

# Edelweiss' Alt Asset Mgmt Arm Raises ₹8k cr for Infra Fund

**HIGH LOCAL INTEREST** Edelweiss Alternatives has raised over 70% of money from local investors

**Swaraj Dhanjal**

**Mumbai:** Edelweiss Alternatives, the alternatives asset management arm of Edelweiss Group, has raised over ₹8,000 crore for its second infrastructure fund, more than double the amount raised for the debut fund, reflecting investor confidence in its expertise in the infrastructure sector. Subahoo Chordia, president & head, real assets told ET in an interview that the second infra fund—Edelweiss Alternatives Infrastructure Yield Plus II—raised the capital from both domestic and offshore investors. It had raised ₹3,300 crore for its debut infra fund in 2020.

“Driven by the performance of our first fund, our existing large investors have increased their commitments by 1.5 to 4 times, compared to the first fund. We have also added several new domestic and offshore investors. Over 70% of the capital has been raised from domestic investors such as family offices as well as institutional investors such as private insurance companies,” said Chordia. The offshore capital has been raised from institutions in Europe, he said, adding that there is also interest from other regions.

The first fund is completely deployed and holds investment in 18 assets — 12 solar assets, 2 transmission assets and 4 road assets. Its portfolio valuation is about 1.7 times of invested amount and is tracking a gross internal rate of return (IRR) of about 20% as of September 30.

Edelweiss Alternatives manages several funds spanning performing credit (corporate and real estate), special situations and real assets (infrastructure yield and commercial real estate), with total assets under management of about \$6.3 billion.

## Building Blocks



Infra fund 1

**₹3,300 cr**  
raised in 2020

**Fund 1 performance:** Gross internal rate of return of **20%** in dollar terms



### FUND 1 DETAILS

**813 MW solar portfolio**  
**2 transmission assets**  
**4 road projects**

### DEALS IN THE PIPELINE

Acquisition of 8 roads and 1 transmission project from **L&T IDPL** worth **₹6,000 cr** on enterprise value

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Chordia said second fund will expand the investment strategy to newer assets besides looking at data centres and water treatment. “We are evaluating operating data centres. Data centres...we expect them to become a major asset class in our next fund and so we want to start exploring opportunities in that space in this fund,” he said.

“Water treatment is another area we are exploring. It is similar to the hybrid annuity model (HAM) for roads with the central government and a concession period of 15 years,” Chordia added. Across the two funds, when fully deployed, Edelweiss will eventually hold infrastructure assets worth almost ₹40,000 crore on an enterprise value basis. The fund is in the process of closing the acquisition of a portfolio of nine infrastructure projects totalling ₹6,000 crore from L&T Infrastructure Development Projects (IDPL).

