 10,000/- and in multiples of Re. 1/- thereafter.</p>
	<p>Initial Investment (for Daily Re-investment of Income Distribution cum capital withdrawal Option)</p>	<p>Rs. 1,00,000/- and in multiples of Re. 1/- thereafter.</p>
	<p>Additional Investment (All Options)</p>	<p>Rs. 500/- and in multiples of Re. 1/- thereafter / 50 units.</p>
	<p>The provision for Minimum Application amount will not be applicable in case of Systematic Investment Plan (SIP) / Systematic Transfer Plan (STP)</p> <p><b>Minimum Redemption Amount / Switch-outs (All Options)</b></p> <p>Minimum Redemption - Nil</p>	

	<p>Pursuant to para-No. 6.10 of SEBI Master Circular No. SEBI /HO/IMD/ IMD-PoD-1 / P/ CIR / 2023/74 dated May 19,2023 the minimum application / redemption amount shall not be applicable for investments made by the Designated Employees of the AMC in scheme.</p>
<p>Accounts Statements</p>	<p>On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted by way of email and/or SMS or issue units in the dematerialized form as soon as possible but not later than 5 Business Days from the date of receipt of transaction request. The allotment confirmation will be sent to the applicant's registered e-mail address and/or mobile number. Investors / unit holders are therefore requested to provide their email id and mobile number in the application form at the time of subscription.</p> <p>Thereafter, a Consolidated Account Statement for each calendar month shall be sent by mail / email on or before 15<sup>th</sup> of the succeeding month to the unit holders by the Depository for unit holders having Mutual Fund investments and holding demat account and by the AMC / Registrar for unit holders having Mutual Fund investments but do not have demat account for each calendar month in whose folios transactions have taken place during the month. The CAS shall contain details relating to all the transactions carried out by the investor / unit holder across all schemes of all mutual funds or transactions in demat account during the month and holding at the end of the month.</p> <p>The CAS issued for the half year (September / March) shall include:</p> <ol style="list-style-type: none"> <li>1. The amount of actual gross commission paid to the distributors (in absolute terms) during the half-year period against the concerned investors /unit holders total investments in each scheme.</li> <li>2. Average Total Expense Ratio of the scheme (in percentage terms) for the half-year period for each Scheme's applicable plan (regular or direct or both) where the concerned investor / unit holder has actually invested in.</li> </ol> <p>The half-yearly CAS shall not be issued to those investors who do not have any holdings in Schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period.</p> <p>The CAS detailing holding across all schemes of all mutual funds at the end of every six months (i.e. September / March), shall be sent by mail/ email as per the timeline specified by the SEBI from time to time i.e. on or before 21<sup>st</sup> day of succeeding month by the Depositories to all such investors / unit holders which has</p>

	<p>demat account with nil balance and no transaction in securities or in folio has taken place during the period.</p> <p>The investor may request for a physical Account Statement by writing / calling to the AMC / Investor Service Center / Registrar &amp; Transfer Agent. The AMC and Mutual Fund shall provide the physical Account Statement to the investor within 5 Business Days from the receipt of such request without any charges.</p>
Dividend/ IDCW	<p>The payment of dividend/IDCW to the unitholders shall be made within seven working days from the record date.</p>
Redemption	<p>Units can be redeemed (sold back to the Mutual Fund) at the Redemption Price during the Ongoing Offer Period.</p> <p>The redemption or repurchase will be paid after 1 day of payout schedule of the underlying scheme. The scheme being Domestic Fund of Fund scheme, the Scheme will receive the redemption payment within 3 working days from the underlying scheme. According, the redemption or repurchase proceed shall be credited to the registered bank account within 4 working days in case of electronic payment and in case of physical payout within 6 working days from the date of valid redemption or repurchase request in accordance with AMFI Letter No. AMFI/ 35P/ MEM-COR/ 74 / 2022-23 dated January 16, 2023 - timelines for redemption of units stipulated in SEBI Master circular dated May 19, 2023 - List of exceptional situations and additional timelines for redemption payment.</p> <p>If the redemption request amount exceeds the balance lying to the credit of the Unit Holder's said account, then the fund shall redeem the entire amount lying to the credit of the Unit Holder's account in that Scheme/Plan/option.</p> <p>Where Units under a Scheme are held under both Direct and Regular Plans and the Redemption / Switch request pertains to the Regular Plan, the same must clearly be mentioned on the request (along with the folio number), failing which the request would be processed from the Direct Plan. However, when Units under the requested Option are held only under one Plan, the request would be processed under such Plan.</p> <p><b>Redemption under dematerialized mode:</b></p> <ol style="list-style-type: none"> <li>1. The investor who holds units in the demat mode is required to place request for redemption directly with the Depository Participants. The Investor should provide request for redemption to their Depository Participants along with Depository Instruction Slip and such other documents as may be specified by the Depository Participants.</li> </ol>

