DIGITAL INDIA ACT

16 March 2023



DIGITAL INDIA ACT | RESHAPING INDIA'S DIGITAL TECHNOLOGY ECOSYSTEM



01

To overhaul Information Technology Act 2000 (**IT Act**) and promote digital governance

02

To widen scope of India's digital technology laws, as opposed to limited mandate of IT Act currently

03

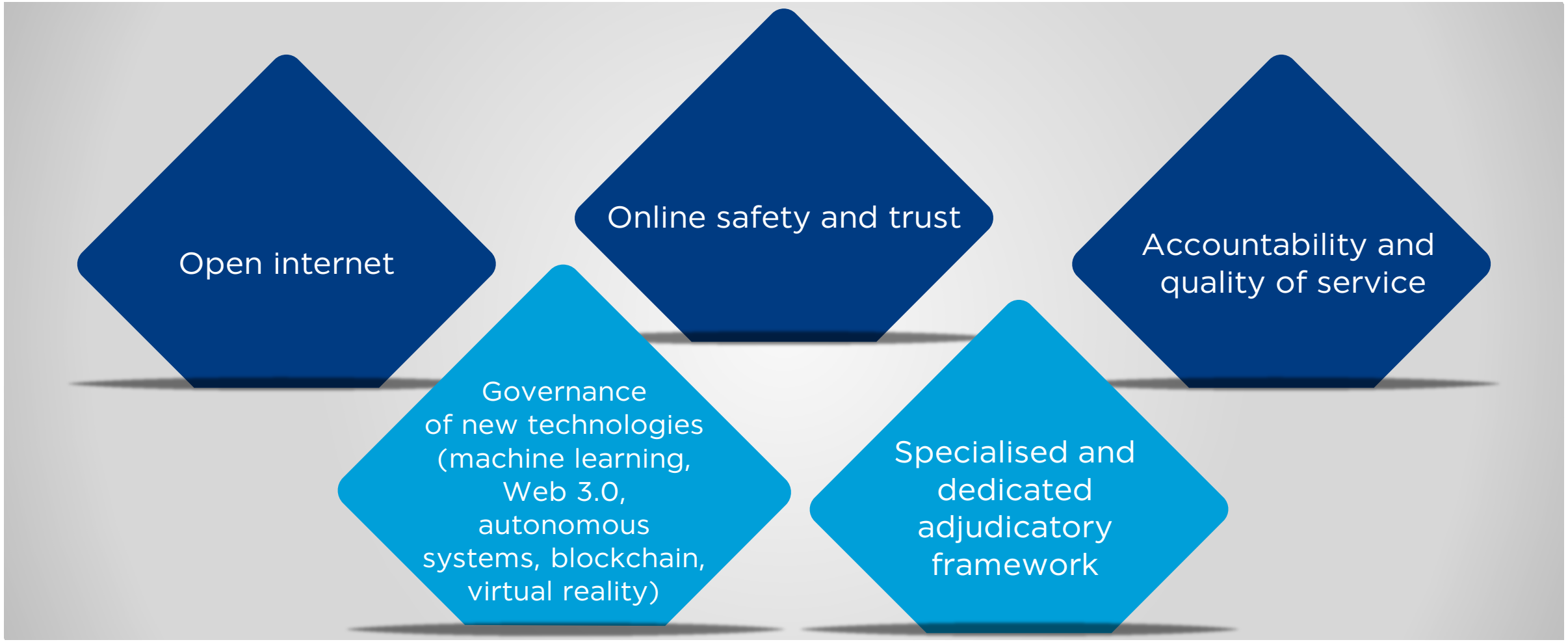
Enact global and contemporaneous legal standards to cater to India's evolving digital technology ecosystem

04

Provide for comprehensive regime to regulate artificial intelligence, intermediaries, false information, harmful content, wearable technology and other aspects

WHAT TO EXPECT UNDER THE DIA?

