

**GOVERNMENT OF INDIA  
COMMUNICATIONS AND INFORMATION TECHNOLOGY  
LOK SABHA**

UNSTARRED QUESTION NO:1809  
ANSWERED ON:10.08.2011  
DATA PRIVACY OF INDIVIDUALS  
Sivasami Shri C.

**Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:**

- (a) whether the Government proposes to impose hefty penalties on business process outsourcing firms that compromise on the data privacy of individual customers;
- (b) if so, whether the Government proposes to make necessary amendment in information Technology Act, 2000 to adequately address data privacy concerns of individuals; and
- (c) if so, the details thereof and the action taken by the Government in this regard?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI SACHIN PILOT)

- (a): Section 43 A of the Information Technology Act, 2000 prescribes the body corporates to implement reasonable security practices and procedures. The provision also provides for compensation to be paid by body corporate, commensurate to the damages suffered by the affected person in case of leakage of sensitive personal information. Business Process Outsourcing firms are body corporates and thus are also covered under section 43A of the Information Technology Act, 2000.
- (b): The Information Technology Act, 2000 has already been amended by Information Technology (Amendment) Act, 2008 w.e.f. 27.10.2009. Section 43A of the amended Act adequately addresses data privacy concerns in digital form.
- (c): The rules under Section 43A has been notified w.e.f. 11.4.2011.