



SWAMIH Investment Fund I

Why in News?

[SWAMIH \(Special Window for Affordable and Mid-Income Housing\)](#) Investment Fund has completed 20,557 homes since inception in 2019.

- It is **India's largest social impact fund** specifically formed for completing stressed and stalled residential projects.

What is the SWAMIH Investment Fund?

- **About:**
 - It is a government backed fund, set up as a **Category-II AIF (Alternate Investment Fund) debt fund** registered with [SEBI \(Securities and Exchange Board of India\)](#), launched in 2019.
 - The Fund is sponsored by the **Ministry of Finance** and is managed by SBICAP Ventures Ltd. (a State Bank Group company).
- **Eligibility Criteria:**
 - The real estate projects must be [Real Estate \(Regulation and Development\) Act \(RERA\)](#) **-registered** which have been stalled due to a lack of adequate funds.
 - Each of these projects must be very close to completion.
 - They must also fall **under the 'Affordable and Middle-Income Project' category** (any housing projects wherein housing units do not exceed 200 sq.m.).
 - **Net-worth positive projects are also eligible for SWAMIH funding.**
 - Net-worth positive projects are those projects for which the value of their receivables (debts owed to them by buyers), plus the value of their unsold inventories is greater than their completion costs and outstanding liabilities
- **Objective:**
 - It aims to provide financing to enable completion of stalled housing projects and ensure delivery of apartments to [homebuyers](#).
 - To unlock liquidity in the real estate sector and provide a boost to [core industries](#) such as cement and steel.

How has the Performance so Far?

- It has so far provided **final approval to about 130 projects with sanctions worth over Rs 12,000 crore.**
- The Fund has completed 20,557 homes and aims to complete over 81,000 homes in the next three years across 30 tier 1 and 2 cities.
- The Fund has been able to complete construction in **26 projects and generate returns for its investors.**
- It has also played a critical role in the growth of many ancillary industries in real estate and infrastructure sector having successfully unlocked liquidity of **more than Rs. 35,000 crore.**

What is an Alternative Investment Fund?

- An AIF is a type of investment vehicle that **pools money from a variety of investors** to invest in

assets beyond traditional stocks, bonds, and cash. These assets may include **private equity, hedge funds, real estate, commodities, or other non-traditional** investments.

- AIFs are typically marketed to **high-net-worth individuals and institutional investors** who have the knowledge and resources to invest in more complex and less liquid assets.
 - In India, Regulation 2(1)(b) of [Securities and Exchange Board of India \(SEBI\) Regulations \(AIFs\)](#), 2012 lays down the definition of AIFs.
- AIF does not include funds covered under the **SEBI (Mutual Funds) Regulations, 1996**, SEBI (Collective Investment Schemes) Regulations, 1999 or any other regulations of the Board to regulate fund management activities.

Source: PIB

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