

SpiceJet competing to acquire Go First airlines

- A Monitor Desk Report

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Gurgaon, India: SpiceJet is among the three entities that have shown late interest in acquiring bankrupt carrier Go First. The other two entities are Sharjah-based Sky One and Africa-based Safrik Investments.

This comes days after the deadline for making proposals passed. All three companies have asked for an extension of the deadline, the report said, quoting people aware of the development. It added that the committee of creditors will now meet to consider an extension.

The last date for submission of the bids to acquire the airline was November 22. The lenders started contemplating liquidation of [Go First](#) as they did not receive any bids till the last date.

The lenders of Go First have sought \$1 billion from US-based engine maker Pratt & Whitney for supplying faulty engines and not replacing them on time. The lenders, according to ET, expect better recovery from

arbitration proceedings than selling the aircraft. Half of Go First's fleet was grounded in May after the issue of faulty engines. It also filed for bankruptcy.

Moreover, last month, Go First's chief executive officer, Kaushik Khona, resigned from his post.

The lenders are also reportedly unsure of the capabilities of Sky One and Safrik as neither of the two has much experience in handling passenger flights. SapiceJet, on the other hand, comes out to be a serious contender. But it is itself struggling with a cash crunch. Last week, the board of SpiceJet approved a proposal to raise Rs 2,250 crore through the issue of shares.

[SpiceJet](#) also said it will soon be listing its securities on the National Stock Exchange. In a regulatory filing, it said, "In order to reach a wider investor base, the company shall soon be listing its securities on the National Stock Exchange of India Limited".

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