QUANTUM MUTUAL FUND

Quantum Asset Management Company Private Limited

Investment Manager: Quantum Asset Management Company Private Limited, 7th Floor, Hoechst House, Nariman Point, Mumbai - 400021, Maharashtra, India
Toll Free No.: 1800-209-3863/1800-22-3863; Toll Free Fax No.: 1800-22-3864;
Email: CustomerCare@QuantumAMC.com; Website: www.QuantumAMC.com CIN:U65990MH2005PTC156152

UNAUDITED HALF-YEARLY FINANCIAL RESULTS FOR THE PERIOD ENDED SEPTEMBER 30, 2018
pursuant to Regulation 59 of SEBI (Mutual Funds) Regulations, 1996

SR. NO.	PARTICULARS		QUANTUM LONG TERM EQUITY VALUE FUND (QLTEVF)# 01.04.2018 to 30.09.2018 (Erstwhile known as Quantum Long Term Equity Fund)		QUANTUM LIQUID FUND (QLF) 01.04.2018 to 30.09.2018		QUANTUM GOLD FUND (QGF) 01.04.2018 to 30.09.2018	QUANTUM NIFTY ETF (QNF) 01.04.2018 to 30.09.2018	QUANTUM TAX SAVING FUND (QTSF) 01.04.2018 to 30.09.2018		QUANTUM EQUITY FUND OF FUNDS (QEFOF) 01.04.2018 to 30.09.2018		QUANTUM GOLD SAVINGS FUND (QGSF) 01.04.2018 to 30.09.2018		QUANTUM MULTI ASSET FUND (QMAF) 01.04.2018 to 30.09.2018		QUANTUM DYNAMIC BOND FUND (QDBF) 01.04.2018 to 30.09.2018	
			DIRECT PLAN (@)	REGULAR PLAN (@@)	DIRECT PLAN (@)	REGULAR PLAN (@@)			DIRECT PLAN (@)	REGULAR PLAN (@@)	DIRECT PLAN (@)	REGULAR PLAN (@@)	DIRECT PLAN (@)	REGULAR PLAN (@@)	DIRECT PLAN (@)	REGULAR PLAN (@@)	DIRECT PLAN (@)	REGULAR PLAN (@@)
1.1	Unit Capital at the beginning of the half-year period	Rs. in Cr.	164.11		70.29		4.08	0.05	13.20		6.49		11.25		8.87		56.24	
1.2	Unit Capital at the end of the period	Rs. in Cr.	167.77		95.79		4.00	0.04	13.38		7.70		11.24		8.89		46.24	
2	Reserves & Surplus	Rs. in Cr.	731.48		71.23		49.99	4.52	57.83		18.03		2.87		6.73		13.64	
3.1	Total Net Assets at the beginning of the half-year period	Rs. in Cr.	833.17		132.51		55.55	4.59	66.33		21.78		14.34		15.10		71.48	
3.2	Total Net Assets at the end of the period	Rs. in Cr.	899.25		167.01		53.98	4.56	71.21		25.73		14.11		15.62		59.88	
4.1	NAV at the beginning of the half-year period (Per Unit) *																	
	Growth Option	Rs.	50.74	50.66	23.8894	23.8769	1,378.7428	1,017.6769	50.26	50.17	33.538	33.497	12.7481	12.7325	17.0196	17.0088	12.8878	12.8760
	Dividend Option	Rs.	51.18	51.01	-	-	-	-	50.26	50.17	33.538	33.497	-	-	-	-	-	-
	Daily Dividend Reinvestment Option	Rs.	-	-	10.0092	10.0042	-	-	-	-	-	-	-	-	-	-	-	-
	Monthly Dividend Option	Rs.	-	-	10.0192	10.0188	-	-	-	-	-	-	-	-	-	-	10.0858	10.0822
4.2	NAV at the end of the period (Per Unit)**																	
	Growth Option	Rs.	53.58	53.45	24.6507	24.6309	1,350.9811	1,108.7090	53.23	53.09	33.421	33.361	12.5570	12.5345	17.5765	17.5544	13.0529	13.0345
	Dividend Option	Rs.	54.04	53.75	-	-	-	-	53.23	53.09	33.420	33.361	-	-	-	-	-	-
	Daily Dividend Reinvestment Option	Rs.	-	-	10.0094	10.0042	-	-	-	-	-	-	-	-	-	-	-	-
	Monthly Dividend Option	Rs.	-	-	10.0178	10.0179	-	-	-	-	-	-	-	-	-	-	10.1461	10.143
4.3	Dividend paid per unit during the half-year																	
	Daily Dividend Reinvestment Option																	
	For Individual	Rs.	-	-	0.22259707	0.22049510	-	-	-	-	-	-	-	-	-	-	-	-
	For Non Individual	Rs.	-		0.20430699	0.20237771	-	-	-	-	-	-	-	-	-	-	-	-
	Monthly Dividend Option																	
	For Individual	Rs.	-	-	0.22420424	0.22167885	-	-	-	-	-	-	-	-	-	-	0.04942548	0.04472592
	For Non Individual	Rs.	-	-	0.20578205	0.20346414	-	-	-	-	-	-	-	-	-	-	0.04536434	0.04105093
	Quantum Nifty ETF (QNF)																	
	For Individual	Rs.						-										
	For Non Individual	Rs.						-										
	Income																	
5.1	Dividend	Rs. in Cr.	8.05		-		-	0.04	0.65		-		-		-		-	
