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Edelweiss AMC Steps Up Focus On Alternatives, Plans Private Credit Fund

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By • Malvika Maloo

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Radhika Gupta, MD and CEO, Edelweiss AMC

Edelweiss Asset Management Ltd, the company that manages Edelweiss Mutual Fund, plans to launch a private credit fund and other

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“We believe there is scope of interesting strategies in alternatives investment. We’re working silently to build our presence in this space,” said Radhika Gupta, managing director and chief executive officer, [Edelweiss AMC](#).

“We have reasonable size, scale and success in our mutual fund business and we continue to build on that,” she added.

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To be sure, Edelweiss Asset Management’s alternative assets business is separate from another group company’s alternative investment operations.

Edelweiss Alternative Asset Advisors Ltd (EAAA) is the Mumbai-based Edelweiss Group’s flagship company in the alternative assets space. EAAA has assets under management of \$5.9 billion across [private credit](#), special situations and infrastructure yield funds. In October, it raised \$1 billion (nearly Rs 8,000 crore) for its third special situations fund.

The asset management arm mainly focusses on public equities, private equity and performing credit. It started its alternatives business by [OPEN APP](#) launching a public equities unit, led by former Forefront Capital Management executive Nalin Moniz. The firm currently handles Rs 900

executive Vivek Sharma as fund manager for alternative equities.

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Gupta said Edelweiss AMC is now developing its products and teams to grow its alternatives business. “We will be working and bringing multiple products to markets there,” she said, adding that she is looking at a longer-term strategy within the business.

“The idea is not to raise very large funds in the first round, but to raise respectable and meaningful sizes and deploy capital thoughtfully and build a track record. If you get one right in this business, I know that everything will follow on from that,” she added.

Edelweiss AMC is also foraying into the private credit space and will launch a fund. It is currently in the process of seeking regulatory approvals. “AIFs, as a construct, have a lot of flexibility,” Gupta said.

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“Within the AMC, we also have a good reputation on fixed income. We have the customer base and the distribution now. All we needed to add was the talent and I think that's what we've done.”

Edelweiss AMC intends to make performing credit investments, which have good quality deals and are investment grade, with a sector-agnostic approach. However, Gupta did not comment on the size of target companies.

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Previously, in 2022, Edelweiss AMC also launched its private equity business, appointing Ashish Sharma, former PE firm Navis Capital Partners executive to lead the operations.

The idea was to target the companies that are past the venture stage, have achieved product market fit, unit economics and have a certain scale. “There's a lot of capital that is chasing the large-scale private equity space. There is a lot of capital that is in the venture stage. But in the middle, the space is not as competitive,” she explained.

The fund has a target corpus of Rs 500 crore. Taking a sector-agnostic approach, the fund targets companies in the Rs 50-100 crore revenue bucket. So far, it has deployed about Rs 200 crore.

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“We've done the first close and done multiple investments, some of which are public (beauty startup Renee Cosmetics and health-tech startup THB). We are headed to a final close in the next year,” she said.

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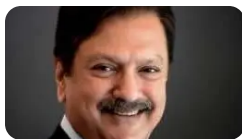
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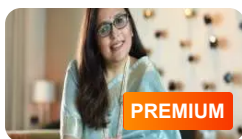
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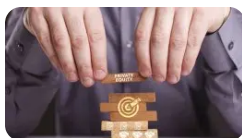
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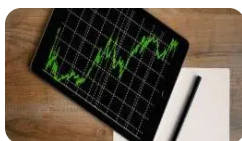
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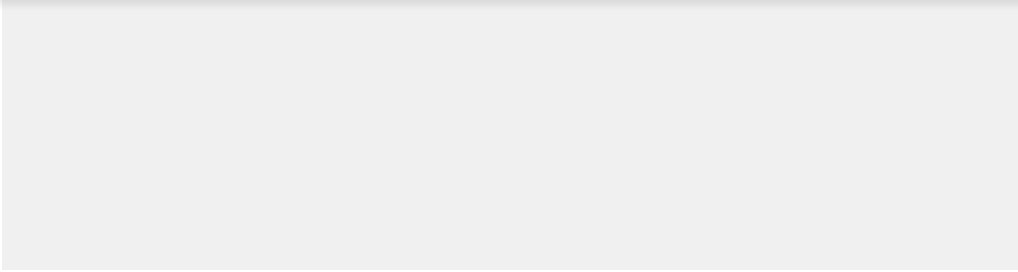


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