



## quant Mutual Fund

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### NOTICE CUM ADDENDUM NO. 01/2021

#### Merger of quant Dynamic Bond and quant Money Market Fund into quant Liquid Fund

Notice is hereby given to all the Investors/Unit holders that quant Capital Trustee Limited, the Trustee to quant Mutual Fund ("the Fund"), has approved the merger of quant Dynamic Bond (an open ended Dynamic Bond scheme investing across duration) and quant Money Market Fund (an open ended debt scheme investing in debt and money market instruments having residual maturity upto one year (hereinafter referred to as "Transferor Schemes") with quant Liquid Fund (an open ended Liquid Scheme) (hereinafter referred to as with "Transferee Scheme").

Further SEBI vide its Circular no. SEBI/HO/IMD/DF2/CIR/P/2018/160 dated December 28, 2018 has permitted introduction of segregated portfolio in quant Liquid Fund. The Boards of Directors of quant Money Managers Limited and quant Capital Trustee Limited have approved introduction of segregated portfolio in quant Liquid Fund in case of a credit event. In view of the same, the provisions shall be inserted as sub-section "J". "Creation of segregated portfolio" under section "II" in the Scheme Information Document. The detailed provisions have been explained in the Unit holders' Letter.

The record date for the above proposals is February 13, 2021 ("Effective Date").

From the Effective Date, the Transferor Schemes will cease to exist and the Unit holders of the Transferor Schemes will become Unit holders of the Transferee Scheme in the designated Plans/Options. Further, no fresh subscription including switch-ins and registration for Systematic Investment Plan (SIP)/Systematic Withdrawal Plan (SWP)/Systematic Transfer Plan (STP) will be accepted in the Transferor Schemes with effect from January 13, 2021.

The Securities and Exchange Board of India has vide its communication dated January 06, 2021 conveyed its no objection to the aforesaid proposals.

Pursuant to SEBI circular dated June 23, 2003, the merger of Transferor Schemes with Transferee Scheme will be treated as change in fundamental attributes of the Transferor Schemes. Further, since the proposed merger shall not change the features/provisions of the Transferee Scheme and the interest of the Unit holders of the Transferee Scheme are not affected, the proposed merger will not be treated as change in fundamental attributes of Transferee Scheme in terms of SEBI circular dated October 22, 2010. In terms of the prevailing regulatory requirements, Unit holders of the Transferor Schemes and Transferee Scheme who do not agree with the proposed merger, are given an option to exit i.e. redeem their units (fully or partly) or switch to other scheme(s) of the Fund at the Applicable NAV of the respective Schemes without any exit load for a period of 30 days starting from January 13, 2021 till February 12, 2021 (both days inclusive) (hereinafter referred to as "exit option period"). Redemption/switch-out requests can be submitted at any of the Investor Service Centres of the Registrar and Transfer Agents of the Fund viz. KFin Technologies Private Limited or AMC Registered Office on or before February 12, 2021 (upto 01.00 p.m. on February 12, 2021). Unit holders who hold the units of the Transferor Schemes and Transferee Scheme in electronic (demat) mode need to submit the redemption request to their Depository Participant. The redemption proceeds will be paid out either electronically or by a cheque within 10 Business Days of receipt of valid redemption request to those Unit holders who choose to exercise the exit option. Unit holders who have pledged or encumbered their units in the Transferor Schemes and/or Transferee Scheme will not have the option to exit unless they procure a release of their pledge prior to submitting the redemption request. In case the lien is marked on the units held in the Transferor Schemes and/or Transferee Scheme and such Unit holder decides to continue to remain invested i.e. does not redeem or switch out during the exit option period, then the units allotted in Transferee Scheme pursuant to merger will also be automatically subject to lien in Transferee Scheme post merger. In case of Unit holders who are holding Units of the Transferor Schemes in electronic (demat) mode and who don't submit redemption/ switch-out request during the exit option period, such units of the Transferor Schemes will be extinguished from their demat account and proportionate units of the Transferee Scheme will be credited to their demat account after the Effective Date.

**It may however be noted that the offer to exit is purely optional and not compulsory. If the Unit holder has no objection to the aforesaid merger, no action is required to be taken and it would be deemed that such Unit holder has consented to the merger of the Scheme.**

Unit holders of the Transferor Schemes who do not exercise the exit option on or before February 12, 2021 would be deemed to have consented to the proposed merger and will be allotted units under the Plans/Options of the Transferee Scheme as stated in the table below at the Applicable NAV as on the close of business hours on Effective Date:

Plan/Option under which Units will be allotted in the Transferor Scheme (quant Money Market Fund)	Plan/Option under which Units will be allotted in the Transferor Scheme (quant Dynamic Bond)	Plan/Option under which Units will be allotted in the Transferee Scheme (quant Liquid Fund)
-	Direct Plan - Bonus Option	Direct Plan - Growth Option
Direct Plan - Dividend Option	Direct Plan - Dividend Option	Direct Plan - Monthly Dividend Option
Direct Plan - Growth Option	Direct Plan - Growth Option	Direct Plan - Growth Option
Regular Plan - Growth Option	Regular Plan - Growth Option	Regular Plan - Growth Option
Regular Plan - Dividend Option	Regular Plan - Dividend Option	Regular Plan - Monthly Dividend Option
-	Regular Plan - Bonus Option	Regular Plan - Growth Option

