

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
STARRED QUESTION NO. : 156
(To be answered on the 28th November 2019)**

DELIVERY OF AIRCRAFT

***156. SHRI SHANMUGA SUNDARAM K.**

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) the total number of aircraft ordered from Boeing and the scheduled date of delivery by the foreign aircraft manufacturer;**
- (b) whether there is any delay in delivery of the aircraft and if so, the details thereof;**
- (c) whether Air India is having any specific clause for claiming damages/penalty for late delivery and if so, the details thereof;**
- (d) whether the compensation has been calculated based on the revenue foregone by Air India; and**
- (e) if so, the details thereof and if not, the reasons therefor?**

ANSWER

Minister of State (IC) in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार)

(Shri Hardeep Singh Puri)

(a) to (e): A statement is laid on the Table of the House.

Statement in reply to part (a) to (e) of Lok Sabha Starred Question No.156 for 28.11.2019 regarding DELIVERY OF AIRCRAFT tabled by SHRI SHANMUGA SUNDARAM K., MP

(a): Total number of Aircraft ordered by Indian Scheduled Carriers from Boeing is at Annexure-I.

(b) : The delivery of 27 B787-8 aircraft to Air India was delayed by Boeing due to production / design problems. The delay in the actual delivery vis-a-vis scheduled delivery of these 27 aircraft is attached as Annexure-II

(c): The Purchase Agreement between Boeing and Air India relating to B787 aircraft provided for certain contractual remedies and compensation to Air India in case of delayed deliveries by Boeing. Since there was a considerable delay in B787 aircraft deliveries, a Board Overseeing Committee was constituted by Air India Board to initiate discussion with Boeing to arrive at an enhanced settlement package prior to taking delivery of the first aircraft. The Board Sub-Committee had series of meetings with Boeing and had forwarded the final compensation offered by Boeing to Government for approval. On receiving approval, Boeing and Air India signed a supplemental delay agreement on 5th September 2012 with Boeing for enhanced compensation for these delays.

(d) and (e): In accordance with the clause for delayed delivery in purchase agreement entered with Boeing, the compensation was based on a daily lease rentals capped to maximum of 180 delay days. Air India further extensively negotiated with Boeing and was able to raise the compensation level and also secure concession that the escalation clauses in the agreement will not be applicable for the delayed deliveries and B787 aircraft would be delivered as per the price of original delivery schedule.

ANNEXURE-I to the statement of LSQ 156

Carrrier	Aircraft Type	No. of Aircraft	Delivery Schedule
Air India	B777-200LR	8	2007 - 2009
	B777-300E R	15	2007 - 2018
	B787 -8	27	2008 - 2011
Air India Express	B737-800	18	2006-2009
Tata SIA Airlines (VISTARA)	B787-900	10	2020-2022
Spice Jet Ltd	B737-8 (Max)	155	To be delivered by 2024 (Delivery of aircraft is on hold due to grounding of Max aircraft)

Annexure-II to LSQ156

DELAY IN THE ACTUAL DELIVERY VIS-À-VIS SCHEDULED DELIVERY OF THE AIRCRAFT

<u>Sr.No.</u>	<u>Aircraft Type</u>	<u>MSN</u>	<u>Reg.Mark</u>	<u>Delivery Date</u>	
				<u>Original</u>	<u>Actual</u>
-	-	-	-		
1	B787-8	36276	VT-ANH	Sept. 2008	7-Sep-12
2	B787-8	36278	VT-AND	Oct. 2008	21-Sep-12
3	B787-8	36277	VT-ANI	Nov. 2008	11-Oct-12
4	B787-8	36282	VT-ANK	Dec. 2008	20-Dec-12
5	B787-8	36283	VT-ANL	Jan. 2009	28-Dec-12
6	B787-8	36281	VT-ANJ	Mar. 2009	29-Dec-12
7	B787-8	36284	VT-ANM	Mar. 2009	18-Jun-13
8	B787-8	36285	VT-ANN	May. 2009	26-Aug-13
9	B787-8	36286	VT-ANO	Aug. 2009	1-Oct-13
10	B787-8	36275	VT-ANG	Oct. 2009	1-Nov-13
11	B787-8	36280	VT-ANE	Oct. 2009	3-Dec-13
12	B787-8	36279	VT-ANB	Dec. 2009	28-Jan-14
13	B787-8	36273	VT-ANA	Dec. 2009	7-Mar-14
14	B787-8	36287	VT-ANP	Dec. 2009	2-Jun-14
15	B787-8	36274	VT-ANC	Jan. 2010	20-Jun-14
16	B787-8	36288	VT-ANQ	Feb. 2010	17-Jul-14
17	B787-8	36289	VT-ANR	Mar. 2010	29-Sep-14
18	B787-8	36290	VT-ANS	Oct. 2010	11-Dec-14
19	B787-8	36291	VT-ANT	Nov. 2010	17-Feb-2015
20	B787-8	36292	VT-ANU	Dec. 2010	31-Mar-2015
21	B787-8	36293	VT-ANV	Jul. 2011	25-Jun-2015
22	B787-8	36294	VT-ANW	Aug. 2011	7-Nov-2016
23	B787-8	36295	VT-ANX	Aug. 2011	9-Jan-2017
24	B787-8	36296	VT-ANY	Sept. 2011	11-Jul-2017
25	B787-8	36297	VT-ANZ	Sept. 2011	23-Aug-2017
26	B787-8	36298	VT-NAA	Sept. 2011	30-Aug-2017
27	B787-8	36299	VT-NAC	Oct. 2011	11-Oct-2017