Act to be principles and rules based



OPEN INTERNET | ENABLING COMPETITION IN DIGITAL MARKET

01

Aim: To promote choice, competition, online diversity, fair access to digital markets, ease of doing business and ease of compliance for start-ups
Possible impact areas: App stores, ad-tech services, marketplace e-commerce entities

02

Focus: To ensure

- interoperability of digital services
- non-discriminatory access to digital services
- emphasis on fair trade practices for dominant market players

03

Recently, Indian Government has constituted committee to draft 'Digital Competition Act'; hence, it will be interesting to see how DIA is harmonised with Digital Competition Act

ENHANCED COMPLIANCES FOR INTERMEDIARIES AND TIGHTER REGULATORY REGIME

01 Attempt to tighten obligations of intermediaries vis-à-vis content displayed on their platforms; content monetization rules for platform-generated and user-generated content expected

02 Scope of intermediaries to include search engines, advertisement technology platforms, e-commerce platforms, social media platforms, digital media platforms, gaming platforms, telecom service providers, significant social media intermediaries, AI platforms

03 Intent is to prescribe different compliances specific to each kind of intermediary, as opposed to generalized obligations

04 Modifications are expected to 'safe harbour' principle under Section 79 of IT Act

05 Increased disclosure norms for data intermediaries that collect data above certain thresholds; and standards of data ownership for anonymised data likely to be prescribed

