

# IL&FS sells 50% stake in GIFT City to Guj govt, reduces consolidated debt by over ₹1,200 cr

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**DEBT-LADEN IL&FS ON** Monday said it has completed the sale of its 50% stake in Gujarat International Finance Tec-City (GIFT City) to the Gujarat government, generating over ₹32 crore for its equity value and also reducing its consolidated debt by more than ₹1,200 crore.

The stake in GIFT City was bought by Gujarat Urban Development Company (GUDCL), on behalf of the Gujarat government.

“IL&FS has duly received ₹32.71 crore as equity value for shares as a sale consideration,” the group said in a press release. IL&FS further said the sale will additionally reduce its consolidated debt by ₹1,230 crore. The group’s current outstanding debt is over ₹94,000 crore.

The stake sale was approved by the National Company Law Tribunal (NCLT) last month.

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GUDCL, as the joint venture partner and the owner of the balance 50% stake in Gujarat International Finance Tec-City Company (GIFTCL), offered to purchase IL&FS’s share in GIFTCL through exercise of a contemplated right of first refusal under the joint venture agreement.

As per the resolution framework for IL&FS Group, the offer by GUDCL was placed before the committee of creditors (CoC) of the group for its approval, the release said. Almost 80.09% (by value) of the CoC voted in favour of the proposal, it said. GIFTCL is engaged in the business of real estate development and is developing an international financial services city in the Ahmedabad-Gandhinagar region.