	<p>2. If the investor wish to redeem the units hold in demat mode with the AMC in such case the investor is required to convert such units in the physical mode by submitting request for Rematerialization to the Depository Participants and after conversion of such units into the physical mode to the AMC for redemption of such units.</p> <p>3. The investor can also redeem units holds in demat mode through Stock Exchange Infrastructure.</p> <p>4. The redemption request submitted to the AMC / Registrar directly for units held in demat mode shall be rejected.</p> <p>The Trustee may mandatory redeem units of any unitholders in the event that it is found that the unitholders has submitted information either in the application or otherwise that is false, misleading or incomplete or units are held by a unitholders in breach of the regulation.</p>
Bank Mandate	<p>It is mandatory for every applicant to provide the Bank Account Details Including of Bank Account Number in the Application Form as prescribed by SEBI. Any Application Form without these details will be treated as incomplete. Such incomplete application will be rejected.</p> <p>In order to protect investors from fraudulent encashment of cheques, it is advised to mention scheme name and Investor PAN (on the face of the Cheque. All cheques should be drawn in favour of "Name of the Scheme A/c Investor PAN" for example "Quantum (Scheme Name) A/c ABCDE1234F (Investor PAN) " and crossed "Account Payee Only". A separate cheque must accompany each application/ Multiple cheques with single application are not permitted.</p> <p>Payment for investment in case of the Minor shall be accepted from the bank account of the minor, parent or legal guardian of the minor or from a joint account of the minor with the guardian only. Irrespective of the source of subscription, all redemption proceeds shall be credited only in the verified bank account to minor i.e. the account the minor may hold with the parents / legal guardian after completion of all KYC formalities.</p> <p>The investors can register up to 5 Bank Accounts in case of individual/ HUF and 10 Bank Accounts in case of non-individual, in a folio to receive the redemption/IDCW proceeds, selecting any one of the registered accounts as the default Bank account. The investors may also choose to receive the redemption/ IDCW proceeds in any of the registered bank account, by submitting the Multiple Bank Accounts Registration Form.</p>

<p>Delay in payment of redemption / repurchase proceeds/dividend/IDCW</p>	<p>The Asset Management Company shall be liable to pay interest to the unitholders at @ 15% per annum as specified vide clause 14.2 of Master Circular for Mutual Funds dated May 19,2023 for the period of such delay.</p> <p>The AMC will not be liable to pay interest, or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain details from the investor / unitholders for verification of identity or such other details relating to subscription of 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.</p>
<p>Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount</p>	<p>The Unclaimed redemption and Income Distribution Cum Withdrawal (IDCW) amounts may be deployed by the Mutual Fund in call money market or money market instruments or in a separate plan for deployment of unclaimed amount of liquid / Money Market Mutual Fund Scheme.</p> <p>Investors / Unitholders, who claim the unclaimed amounts under the aforesaid Plans during a period of three years from the due date shall be paid initial unclaimed amount along with the income earned on its deployment. Investors / Unitholders, who claim these amounts after 3 years, shall be paid initial unclaimed amount along with the income earned on its deployment till the end of third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education.</p> <p>The list of names and address of investors in whose folios there are unclaimed amounts shall be available on website <a href="http://www.QuantumAMC.com">www.QuantumAMC.com</a>. The details may be obtained by Unitholders by providing proper credentials (like PAN, date of birth etc.). The information on unclaimed amount and its prevailing value will be separately disclosed in the Statement of Accounts / Consolidated Account Statement.</p>
<p>Disclosure w.r.t investment by minors</p>	<p>Process for Investments made in the name of a Minor through a Guardian Pursuant to para-No. 17.6 of SEBI Master Circular No. SEBI /HO/IMD/ IMD-PoD-1 / P/ CIR / 2023/74 dated May 19, 2023:</p> <ul style="list-style-type: none"> <li>i. Payment for investment by means of Cheque or any other mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor or from a joint account of the minor with the guardian only.</li> <li>ii. The AMC will send an intimation to Unit holders advising the minor (on attaining majority) to submit an application form along with prescribed documents to change the status of the account from 'minor' to 'major'.</li> </ul>

