

Edelweiss to raise INR 20,000 Mn in Stressed / Distressed Assets Onshore Fund

Mumbai, June 12, 2018 – Edelweiss Alternative Asset Advisors Limited (EAAA), one of India’s leading investment managers in the alternative private credit segment, announced its plans of raising INR 20000 mn (including a INR 10000 mn green shoe option) in the stressed/distressed assets strategy - “EISAF II Onshore Fund”

Mr. Nitin Jain, CEO, Global Wealth and Asset Management, Edelweiss Group commented, “The fund’s investment mandate is centered around acquisition of non-performing debt from banks or financial institutions, funding companies for debt settlements, working capital financing and acquisition of stressed companies (debt & equity) under insolvency proceedings under the National Company Law Tribunal (NCLT).”

Mr. Jain further said, “This has also created an interesting opportunity for investors to participate in market neutral strategy, which offers equity like upside with a lot of protection on the downside. This fits very well in most portfolios of sophisticated investors and family offices. We have already raised assets more than INR 60000 mn in this strategy and have now created a separate slice for some of our existing wealth clients to access this opportunity”

Edelweiss is a market leader for stressed assets in India and Edelweiss Asset Reconstruction Company (EARC) is India’s largest Asset Reconstruction Company (ARC) with an AUM of over INR 441,000 mn backed by a ten year track record. It has a well-diversified portfolio for assets, with a strong & experienced team of experts for sourcing, resolution & exits of assets and an established network of relationships across 50+ banks, funds and institutions. Edelweiss is also the only player in India with a dedicated operational turnaround team to offer asset enhancement and revival capabilities.

EAAA, for its distressed fund strategy, has a highly experienced fund management team headed by **Mr. Amit Agarwal, Head - Edelweiss Stressed Assets Strategy**, and has successfully raised & deployed capital as well as demonstrated exits for its multiple stressed/distressed assets over last 10 years.

Mr. Amit Agarwal said “The fund brings together the strong origination capability, high quality underwriting and robust turnaround management practice at Edelweiss and aims to deliver superior risk-adjusted returns to clients. The fund will be focussing on assets with established infrastructure, viable business models and cash flow generation potential.

Edelweiss Group offers asset management and advisory capabilities and currently has ~INR 1,634,000 mn of assets under management.

About the Opportunity

The scale of NPAs with the banking system wherein banks themselves are unable to retain or provide capital towards a large portion of these loans presents a compelling opportunity as there is capital available via the fund route to provide solutions to this asset class is limited. Key enablers and drivers in this asset class include:

- Large pool of stressed assets with banks
- Regulators taking decisive steps for banks to resolve troubled assets

Press Release

June 12, 2018

- Recent regulatory changes like the Insolvency & Bankruptcy Code which has paved the way for stronger lenders' rights and timely resolution of assets
- Unwinding of erstwhile restructuring schemes by RBI

About Edelweiss Group

Edelweiss Group, India's leading diversified financial services provides a range of financial services including investment banking, institutional equities, securities broking, asset management, wealth management and alternative asset management. Within its fold, Edelweiss Global Wealth & Asset Management (GWAM), is one of India's foremost wealth & asset management business with over INR 1,634,000 mn assets under management & advice. The business provides customized solutions across the risk-return spectrum with expertise in different asset classes spanning Equities, Debt and Alternatives. Furthermore, the group has created a platform which can cater to a wide spectrum of clients, ranging from large global institutions like Pension Funds, Insurance Companies, Sovereign Wealth Funds, Endowments, Corporates, and the leading Business Families in India, continuously striving to create long-term value for investors, investee companies and clients.

To learn more about the Edelweiss Group, please visit www.edelweissfin.com.

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