

## Summary of Recommendations

### With reference to efficient and effective management of audited ITD system

(Paragraphs 2.2 to 2.82)

1. Database be adequately utilized towards broadening the tax base.
2. Tax payment details in different modules be linked more reliably.
3. Adequate system checks be provided against multiple erroneous credits for the same Challan.
4. Comprehensive recording of all transactions be ensured to achieve optimum benefits of computerization initiatives.
5. Legacy issues of assessments be factored in the system for summary processing; and basic linkages regarding unabsorbed depreciation, carry forward of losses etc. ensured.
6. Results of scrutiny assessments as post transaction events be recorded.
7. NSDL claim of 90 percent data accuracy with regards to the data uploaded by banks be reconciled with ITD's averment that challans cannot be posted into IRLA due to poor quality of challan data.
8. Chain of tax collection and reporting be strengthened.
9. Linkages amongst IT modules, viz. OLTAS, AST, e-TDS and IRLA be strengthened.
10. Information be adequately populated in IRLA.
11. Correctness of lower deduction/no deduction claimed in TDS returns be verified through eTDS application.

### With reference to outsourcing and vendor management

(Paragraphs 3.1 to 3.30)

12. Vendor performance be monitored and their contractual obligations enforced.
13. Outsourced activities be monitored periodically to ensure achievement of business objectives.
14. Conditions relating to security audit be enforced.
15. Comprehensive provisions be made in contracts for digitisation for ensuring security and confidentiality of information.
16. Comprehensive password, physical and logical access controls be ensured.