

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:2418
ANSWERED ON:17.08.2006
INTEGRITY PACT FOR CHECKING OF CORRUPTION
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Will the Minister of DEFENCE be pleased to state:

- (a) whether the Government has formulated an integrity pact in order to check corruption in the Defence departments;
- (b) if so, the salient features thereof; and
- (c) the action taken to make the said pact effective?

Answer

MINISTER OF DEFENCE (SHRI PRANAB MUKHERJEE)

(a) Yes, Sir.

(b) & (c): All defence procurement cases exceeding Rs. 100 crores require bidders to sign an integrity pact which provides for an undertaking to avoid all forms of corruption in the process of bidding and for completely free, fair, transparent and unprejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into.

The integrity pact binds both the buyer as well as the vendor and also specifies sanctions and penal provisions for any violations of the same.

The sanctions inter-alia include calling off negotiations, cancellation of the contract, forfeiture of EMD/SD/Performance Bond, recovery of sums already paid with interest thereon and debarment for a minimum period of 5 years.

The integrity pact has been placed on the website of the Ministry of Defence for general information and wide publicity.