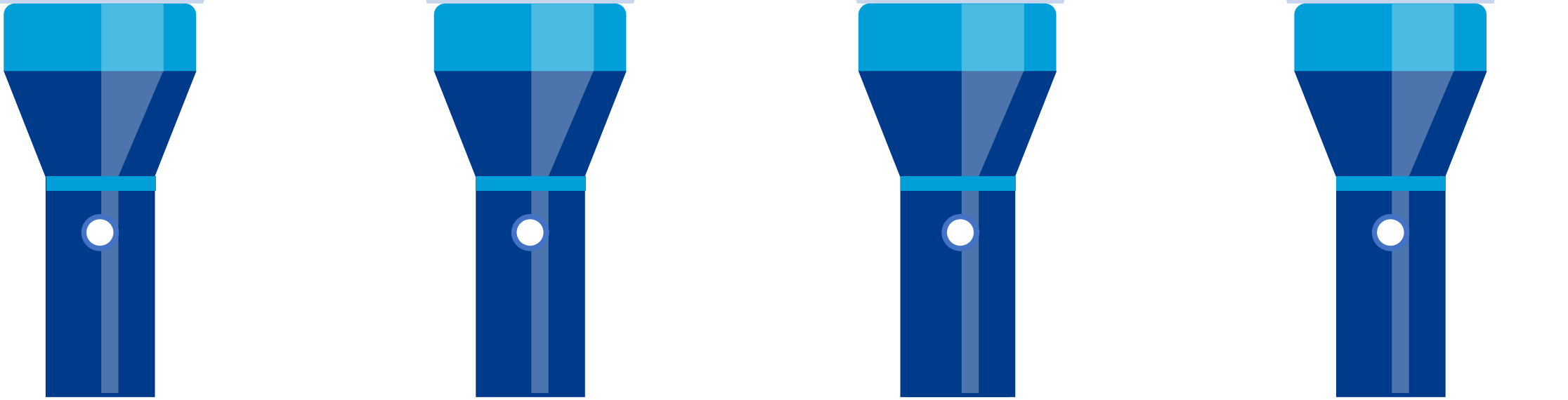
HARMFUL CONTENT | CONTENT MODERATION IMPERATIVES

Special provisions to tackle false news

Measures to curtail harmful content

Regulations for discretionary moderation of content by social media platforms

Regulation of aspects such as deep fakes, AI chatbots



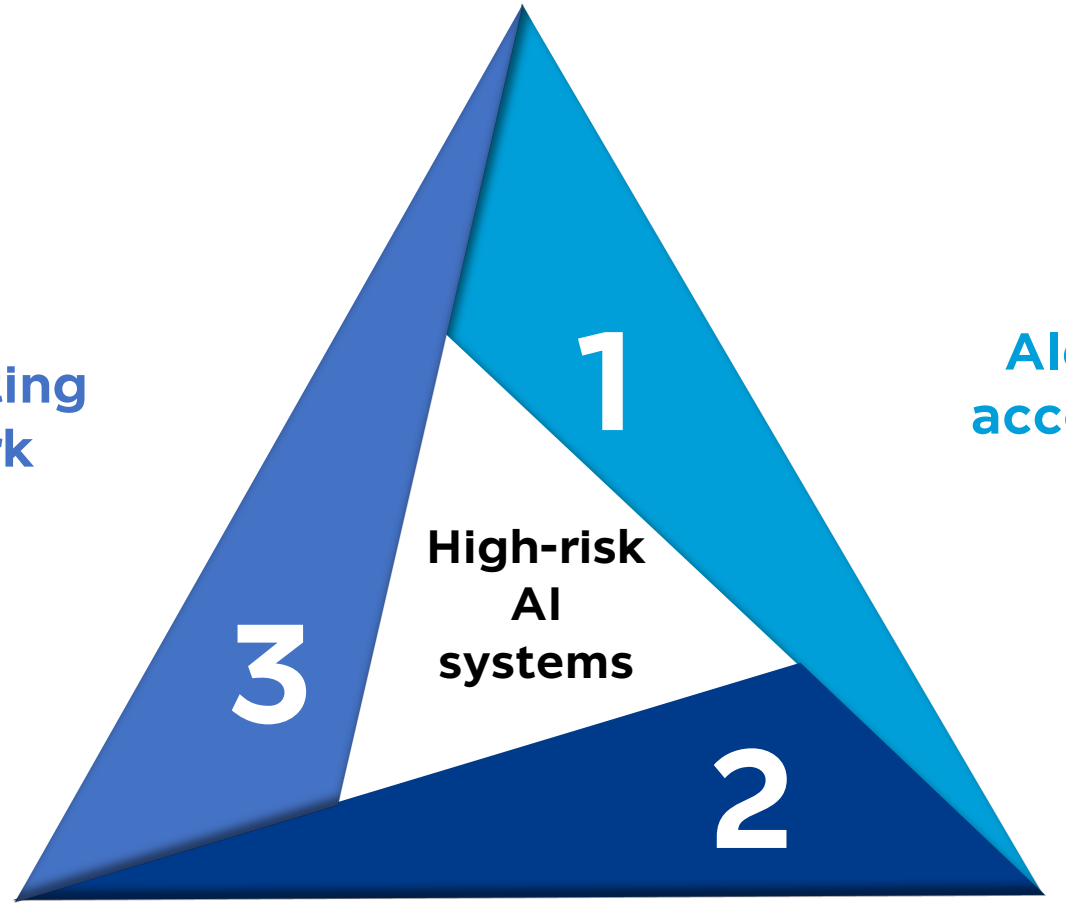
CHILD SAFETY | PROPOSED SAFEGUARDS

01 Implementation of age-gating to prevent exposure to addictive content and technology

02 Mandatory ‘do not track’ requirement for advertisements targeting children

