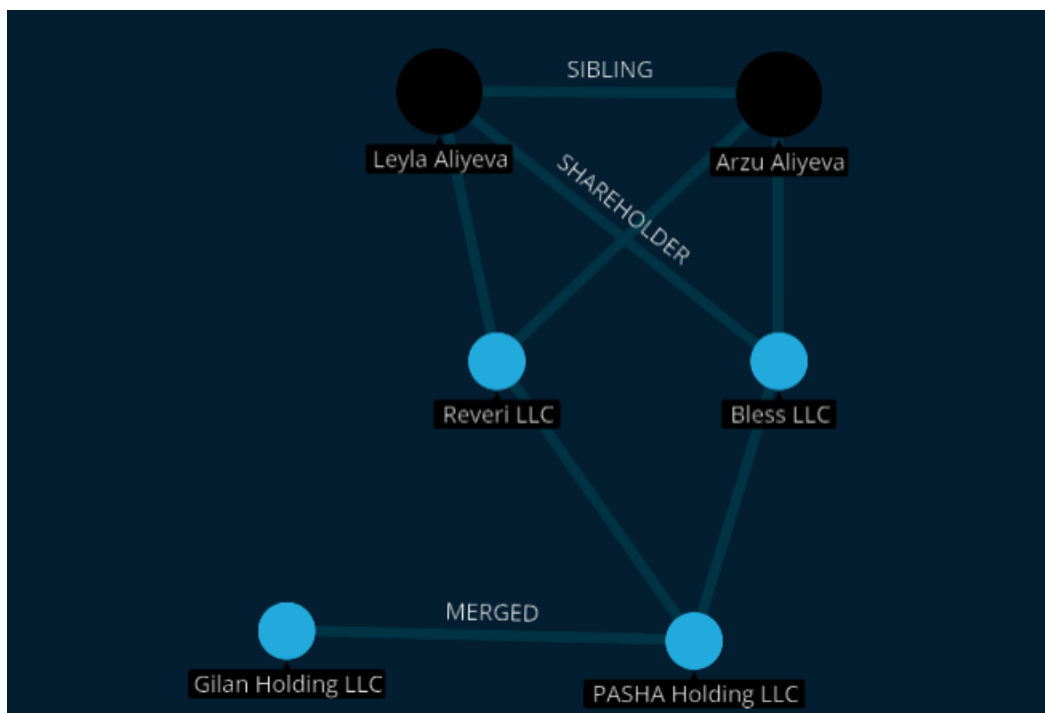


Network Insight: Gilan Holding

The sisters' takeover of a major Azerbaijani conglomerate

Azerbaijan's first family dominates the country's economy, having built up lucrative stakes in several major conglomerates during President Ilham Aliyev's time in office.^[534] Their monopolistic business practices are exemplified by their recent takeover of Gilan Holding, one of Azerbaijan's largest conglomerates.^{[517][1013][1011]}

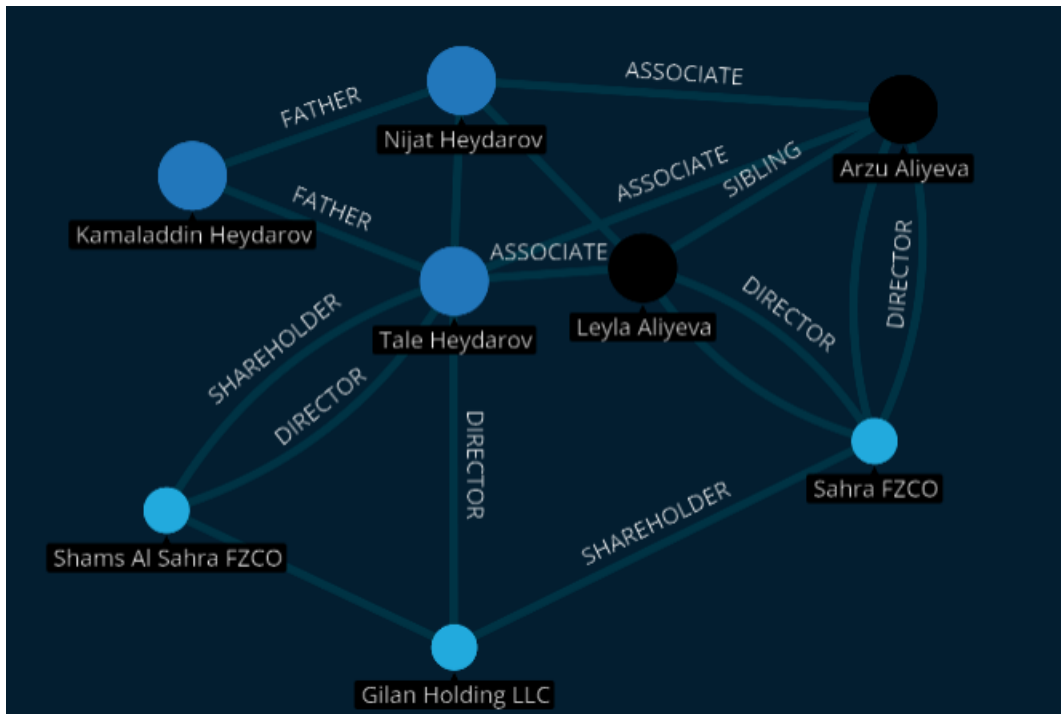
Founded in 2005, Gilan Holding is active in construction, tourism, agriculture, logistics, consumer goods, sports clubs, and stadiums.^[684] While Gilan Holding does not publish the value of its assets, it is estimated to be worth at least several billion dollars.^{[665][517]}



