

# IL&FS to sell its stake in GIFT City to Gujarat govt

TIMES NEWS NETWORK

**Mumbai:** The Gujarat government is set to acquire IL&FS' 50% stake in GIFT City for Rs 32.70 crore exercising its right of first refusal. The court agreed to the deal noting that the sale value was higher than the fair value as the company had a negative equity value as assessed by RBSA advisors.

The stake sale in GIFT city is part of the Uday Kotak-led board of IL&FS to liquidate assets of the group which has total debt of nearly Rs 1 lakh crore and has defaulted on its repayment obligations. The sale has been approved by a committee of creditors to whom IL&FS owes money.

Gujarat Urban Development Company Limited (on

**FOR ₹32.7 CR**

behalf of the Government of Gujarat) and IL&FS had jointly developed Gujarat International Finance Tec-City (GIFT), which includes a multi-services Special Economic Zone (SEZ) and International Finance Services Centre (IFSC). As an anchor investor and co-developer in the project, IL&FS Urban had started developing 7.77 million sq ft of built-up space in GIFT City.

GIFT hosts the first operational International Financial Services Centre (IFSC) in the country, which is aimed at preventing Indian entities from going abroad for international financial services such as foreign currency borrowing.