5.2	Interest and Discount Income	Rs. in Cr.	5.08		4.54		0.01	$	0.33		0.02		$		0.01		2.44	
5.3	Profit/(Loss) on sale/redemption of investments (other than inter-scheme transfer/sale)	Rs. in Cr.	24.54		$		0.55	0.25	1.72		0.89		0.05		0.30		-1.14	
5.4	Profit/(Loss) on inter-scheme transfer/sale of investments.	Rs. in Cr.	-		-		-	-	-		-		-		-		-	
5.5	Other Income	Rs. in Cr.	0.30		$		$	$	$		0.07		$		$		$	
5.6	Total Income(5.1 to 5.5)	Rs. in Cr.	37.96		4.54		0.56	0.29	2.70		0.98		0.05		0.31		1.30	
	Expenses																	
6.1	Management Fees (inclusive of GST)	Rs. in Cr.	5.55	0.22	0.13	$	0.28	$	0.45	0.01	0.06	$	NA	NA	NA	NA	0.18	$
6.2	Trustee Fees	Rs. in Cr.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.3	Total Recurring Expenses (including 6.1 and 6.2)	Rs. in Cr.	5.55	0.22	0.13	$	0.28	$	0.45	0.01	0.06	$	0.01	$	0.02	$	0.18	$
6.4	Percentage of Management Fees to Daily average net assets.	%	1.29%	1.46%	0.19%	0.25%	1.02%	0.094%	1.28%	1.46%	0.51%	0.62%	NA	NA	NA	NA	0.57%	0.67%
6.5	Total Recurring expenses as a percentage of Daily average net assets.	%	1.29%	1.46%	0.19%	0.25%	1.02%	0.094%	1.28%	1.46%	0.51%	0.62%	0.08%	0.19%	0.26%	0.38%	0.57%	0.67%
7.1	Scheme Returns																	
	Returns during the half year (Absolute Returns)	%	5.60%	5.51%	3.19%	3.16%	-2.01%	8.94%	5.91%	5.82%	-0.35%	-0.41%	-1.50%	-1.56%	3.27%	3.21%	1.28%	1.23%
7.2	Compounded Annualised Growth Return in case of scheme in existence for more than one year. (%)																	
(a)	Last One Year	%	5.55%	5.38%	6.32%	6.26%	0.84%	12.98%	5.93%	5.75%	2.77%	2.65%	1.37%	1.25%	5.39%	5.26%	0.75%	0.65%
(b)	Last Three Year	%	13.63%	NA	6.49%	NA	3.62%	12.40%	13.92%	NA	10.92%	NA	3.38%	NA	8.89%	NA	7.31%	NA
(c)	Last Five Year	%	17.13%	NA	7.34%	NA	-0.80%	14.94%	17.14%	NA	19.43%	NA	-1.03%	NA	10.15%	NA	NA	NA
(d)	Since launch of the Scheme	%	14.30%	6.76%	7.49%	6.15%	8.07%	11.25%	18.66%	6.97%	14.01%	7.06%	3.14%	1.99%	9.49%	6.18%	8.23%	4.16%
(e)	Date of Launch~		13-Mar-06	1-Apr-17	7-Apr-06	1-Apr-17	22-Feb-08	10-Jul-08	23-Dec-08	1-Apr-17	20-Jul-09	1-Apr-17	19-May-11	1-Apr-17	11-Jul-12	1-Apr-17	19-May-15	1-Apr-17
(f)	Benchmark Index		S&P BSE Sensex Total Return Index		Crisil Liquid Fund Index		Domestic Price Of Gold	Nifty 50 Total Return Index	S&P BSE Sensex Total Return Index		S&P BSE 200 Total Return Index		Domestic Price Of Gold		Crisil Composite Bond Fund Index (40%)+S&P BSE Sensex Total return Index (40%)+Domestic price of Gold (20%)		Crisil Composite Bond Fund Index	
8	Benchmark Returns																	
8.1	Returns during the half year (Absolute Returns)	%	10.78%	10.78%	3.66%	3.66%	-1.53%	9.00%	10.78%	10.78%	5.29%	5.29%	-1.53%	-1.53%	3.92%	3.92%	-0.08%	-0.08%
8.2	Compounded Annualised Growth Return in case of scheme in existence for more than one year. (%)																	
(a)	Last One Year	%	17.18%	17.18%	7.21%	7.21%	1.86%	13.24%	17.18%	17.18%	9.57%	9.57%	1.86%	1.86%	7.38%	7.38%	0.54%	0.54%
(b)	Last Three Year	%	12.96%	NA	7.19%	NA	4.71%	12.69%	12.96%	NA	12.85%	NA	4.71%	NA	9.01%	NA	6.56%	NA
(c)	Last Five Year	%	14.90%	NA	7.92%	NA	0.22%	15.19%	14.90%	NA	16.76%	NA	0.22%	NA	9.73%	NA	NA	NA
(d)	Since launch of the Scheme	%	11.70%	15.99%	7.44%	7.03%	8.86%	11.25%	16.11%	15.99%	12.06%	11.98%	4.48%	3.36%	9.20%	8.42%	7.04%	3.28%
9	Provision for Doubtful Income/Debts	Rs. in Cr.	NIL		NIL		NIL	NIL	NIL		NIL		NIL		NIL		NIL	
10	Payments to associate/group companies (if applicable)	Rs. in Cr.	NIL		NIL		NIL	NIL	NIL		NIL		NIL		NIL		NIL	
11	Investments made in associate/group companies (if applicable)	Rs. in Cr.	NIL		NIL		NIL	NIL	NIL		NIL		NIL		NIL		NIL	

