

## **EVERYDAY CURRENT AFFAIRS – MAY 4, 2023**

### **TAMIL NADU**

- **The State government - is set to launch Tamil Nadu champions foundation on May 8**
- ✓ The pre launch event was held on May 3 in the presence of sports minister Udhayanidhi Stalin
- ✓ During the event, the Minister interacted with industry captains and corporates and sought their support in developing sports and sports infrastructure in the state.
- ✓ Tamil Nadu champions foundation's logo and website will also be launched on May 8.

### **NATIONAL**

- **Indian low-cost carrier Go First - has filed for voluntary insolvency resolution proceedings before the National Company Law Tribunal (NCLT), Delhi on May 2**



- ✓ The airlines had blamed Pratt & Whitney's "faulty" engines, which it uses on its Airbus 320 neo aircraft, for the situation.
- ✓ Go First is the first Indian carrier since in 2019, when Jet Airways went to the NCLT under the Insolvency and Bankruptcy Code.
- ✓ It is also the third major airline to collapse since 2012, following Kingfisher and Jet Airways.
- ✓ India's third-largest airline, which was renamed Go First last May, announced temporarily halt in its operations on May 3 and May 4, due to a serious cash shortage due to non-supply of engines by US aerospace major Pratt & Whitney (PW)
- ✓ The company has also requested National Company Law Tribunal (NCLT's) voluntary insolvency resolution procedures.
- ✓ The airline, founded by billionaire Nusli Wadia, had grounded 28 aircraft—more than half of its fleet—due to Pratt & Whitney's (P&W) failure to supply engines, leading to significant financial stress
- ✓ Wadia group, which owns 100% of Go First, infused 2.90 billion rupees (\$35.46 million) into the airline in April alone, bringing the group's total investment in Go First to 65 billion rupees.
- ✓ More than 5,000 people are employed at Go First.
- ✓ Go First has also sued P&W in US federal court, seeking to enforce an arbitral award that asks the engine maker to supply the airline.
- ✓ Go First has a total of 61 aircraft in its fleet – 56 A320neos and five A320ceos
  - ✓ All its A320neo aircraft are powered by Pratt & Whitney and the engine manufacturer has had issues supplying replacement engines to Go First as well as IndiGo.
- ✓ The Mumbai-based airline has been battling its worst-ever crisis since its inception in 2005
- ✓ The percentage of grounded aircraft due to Pratt & Whitney's faulty engines has grown from 7% in December 2019 to 31% in December 2020 to 50% in December 2022
- ✓ Last financial year Go First recorded its biggest-ever loss at Rs.1,808 crore on a revenue of Rs.4,184 crore which was the lowest since 2018
- ✓ The airline's total liabilities to all creditors stood at Rs 11,463 crore, according to the bankruptcy filing
- ✓ As per the filing, Go First's creditors include the Central Bank of India, Bank of Baroda, IDBI Bank, Axis Bank and Deutsche Bank.
- ✓ Among them, the Central Bank of India and Bank of Baroda have an exposure of Rs 1,300 crore, respectively, under a consortium loan, while IDBI Bank has a smaller exposure of Rs 50 crore.
- ✓ Meanwhile, Go First had also borrowed Rs 1,292 crore under the government's emergency credit scheme, which was first introduced during the Covid-19 pandemic.

- **On May 3, the agriculture ministry - set the national foodgrain production target at an all-time high of 332 million tonnes for the 2023-24 crop year**
- ✓ The set target is eight million tonnes (2.5%) higher than the output in the previous crop year.
- ✓ The target was set at a meeting on preparedness for the upcoming kharif (summer sown crops) season, beginning June.
- ✓ The ministry also decided to give special attention on increasing acreage and output of millets in 2023, the International Year of Millets.
- ✓ The strategy would be to increase area through inter-cropping and crop diversification and productivity enhancement through introduction of high-yielding varieties and adoption of suitable agronomic practices in low yielding regions.
- ✓ The India Meteorological Department (IMD) had last month predicted that monsoon is likely to be “normal” with a 49% probability of “normal to above normal” rainfall during June-September season.

## DEFENCE

- **Union Defence Minister Rajnath Singh and his Maldivian counterpart Mariya Didi - jointly laid the foundation stone for MNDF Ekatha harbour on May 3 at Sifavaru in Uthuru Thila Falhu (UTF) atoll in Male**
- ✓ The launch of construction of a harbour for the Coast Guard of the Maldives National Defence Force (MNDF) marks a major step in the growing defence cooperation between both the nations



- ✓ The UTF Harbour and Repair facility is among the biggest Indian grant-in-aid projects in Maldives.
- ✓ The UTF project was announced during External Affairs Minister S Jaishankar’s visit in February 2021
- ✓ Singh was on a three-day visit to Maldives that ended on May 3
- ✓ Singh arrived in Male on May 1 at the invitation of his Maldivian counterpart Mariya Didi.