

KEY INFORMATION MEMORANDUM

**quant Liquid Fund
(A Liquid Fund)**

Continuous offer for Units at NAV based prices

This product is suitable for investors who are	Riskometer
<ul style="list-style-type: none"> To provide income through a portfolio comprising money market and debt instruments. 	<p>Investors understand that their principal will be at low risk.</p>

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

Name of Mutual Fund : **quant Mutual Fund**
 Address : 6th Floor, Sea Breeze Building,
 Appasaheb Marathe Marg,
 Prabhadevi, Mumbai - 400 025.
 Tel.: +91 22 6295 5000
 Website: www.quant-mutual.com

Name of Asset Management Company : **quant Money Managers Limited**
CIN : **U74899MH1995PLC324387**
 Address : 6th Floor, Sea Breeze Building,
 Appasaheb Marathe Marg,
 Prabhadevi, Mumbai - 400 025.
 Tel.: +91 22 6295 5000
 Website: www.quant-mutual.com

Name of Trustee Company : **quant Capital Trustee Limited**
CIN : **U74899MH1995PLC324388**
 Address : 6th Floor, Sea Breeze Building,
 Appasaheb Marathe Marg,
 Prabhadevi, Mumbai - 400 025.
 Tel.: +91 22 6295 5000
 Website: www.quant-mutual.com

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations, associate transactions etc. investors should, before investment, refer to the Offer Document available free of cost at any of the Investor Service Centres or distributors or from the website www.quant-mutual.com

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated **June 27, 2019**.

Investment Objective	The investment objective of the scheme is to generate income through a portfolio comprising money market and debt instruments. There is no assurance that the investment objective of the Scheme will be realized.		
Asset Allocation Pattern of the scheme	Under normal circumstances, it is anticipated that the asset allocation shall be as follows:		
	Asset Class Allocation	Normal Allocation (% of net assets)	Risk Profile
	Debt and money market instruments (with maturity up to 91 days)	0-100%	Low
	<p>The cumulative gross exposure through debt securities, money market securities/instruments and derivatives will not exceed 100% of the net assets of the Scheme.</p> <p>The Scheme may invest upto a maximum of 50% of total assets in foreign debt securities / instruments.</p> <p>Trading in Derivatives: To optimally manage portfolio risk, the Scheme may use various derivative instruments and hedging products in a manner permitted by SEBI. The scheme may take exposure to derivative instruments up to 100% of net assets.</p>		
Investment Strategy of the Scheme	The Scheme shall invest in debt and money market instruments with residual maturity not exceeding 91 days, subject to regulatory changes from time to time. The Scheme shall endeavor to minimize credit risk and develop a well-diversified portfolio of debt (including securitized debt) and other instruments. Though every endeavor will be made to achieve the objective of the Scheme, the AMC / Sponsors / Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.		
Risk Profile of the Scheme	<p>Mutual Fund investments are subject to market risks. Please read the SID carefully for details on risk factors before investment. Scheme specific risk factors are summarized below:</p> <p>Credit Risk: Debt instruments carry a Credit Risk, which essentially implies a failure on the part of the issuer of the security to honour its principal or interest repayment obligations. This inability of a credit issuer to honour its obligation is generally a function of underlying performance of the asset, in terms of generating the requisite cashflows. Credit risks of debt securities are rated by independent rating agencies. These ratings range from 'AAA' (read as 'Triple A' denoting 'Highest Safety') to 'D' (denoting 'Default'), with intermediate ratings between the two extremes. Deteriorating credit profile of an issuer may lead to a rating agency lowering the rating on its debt instruments; this is likely to lead to a fall in the price of these instruments.</p> <p>Liquidity Risk: Liquidity risk for debt instruments refers to the possibility that there might not be a ready buyer for the debt instrument at a time when the scheme decides to sell it. Liquidity risk is generally a function of the issuer (government securities are generally more liquid than corporate bonds), ratings (higher rated instruments are generally more liquid), and tenure (near tenure instruments are generally more liquid).</p>		

