

Setting New Benchmarks

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an AIF Category III Fund

PESB Asset Management LLP

About Us

Pune E - Stock Broking Limited (PESB) is a SEBI Registered entity & distinguished corporate member of NSE, BSE & MCX committed to serving clients with real-time quotes, seamless trade execution, and timely market insights. Upholding the highest standards of corporate governance, it ensures compliance with best practices across all operations.

Evolving from a pure broking and distribution model, the firm is now expanding into comprehensive wealth management services. It boasts a broad and diverse distribution network—comprising both franchise and proprietary branches—supported by a robust, scalable infrastructure.

Our vision stands to make investing simpler, achieving financial goals easier for everyone.



Key Investment Team Members



Vrajesh K. Shah

Fund Manager

Over 30 years of successful Investment journey & entrepreneurship



Vrajesh N. Shah

Over 30 years of experience in operations & entrepreneurship



Arpit Shah

Chartered Accountant

CFA Level II cleared

6+ Years of Experience in Equity Research



Drumil Shah

BBA & Post Graduate

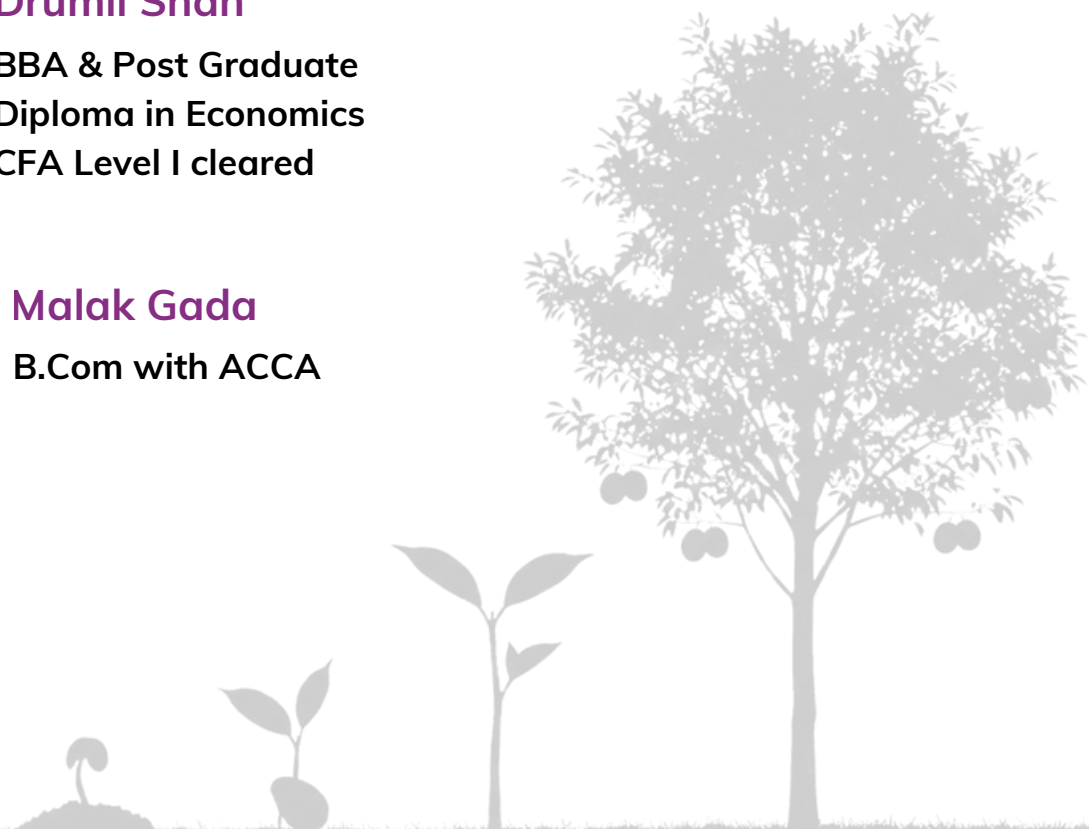
Diploma in Economics

CFA Level I cleared



Malak Gada

B.Com with ACCA



The PESB Way

Client First



Putting your financial goals at the heart of every trade and strategy.

Data Driven Decision Making



Leveraging market intelligence and analytics for precise, profitable moves.

