



NO PROVISIONS IN CONTRACT FOR COMPENSATION MOUNT AI'S DREAMLINER WOES

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Facing frequent technical problems in its Dreamliner fleet, the absence of contractual provisions is hindering Air India's efforts to get financial compensation from aircraft-maker Boeing.

National carrier Air India, which is working to turnaround its fortunes, has been grappling with technical glitches with the "game-changer" Dreamliner aircraft since their induction in the fleet over three years ago.

The malfunctions have forced the national carrier to ground Boeing 787-800 planes on multiple occasions, resulting in flight delays and loss of revenue.

Last month, at least two Dreamliners were grounded by Air India in Paris and Kolkata due to technical problems.

A senior Air India official said many rounds of discussions have taken place for seeking compensation from Boeing but efforts have not been successful so far.

"There is no provision for (financial) compensation with respect to technical problems in Dreamliner under the agreement signed with Boeing," the official said.

The absence of such a provision in the contract is hindering the possibility of getting compensated for the technical glitches but efforts are being made, the official said.

Air India has inducted 21 Dreamliners in its fleet and six more are to be delivered by August 2018.

Though the airline management had also considered options such as replacing the remaining six planes with five latest version (B 787-900) aircraft, the proposal did not find favour with its board.

The government-run airline has also been forced to take the delivery of three B 777-300ER planes, which it wanted to cancel earlier due to the absence of “cancellation” clause in the purchase agreement with the US aircraft maker.

After deferring the delivery of these planes, Air India now plans to induct them in the fleet next year.

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