

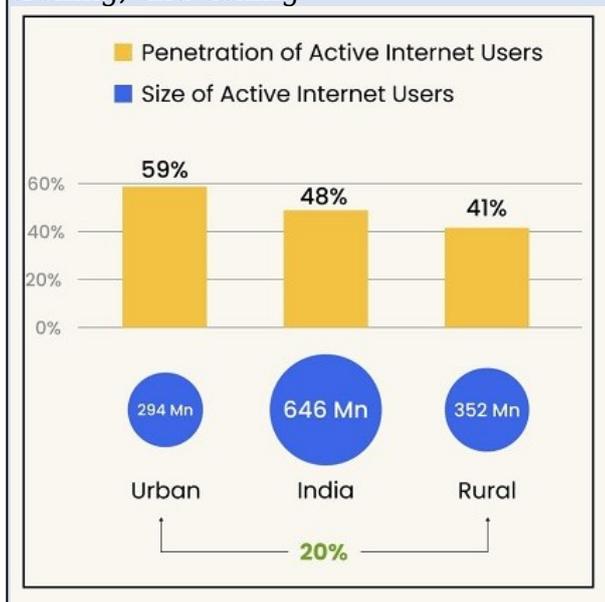
## Digital India Act, 2023

### Why in news?

The recent announcement of the Digital India Act, 2023 (DIA) represents a significant step towards establishing a future ready legal framework for the country's burgeoning digital ecosystem.

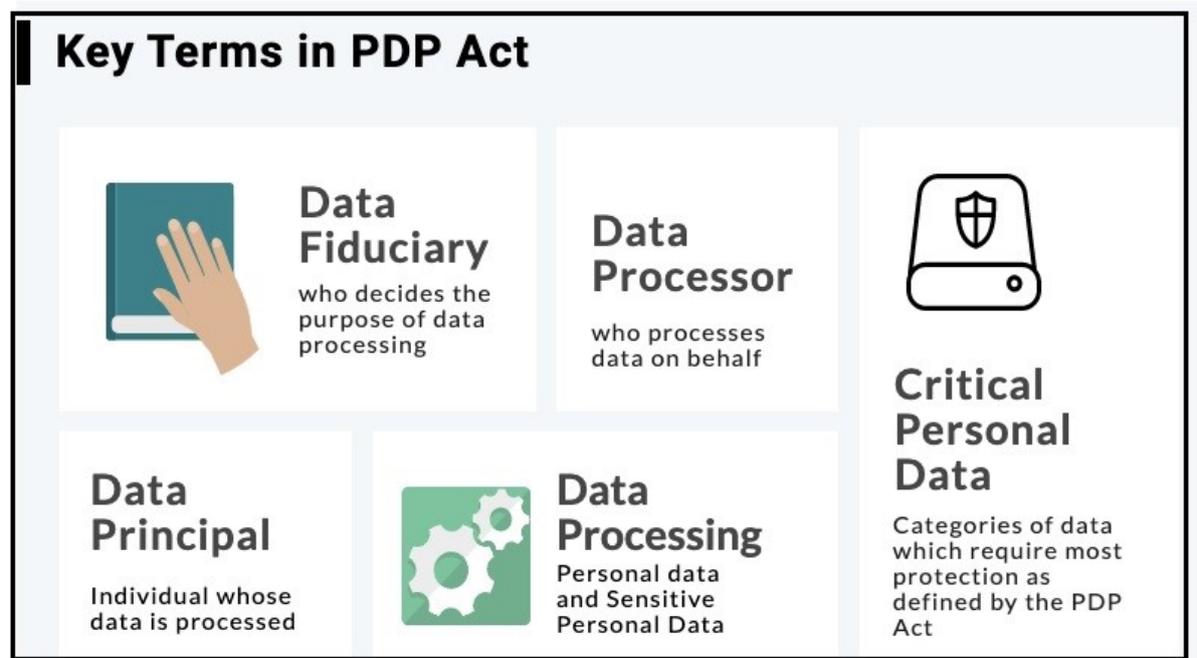
### Status of Internet Usage in India

- **India** - In January 2022, India had 658.0 million Internet users.
- As per Statista, the Internet penetration rate in India was 47.0% of the total population in early 2022.
- India is the 2<sup>nd</sup> largest online market in the world, behind China.
- It is due to the increasing affordability of smartphones, the expansion of mobile broadband networks, and the government's efforts to promote digital literacy.
- The nature of internet usage has also evolved, with the emergence of various intermediaries and the proliferation of new forms of [user harm](#), such as cyberstalking, trolling, and doxing.