(#) The name of Quantum Long Term Equity Fund has been changed to Quantum Long Term Equity Value Fund w.e.f. April 18, 2018
(@) The Plans/Options already in existence prior to the introduction of Regular Plan under the Scheme(s) are referred to as "Direct Plan". (@@) Regular Plan was introduced w.e.f. 1.4.2017.
$ Figures less than Rs.0.005 crores
NA - Not Applicable
Past performance may or may not be sustained in future.
* Indicates NAV as of 28th March 2018 for all Schemes except Liquid Fund. For Liquid Fund it is 31st March 2018. ** Indicates NAV as of 28th September 2018 for all Schemes except Liquid Fund and for Liquid Fund it is 30th September 2018.

Notes to the Unaudited financial results for the Half-Year ended September 30, 2018:

1 There has been no change in accounting policy during the half year ended September 30, 2018. Change of Gold Investment (valuation) accounting entries does not tantamount to change in Accounting Policy being application of GST an event that did not occur previously as per ICAI , Accounting Standard (AS) 8.

2 Exit load (net off GST as applicable) collected from investors on redemptions is credited to revenue account of respective Scheme.

3 **Associate Transactions:**

3.1 The Quantum Asset Management Company Pvt Ltd (QAMC) has utilized the services of following associate, for the purpose of distribution/transactions for half year ended September 30, 2018. as per regulation 25(8).

a Commission paid to associates/related party/group companies of sponsor/QAMC by QAMC for half year ended September 30, 2018.

Name of Associate/related parties/group entities of Sponsor/ QAMC	Nature of Associations/ Nature of relation	Period covered	Business given (Amount in ₹. & % of total Business received by the fund)	Commission paid (Amount in ₹. & % of total commission paid by fund)
Quantum Information Services Pvt Ltd	Associate Company	Apr 01,2018 to Sep 30,2018	Rs. 26,92,811.50 & 0.11%	Rs. 3,662.45 & 1.60 %
Quantum Information Services Pvt Ltd	Associate Company	Oct 01,2017 to Mar 31,2018	Rs. 53,82,493.30 & 0.24%	Rs. 2,125.60 & 1.20 %

b) Brokerage paid to Associate/related parties/group companies of Sponsor/ QAMC during the half year ended September 30, 2018 was Nil.

3.2 Neither the sponsor nor the associates of the Quantum Mutual Fund (QMF) have acted as arranger or manager of any issue of equity or debt n o r has any associate company lead managed any issue.

3.3 Investment value of associates in Schemes of Quantum Mutual Fund as on September 30, 2018 (Market/NAV Value)

Name of Associate/related parties/ group entities of Sponsor/ QAMC	Nature of Association/ Nature of relation	Scheme	Market/NAV Value as on September 30, 2018 (In Lacs.)	Market/NAV Value as on March 31, 2018 (In Lacs.)
Quantum Advisors Private Ltd	Sponsor	QDBF	804.83	794.65
		QLF	768.30	69.71
		QMAF	177.22	171.60
		QGF	149.15	146.86
		QNF	40.99	16.81
Quantum Asset Management Company Private Limited	Asset Management Company	QLF	365.34	1,283.29
		QDBF	1,022.14	1,010.92
		QMAF	155.95	152.57
		QLTEVF	70.02	66.31
		QGF	54.71	55.84
		QGSF	74.99	76.14
		QTSF	26.62	25.14
		QEFOF	4.10	4.11
		QNF	3.83	3.51
Quantum Trustee Company Private Limited	Trustee Company	QLF	37.42	34.26
Quantum Information Services Private Limited	Associate Company	QLF	68.14	66.04
Equitymaster Agora Research Private Limited	Associate Company	QLF	254.30	393.35
Primary Real Estate Advisors Private Limited	Associate Company	QDBF	130.49	128.84
		QLF	315.60	383.63
Common Sense Living Pvt Ltd	Associate Company	QLF	0.00	0.00
Ajit Dayal	Associate	QLTEVF	504.15	415.96
		QEFOF	61.12	61.33
		QGF	92.14	94.03
		QMAF	87.88	85.10
		QGSF	24.64	25.02
		QLF	32.73	41.28
Quantum Advisors ESOP Trust	Group Entity	QLTEVF	110.54	104.68

4 No underwriting obligations have been undertaken by the schemes of Quantum Mutual Fund.

5 Deferred revenue expenditure for half year ending September 30, 2018 is NIL.

6 No investments were made by the schemes during the half year under review in the companies and subsidiaries of such companies which have invested more than 5% as per Regulation 25(11).

7 No Unit holder in QLTEVF, QLF, QGF, QNF, QTSF, QEFOF, QGSF ,QMAF & QDBF holds over 25% of the respective scheme net assets as on September 30, 2018.

8 No bonus has been declared by the schemes during the half-year ended September 30, 2018.

9 The schemes have no exposure to derivative products, foreign securities, ADR's and GDR's.

10 The schemes have not made any borrowings during the half-year ended September 30, 2018.

11 In case of the QGF one Unit represents approximately half gram of Physical Gold. In case of QNF each unit is approximately equal to 1/10th of the CNX NIFTY.

12 Returns for QLTEVF, QLF, QGF, QNF, QTSF,QEFOF, QGSF , QMAF & QDBF have been calculated for the Growth Option of the schemes considering the movement of NAV during the applicable period.