	<p>Interest-Rate Risk: In case of fixed income bearing debt instruments, when interest rates rise, prices of the securities decline and when interest rates fall, the prices increase. The extent of sensitivity of a security to movement in interest rates is determined by its duration, which is a function of the existing coupon, the payment-frequency of such coupon, and days to maturity. Floating rate securities, with coupon linked to market interest rates have less sensitivity to interest rate risk.</p> <p>Prepayment Risk: Certain fixed income instruments come with a 'call option' which give the issuer the right to redeem the security through prepayment before the maturity date. This option is generally exercised in periods of declining interest rates, and will result in the scheme having to reinvest the proceeds of prepayment at lower yields, resulting in lower interest income.</p>	
Risk Mitigation	<u>Risk & Description specific to Debt</u>	<u>Risk Mitigants/ Management Strategy</u>
	<u>Credit Risk</u>	This risk shall be mitigated by investing in papers which have a high degree of safety. Further this risk is minimal in case of securities issued by central / state government/.
	<u>Liquidity Risk</u>	This risk shall be mitigated by striving to avoid investing in thinly traded securities or securities with lower volumes.
	<u>Interest-Rate Risk</u>	This risk can be mitigated by the fund manager striving to maintain portfolio duration which is appropriate for market conditions.
	<u>Prepayment Risk</u>	This risk can be mitigated by minimizing investments in securities with 'call options', unless favourable market conditions makes investments in such securities attractive.
Plans and Options	<p>The investor can opt for the following:</p> <p>A. Regular Plan (For applications routed through Distributors):</p> <ol style="list-style-type: none"> 1. Growth (Capital Appreciation) 2. Dividend (Regular Income) <p>B. Direct Plan (For applications not routed through Distributors):</p> <ol style="list-style-type: none"> 1. Growth (Capital Appreciation) 2. Dividend (Regular Income) <ul style="list-style-type: none"> • Default Options In case the investor does not select suitable alternative, defaults applicable shall be as follows: Default Plan - Direct Default Option – Growth Default Dividend Payout Option – Re-invest <p>Investors are requested to note the following scenarios for the applicability of "Direct Plan (application not routed through distributor) or Regular Plan (application routed through distributor)" for valid applications received under the scheme:</p>	

	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
	7	Mentioned	Regular	Regular
	8	Mentioned	Not mentioned	Regular
Applicable NAV (after the scheme opens repurchase and sale)	<p>For Investment</p> <p>a. where the application is received up to 2.00 p.m. on a day and funds are available for utilization before the cut-off time without availing any credit facility, whether, intra-day or otherwise – the closing NAV of the day immediately preceding the day of receipt of application where the application is received up to 2.00 p.m. on a day and funds are available for utilization before the cut-off time without availing any credit facility, whether, intra-day or otherwise – the closing NAV of the day immediately preceding the day of receipt of application</p> <p>b. where the application is received after 2.00 p.m. on a day and funds are available for utilization on the same day without availing any credit facility, whether, intra-day or otherwise – the closing NAV of the day immediately preceding the next business day</p> <p>c. irrespective of the time of receipt of application, where the funds are not available for utilization before the cut-off time without availing any credit facility, whether, intra-day or otherwise – the closing NAV of the day immediately preceding the day on which the funds are available for utilization.</p>			<p>For Redemption</p> <p>a. Where the application is received upto 2.00 P.M. – Closing NAV of the day immediately preceding the next business day.</p> <p>b. Where the application is received after 2.00 P.M. – Closing NAV of the next business day.</p>
Minimum Application Amount/ Number of Units	Purchase Rs. 100/-		Additional Purchase Rs. 100/- and in multiples of Rs. 1/- thereafter.	Repurchase Rs. 100/-.
Dispatch of Repurchase (Redemption) Request	Within 10 working days of the receipt of the redemption request at the authorised centre of quant Mutual Fund. However, endeavour shall be made to dispatch redemption warrant within 1 working day from the date of notice for redemption.			
Benchmark Index	Crisil Liquid Fund Index			
Dividend Policy	The Trustee may decide and declare dividend at such rates, as it deems fit,			