03 Expansion of cyber-crime to include further offences against children, especially cyber-bullying, doxxing

REGULATION OF EMERGING TECHNOLOGIES | ARTIFICIAL INTELLIGENCE

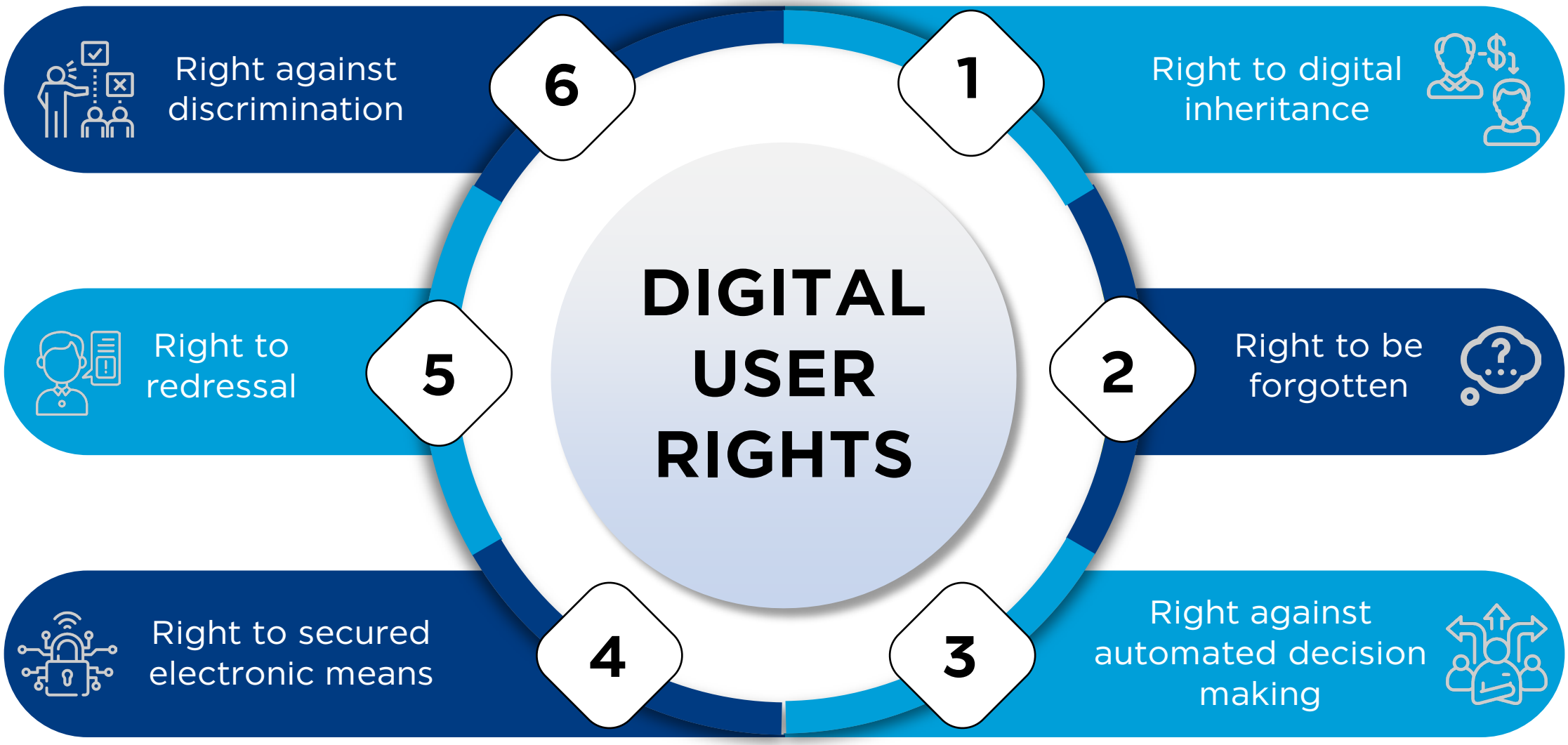


Algorithmic accountability

Quality testing framework

Threat and vulnerability assessment

DIGITAL USER RIGHTS

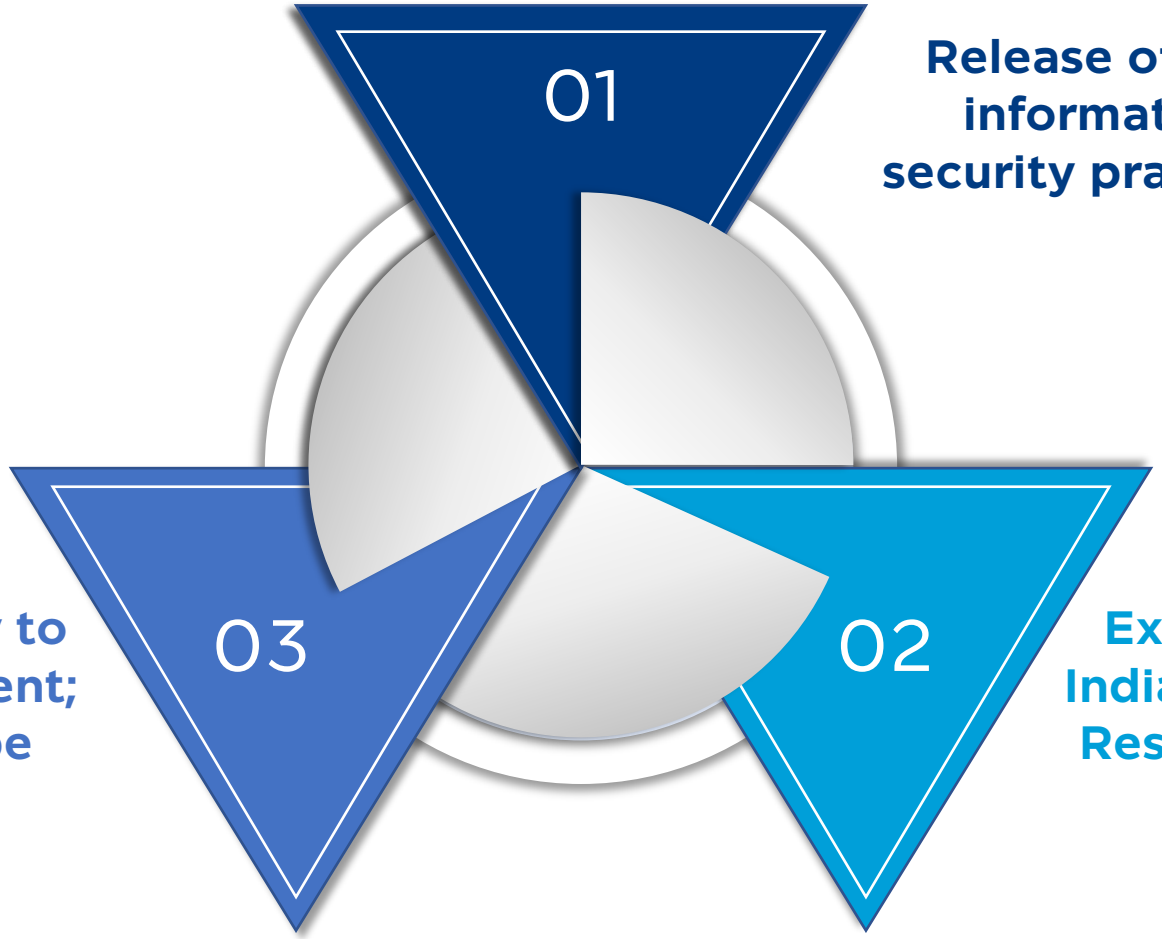


TECHNOLOGY WEARABLES AND SPY DEVICES



- Market entry for retail to be subject to stringent regulations
- Know-Your-Customer requirements may be prescribed
- Criminal sanctions may be imposed for non-compliances

CYBER SECURITY CONSIDERATIONS



Release of advisories on information and data security practices expected

Existing agencies like the Indian Computer Emergency Response Team likely to be empowered

Cyber offences likely to be made more stringent; penalties likely to be enhanced

ADJUDICATORY FRAMEWORK

Formulation of dedicated adjudicatory body which is easily accessible and delivers timely remedies

