B-FLY INDIA OPPORTUNITIES FUND

By

(B-FLY INDIA ALTERNATIVE INVESTMENT TRUST)

Policy on Valuation of Investment Portfolio

1. Title

Policy on Valuation of Investment Portfolio ("Policy")

2. Objective

This Policy establishes the framework for fair, consistent and well-documented valuation of the Fund's investment portfolio.

The Policy is designed for an AIF that may invest in listed securities and, where applicable, other permissible instruments. The Policy therefore gives primacy to the valuation norms prescribed by law for listed / traded securities and applies IPEV-based principles only for instruments not covered by those norms.

3. Regulatory Background

- SEBI (Alternative Investment Funds) Regulations, 2012, as amended.
- SEBI circular dated June 21, 2023 on valuation of investment portfolio of AIFs, as amended from time to time.
- SEBI Master Circular for Alternative Investment Funds dated May 7, 2024, as amended from time to time.
- International Private Equity and Venture Capital Valuation Guidelines (IPEV), to the extent relevant for instruments not specifically covered by prescribed SEBI valuation norms.

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. Valuation Principles

- Valuation shall be fair, consistent, verifiable and appropriately documented.
- Where specific valuation norms are prescribed under applicable SEBI regulations or circulars for a class of securities, those norms shall prevail.
- For instruments not covered by such norms, internationally accepted fair-value principles, including relevant IPEV guidance, may be applied with suitable adaptations.
- Valuation shall reflect market conditions, available pricing data, issuer-specific factors, liquidity and other relevant considerations as on the valuation date.

6. Hierarchy of Valuation Methodology

- Quoted / actively traded securities shall generally be valued using the applicable exchange-based or prescribed market price / observable input methodology under the relevant SEBI norms.
- Thinly traded, illiquid, suspended or otherwise difficult-to-value listed securities shall be valued in accordance with the methodology prescribed under the relevant SEBI valuation framework, including any use of fair-value adjustments, independent pricing inputs or valuation committee review where appropriate.

- Unquoted or non-standard instruments not covered by prescribed norms may be valued using an appropriate methodology such as market approach, income approach, net asset value approach, recent transaction price, option pricing or other accepted techniques, depending on the asset type.

7. Specific Considerations for a Listed-Securities AIF

- The valuation process shall account for corporate actions, ex-dates, accrued income, settlement conventions and any market-specific adjustments required by law or accepted practice.
- Where market prices appear stale, distorted or unavailable, the basis for any fair-value override or alternative approach shall be documented and approved through the internal governance process.
- Any side-pocket, suspended instrument, security subject to trading halt, or materially impaired security shall receive heightened review.

8. Independent Valuation and Governance

- The valuation of the investment portfolio shall be carried out by an independent valuer where required under applicable law.
- The Investment Manager shall ensure that the valuer is independent, suitably qualified and experienced for the relevant asset classes in the portfolio.
- The Fund Manager shall provide the valuer with complete and accurate information relevant to valuation, while the Compliance Officer shall oversee process adherence and documentation.

9. Frequency, Review and Exceptions

- Valuation shall be carried out at the frequency required under applicable law and the Fund documents.
- Material exceptions, overrides or methodology changes shall be documented with reasons and approved in accordance with internal governance requirements.
- Changes in valuation methodology shall be made only where justified by changes in law, market practice, instrument characteristics or the availability of better data.

10. Documentation and Disclosure

- The Investment Manager shall maintain valuation working papers, source data, assumptions, methodology notes, valuer reports and approval records.
- The Fund’s valuation methodology and the role of the independent valuer shall be disclosed in the Private Placement Memorandum and periodic investor reporting to the extent required by law.

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