	subject to availability of distributable surplus (based on realised profits), from time to time.																			
Fund Manager	Name	Tenure for scheme management																		
	Mr. Guarav Balre – Debt	Since April 2018																		
Top holdings of scheme Portfolio (As on April 25, 2019)	Security Name	Weightage (%)																		
	BAJAJ ELECTRICALS LTD	9.95																		
	ACTION CONSTRUCTION EQUIPMENT LTD	9.58																		
	JMC PROJECTS INDIA LTD	9.57																		
	FUTURE RETAIL LTD	9.57																		
	PIRAMAL ENTERPRISES LIMITED	9.57																		
	TIME TECHNOPLAST LIMITED	9.06																		
	PIRAMAL CAPITAL & HOUSING FINANCE LTD	9.01																		
	INDUSIND BANK LTD	7.76																		
	NATIONAL FERTILIZERS LIMITED	7.71																		
	GODREJ & BOYCE MANUFACTURING COMPANY LIMITED	3.87																		
Fund allocation towards various sectors	Sector	% to NAV																		
	Others	78.94																		
	Banks	12.39																		
	Housing Finance Companies	9.01																		
	NBFC	3.85																		
Website link for latest monthly scheme Portfolio	http://www.quant-mutual.com/statutory-disclosures																			
Portfolio turnover ratio	Portfolio Turnover Ratio as on 31.03.2019 : Not Applicable for Debt Schemes																			
Performance of the scheme	<table border="1"> <caption>Performance Comparison: Quant Liquid Plan vs CRISIL Liquid Fund Index</caption> <thead> <tr> <th>Period</th> <th>Quant Liquid Plan (%)</th> <th>CRISIL Liquid Fund Index (%)</th> </tr> </thead> <tbody> <tr> <td>6 Month</td> <td>3.81%</td> <td>3.79%</td> </tr> <tr> <td>Last 1 Year</td> <td>7.53%</td> <td>7.59%</td> </tr> <tr> <td>Last 3 Years</td> <td>7.23%</td> <td>7.18%</td> </tr> <tr> <td>Last 5 Years</td> <td>7.95%</td> <td>7.71%</td> </tr> <tr> <td>Since Inception</td> <td>8.24%</td> <td>7.39%</td> </tr> </tbody> </table> <p>No. of folios (as on 31.03.2019) - 1074 Assets under Management (as on 31.03.2017) – 44.86 Crores</p>		Period	Quant Liquid Plan (%)	CRISIL Liquid Fund Index (%)	6 Month	3.81%	3.79%	Last 1 Year	7.53%	7.59%	Last 3 Years	7.23%	7.18%	Last 5 Years	7.95%	7.71%	Since Inception	8.24%	7.39%
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Expenses of the Scheme																				

(i) Load Structure	Entry load : Nil Exit load : Nil Actual expenses for the previous financial year 2016-17 (unaudited) : Rs. 1.09 Crores																															
(ii) Recurring expenses	<p>These are the fees and expenses for operating the scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:</p> <p>The AMC has estimated that upto 2.25% for equity oriented schemes and upto 2.00 % for debt schemes of the weekly average net assets will be charged to the scheme as expenses.</p> <p>For the information of investors, the estimated break-up of expenses, on an on-going basis, as a percentage of the weekly average net assets, in any financial year shall be as follows:</p> <table border="1" data-bbox="522 705 1492 1873"> <thead> <tr> <th data-bbox="522 705 1162 810">Expenses</th> <th data-bbox="1162 705 1318 810">% of daily net assets (Equity)</th> <th data-bbox="1318 705 1492 810">% of daily net assets (Debt)</th> </tr> </thead> <tbody> <tr> <td data-bbox="522 810 1162 856">Investment Management and Advisory Fee</td> <td data-bbox="1162 810 1318 1873" rowspan="15" style="text-align: center; vertical-align: middle;">Upto 2.25%</td> <td data-bbox="1318 810 1492 1873" rowspan="15" style="text-align: center; vertical-align: middle;">Upto 2.00%</td> </tr> <tr> <td data-bbox="522 856 1162 903">Custodian's Fee and charges</td> </tr> <tr> <td data-bbox="522 903 1162 949">Investor Service & Communication Expenses</td> </tr> <tr> <td data-bbox="522 949 1162 995">Trustee Fee</td> </tr> <tr> <td data-bbox="522 995 1162 1041">Audit Fee</td> </tr> <tr> <td data-bbox="522 1041 1162 1087">Marketing and Selling Expenses (including Brokerage)</td> </tr> <tr> <td data-bbox="522 1087 1162 1134">Cost related to investor communications</td> </tr> <tr> <td data-bbox="522 1134 1162 1180">Cost of fund transfer from location to location</td> </tr> <tr> <td data-bbox="522 1180 1162 1226">Cost of providing account statements and dividend redemption cheques and warrants</td> </tr> <tr> <td data-bbox="522 1226 1162 1272">Costs of statutory Advertisements</td> </tr> <tr> <td data-bbox="522 1272 1162 1318">Cost towards investor education & awareness (at least bps)</td> </tr> <tr> <td data-bbox="522 1318 1162 1365">Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.</td> </tr> <tr> <td data-bbox="522 1365 1162 1411">Service tax on expenses other than investment and advisory fees</td> </tr> <tr> <td data-bbox="522 1411 1162 1457">Service tax on brokerage and transaction cost</td> </tr> <tr> <td data-bbox="522 1457 1162 1503">Other Expenses as permitted by SEBI Regulations</td> </tr> <tr> <td data-bbox="522 1503 1162 1549">Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a)</td> <td data-bbox="1162 1503 1318 1549" style="text-align: center;">2.25%</td> <td data-bbox="1318 1503 1492 1549" style="text-align: center;">2.00%</td> </tr> <tr> <td data-bbox="522 1549 1162 1596">Additional expenses under Regulation 52 (6A) (c)</td> <td data-bbox="1162 1549 1318 1596" style="text-align: center;">0.20%</td> <td data-bbox="1318 1549 1492 1596" style="text-align: center;">0.20%</td> </tr> <tr> <td data-bbox="522 1596 1162 1642">Additional expenses for gross new inflows from specified cities</td> <td data-bbox="1162 1596 1318 1642" style="text-align: center;">0.30%</td> <td data-bbox="1318 1596 1492 1642" style="text-align: center;">0.30%</td> </tr> </tbody> </table>			Expenses	% of daily net assets (Equity)	% of daily net assets (Debt)	Investment Management and Advisory Fee	Upto 2.25%	Upto 2.00%	Custodian's Fee and charges	Investor Service & Communication Expenses	Trustee Fee	Audit Fee	Marketing and Selling Expenses (including Brokerage)	Cost related to investor communications	Cost of fund transfer from location to location	Cost of providing account statements and dividend redemption cheques and warrants	Costs of statutory Advertisements	Cost towards investor education & awareness (at least bps)	Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.	Service tax on expenses other than investment and advisory fees	Service tax on brokerage and transaction cost	Other Expenses as permitted by SEBI Regulations	Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a)	2.25%	2.00%	Additional expenses under Regulation 52 (6A) (c)	0.20%	0.20%	Additional expenses for gross new inflows from specified cities	0.30%	0.30%
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Applicable to Investors who opt to hold Units in Non-Demat Form

