

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:3414
ANSWERED ON:12.12.2014
MIRAGE AIRCRAFT
Singh Deo Shri Kalikesh Narayan

Will the Minister of DEFENCE be pleased to state:

- (a) the percentage of the annual revenue expenditure, budgeted for spares and maintenance for all Mirage Aircraft to maintain their required serviceability;
- (b) whether the price of spares for the Mirage has been fixed or are negotiated with the vendor every time the requirement arises;
- (c) the details of expenses made annually on the upkeep of the Mirage Aircraft, spare and maintenance-wise;
- (d) whether any long term spares supply agreement, on firm and fixed costs, have been negotiated with the vendor for the said Aircraft; and
- (e) if so, the details thereof?

Answer

MINISTER OF DEFENCE (SHRI MANOHAR PARRIKAR)

- (a) 4.96% of the annual revenue budget is earmarked for spares and maintenance of Mirage Aircraft to maintain their required serviceability.
- (b) The prices of spares of Mirage-2000 aircraft have been fixed in respect of the spares listed in the preferential list (505 items) of Additional Agreement No.8. For the balance items, the prices are negotiated with the Original Equipment Manufacturers (OEMs).
- (c) The details of expenses made annually on the upkeep of the Mirage aircraft in the last three years is given below:-

(Rs. in Crore)

Sl. No.	Financial Year	Repairs	Spares
1.	2011-12	159.91	166.61
2.	2012-13	183.67	210.11
3.	2013-14	123.25	142.16

- (d) & (e): Additional Agreement No.8 to the Main Mirage Agreement of 1982 has been negotiated and signed on 19th June 2014 between Government of India and Mirage OEMs for product support and supply of spares for the next 20 years. Additional Agreement No.8 provides the yearly escalation factor as per the agreed escalation formula for procurement of spares. The escalation formula is to be revised after every five years.