

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 2nd 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 **S**imple, **A**ccessible, **R**ational and **A**ctionable **L**aw as it
 - Uses plain language
 - Contains illustrations that make the meaning clear
 - Has minimal cross referencing

- **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.



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](#)



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