FIRST INVESTMENT IN ARBOREAL BIO INNOVATIONS

# Edelweiss AAA Secures ₹1,200 cr for Alt Fund

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**Mumbai:** Edelweiss Alternatives Asset Advisors (EAAA) has secured commitments of more than ₹1,200 crore for its second Discovery Fund and has already deployed capital by leading a ₹230-crore Series A funding round in specialty ingredients maker Arboreal Bio Innovations, people familiar with the matter said.

The growth fund, which is registered as a Category II Alternative Investment Fund with the stock-market regulator, achieved its first close at ₹800 crore in March and has since crossed ₹1,200 crore in commitments. The fund is looking to write cheques of about ₹200 crore per company.

Its maiden investment from the new vehicle is Arboreal Bio Innovations, an ingredients technology company focused on specialty food and nutraceutical ingredients. The capital will be used to expand manufacturing capacity and accelerate product development to tap rising demand for high-performance food, beverage and nutraceutical ingredients in India.

This is led by Ashish Agarwal and builds on the firm's first fund, launched in FY22, which invested in companies including Shadowfax, Kusumgar, Rentomojo, GIVA, Renee Cosmetics and Procmart.

Fund I has backed seven companies across consumer and B2B sectors, with Shadowfax and Kusumgar listing this year while Rentomojo is preparing for an IPO, according to people aware of the developments.