B-FLY INDIA OPPORTUNITIES FUND

By
(B-FLY INDIA ALTERNATIVE INVESTMENT TRUST)

Policy on Prevention of Money Laundering Activities

1. Title

Policy on Prevention of Money Laundering Activities (“Policy”)

2. Objective

This Policy sets out the Anti-Money Laundering (“AML”), Countering the Financing of Terrorism (“CFT”) and investor due-diligence framework applicable to the Investment Manager as a securities market intermediary in relation to the Fund.

The Policy is intended to identify and mitigate the risks of money laundering, terrorist financing, sanctions breaches and misuse of the Fund structure, and to ensure compliance with applicable obligations relating to KYC, beneficial ownership, ongoing due diligence, reporting and record keeping.

3. Regulatory Background

- The Prevention of Money Laundering Act, 2002 and rules framed thereunder.
- SEBI master circular / circulars on AML and CFT obligations of securities market intermediaries, including the SEBI master circular dated June 6, 2024, as amended from time to time.
- Directions, notifications and guidance issued by FIU-IND, the Ministry of Finance, the Ministry of Home Affairs or any other competent authority on sanctions, suspicious transaction reporting and related compliance.

4. Applicability

This Policy is applicable to B-FLY ASSET MANAGER LLP (the “Investment Manager”), acting as the investment manager of B-FLY INDIA OPPORTUNITIES FUND, an Alternative Investment Fund (“AIF”) registered with SEBI bearing registration number IN/AIF3/24-25/1554.

This Policy shall be read together with the Private Placement Memorandum of the Fund, applicable law, internal operating procedures and any circulars, directions, clarifications or guidance issued by SEBI or any other competent authority from time to time.

5. Roles and Governance

- The Managing Partner shall have overall oversight of AML / CFT compliance.
- The Compliance Officer shall administer this Policy and, unless separately designated, shall also function as the Principal Officer for reporting and regulatory coordination under PMLA.
- The Designated Director, if separately identified under applicable law, shall discharge the responsibilities assigned under PMLA and the relevant rules.

6. Core Elements of the AML / CFT Framework

- Client acceptance standards and KYC onboarding.
- Identification and verification of beneficial ownership and control.
- Risk-based classification of investors and counterparties.
- Enhanced due diligence for higher-risk relationships.
- Ongoing monitoring of transactions and investor activity.
- Screening against sanctions, negative lists and adverse information.
- Record retention and timely reporting to FIU-IND / competent authority where required.
- Periodic training and escalation of suspicious matters.

7. KYC and Beneficial Ownership

- No investor shall be admitted unless the required KYC documentation, tax details and identification information have been obtained, verified and found satisfactory in accordance with applicable law and internal checklists.
- The Investment Manager shall identify the natural person(s) who ultimately own, control or influence the investor, and shall collect documents / declarations necessary to verify beneficial ownership.
- Where reliance is placed on KRA / CKYC records or regulated intermediaries, the Investment Manager may do so only to the extent legally permissible and without diluting its own responsibility to be satisfied with the onboarding.

8. Risk Classification and Enhanced Due Diligence

- Investors shall be classified as low, medium or high risk based on legal form, geography, source of funds, ownership complexity, sanctions / PEP exposure, adverse information and any other relevant factors.
- Enhanced due diligence shall be applied to high-risk investors, including PEPs, complex structures, high-risk jurisdictions, entities with nominee arrangements or adverse media / enforcement history, and any other relationships considered sensitive by the Compliance Officer.
- Higher-risk onboarding shall require documented rationale and appropriate approval.

9. Ongoing Monitoring and Reporting

- Transactions and investor behaviour shall be monitored on a risk-sensitive basis for consistency with known source of funds, expected profile and transaction rationale.
- Any unusual, suspicious or red-flag activity shall be escalated immediately to the Compliance Officer / Principal Officer for evaluation.
- Where required by law, the relevant report, including suspicious transaction reporting, shall be filed with FIU-IND within the applicable timeline.
- Confidentiality of suspicious transaction reviews and reporting shall be maintained.

10. Screening, Freezing and Sanctions Compliance

- The Investment Manager shall screen relevant names against applicable sanctions and watchlists at onboarding and periodically thereafter, to the extent reasonably practicable.
- Where there is a confirmed sanctions match or legal requirement to freeze funds / assets or restrict dealings, the Investment Manager shall act in accordance with law and guidance from the competent authority.

11. Record Retention and Training

- KYC records, beneficial ownership data, transaction records, internal alerts, investigation notes and reports shall be preserved for the period required by law.
- Personnel involved in onboarding, investor servicing, operations, compliance, finance and portfolio activity shall be trained periodically on AML / CFT requirements relevant to their role.

Responsibility

The Managing Partner shall be the approving authority and policy owner. The Compliance Officer shall be responsible for day-to-day implementation, monitoring, record-keeping and reporting under this Policy, except where a specific function is assigned to the Fund Manager or another authorised person.

Violation

Any person found to be in breach of this Policy may be subject to disciplinary or corrective action, including escalation to the Managing Partner and, where applicable, reporting to the relevant regulatory or law-enforcement authority.

Policy Review

This Policy shall be reviewed at least annually and earlier if required due to any regulatory change, change in business model, operational need or control enhancement. All versions and amendments shall require approval of the Managing Partner.

Deviation to Framework

Major deviations to this Policy shall require approval of the Managing Partner. All other deviations shall require approval of the Compliance Officer, who shall maintain a record of such deviations and the basis of approval.

Power to Remove Difficulties

For the limited purpose of implementing this Policy in a practical and consistent manner, the Compliance Officer may issue clarifications, operating notes, checklists and standard forms, provided that such clarifications do not dilute the requirements of this Policy or applicable law.

Reviewed By: Sunil Jatakia Fund Manager, B-FLY ASSET MANAGER LLP Date: @@ Place: Mumbai	Approved By: Chetan Rathi Managing Partner, B-FLY ASSET MANAGER LLP Date: @@ Place: Mumbai