ShariahCap Advisors
Setting Standards in Ethical Finance

*Reference No. SC/QAMCO/2026/01* *17th April 2026*

# Shariah Compliance Report and Certificate
# For
# Quantum Ethical Fund (QEF)

Quantum Asset Management Company Private Limited (QAMCO) is a SEBI-registered Asset Management Company and the manager of the Quantum Ethical Fund (QEF), a Scheme of Quantum Mutual Fund. Pursuant to the agreement dated 7th October 2024 between QAMCO and ShariahCap Advisors LLP, ShariahCap Advisors conducted a comprehensive review and audit of QEF on 6th April 2026, covering the period from 1st April 2025 to 31st March 2026.

As part of the audit, QEF's portfolio holdings, custodian and depository participant account statements, bank records, trial balance, and other relevant documents were thoroughly examined. Clarifications were also sought from QEF's Fund Manager and Operations team regarding the period under review.

Based on the review of the audit team, comprising a Shariah scholar, finance and audit experts, ShariahCap Advisors confirms the following regarding the Shariah compliance status of the Quantum Ethical Fund:

**1. AUM, Investments, and Outstanding Units: FY 2025-26**

As at 31st March 2026, the total Assets Under Management (AUM) of the QEF Scheme stood at ₹88.35 crores, of which ₹80.46 crores (91.08%) were invested in approved, Shariah-compliant securities. The uninvested balance (net of receivables and payables) amounted to ₹7.89 crores (8.92%). The total outstanding units of the QEF as at 31st March 2026 were 10,31,51,250.355 (365-day average outstanding units were 7,79,29,691.067)

All uninvested funds were held exclusively in current accounts with authorised banks, and no interest was earned or accrued thereon. QEF has not engaged in short-selling or derivative transactions.

ShariahCap Advisors LLP Mumbai


shariahcap.in 1602, 16th Floor, A Wing, Belverdre Hills, Belvedre Road, Mazgaon, Mumbai – 400 010. *hello@shariahcap.in*

2. **Divestment of Non-Compliant Securities: FY 2025-26**

TVS Motor Company Ltd., in which QEF held investments during the year under review, issued on account of corporate action, 36,244 Non-Convertible Preference Shares on 25th August 2025, as part of its Bonus issue. As these Preference Shares were not in compliance with Shariah principles, the Fund divested them on 13th March 2026. Additionally, other portfolio companies that were identified as non-compliant based on their subsequent financial year data were also exited from the portfolio.

3. **Investment Purification Details: FY 2024-25**

QEF was launched on 20th December 2024. During FY 2024-25, the Fund held investment in 46 companies in its portfolio. The average interest income across all portfolio companies was 1.12% of their total income. The total interest income attributable to QEF amounted to ₹1,95,748. Based on the average daily outstanding units of 4,59,54,539.611 over 102 days, the purification (purging) rate works out to: ₹0.000042 per unit per day.

*How to calculate purification amount:*

**Number of Units Held × ₹0.000042 × Number of Days Units Held = Purification Amount**

Concerned investors may fulfil their individual purification obligation accordingly.

Based on the foregoing review, we hereby certify that the investments of the Quantum Ethical Fund (QEF) Scheme in FY 2025-26 are in compliance with the Shariah principles prescribed by the Board of ShariahCap Advisors.

Verily, Allah knows best!

ShariahCap Advisors LLP Mumbai

**For ShariahCap Advisors**

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| Mufti Mohammed Ashfaq Kazi | Mufti Yahya Moin | Dr Shariq Nisar |
| *Chairman* | *Member* | *Member* |


shariahcap.in 1602, 16th Floor, A Wing, Belverdre Hills, Belvedre Road, Mazgaon, Mumbai – 400 010. *hello@shariahcap.in*