In case of Unit holders under the Transferor Schemes who had registered for Systematic investment facilities such as SIP/STP/ SWP decide to continue their investments i.e. do not opt for the Exit Option, then such SIP/STP/SWP registrations will continue to be processed under the respective Plan/Option of the Transferee Scheme from the Effective Date and no fresh registration will be required. However, Unit holders who do not wish to continue the SIP/SWP/STP (unless the systematic transfer is registered as from and between the Transferor Schemes and Transferee Scheme) under the Transferee Scheme, must apply for cancellation of their registrations before the Effective Date. The Units allotted to the Unit holders in the Transferee Scheme shall be treated as fresh subscriptions in the Transferee Scheme. Further, the date of allotment at the time of subscription in the Transferor Schemes shall be considered as the allotment date for the purpose of applicability of the exit load period at the time of redemption of such units under the Transferee Scheme. The Finance Act, 2015 amended the provisions of the Income-tax Act, 1961, providing tax neutrality on transfer of units of a scheme of a mutual fund under the process of consolidation of schemes of mutual funds as per SEBI (Mutual Funds) Regulations, 1996. **As per section 47(xviii) of the Income-tax Act, 1961, allotment of units in Transferee Scheme, pursuant to merger, to Unit holders of the Transferor Schemes who decide to continue will not be considered as redemption of units in the Transferor Scheme and will not result in short term/long term capital gain/loss in the hands of the Unit holders.**

Further, the period for which the units in the Transferor Schemes were held by the Unit holders will be included in determining the period for which such units were held by the Unit holder and the cost of acquisition of units allotted in the Transferee Scheme pursuant to merger will be the cost of acquisition of units in the Transferor Schemes. However, redemption of units from the Transferor Schemes and/or Transferee Scheme, and/or switch-out of units of the Transferor Schemes and/or Transferee Scheme to any other scheme of the Fund during the exit period option shall be considered as redemption in Transferor Schemes and/or Transferee Scheme and will result in short term/long term capital gain/loss in the hands of the Unit holders depending on the period of holding of the investment. In case of NRI investors, TDS shall be deducted in accordance with applicable tax laws for redemption/switch-out of units from the Transferor Scheme and/or Transferee Scheme during the exit period and same would be required to be borne by such investor only. Securities Transaction Tax (STT) only on extinguishment of units under Transferor Scheme and allotment under the Transferee Scheme upon merger of schemes shall be borne by the AMC. In view of the individual nature of tax consequences, Unit holders are advised to consult his/her/their professional tax advisor with regard to tax and other financial implications arising out of their participation in merger of schemes. A detailed communication in this regard will be sent to the Unit holders under the Transferor Schemes and Transferee Scheme as on January 11, 2021, through an appropriate mode of communication (post, courier, email, SMS, etc.). For the benefit of Unit holders who are not reachable due to Lockdown situation, the Notice and Unit holders' Letter is also available on the website of the Fund - www.quantmutual.com. Although the merger does not amount to a change in the fundamental attributes of the Transferee Scheme and the interest of the existing investors of the Transferee Scheme is not adversely affected. Unit holders of Transferor Schemes are requested to read the detailed features of Transferee Scheme i.e. quant Liquid Fund as stated in the Scheme Information Document which is available on the website - www.quantmutual.com. For any further assistance/clarification, Unit holders may contact us on 022-6295 5000 or +91 99202 12223 or alternatively, email us at help.mf@quant.in or visit our website www.quantmutual.com.

### NOTICE CUM ADDENDUM NO. 02/2021

#### Modification in Systematic Investment Plan Details

Notice is hereby given that the following changes in frequency of Systematic Investment Plan for all the Equity and Hybrid Schemes (Except ELSS Scheme) of quant Mutual Fund with effect from February 01, 2021:

#### Current Features

Particulars	Minimum Amounts
SIP (Systematic Investment Plan) / Micro SIP amount	
- Monthly	₹ 1,000/-
- Quarterly	₹ 3,000/-

#### Proposed Features

Particulars	Minimum Amounts
SIP (Systematic Investment Plan)	
- Weekly	Wednesday of a week
- Fortnightly	Alternate Wednesday of a week
- Monthly	₹ 1,000/-
- Quarterly	₹ 3,000/-

All other terms and conditions of Scheme Information Document of all Equity and Hybrid schemes (except ELSS Scheme) of quant Mutual Fund read with other addendums if any remain unchanged. This notice cum addendum will form an integral part of the Scheme Information Document.

### CORRIGENDUM TO NOTICE CUM ADDENDUM NO. 23/2020

In addition to details mentioned in the Notice cum Addendum No. 23/2020 issued on December 31, 2020, the following statement shall be added:

"In case none of the frequencies have been selected then Monthly frequency shall be treated as Default frequency and 10<sup>th</sup> shall be treated as Default Date."

All other terms and conditions of Scheme Information Document of all Equity and Hybrid schemes (except ELSS Scheme) of quant Mutual Fund read with other addendums if any remain unchanged. This notice cum addendum will form an integral part of the Scheme Information Document.

**For quant Money Managers Limited**  
**Sd/-**  
**Authorised Signatory**

**Place : Mumbai**  
**Date : January 08, 2021**

**MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.**