

Edelweiss Alternatives hits funding milestone for second infra-focussed fund

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Venkat Ramaswamy, vice chairman, Edelweiss Group and chairman, Edelweiss Asset Management

Mumbai-based alternative asset manager, Edelweiss Alternatives, which is in the process of raising capital for its second infrastructure fund, has hit a fundraising milestone even as it is yet to mark the investment vehicle's final close.

The fund, Edelweiss Infrastructure Yield Plus II has raised about Rs 8,000 crore (about \$967 million) for the alternative investment fund (AIF), from limited partners (LPs) including global pension funds, domestic and offshore institutions, family office and ultra-high-net-worth individuals (UHNIs).

“The previous performance of IYP I led the existing base of large investors to increase their commitments significantly in the second fund. Our focus on investments and asset management with large in-house operating expertise supported by continuing investments in technology and processes which we believe has helped us to be ahead in the industry,” said [Subahoo Chordia](#), the president and head of real assets at [Edelweiss Alternatives](#).

He added that the offshore capital has been raised primarily from pension and insurance institutions and is seeing more interest from these institutions.

According to Venkat Ramaswamy, the vice chairman of Edelweiss Group, the market opportunity in India for core infrastructure assets is likely to grow to about \$2.5 trillion in the next 3-4 years, helping the infrastructure platform to further scale its investments in the sector through the AIFs.

So far, the alternative asset manager has signed an agreement with L&T and Canada Pension Plan Investment Board (CPPIB) to buy a portfolio of eight road assets and a transmission line, which are cumulatively valued at Rs 6,000 crore.

The Mumbai-based alternative asset manager raised the first infrastructure fund, IYP I in 2020, securing Rs 3,300 crore in capital. The fund is now fully deployed and has exited two transmission assets to AnZen InvIT. Its current portfolio includes 12 solar projects, three annuity road projects and one toll road project.

The alternative asset manager's assets under management (AUM) are valued at over Rs 50,000 crore or \$6.3 billion. While a chunk of its AUM comprises private credit, valued at about Rs 35,000 crore or about \$4.2 billion, other asset classes include real estate, special situations, and infrastructure yield.

Among other players in the infrastructure AIF space, Mumbai-based Neo Asset Management has raised about Rs 750 crore, VCCircle reported in December, as it plans to raise about Rs 2,000 crore for its AIF. The vehicle was launched in August last year and is likely to be wrapped up for fundraising in the next six months.

Edelweiss Alternatives Subahoo Chordia Venkat Ramaswamy



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