13 Quantum Mutual Fund since inception has maintained transparency in approach. Quantum MF in it's lifespan had avoided the distribution system that did not disclose commission paid to the investors. In September 2016 SEBI's new rule necessitates all mutual fund houses to disclose the exact commission paid to distributors in the Half-Yearly Consolidated Account Statement (CAS) that is sent to investors. This change in SEBI Rule prompted Quantum MF to introduce Regular Plans to investors, effective April 1, 2017. However we have ensured that Quantum's core remains untouched. We are ensuring that there will be no change to our operating philosophy, our structure and our fund management style. To ensure that the investors of Regular Plan are not charged with higher TER , we have ensured that the TER of Regular Plan is marginally higher in comparison to Direct Plan. Our sole aim remains that distributors are adequately reimbursed for the valuable advice that they impart to investors. We encourage long-term investing. Thus the culture of low cost, value-based, long-term investing remains intact for all our investors.

14 Quantum AMC pays commission to its partner distributors out of the Investment Management Fees received by the AMC. The amount of commission is not an additional item of TER and is within the overall AMC Board approved TER charged in the schemes of the Fund. The Board has approved this process and is also disclosed as part of accounting note disclosure of the unaudited half yearly financial results and annual accounts of the Fund and AMC. Compliance of the circular has been reviewed by the Auditor.

15 SEBI vide it's notification dated 21st February 2012 recommended the valuation of assets based on principles of fair valuation which is reflective of realizable value of securities/assets. Accordingly Quantum Asset Management Company Private Limited with the approval of Board have rolled out the valuation policy based on MTM/realization concept for all asset class and irrespective of tenor of the security. Quantum Asset Management Company Private Limited (QAMC) has obtained the services of ICRA Management Consulting Services Limited (IMACS) and CRISIL for valuation of each debt & Money Market instruments held in Quantum Mutual fund scheme's portfolio irrespective of their tenor. The final valuation prices considered for debt and Money Market Instruments is the average of the valuation prices provided by IMACS and CRISIL.

16 Management Fees is inclusive of GST. However for accounting purpose GST is accounted separately in the books of accounts. Same is applicable to percentage of Management Fees to daily average net assets appearing above.

16.a. SEBI Circular no. CIR/IMD/DF/21/2012 dated September 13, 2012 has allowed Mutual Funds to charge additional 30 bps of net assets for inflows beyond top 15 cities and additional 20 bps for additional expenses incurred under different heads and in lieu of crediting back the exit load to the scheme and also allowed to charge service tax on investment management fees. Quantum Mutual Fund has not increased expense ratio for any of it's Scheme and has continued to charge what it used to charge in the past across all it's Schemes. However on 1st July 2017 Government of India launched GST replacing the existing Tax Laws on VAT, Service Tax and others. Till 30th June 2017 the Management Fees and Other Expenses charged to the respective Schemes was inclusive of 15% Service Tax. Effective 1st July 2017 due to applicability of GST , TER across all Schemes increased marginally on account of applicability of GST @ 18% replacing 15% of Service Tax applicable on management fees and other expenses.

16.b. SEBI vide it's Notification dated 26th September 2012 has recommended in case of a fund of funds scheme, the total expenses of the scheme including weighted average of charges levied by the underlying schemes shall not exceed 2.50% of the daily net assets of the scheme. As the information on daily net assets and expense ratio of underlying schemes are not available Quantum Mutual Fund has been monitoring net assets and expense ratio of Quantum Equity Fund of Fund scheme based on month end information of net assets and expense ratio of underlying schemes held in the portfolio of Quantum Equity Fund of Fund scheme.

17 SEBI vide it's Circular no. CIR/IMD/DF/21/2012 dated September 13, 2012 has instructed Mutual Fund/AMC to set aside at least 2 basis point on daily net assets of Schemes for investor education and awareness initiatives. Accordingly QAMC in its books sets asides and utilizes 2 basis points of daily net assets of Quantum Mutual Fund Schemes for investor education and awareness initiatives. The amount so set aside is out of the Management Fees received by the QAMC and is within the overall TER charged in the various schemes of QMF. The amount un utilized by the QAMC towards investor education and awareness initiative is tracked and calculated on monthly basis. The amount spent on investor education and awareness initiative for the period April 2018 to September 2018 is more than the set aside amount for the said period.

18 **Value Added Tax (VAT) Liability in Quantum Gold Fund**

The Sales Tax Department of Maharashtra have concluded the VAT Assessments under the provisions of Maharashtra VAT Act 2002 for the financial years (FY)2007-08, 2008-09,2009-10,2010-11, 2011-12 & 2012-13. Refund has been received partially for FY 2007-08. The status for other Financial Years is as mentioned below :-

