

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:146
ANSWERED ON:05.08.2013
MIRAGE AIRCRAFT
Deo Shri Kalikesh Narayan Singh

Will the Minister of DEFENCE be pleased to state:

- (a) the percentage of the annual revenue expenditure, budgeted for spares and maintenance, which was dedicated to the Mirage aircraft to maintain their required serviceability;
- (b) whether the prices of spares for the Mirage have been fixed or they are negotiated with the vendor every time the requirement arises;
- (c) the details of expenses made annually on the upkeep of the Mirage aircraft;
- (d) whether any long-term Spares Supply Agreement on firm and fixed costs has been negotiated with the vendor for the Mirage aircraft; and
- (e) if so, the details thereof?

Answer

MINISTER OF DEFENCE (SHRI A.K. ANTONY)

- (a) 4.67% of the annual revenue expenditure is budgeted for spares and maintenance for the Mirage aircraft to maintain their required serviceability.
- (b) The prices of spares of Mirage-2000 aircraft are derived from Last Purchase Price / Price Catalogue escalated to current financial year. These prices are negotiated with the vendor every time through Contract Negotiation Committee meetings as per Defence Procurement Manual.
- (c) The details of expenses during 2012-13 for the upkeep of the Mirage aircraft are as under:

Item	Expenditure (Rs. in Crores)
Procurement of spares	228.00
Repair of aggregates	191.00
Capital procurement	61.16
Capital Repair	6.69
Total:	486.85

- (d) & (e): Additional Agreement No.8 (AA 8), regarding new price escalation formula for supply of Mirage spares from Original Equipment Manufacturer (OEM) is under finalisation.