

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1494
ANSWERED ON:03.03.2006
OUTSOURCING PROCESSING WORK BY IT DEPARTMENT
Mehta Shri Bhubneshwar Prasad

Will the Minister of FINANCE be pleased to state:

- (a) the details of any Income Tax related operation outsourced/being outsourced to any private party;
- (b) if so, the details thereof;
- (c) whether any safeguard has been/is being put in place with a view to ensure that the national interest is not compromised ; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a) & (b) Certain non-core functions of the Income -tax Department have been outsourced so that the manpower in the Department can devote itself to core functions. These include :

(b) activities relating to receipt and data entry of PAN and TAN applications and printing of PAN Cards; (ii) activities relating to hosting of Tax Information Network (TIN); and (iii) data entry of returns of income where it is not possible to complete processing of returns within four months by departmental manpower.

(c) & (d) The credentials of the outsourcing vendors are evaluated and procedures for security of data, non-disclosure of information and system audit of the outsourcing vendors have been put in place. The custody, control and authority to process the data is with the Department.