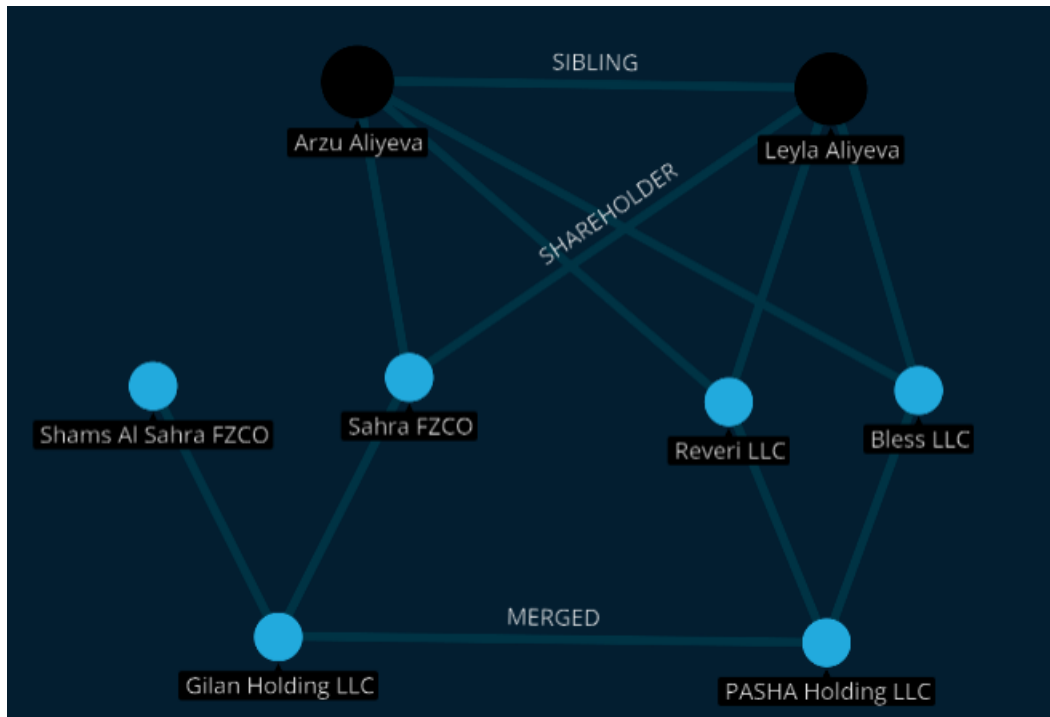
Gilan Holding was owned primarily by the second most powerful family in Azerbaijan, the family of Kamaladdin Heydarov.^[665] Since 2006, Heydarov has headed the Ministry of Emergency Situations, which has been described by reporters as “FEMA on amphetamines.”^{[1359][974]} It has a paramilitary unit, runs the fire and ambulance services, and issues permits for mining and construction, two of the major avenues for corruption in Azerbaijan. As a result, it has been called “the ministry of everything significant.”^[553]

However, recent investigations found that Leyla and Arzu Aliyeva have secretly held a controlling stake in Gilan Holding via a Dubai company.^[665] In 2013, the conglomerate was owned by two Dubai registered entities: Sahra FZCO (51%) and Shams Al Sahra FZCO (49%).^[665] As of March 2023, Sahra FZCO is

beneficially owned by Leyla and Arzu Aliyeva, and Shams Al Sahra FZCO is beneficially owned by Tale Heydarov, Kamaladdin Heydarov's son.^{[5] [8]}