Financial Year	Latest updates
2008-09	Assessment completed and Assessment Order was received which allowed setoff of VAT liability for VAT collected on sales transaction which were done within six months of purchase transaction as per the Rule 53 (6)(b) of MVAT Act . Assessment Order also mentions about interest liability for delay in payment of VAT liability. Penalty was not charged in the Assessment Order. We have filed an Appeal against the Order. Currently the matter is still in Appeal and we are yet to hear from Deputy Commissioner of Sales Tax (Appeals)-1.
2009-10	Assessment completed and Assessment Order was received. Order did not allowed set off of VAT liability for VAT collected on sales transaction which were done within six months from date of purchase transaction. Order also mentioned about interest liability for delay in payment of VAT liability to the Govt authorities. Penalty was not charged in the Assessment Order. We have filed an Appeal against the Assessment Order and we are to hear from Deputy Commissioner of Sales Tax (Appeals)-1.
2010-11	Assessment completed and Assessment Order was received without setoff of VAT liability for VAT collected on sales transaction which were done within six months of purchase transaction. Assessment Order charged interest for delay in payment of VAT liability. However penalty was not charged. We have filed an Appeal against the Order and matter is still in Appeal and we are yet to hear from Deputy Commissioner of Sales Tax (Appeals)-1
2011-12	Assessment completed and Assessment Order was received claiming VAT liability without set off of VAT liability for VAT collected on sales transaction which were done within 6 months of purchase transaction. Assessment Order also mentioned about interest liability which was charged for delay in payment of VAT liability. Penalty was also mentioned in the Assessment Order. We had filed an Appeal against the Assessment Order. The matters came up for Appeal hearing and the Appeal Order was issued by the Government authorities. In the Appeal Order, set off was allowed for VAT liability on VAT collected on sales transaction which were done within the 6 months of purchase transaction. In the Appeal Order, Penalty was waived but interest was charged for delay in payment of VAT liability. However the Appeal Order claimed the VAT liability amount i.e. VAT collected on sales transaction which were more than 6 months from the date of purchase transaction which meant our request for Refund was disallowed in the Appeal Order. We filed the case in Tribunal against Appeal Order for refund of balance VAT amount as well as relief for interest dues charged for delay in payment of VAT liability. In the Tribunal Appeal hearing the Judgment was passed i.e. disallowance of VAT refund and interest dues as claimed by us in Tribunal Appeal. We were informed that the decision was taken at par with the decision taken on similar matter for the case filed by other Fund Houses. We are yet to receive the formal Tribunal Order in writing. As & when the Tribunal Order is received we propose to file 3rd Appeal with the High Court.
2012-13	Assessment completed and Assessment Order was received without setoff of VAT liability for VAT collected on sales transaction which were done within six months of purchase transaction. Assessment Order charged interest for delay in payment of VAT liability. Penalty is also charged. Assessment Order did not consider part payment of VAT liability of Rs.70,131/= . We have filed an Appeal against the Order and matter is still in Appeal and the Appeal Hearing date is 2nd November 2018.
2013-14	Assessment completed and Assessment Order was received without setoff of VAT liability for VAT collected on sales transaction which were done within six months of purchase transaction. Assessment Order charged interest for delay in payment of VAT liability. Penalty is also charged. We have filed an Appeal against the Order and matter is still in Appeal and the Appeal Hearing date is 2nd November 2018.

The VAT liability in amount terms with adjusting for set off as allowed under MVAT Act and without adjusting for set off is as given follows:-

Financial Year	Potential VAT Liability after adjusting for eligible set off as allowed under MVAT Act	Potential VAT Liability without adjusting eligible set off	Remarks
2008-09	56,021.00	67,588.00	The VAT liabilities have been arrived at after considering the set off as allowed under Rule 53 6(b) of MVAT Rules 2005 and also without considering the eligible set off. Actual liability will be ascertained only when the matter comes in final hearing. Interest at the applicable rate is being charged by Sales Tax Department for delay in paying the ascertained liability. Penalty liability @ 25% may or may not be applicable when the matter comes up for Final Hearing.
2009-10	12,055.00	28,497.00	
2010-11	3,20,580.00	5,04,764.00	
2011-12	78,520.00	1,77,051.00	
2012-13	70,131.00	6,90,834.00	
2013-14	49,048.00	1,06,960.00	
Total	**5,86,355.00**	**15,75,694.00**	

Based on partial refund received for financial year 2007-2008, the Investment Manager on behalf of Quantum Mutual Fund/Quantum Gold Fund believes that it's position is likely to be upheld in the Appellate process. The Board of AMC as well Trustee in the Board meeting held on 19th March 2016 decided to pay the full VAT liability amount of Rs.5,86,355/- (amount arrived after adjusting eligible set off on sales done within 6 month of purchase date) so as to avoid further increase in interest liability. Both the Boards decided to debit the VAT as well the interest liability to the Scheme. QAMC on their behalf obtained taxation expert opinion for debiting the interest liability part to the Scheme since interest amount charged by Government authorities in this case is compensatory in nature and cannot be equated to penalty or fine. Accordingly on 22nd March 2016 QAMC on behalf of the Scheme made the payment of VAT liability to the Government . Interest liability amount will be paid only when we hear final hearing in this matter. As decided by the Board the VAT liability amount of Rs. 5,86,355/- and the interest liability of Rs. 3,86,538/- worked out till 31st March 2016 has been debited to Quantum Gold Fund on 22nd March 2016. The impact of the same on NAV of Quantum Gold Fund works out to Rs. (2.0861) per unit i.e. (0.15%) of the NAV as of 22nd March 2016. On 28th March 2016 we have communicated our decision to the investors of Quantum Gold Fund as well as the investors of Quantum Gold Savings Fund & Quantum Multi Asset Fund since these Schemes holds units of Quantum Gold Fund. Government of Maharashtra has come with Amnesty Scheme for settlement of disputes under MVAT Act. As advised and also as decided by the Board of AMC and Trustee we have not opted for Amnesty Scheme. Post August 2013 till June 2017 we have been collecting additional VAT from counter party on sale transactions and depositing the same with Government authorities . Hence there are no VAT liability to be paid to Government authorities for the sales transactions done during the period August 2013 to June 2017. Effective 1st July 2017 , GST replaced VAT on Gold purchase /sales transactions as Tax.