	<p>iii. All transactions / standing instructions / systematic transactions etc. will be suspended i.e. the Folio will be frozen for operation by the guardian from the date of beneficiary child completing 18 years of age, till the status of the minor is changed to major. Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new bank account.</p> <p>iv. No investments (lumpsum/SIP/ switch in/ STP in etc.) in the scheme would be allowed in minor folio once the minor attains majority i.e. 18 years of age.</p> <p>v. Irrespective of the source of subscription, all redemption proceeds shall be credited only in the verified bank account to minor i.e. the account the minor may hold with the parents / legal guardian after completion of all KYC formalities.</p> <p>vi. Please refer SAI for detail process and documentation.</p>
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## II. Other Details

<p><b>A. Periodic Disclosures such as Half Yearly Disclosures, Half Yearly Results, Annual Report</b></p>	<p><b>(I) Portfolio Disclosures</b></p> <p>The Fund will disclose portfolio (along with ISIN) in user friendly &amp; downloadable spreadsheet format, as on the last day of the month / half year for the scheme on its website <a href="http://www.QuantumAMC.com">www.QuantumAMC.com</a> &amp; on the website of AMFI <a href="http://www.amfiindia.com">www.amfiindia.com</a> within 10 days from the close of each month / half year.</p> <p>In case of unitholders whose email addresses are registered, the Fund will send via email both the monthly and half yearly statement of scheme portfolio within 10 days from the close of each month / half year respectively.</p> <p>The Fund will publish an advertisement every half-year in the all India edition of at least two daily newspapers, one each in English &amp; Hindi, disclosing the hosting of the half yearly statement of the scheme's portfolio on the AMC's website <a href="http://www.QuantumAMC.com">www.QuantumAMC.com</a> &amp; on the website of AMFI <a href="http://www.amfiindia.com">www.amfiindia.com</a>. The Fund will provide physical copy of the statement of scheme portfolio without any cost, on specific request received from a unitholders.</p> <p><b>(II) Half – Yearly Financial Results</b></p> <p>The Fund shall within one month from the close of each half year, (i.e. March 31 and on September 30), host a soft copy of its unaudited financial results on its website <a href="http://www.QuantumAMC.com">www.QuantumAMC.com</a>. Further, the Fund shall publish an advertisement disclosing the hosting of such unaudited half yearly financial results on their website, in at least one national English daily newspaper having nationwide</p>
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circulation and in newspaper having wide circulation published in the language of the region where the Head Office of the Mutual Fund is situated.

### **(III) Annual Report**

The AMC / Mutual Fund shall be sent the Scheme wise annual report or an abridged summary thereof within four months from the date of closure of the relevant accounting year i.e. March 31 each year to all investors / unit holders as per the following mode:

- i. by e-mail to the investors / Unit holders whose e-mail address is available with the AMC / Fund.
- ii. in physical form to the investors / Unit holders whose email address is not registered with the AMC / Fund and/or those Unit holders who have opted / requested for the same.

The physical copies of the scheme wise annual report or abridged summary shall be made available to the investors / unit holders at the registered office of the AMC.

A link of the scheme annual report or abridged summary thereof shall be displayed prominently on the website of the Fund and shall also be displayed on the website of Association of Mutual Funds in India.

The AMC / Mutual Fund shall publish an advertisement every year disclosing the hosting of the scheme wise annual report on their respective website and on the website of AMFI and the modes such as SMS, telephone, email or written request (letter), etc. through which unitholders can submit a request for a physical or electronic copy of the scheme wise annual report or abridged summary thereof. Such advertisement shall be published in the all India edition of at least two daily newspapers, one each in English and Hindi.

### **(IV) Product Labelling / Risk O Meter**

The Risk-o-meter shall have following six levels of risk:

- i. Low Risk
- ii. Low to Moderate Risk
- iii. Moderate Risk
- iv. Moderately High Risk
- v. High Risk and
- vi. Very High Risk

The evaluation of risk levels of a scheme shall be done pursuant to para-No. 17.4 of SEBI Master Circular No. SEBI /HO/IMD/ IMD-PoD-1 / P/ CIR / 2023/74 dated May 19, 2023.

Any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders. The risk-o-meter shall be evaluated on a monthly basis and the risk-o-meter alongwith portfolio disclosure shall be disclosed on the AMC website as well as AMFI website within 10 days from the close of each month.