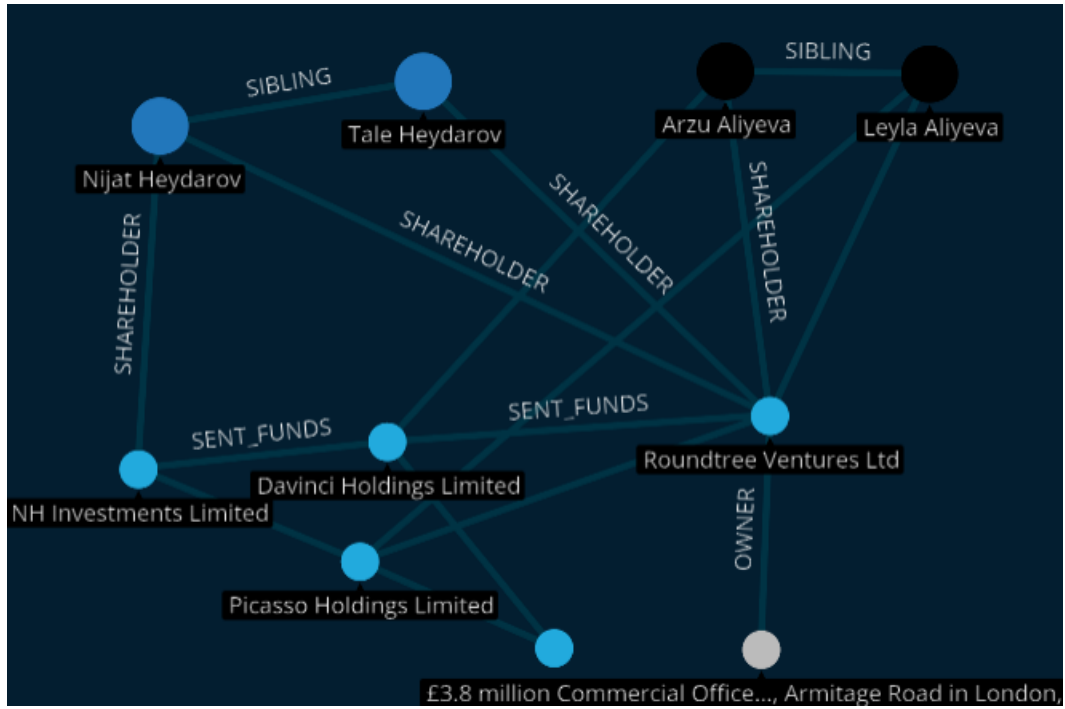
The sisters owned a large share of Gilan Holding, but new corporate filings suggest that they now own all of it. In mid-2023, Gilan Holding was renamed Khazri Solutions LLC and placed into voluntary liquidation.^{[517] [1013] [1011]} Around the same time, several Azerbaijani companies owned by the Heydarov family were placed into liquidation and merged with companies in the PASHA Holding group, which is ultimately owned by Leyla and Arzu Aliyeva.^{[951] [1013]}



Historically, Kamaladdin Heydarov’s influence and wealth was tied to the Aliyevs.^[665] Many of the oligarch’s businesses are owned by his two sons, Tale and Nijat, who are close business partners of Leyla and Arzu Aliyeva, with whom they’ve owned several large businesses, luxury overseas properties, and hotels.^[665] In addition, the Heydarov sons have acted in business deals on the instruction of Leyla and Arzu Aliyeva, which is further evidence of their close business ties.^[341]

In June 2014, the Aliyeva sisters and Heydarov sons sold Olympia House on Armitage Road, a commercial office block in northwest London that they owned jointly and equally via the British Virgin Islands company Roundtree Ventures Limited.^{[341] [356] [357] [719] [11]} The sale price was 3.8 million GBP (\$6.38 million).^[11] ^[972] From the sale, Picasso Holdings Limited and Davinci Holdings Limited—two UAE companies owned by the sisters—each received 875,000 GBP (\$1.4 million) from NH Investments, a company owned by Nijat Heydarov.^{[11] [341] [972]} The payments were made via accounts at Malta’s Pilatus Bank, which was shuttered in 2018 over systemic failures to comply with anti-money laundering regulations.^[587]