Innovation Led



Redefining investments through cutting-edge tools and forward-thinking solutions.

Our Story

2007

PESB marked the beginning of its journey.

2008

Registered as Trading member of BSE, NSE.

2016

Acquired Pune Stock Exchange, Vraj Share Services Pvt. Ltd.

Launched Trading App & Web Versions.

Became a Public Limited Company.

2020

Started Mutual Fund Distribution (own ARN).

2021

Listed on BSE-SME (IPO).

Became SEBI-registered Research Analyst.

2024

PESB in Numbers

15+

Years of Experience



60,000+

Satisfied Clients

10+

City Presence



100+

Employees

Our Offerings

Broking & Trading

Wealth

Research

Equity
MTF
Derivatives
IPOs
Commodities
Algo

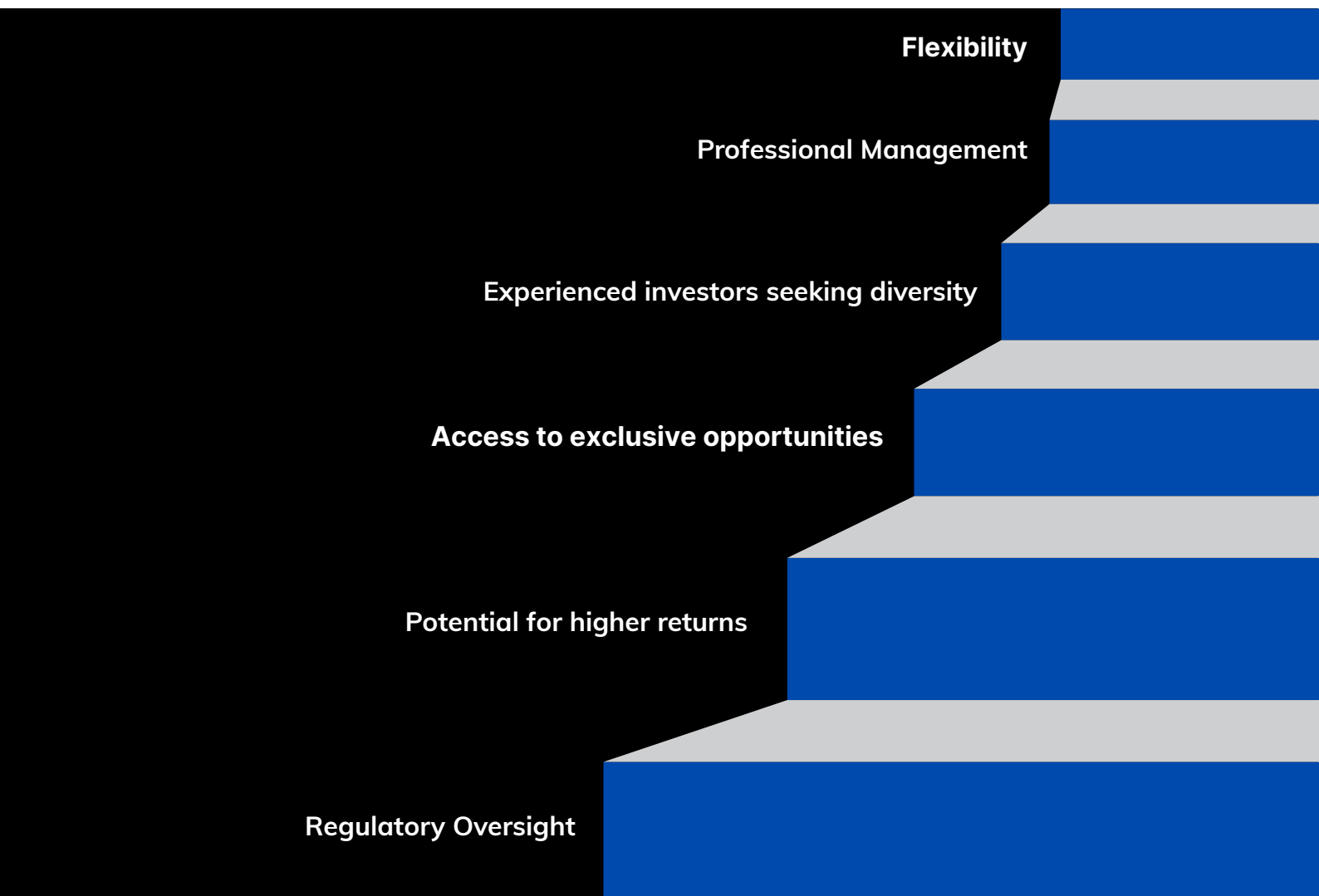
AIF CAT - III
Mutual Fund

Investment Ideas
Special Situation
Tactical Plays
Fundamental Picks
Technical Picks

Positioned to Seize Growth, Wherever It Emerges.



