

Delhi HC permits Go First lessors to access aircraft for inspection

- A Monitor Desk Report

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The Delhi High Court on Wednesday (July 5) allowed crisis-hit Go First's lessors to inspect their aircraft at least twice a month and carry out maintenance.

The high court said there can be no denial of the fact that the aircraft of the petitioner lessors are highly valuable and sophisticated equipment and require maintenance for their preservation.

Justice Tara Vitasta Ganju also restrained Go First and its representatives and the Interim Resolution Professional (IRP) appointed by the NCLT from removing, replacing, or taking out any part or components, or records of the 30 aircraft except with the prior written approval of the lessor of the particular airplane. The high court passed the interim order on multiple applications filed by the lessors to alleviate any further losses.

The interim applications were filed in the main petitions by lessors seeking deregistration of their planes by aviation regulator DGCA so they could take them back from the airline.

The high court asked the Directorate General of Civil Aviation (DGCA) to permit the lessors, their employees, and agents to access the airport where their aircraft is parked and inspect them within three days.

The high court asked the respondents, DGCA and IRP -- to file their responses to the petitions of the lessors within three weeks and listed the matter for further hearing on August 3.

Earlier, The NCLT-appointed IRP, tasked with managing Go First, had told the high court that returning aircraft to the lessors would render the airline, which has 7,000 employees to look after, "dead".

On May 10, the National Company Law Tribunal (NCLT) had admitted the airline's voluntary insolvency resolution petition and appointed Abhilash Lal as the IRP to manage the carrier.

With a moratorium in force on financial obligations and transfer of assets of Go First in the wake of the insolvency resolution proceedings, the lessors are unable to deregister and take back the aircraft leased to the carrier.

The lessors had earlier told the high court that the denial of deregistration by the DGCA was "illegitimate". The lawyers for the lessors had said they had approached the civil aviation regulator for deregistration of their aircraft, but it rejected their pleas.

They said they have not received any communication from the DGCA, but having checked the status of their applications on the aviation regulator's website, they found their requests have been rejected.

The lessors who have approached the high court are Accipiter Investments Aircraft 2 Limited, EOS Aviation 12 (Ireland) Limited, Pembroke Aircraft Leasing 11 Limited, SMBC Aviation Capital Limited, SFV Aircraft Holdings IRE 9 DAC Ltd, ACG Aircraft Leasing Ireland Ltd and DAE SY 22 13 Ireland Designated Activity Company. The NCLT had on May 10 allowed the voluntary insolvency resolution plea of Go First.

On May 22, the NCLAT upheld the order of the Delhi-based principal bench of NCLT, which had admitted the plea of Go First to initiate voluntary insolvency resolution proceedings, and appointed the IRP to suspend the company's board. Several lessors approached the aviation regulator for deregistration and repossession of 45 planes they had leased to the carrier.

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