

2. SWAMIH Investment Fund

Why in News?

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

Highlights

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