19. The AMC uses soft dollar to receive brokerage and free research service / report which is allowed under the SEBI circular dated March 18, 2016. Generally, the brokers in addition to execution also provide (i) research (ii) arranging conference and meeting for all their clients wherein the representatives of all their clients are invited by broker to attend such conference and meeting (iii) sales coverage i.e. having designated sales staff to attend to queries from the AMC or arranging meetings for the AMC's research staff with the broker's analysts. The commission paid to the broker is one composite percentage figure and is not split in to two parts, one representing the cost for execution and the other part representing the cost for research and other services. The Research services / report received from the Brokers are used for the benefit of all the respective schemes for executing trade in such scheme which are in the interest of the investors of the Fund. The AMC presently does not do any proprietary trading. No Broker currently empanelled by the AMC is affiliated to the AMC. The soft dollar is policy is available on the website of the AMC.

20. Government of India implemented GST Act effective 1st July 2017 replacing prevailing Tax Laws on Service Tax, VAT and Others. This resulted in changes in Tax applicability in the QMF Schemes. GST Act requires Returns to be filed on monthly basis . In GST Return filing to avail Input tax credit income needs to be bifurcated in the ratio of taxable and non taxable income. QMF schemes have different sources of income which are taxable and non taxable as per the specification of GST Act . However only Exit Load Income is forming part of taxable Income on which accordingly GST is charged and collected from investors. Similarly Gold sales happens in Quantum Gold Fund which is also eligible for GST. QMF Scheme incurs expenses which are reimbursed by QAMC are also eligible for GST. The GST collected on Exit Load income , on sale of Gold and Reimbursement of Expenses received from QAMC is shown as output liability in the monthly GST Return filed. GST is charged on Management fees and Reimbursement of Expenses in the Scheme paid to QAMC. QMF schemes buys/sells security in it's scheme . Income derived from Security is not eligible for Tax under GST Act. However the brokerage/transaction charges paid to buy/sell security which is capitalised is eligible for GST as it falls in the category of service under GST Act. We have taken a decision to claim the GST paid on brokerage/specific transaction cost as input credit although there's no clarity in the GST Act. Hence while filing monthly return the GST paid on Management fees, Reimbursement of expenses and Brokerage/specific cost on Trade is claimed as input credit. As there's ambiguity in the matter on GST on exit Load income claiming as output liability against GST on all other input credit , the return is filed on net basis. However payment to the Govt is done fully i.e. on gross basis to avoid penalty and interest in the future when matter comes up for assessment. We have taken concurrence from Tax Experts on our stand and same has been informed to AMFI. We have sought clarification in the matter with GST Helpdesk. We have also written the matter to GST Council informing our concern and the stand which we have take while filing GST monthly return.

21. Government of India implemented GST Act effective 1st July 2017 by replacing existing Tax Laws on Service Tax, VAT and Others. Quantum Gold Fund which holds Gold in it's portfolio till 30th June 2017 was eligible to various Statutory Levies & Taxes which included VAT, Octroi, Custom Duty & Stamp Duty. Effective 1st July 2017 they were replaced by GST i.e.Octroi @ 0.10% & VAT @ 1.20% in Mumbai & 1% in Ahmedabad Location were replaced by GST @ 3% .In the GST Act there's clarity on input credit availability for GST paid on purchase against the GST collected on Sale Transaction . Whereas in the erstwhile MVAT Act eligibility was under dispute and Mutual Fund were not allowed to take input credit unless the sale has happened within 6 month of date of purchase. Due to clarity in the GST Act on input credit availability, we have excluded GST in the Gold valuation effective 1st July 2017 along with exclusion of Octroi and VAT. These changes resulted in fall the valuation prices of existing Gold bars held in the portfolio as the VAT paid on existing Gold Bar will not get set off against GST when they are sold in future. The changes in valuation of Gold bars resulted in fall in NAV of Quantum Gold Fund by 1.29% on 1st July 2017. The NAV's of Quantum Gold fund and Quantum Multi Asset Fund has also the impact as they hold units of Quantum Gold Fund in their portfolio. The fall in NAV's of these Funds was in proportion to their holding of Quantum Gold Fund ETF units and the fall in quoted price of QGF ETF units on the Stock Exchange.

22. Details of expenses incurred by QAMC & QMF schemes during 1st April 2018 to 30th September 2018 - As per annexure 1.

The above unaudited financial results were approved by the Board of Quantum Asset Management Company Private Limited and the Board of Quantum Trustee Company Private Limited on 29th October, 2018.

For and on behalf of Directors of
Quantum Asset Management Company Private Limited

Sd/-
Jimmy A Patel
Managing Director & CEO
DIN - 00109211

For and on behalf of Directors of
Quantum Trustee Company Private Limited

Sd/-
Jagdish Capoor
Director
DIN - 00002516

Place: Mumbai
Date: 29th October, 2018

Annexure 1

Details of Expenses incurred by Quantum Mutual Fund Schemes & Quantum AMC during 1st April 2018 to 30th September 2018