Why AIF?



India:

A Goldmine for Alpha

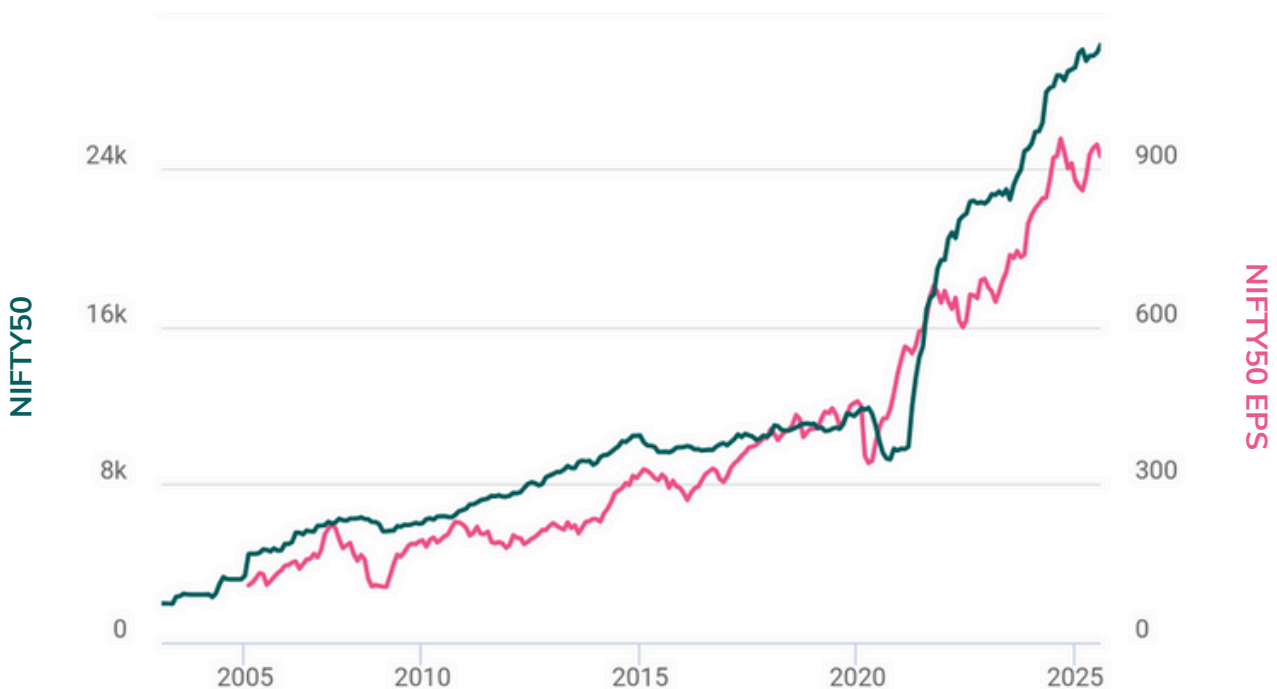
India presents a unique landscape for discovering high-quality investment opportunities, driven by its robust economic growth, demographic advantage, and accelerating structural reforms. A rising middle class, rapid urbanization, and expanding digital infrastructure are fueling consumption and innovation across sectors.

Simultaneously, policy initiatives and global supply chain shifts are catalyzing growth in manufacturing, infrastructure, and financial services. This confluence of scale, diversity, and transformation makes India a fertile ground for uncovering companies with enduring competitive advantages and long-term value creation potential.



Price is a Slave of Earnings

NIFTY50 TRI vs NIFTY50 Earnings per Share



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Research

Our research team is the backbone of our value-driven approach, comprising experienced professionals including MBAs, Chartered Accountants, Economists & CFAs.

With deep domain expertise, they actively participate in industry conferences, analyst calls, and exclusive management meets to gather on-ground insights that go beyond numbers. Our focus is on quality over quantity — we publish high-conviction ideas backed by rigorous fundamental analysis.