### What are the key provisions of the Digital India Act?

*It replace the two-decade-old Information Technology Act of 2000 which regulated personal data.*



- **Applicability-** The Bill applies to processing of digital personal data within India where such data is collected and outside India if the data is for offering goods or services in India.
- **Consent** - Personal data may be processed only for a lawful purpose after obtaining the consent of the individual.
- **Rights of data principal-** It includes the right to
  - Obtain information about processing
  - Seek correction and erasure of personal data
  - Nominate another person to exercise rights in the event of death or incapacity and
  - Grievance redressal
- **Duties of Data Principals-** Data Principals must not
  - Register a false or frivolous complaint
  - Furnish any false particulars or impersonate another person in specified cases
  - Violation of duties will be punishable with a penalty of up to Rs 10,000.
- **Obligations of data fiduciaries-** Data fiduciary must
  - Make reasonable efforts to ensure accuracy and completeness of data
  - Build reasonable security safeguards to prevent a data breach
  - Inform the Data Protection Board of India and affected persons in the event of a breach
  - Erase personal data as soon as the purpose has been met and retention is not necessary for legal purposes
- **Data Protection Board of India-** It will be established by the Central Government for
  - Monitoring compliance and imposing penalties
  - Directing data fiduciaries to take necessary measures in the event of a data breach
  - Grievance redressal
- **Appeal-** The decisions of the board can be appealed to *Telecom Dispute Settlement*

*and Appellate Tribunal.*

To know more about the Digital Personal Data Protection Bill 2023, click [here](#)

### **How significant is the Act?**

- **Dynamic evolution**- It encompasses several pivotal clauses that mirror the dynamic evolution of the digital environment, addressing its multifaceted challenges and opportunities.
- **Safety and Trust**- It placed a strong emphasis on online safety and trust, with a commitment to safeguarding citizen's rights in the digital realm.
- **Responsible utilisation**- It recognised the growing importance of new-age technologies such as artificial intelligence and blockchain and provides guidelines for their responsible utilisation.
- **Ethical principles**- It aims to not only encourage the adoption of these technologies but also to ensure that their deployment is in line with ethical and legal principles.
- **Accountability**- DIA has adequate mechanisms for accountability in the use of technologies like AI.
- **Responsible player**- The forward-looking stance of the act aims to position India as a responsible player in the global technology landscape.
- **Open internet**- It upholds this concept striking a balance between accessibility and necessary regulations to maintain order and protect users.
- **Strict KYC norms**- The DIA mandates stringent Know Your Customer (KYC) requirements for wearable devices, accompanied by criminal law sanctions.
- **Safe harbour principle**- It contemplates review of this principle which presently shields online platforms from liability related to user-generated content, indicating a potential shift in online accountability standards.
- **SARAL**- The Act is concise and **Simple, Accessible, Rational and Actionable Law** as it
  - Uses plain language
  - Contains illustrations that make the meaning clear
  - Has minimal cross referencing

### **Principles of DIA 2023**

- **Consent**- It is for the transparent use of the data.
- **Purposeful limitation**- The use of personal data only for the purpose specified at the time of obtaining consent from the Data Principal.
- **Data minimisation**- Collection of only as much personal data as necessary to serve the specified purpose.
- **Data accuracy**- It is to ensure the data is correct and updated.
- **Storage limitation**- It is to store data only until it is needed for the specified purpose.
- **Safety**- It is for reasonable security and safeguards.
- **Accountability**- Through adjudication of data breaches and breaches of the provisions of the act and imposition of penalties for breaches.

## Principles of Digital India Act 2023

Consent

Purposeful limitation

Data minimisation

Data accuracy

Storage limitation

Safety and security

Accountability

### What are the challenges of DIA?

- **Affects the ease of doing business** - Stricter regulations, particularly in emerging technologies, could impact entrepreneurial initiatives and deter foreign investments.
- **Violates Article 19-** The review of the “safe harbour” principle, which shields online platforms from liability for user-generated content could impact the *freedom of expression*.
- **Effectiveness** - The DIA’s success hinges on effective enforcement, which will require substantial resources, expertise, and infrastructure.
- **Balancing the multiple stakeholders** - Balancing the interests of various stakeholders, including tech giants, while ensuring the protection of citizen rights, poses a significant challenge.
- **Monitoring-** Though DIA is a progressive move, its implementation warrant vigilant monitoring and adaptability to avoid unintended consequences.

### What lies ahead?

- The DIA is a crucial step towards ensuring a secure, accountable, and innovative digital future for India.
- It represents a forward-looking approach to regulation in an age of constant change and has the potential to shape the country’s digital landscape for generations to come.
- As consultations continue, it will be interesting to see how this proposed legislation evolves and plays out in the dynamic digital arena.

### References

1. [The Hindu- Digital India Act shape the country's future](#)
2. [Statista- Internet usage in India](#)
3. [PRS- Personal data protection bill 2023](#)

