

Edelweiss Alt raises \$1 bn fund

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BENGALURU

Edelweiss Alternative Asset Advisors (EAAA), the alternative asset arm of Mumbai-based financial services firm Edelweiss Financial Services Ltd, said on Monday it has raised \$1 billion, or about ₹8,000 crore, for its third special situations fund.

The fund has, so far, invested over 40% of the corpus in eight deals, the alternative investment firm said in a statement. The fund hasn't marked its final close yet.

The fund has a target corpus of \$1 billion and a greenshoe option of \$500 million. It was launched in October 2022 and mopped up \$425 million for its first close from global institutional investors, which include insurance companies and pension funds, as well as high net-worth individuals and family offices from India. The firm said the new fund has an active pipeline of deals valued at about \$480



The fund has invested over 40% of the corpus across eight deals so far. ISTOCK

million. So far, it has invested in sectors such as roads, steel, paper, hotel, leased offices, and real estate.

“We expect the private credit market to grow from its current size of \$14 billion to \$100 billion over the next decade as India doubles its

GDP to \$7 trillion. As a brand, we will continue to strive to deliver not only superior risk-adjusted returns across our businesses but also focus on providing continuous and consistent yield/income to our

clients every year and creating value for all stakeholders while fostering job creation and protection,” said Venkat Ramaswamy, vice chairman at the Edelweiss Group. Edelweiss Alternatives expects some money from offshore investors to be disbursed in the coming months. According to a spokesperson, this fund should be in the same range in terms of the capital raised as the previous one.

The second fund garnered about \$1.2 billion when it closed in January 2019. That was the largest fundraise in alternatives in India, with Canadian pension fund CDPQ as one of the key investors. It has deployed the corpus across 40 transactions and has exited 21 deals, harvesting about \$1.5 billion from these transactions, the company said.

The fund's strategy caters to companies looking for specialized financing solutions to turn around their business fortunes as well as financial institutions looking to sell their portfolio assets.

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