Our standout stock picks have delivered strong returns and become long-term wealth creators, driven by early identification of business turnarounds, sectoral tailwinds, or underappreciated growth stories.

Case Study: Privi Speciality Chemicals

A global supplier of aroma chemicals to major fragrance and FMCG giants with strong backward integration and a pipeline of premium, high-margin products, it enjoys durable cost and innovation advantages.

Growth Drivers

- Premiumization & Product Innovation: Flagship launches reshaping the revenue mix towards specialty products commanding 2-3x average realization.
- Privig JV with Givaudan: Exclusive supply of 42 niche chemicals to a global fragrance leader provides visibility and insulation from cyclical demand.
- Global Expansion: Stronghold in Europe (40% of revenue) with growing footprints in LATAM, Africa, and India ensures geographic de-risking.

Key Risks

- Delay in FDA approval for camphor products
- Givaudan contract concentration
- Geopolitical shocks affecting raw material logistics

Operating Edge

- Backward Integration: Privi's control over CST and GTO sourcing allows it to navigate volatility in pine-based raw materials, unlike peers who depend on spot imports.
- R&D-Led Differentiation: Leveraging side-streams for new molecules like menthol and florals gives it a high return on innovation.

Investment View

- With deep moats in R&D, cost leadership, and long-term contracts, Privi is entering a high-growth, margin-expansion cycle.
- Privig JV is a step-change for revenue stability and product premiumization.
- At ~17x FY27E P/E, it remains attractively priced relative to its earnings growth.

Financials

- 5 Years Revenue Growth: 10% CAGR
- 5 Years EBITDA Growth: 10% CAGR
- Margin profile has been fairly consistent with significant improvement in FY25.
- ROE stood at 18% for FY25 & is expected to rise with full utilization of new capacities.
- D/E Ratio: ~1.04x; manageable due to improving cash flow from high-value SKUs.



PRIVI SPECIALITY CHEMICALS LIMITED

Case Study: Transformers & Rectifiers India Ltd.

TARIL is India's second-largest transformer manufacturer by capacity. It caters to utilities, EPC players, and emerging segments like green hydrogen transformers, offering products from 66 kV to 1200 kV across power, furnace, and traction categories.

Growth Drivers

- Power & distribution industry is a large market propelled by significant investments in power infrastructure, renewable energy & grid modernization.
- India plans to double its power generation capacity, ensuring strong demand for at least the next 5-7 years, with TARIL currently negotiating inquiries worth over ₹18,000 crores.
- Backward Integration into CRGO steel (35% of COGS) will unlock margin expansion from Q1 FY26 onward.

Key Risks

- Execution risk in capacity expansion timeline.
- Raw material volatility despite backward integration.
- Delay in scaling newer segments like EHV and hydrogen-related orders.

Operating Edge

- Selective Bidding Strategy: Focus on high-margin orders over low-value volume plays.
- Green Energy Transition: Exclusive prototype supplier for green hydrogen transformers—first-mover advantage once commercialized.
- High entry barriers led by capital heavy nature of the industry, specialized technological expertise, stringent quality certifications, long-term relationships with utility companies and EPC contractors.

Investment View

- TARIL is strategically positioned to capture India's power infra upcycle.
- Operational leverage, raw material integration, and demand tailwinds align for sustainable margin lift and re-rating potential.
- With PAT margin targeting 10% and healthy asset turnover, it remains a robust mid-cap infra bet.

Financials

- 5 Years Revenue Growth: 28% CAGR
- 5 Years EBITDA Growth: 76% CAGR
- Margin profile has been fairly consistent with improving trend since FY22.
- Improved Debt-Equity Ratio to 0.22x from 0.45x.
- ROE significantly improved to 23% in FY25 & is expected to sustain.

