

Go First lenders appoint new RP

- A Monitor Desk Report

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On Friday (June 9), the lenders of grounded carrier Go First discussed its revival plan and appointed Shailendra Ajmera, of consultancy firm EY, as the new resolution professional (RP).

Earlier the NCLT had named Abhilash Lal of Alvarez & Marsal interim RP. There were reports that the creditors were looking for a new resolution professional from any of the big 4 consultancy firms as Lal was selected by the Go First management.

Go First, owned by the Wadia Group, had declared insolvency on May 2 owing to a severe cash crunch caused by the grounding of over half of its fleet. Its application was admitted by the National Company Law Tribunal (NCLT) on May 10.

“We are in the advanced stage of resuming operations as banks have shown confidence in supporting up financially to meet the operating expenses. We are also in touch with aviation regulator DGCA and the Ministry of civil aviation to restart operations,” said a senior executive of the airline. The airline is aiming to restart operations this month and has submitted its relaunch plan with the DGCA. As per the submitted relaunch plan, which needs the approval of the regulator and committee of creditors, the grounded carrier will restart flying with 26 aircraft and will operate over 150 daily flights.

Prior to grounding on May 3, it was operating about 200 flights daily. The

resumption plan, however, faces threat from aircraft lessors, who are knocking on various venues, including courts, seeking deregistration of aircraft leased by Go First. Go First on Friday extended its flight ban till June 14 due to operational reasons, It apologised for the inconvenience caused and said that a full refund would be issued to people whose flights stand to be canceled.

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