Money laundering investigators who trawled through the bank’s records found red flags for “potentially suspicious activity” relating to the sale. For instance, the bank failed to conduct the required due diligence before processing the transaction, only obtaining documents in support of the sale 10 months later.^[341] In addition, investigators found documents stating that the sisters’ assets were going through an internal restructuring “pertaining to the segregation of their jointly held assets and they had asked Mr. N. Heydarov and Mr. T. Heydarov to hold their share of the proceeds until they received further instruction.”^[341]



Citations

- 5 Diligencia, “Sahra FZCO,” March 17, 2023, available at: www.clarifiedby.com
- 8 Diligencia, “Shams Al Sahra FZCO,” March 17, 2023, available at: www.clarifiedby.com
- 11 Report of Malta’s Inquiring Magistrate Aaron M. Bugeja into Egrant Inc, July 20, 2018, on file with The Sentry.
- 341 Robert Aquilina, *Pilatus: A Laundromat Bank in Europe*, Valetta: Midsea Books, 2023.
- 356 What Do They Know, “Non Domestic Rates Assessment,” available at: https://www.whatdotheyknow.com/request/non_domestic_rates_assessment_105 (last accessed June 19, 2023).
- 357 Barnet Borough Council, NDR Non Individual Properties Over 10 000 RV Data Set, available at: https://www.whatdotheyknow.com/request/non_domestic_rates_assessment_105 (last accessed June 19, 2023).
- 517 Miranda Patrucic, Juliette Garside, Khadija Ismayilova, and Jean-Baptiste Chastand, “Pilatus: A Private Bank for Azerbaijan’s Ruling Elite,” Organized Crime and Corruption Reporting Project, April 23, 2018, available at: <https://www.occrp.org/en/thedaphneproject/pilatus-a-private-bank-for-azerbajians-ruling-elite>
- 534 Will Fitzgibbon, Miranda Patrucic, and Marcos Garcia Rey, “How the Family That Runs Azerbaijan Built an Empire of Hidden Wealth,” Organized Crime and Corruption Reporting Project, April 4, 2016, available at: <https://www.occrp.org/en/panamapapers/azerbajiani-first-familys-hidden-wealth/>
- 553 United States Department of State, “Azerbaijan: Who Owns What Vol. 2 - The Minister of Emergency Situations, Beluga Caviar, and Fruit Juice (C-RE9-02494; C-RE9-02493; C-RE9-02492),” WikiLeaks, February 25, 2010, available at: https://web.archive.org/web/20210303060038/https://wikileaks.org/plusd/cables/10BAKU127_a.htm
- 587 The Malta Independent, “Updated: Pilatus Bank Officially Closed Down,” November 5, 2018, available at: <https://www.independent.com.mt/articles/2018-11-05/local-news/Pilatus-Bank-officially-closed-down-6736198881>
- 665 Juliette Garside and Stephanie Kirchgaessner, “Azeri Ruling Families Linked to Secret Investments via Maltese Bank,” The Guardian, April 23, 2018, available at: <https://www.theguardian.com/world/2018/apr/23/azerbajian-ruling-families-linked-to-secret->

[investments-via-maltese-bank](#)

- 684 Gilan Holding website (archived), available at:
<https://web.archive.org/web/20210413010122/https://gilanholding.com/?hl=en>
- 719 Google Street View, "1 Armitage Road," available at: <https://tinyurl.com/yc3vjki4>
- 951 "Announced the liquidation of the former "Gilan Holding"" , August 30, 2023, Turan, available at:
https://www.turan.az/ext/news/2023/8/free/economics_news/en/8062.htm, copy on file at The Sentry
- 972 Xe, "Currency Table: GBP - Great Britain Pound," June 14, 2014, available at:
<https://www.xe.com/currencytables/>
- 974 Michael Weiss, "The Corleones of the Caspian," Foreign Policy, August 15, 2014, available at:
<https://foreignpolicy.com/2014/06/10/the-corleones-of-the-caspian/>
- 1011 Turan News Agency, "Announced the Liquidation of the Former 'Gilan Holding,'" August 31, 2023, available at: https://www.turan.az/ext/news/2023/8/free/economics_news/en/8062.htm
- 1013 YeniAvaz, "Changed the Name of 'Gilan Holding,'" July 11, 2023, available at:
<https://www.yeniavaz.com/en/news/218888/changed-the-name-of-gilan-holding>
- 1359 Voice of America, "Kamaladdin Heydarov Was Appointed the Minister of Emergency Situations of Azerbaijan, and Aydin Aliyev Was Appointed the Chairman of the State Customs Committee," February 6, 2006, available at: <https://www.amerikaninsesi.org/a/a-56-aze-kamaydhic-88610292/703167.html>