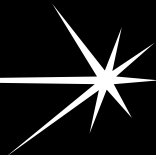


Our Framework

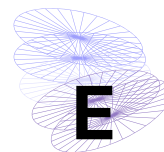
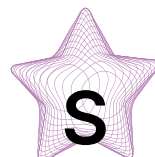
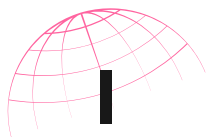
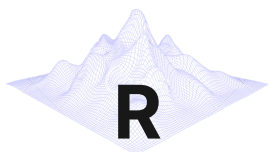
We believe that long-term wealth is not created by simply chasing returns, but by avoiding mistakes. That's why our investment process is anchored in the:

RISE Framework

Rigorous, Intelligent, Systematic, Exhaustive



We commence by excluding businesses with weak fundamentals, subsequently targeting sectors integral to India's long-term growth and enterprises with durable competitive advantages. Our proprietary multi-factor model optimizes the balance between growth, fundamentals, and valuation, while active oversight and disciplined position sizing sustain a low-churn, high-conviction portfolio designed for consistent capital compounding.



Rigorous Screening

We invert the traditional "buy-first" mindset. Every investment candidate first undergoes strict rejection filters:

Industry Dynamics

- India connection & sectoral tailwinds
- Competitive intensity
- Government policies, regulation risk
- Market size & penetration

Disruption & Innovation Analysis

- Emerging technologies
- PE-funded competitors
- Impact of shifting business models

Company Management & Strength

- Track record and governance
- Capital allocation prudence
- Barriers to entry, moats

Governance & Red Flags

- Related party transactions
- Conflicts of interest
- Stock price manipulation signals

Intelligent Industry Allocation

We follow the growth — allocating to sectors positioned to benefit from India's structural tailwinds, global realignments, and long-term secular trends.

We Prioritize sectors with strong macroeconomic tailwinds:

- Domestic consumption
- Infrastructure & capex cycle
- Financialization of savings
- Technology adoption in traditional sectors
- Global supply chain realignment (China+1)

We Avoid structurally declining industries.

Systematic Stock Selection Model

We blend data and discretion — applying proprietary multi-factor scoring to identify businesses with durable growth, strong fundamentals, and attractive valuations.

Proprietary Scoring Algorithm

- Multi-factor scoring for business quality, growth durability, and valuation

Risk-Reward Balancing

- Blend of long-only core holdings & tactical positions

Contrarian Overlay

- Opportunistic bets where market overreacts (volatility harvest)

Exhaustive Portfolio Management

We stay adaptive — dynamically rebalancing, managing risk, and capturing opportunities across market cycles while preserving tax efficiency and compounding power.

Exploit Market Cycles

- Identify turning points, dynamically rebalance positions.
- Trim at peaks, accumulate during corrections.

Low Churn, High Conviction

- Concentrated core holdings to minimize transaction costs and maximize tax efficiency.

Alpha Enhancers

- Tactical leverage at cycle bottoms.
- Dynamic cash buffer during periods of extreme valuation.

Fund Structure

- A Category III Alternative Investment Fund

Fund Name	PESB Alpha Fund
Structure	Open ended Category III Alternative Investment Fund
Sponsor Contribution	INR 10 Crores or 5% whichever is lower
Investment Manager	PESB Asset Management LLP
Fund Governance	<u>Trustee</u> : MITCON Credentia. <u>RTA</u> : CAMS. <u>Custodian & Fund Accounting</u> : Yes Bank Ltd.
Tax Advisors	One Stop Consultants & Services LLP
Legal Advisors	Richie Sancheti & Associates

Fees & Charges - Option 1

Minimum Commitment	INR 1 Crores or more
Hurdle Rate	10% per annum
Management Fees	2% per annum (charged monthly)
Performance Fees	20% sharing for returns above 10% with High Watermark
Benchmark	Nifty500
Exit Load	2% for Year 1; 1.5% for Year 2; 1% for Year 3

Fee Structure

Fees & Charges - Option 2

Minimum Commitment	INR 1 Crores or more
Hurdle Rate	10% per annum
Management Fees	2.5% per annum (charged monthly)
Performance Fees	15% sharing for returns above 10% with High Watermark
Benchmark	Nifty500
Exit Load	2% for Year 1; 1.5% for Year 2; 1% for Year 3

Fees & Charges - Option 3

Minimum Commitment	INR 5 Crores or more
Hurdle Rate	10% per annum
Management Fees	2% per annum (charged monthly)
Performance Fees	10% sharing for returns above 10% with High Watermark
Benchmark	Nifty500
Exit Load	2% for Year 1; 1.5% for Year 2; 1% for Year 3

YOUR TRUST IS OUR CAPITAL.

Contact Us:



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