- The AMC shall send an allotment confirmation specifying the units allotted by way of email and/or SMS within 5 Business Days of receipt of valid application/transaction to the Unit holders registered e-mail address and/or mobile number.
- A consolidated account statement for each calendar month to the Unit holder(s) in whose folio(s) transaction(s) has/have taken place during the month on or before 10th of the succeeding month shall be sent by mail or e-mail.
- In the event the account has more than one registered holder, the first named Unit holder shall receive the CAS/ account statement.
- The transactions viz. purchase redemption, switch, dividend payout, etc., carried out by the Unit holders shall be reflected in the CAS on the basis of Permanent Account Number (PAN).
- The CAS shall not be received by the Unit holders for the folio(s) not updated with PAN details. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN.
- The Unit holder may request for a physical account statement by writing to/calling the AMC/ISC/RTA. The Mutual Fund/ AMC shall dispatch an account statement within 5 Business Days from the date of the receipt of request from the Unit holder.

Half-Yearly Consolidated Account Statement:

- A consolidated account statement detailing holding across all schemes at the end of every six months (i.e. September/ March), on or before 10th day of succeeding month, to all such Unitholders holding units in non- demat form in whose folios no transaction has taken place during that period shall be sent by mail/email.
- The half yearly consolidated account statement will be sent by e-mail to the Unit holders whose email address is registered with the Fund, unless a specific request is made to receive in physical.

Pursuant to SEBI circular SEBI/HO/IMD/DF2/CIR/P/2016/89 dated September 20, 2016, the following points have been incorporated to increase the transparency of information to the investors:

- (a) Each CAS issued to the investors shall also provide the total purchase value / cost of investment in each scheme.
- (b) Further, CAS issued for the half-year (ended September/ March) shall also provide:
 - (i) The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF scheme. The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event

	<p>sponsorships etc. by AMCs / MFs to distributors. Further, a mention may be made in such CAS indicating that the commission disclosed is gross commission and does not exclude costs incurred by distributors such as service tax (wherever applicable, as per existing rates), operating expenses, etc.</p> <p>(ii) The scheme's average Total Expense Ratio (in percentage terms) for the half-year period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in.</p> <p>(c) Such half-yearly CAS shall be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period. Any circular / clarification issued by SEBI in this regard will automatically become applicable and shall be incorporated in the SID/SAI/KIM wherever applicable.</p> <p>Applicable to Investors who opt to hold Units in Demat Form The AMC shall send an allotment confirmation specifying the units allotted by way of email and/or SMS within 5 Business Days of receipt of valid application/transaction to the Unit holders registered e-mail address and/or mobile number. The statement of holding of the beneficiary account holder for units held in demat will be sent by the respective DPs periodically.</p>
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