

SPECIALIZED INVESTMENT FUND



What is it?

Specialized Investment Fund (SIF) is a new asset class designed for high-risk investors seeking advanced and flexible investment options.

SIF was first proposed by SEBI in July 2024 & formalised on December 16, 2024.

Objective

The initiative aims to bridge the gap between mutual funds and portfolio management services while ensuring robust risk management and investor protection.

Key Highlights

- Minimum investment threshold limit is set to Rs. 10 lakh.
- SIFs can own not more than 15% of any company's paid up capital carrying voting rights.
- Up to 20% allocation of its Net Asset Value to debt instruments issued by a single issuer.
- SIFs can own up to 20% of units issued by a single issuer of REIT and InvIT.
- SIFs may offer across open-ended, close-ended and interval investment strategies.

Who can benefit?

- SIFs are tailored for experienced investors with significant capital and a higher risk appetite.
- The investors looking for more sophisticated strategies and broader exposure limits.
- SIFs offer flexibility to create innovative, customized products, enabling strategies that traditional mutual funds cannot accommodate.