Scheme Name	Quantum Long Term Equity Value Fund (QLTEVF) (erstwhile known as Quantum Long Term Equity Fund)#		Quantum Liquid Fund (QLF)		Quantum Gold Fund (QGF)		Quantum NIFTY ETF (QNF)		Quantum Tax Saving Fund (QTSF)		Quantum Equity Fund of Funds (QEFOF)		Quantum Gold Savings Fund (QGSF)		Quantum Multi Asset Fund (QMAF)		Quantum Dynamic Bond Fund (QDBF)		Total of Expenses
Expense Head	**Amount in Rupees**	**% to Average Net Assets**	**Amount in Rupees**	**% to Average Net Assets**	**Amount in Rupees**	**% to Average Net Assets**	**Amount in Rupees**	**% to Average Net Assets**	**Amount in Rupees**	**% to Average Net Assets**	**Amount in Rupees**	**% to Average Net Assets**	**Amount in Rupees**	**% to Average Net Assets**	**Amount in Rupees**	**% to Average Net Assets**	**Amount in Rupees**	**% to Average Net Assets**	**Amount in Rupees**
Expenses Incurred by respective Schemes																			
DIRECT PLAN																			
Registrar & Transfer Fees	-	-	-	-	-	-	-	-	-	-	-	-	29,553	0.04%	55,049	0.07%	-	-	84,602
Custodian fees	-	-	-	-	-	-	-	-	-	-	-	-	13,240	0.02%	86,899	0.12%	-	-	1,00,139
Investor Related Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	22,540	0.03%	-	-	22,540
Bank Charges	-	-	-	-	-	-	-	-	-	-	-	-	46	0.00%	119	0.00%	-	-	166
CBLO transaction charges paid to Bank	-	-	-	-	-	-	-	-	-	-	-	-	101	0.00%	1,313	0.00%	-	-	1,415
CBLO transaction charges paid to CCIL & Clearcorp	-	-	-	-	-	-	-	-	-	-	-	-	41	0.00%	527	0.00%	-	-	567
GST on Expenses	-	-	-	-	-	-	-	-	-	-	-	-	7,703	0.01%	29,608	0.04%	-	-	37,311
REGULAR PLAN																			
Registrar & Transfer Fees	-	-	-	-	-	-	-	-	-	-	-	-	5,420	0.11%	2,033	0.11%	-	-	7,453
Custodian fees	-	-	-	-	-	-	-	-	-	-	-	-	2,428	0.05%	3,209	0.17%	-	-	5,638
Investor Related Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	832	0.04%	-	-	832
Bank Charges	-	-	-	-	-	-	-	-	-	-	-	-	9	0.00%	4.41	0.00%	-	-	13
CBLO transaction charges paid to Bank	-	-	-	-	-	-	-	-	-	-	-	-	19	0.00%	49	0.00%	-	-	67
CBLO transaction charges paid to CCIL & Clearcorp	-	-	-	-	-	-	-	-	-	-	-	-	7	0.00%	19	0.00%	-	-	27
GST on Expenses	-	-	-	-	-	-	-	-	-	-	-	-	1,413	0.03%	1,093	0.06%	-	-	2,506
Total Expenses incurred by Schemes (A)	-	-	-	-	-	-	-	-	-	-	-	-	59,980		2,03,296		-	-	2,63,276
Expenses incurred by QAMC on behalf of Schemes																			
Marketing Expense - Others	2,47,42,602	0.55%	34,45,003	0.50%	13,32,646	0.49%	1,13,857	0.50%	19,57,160	0.55%	6,10,363	0.52%	3,46,274	0.49%	3,76,594	0.49%	16,94,043	0.51%	3,46,18,542
Marketing Expense paid to ARN/RIA Holders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investor Transaction processing charges	23,74,251	0.05%	3,06,304	0.04%	54,977	0.02%	25,654	0.11%	1,93,122	0.05%	1,36,200	0.12%	45,398	0.06%	14,736	0.00	1,42,223	0.04%	32,92,865
Investment Transaction processing charges	836	0.00%	1,24,740	0.02%	-	0.00%	840	0.00%	136	0.00%	-	-	240	0.00%	24	0.00%	94,739	0.03%	2,21,555
Registrar & Transfer Fees	43,41,369	0.10%	3,26,384	0.05%	1,03,413	0.04%	8,653	0.04%	3,45,430	0.10%	1,45,367	0.12%	15,760	0.02%	-	-	2,39,357	0.07%	55,25,733
Bank charges	57,408	0.00%	3,538	0.00%	-	0.00%	-	-	12,087	0.00%	42,766	0.04%	549	0.00%	2,835	0.00%	817	0.00%	1,20,000
Custody Fees	11,44,005	0.03%	1,45,532	0.02%	6,62,024	0.24%	44,257	0.19%	95,076	0.03%	1,294	0.00%	-	0.00%	-	-	77,009	0.02%	21,69,197
Annual License Fees	68,172	0.00%	10,846	0.00%	4,409	0.00%	2,00,343	0.87%	5,369	0.00%	1,688	0.00%	1,110	0.00%	1,216	0.00%	5,417	0.00%	2,98,570
Distributor Commission paid for Regular plan	2,05,576	0.00%	4,539	0.00%	-	-	-	-	5,001	0.00%	1,843	0.00%	4,317	0.01%	1,443	0.00%	6,200	0.00%	2,28,920
Other charges	-	0.00%	-	0.00%	31,000	0.01%	-	-	-	-	-	-	-	-	-	-	-	-	31,000
CBLO transaction charges paid to Bank	5,96,339	0.01%	66,203	0.01%	903	0.00%	57	0.00%	37,628	0.01%	2,938	0.00%	-	-	-	-	24,468	0.01%	7,28,536
CBLO transaction charges paid to CCIL & Clearcorp	2,39,089	0.01%	26,548	0.00%	360	0.00%	22	0.00%	15,086	0.00%	1,179	0.00%	-	-	-	-	9,811	0.00%	2,92,095
Bank Charges other than AMC	3,628	0.00%	4,601	0.00%	31	0.00%	177	0.00%	627	0.00%	1,982	0.00%	-	-	-	-	105	0.00%	11,151
Investor Education & Awareness expenses	8,82,935	0.02%	1,36,364	0.02%	54,255	0.02%	4,464	0.02%	69,751	0.02%	22,934	0.02%	14,001	0.02%	15,263	0.02%	65,281	0.02%	12,65,248
Total Expenses incurred by QAMC on behalf of Schemes (B)	**3,46,56,211**	**0.78%**	**46,00,601**	**0.66%**	**22,44,018**	**0.82%**	**3,98,324**	**1.74%**	**27,36,474**	**0.78%**	**9,68,555**	**0.83%**	**4,27,649**	**0.60%**	**4,12,111**	**0.53%**	**23,59,470**	**0.72%**	**4,88,03,412**
Total Expenses incurred by Schemes (A)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**59,980**		**2,03,296**		**-**	**-**	**2,63,276**
Total Expenses incurred by QAMC on behalf of Schemes (B)	**3,46,56,211**	**0.78%**	**46,00,601**	**0.66%**	**22,44,018**	**0.82%**	**3,98,324**	**1.74%**	**27,36,474**	**0.78%**	**9,68,555**	**0.83%**	**4,27,649**	**0.60%**	**4,12,111**	**0.53%**	**23,59,470**	**0.72%**	**4,88,03,412**
Total of Expenses incurred by Schemes & QAMC (A)+(B)	**3,46,56,211**	**0.78%**	**46,00,601**	**0.66%**	**22,44,018**	**0.82%**	**3,98,324**	**1.74%**	**27,36,474**	**0.78%**	**9,68,555**	**0.83%**	**4,87,629**	**0.60%**	**6,15,408**	**0.53%**	**23,59,470**	**0.72%**	**4,90,66,688**
Management Fees (Inclusive of GST as applicable) debited to Schemes (C)																			
DIRECT PLAN	**5,55,16,021**	**1.29%**	**13,01,357**	**0.19%**	**27,78,560**	**1.02%**	**21,434**	**0.094%**	**44,66,231**	**1.28%**	**5,81,615**	**0.51%**	**-**	**-**	**-**	**-**	**18,36,583**	**0.57%**	**6,65,01,801**
REGULAR PLAN	**21,93,650**	**1.46%**	**32,036**	**0.25%**	**-**	**-**	**-**	**-**	**60,370**	**1.46%**	**15,041**	**0.62%**	**-**	**-**	**-**	**-**	**46,921**	**0.67%**	**23,48,017**
Total of Management Fees & Expenses debited to the Schemes (A) + (C)	**5,77,09,671**		**13,33,393**		**27,78,560**		**21,434**		**45,26,600**		**5,96,656**		**59,980**		**2,03,296**		**18,83,504**		**6,91,13,094**