01

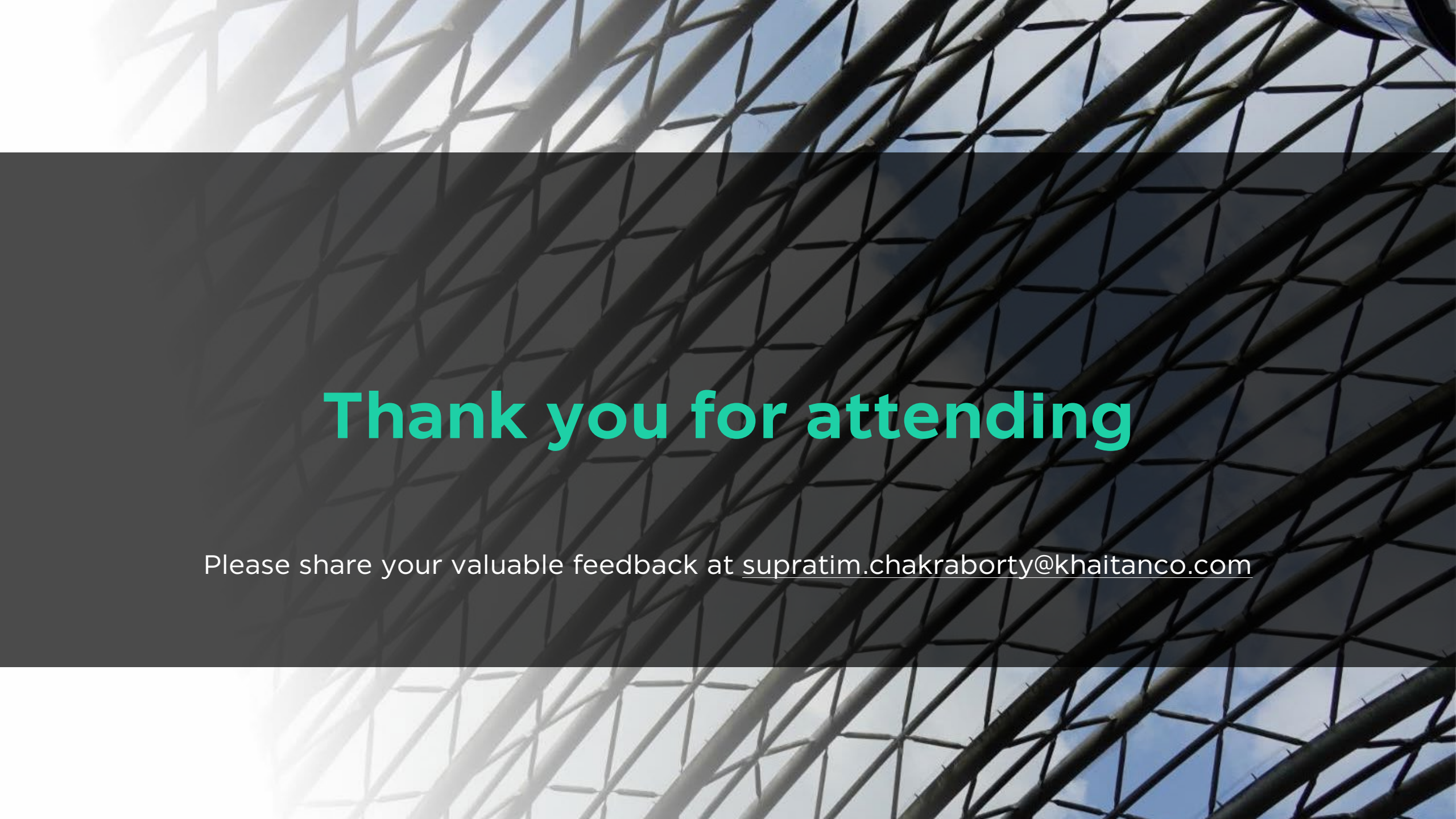
Effective, proportionate and dissuasive penalties to be prescribed

02

Establishment of dedicated inquiry agency and specialised dispute resolution mechanism

03





Thank you for attending

Please share your valuable feedback at supratim.chakraborty@khaitanco.com