	<p>The AMC shall disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on its website and AMFI website.</p> <p><b>(V) Other Disclosure:</b></p> <p>To enhance investor awareness and information dissemination to investors, SEBI prescribes various additional disclosures to be made by Mutual Funds from time to time on its website/on the website of AMFI, stock exchanges, etc.</p> <p>These disclosures include Scheme Summary Documents, Investor charter (which details the services provided to Investors, Rights of Investors, various activities of Mutual Funds with timelines, DOs and DON'Ts for Investors, Grievance Redressal Mechanism, etc.)</p> <p>Investors may refer to the same.</p>															
<p><b>B. Transparency / NAV Disclosure</b></p>	<p>NAV shall be calculated and disclosed on every Business Day. AMC shall update the NAV under separate head on the website of the Fund (<a href="http://www.QuantumAMC.com">www.QuantumAMC.com</a>) and on the website of Association of Mutual Funds in India <a href="http://www.amfiindia.com">www.amfiindia.com</a> by 11.00 p.m. every business day.</p> <p>Investors may obtain latest NAV through SMS by a specific request to the AMC.</p>															
<p><b>C. Transaction charges and Stamp duty</b></p>	<p>Transaction Charges – NIL</p> <p>Stamp Duty – 0.005%</p> <p>Please refer SAI for more details.</p>															
<p><b>D. Associate Transactions</b></p>	<p>Please refer Statement of Additional Information</p>															
<p><b>E. Taxation</b></p>	<p><b>(a) TAX ON INCOME DISTRIBUTION (IDCW OPTION)</b></p> <table border="1" data-bbox="443 1397 1433 1697"> <thead> <tr> <th>INVESTOR</th> <th>INCOME TAX RATE</th> <th>TDS</th> </tr> </thead> <tbody> <tr> <td>Resident Individuals / HUF / Domestic Company</td> <td>Applicable Slab rates + Surcharge as applicable + 4 % Health &amp; Education Cess</td> <td>10% (if income distributed is more than Rs.5,000 during Financial Year)</td> </tr> <tr> <td>Non-Resident</td> <td>20% plus Surcharge as applicable + 4% Health &amp; Education Cess</td> <td>20% plus Surcharge as applicable + 4% Health &amp; Education Cess</td> </tr> </tbody> </table> <p><b>(b) Tax on Capital Gains *</b> <b>(For Investment done on or after 1<sup>st</sup> April, 2023)</b></p> <table border="1" data-bbox="443 1697 1433 2018"> <thead> <tr> <th></th> <th>SHORT TERM (IRRESPECTIVE OF HOLDING PERIOD)</th> </tr> </thead> <tbody> <tr> <td>1. Resident Individuals, HUF, Domestic Companies</td> <td>Applicable Slab Rates - Maximum 30%</td> </tr> <tr> <td>2. FII's</td> <td>Applicable Slab Rates - Maximum 30%</td> </tr> </tbody> </table>	INVESTOR	INCOME TAX RATE	TDS	Resident Individuals / HUF / Domestic Company	Applicable Slab rates + Surcharge as applicable + 4 % Health & Education Cess	10% (if income distributed is more than Rs.5,000 during Financial Year)	Non-Resident	20% plus Surcharge as applicable + 4% Health & Education Cess	20% plus Surcharge as applicable + 4% Health & Education Cess		SHORT TERM (IRRESPECTIVE OF HOLDING PERIOD)	1. Resident Individuals, HUF, Domestic Companies	Applicable Slab Rates - Maximum 30%	2. FII's	Applicable Slab Rates - Maximum 30%
INVESTOR	INCOME TAX RATE	TDS														
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2. FII's	Applicable Slab Rates - Maximum 30%															



	<p>3. Non-Resident Indians</p> <p>* The mentioned Tax Rates shall be increased by applicable surcharge if any, Health and Education Cess @4%. For further details on Taxation please refer the clause of Taxation of SAI. Investment done prior to 1<sup>st</sup> April, 2023, earlier Tax structure would be applicable.</p>	<p>Applicable Slab Rates - Maximum 30% (TDS deducted @ 30%)</p>
<p><b>F. Right of Unitholders</b></p>	<p>Please refer Statement of Additional Information for details</p>	
<p><b>G. List of Official Point of Acceptance</b></p>	<p>Please refer the website link <a href="https://www.quantumamc.com/contact-us">https://www.quantumamc.com/contact-us</a></p>	
<p><b>H. Penalties, Pending Litigation or proceedings, Finding of Inspections or Investigations for which actions may have been taken or is in the process of being taken by any Regulatory Authority</b></p>	<p>Please refer the website link <a href="https://www.quantumamc.com/FileCDN/Pdf/Penalties-and-pending-litigations.pdf">https://www.quantumamc.com/FileCDN/Pdf/Penalties-and-pending-litigations.pdf</a></p>	

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 Board of Directors of  
Quantum Asset Management Company Private Limited

Sd/-  
Jimmy A Patel  
Managing Director & Chief Executive Officer  
Place: Mumbai  
Date: June 26, 2024