Note :
1. Trusteeship fees of Rs. 20,00,000/- has been paid by the QAMC for all the schemes of Quantum Mutual Fund.
2. Above data are unaudited as of 30th September 2018.

Disclaimer, Statutory Details & Risk Factors:
Mutual fund investments are subject to market risks read all scheme related documents carefully. Please visit - www.QuantumMF.com to read scheme specific risk factors. Investors in the Scheme(s) are not being offered a guaranteed or assured rate of return and there can be no assurance that the schemes objective will be achieved and the NAV of the scheme(s) may go up and down depending upon the factors and forces affecting securities market. Investment in mutual fund units involves investment risk such as trading volumes, settlement risk, liquidity risk, default risk including possible loss of capital. Past performance of the sponsor/AMC/ MutualFund does not indicate the future performance of the Scheme(s). **Statutory Details:** Quantum Mutual Fund (the Fund) has been constituted as a Trust under the Indian Trusts Act, 1882. Sponsor: Quantum Advisors Private Limited. (liability of Sponsor limited to ₹ 1,00,000/-) **Trustee:** Quantum Trustee Company Private Limited Investment Manager: Quantum Asset Management Company Private Limited. The Sponsor, Trustee and Investment Manager are incorporated under the Companies Act, 1956. Scheme Specific Risk Factors: The investors of Quantum Equity Fund of Funds, Quantum Gold Savings Fund and Quantum Multi Asset Fund will bear the recurring expenses, transaction charges and loads if any of the Schemes in addition to the expenses, transaction charges and loads of the underlying Schemes. **Disclaimer of IISL:** Quantum NIFTY ETF (QNF) is benchmarked to Nifty 50 TRI Index are not sponsored, endorsed, sold or promoted by India Index Services & Products Limited (IISL). IISL is not responsible for any errors or omissions or the results obtained from the use of such index and in no event shall IISL have any liability to any party for any damages of whatsoever nature (including lost profits) resulted to such party due to purchase or sale or otherwise of such product benchmarked to such index. Please refer SID of the QNF for full Disclaimer clause in relation to the "Nifty 50 TRI Index". **Disclaimer of NSE:** It is to be distinctly understood that the permission given by National Stock Exchange of India Limited (NSE) should not in any way be deemed or construed that the Scheme Information Document (SID) of Quantum Gold Fund (QGF) and Quantum NIFTYETF (QNF) has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the SIDs. The investors are advised to refer to the SID of QGF & QNF for the full text of the Disclaimer clause of NSE