

India Digital Personal Data Protection Act, 2023 (DPDP Act)

What is DPDP Act?

This Act governs the processing of digital personal data in India, regardless of whether the data was originally collected in digital or non-digital format and subsequently digitized.

Who is impacted by the DPDP Act?

Any company processing digital personal data related to offering of goods or services to people within India-regardless of where the company is based.

What is "personal data"?

Any data about an individual who is identifiable by or in relation to such data.

DPDP Act effective from 13 November 2025

Full compliance and enforcement by stakeholders within 18 months.

Tough penalties*

Up to INR250 crore for failure to have reasonable security safeguards

Up to INR200 crore for data breach notification failure

Up to INR200 crore for violation of children's data

Data Principals have the right of access, correction, completion, updating and erasure. Additional rights of grievance redressal and nomination.

- Organizations to be categorized as



Data Fiduciary



Significant Data Fiduciary

Lawful processing include - Legitimate use and Consent



- freely given
- informed
- unambiguous
- affirmative action

Provisions for verifiable consent for processing children's personal data



Obligations of Data Fiduciary

Data fiduciary is responsible for any processing undertaken by it or on its behalf by a Data Processor

- Notice
- Consent
- Storage period limitation
- Reasonable safeguards
- Breach notifications
- Contracts with Data Processors



Obligations of Significant Data Fiduciary

Specific obligations include -

- Appointing a Data Protection Officer (DPO) based in India
- Appointing an Independent Data Auditor
- Conducting Data Protection Impact Assessment (DPIA)
- Regular audits

EY

Shape the future
with confidence

* Cumulative penalties can be more than INR 250 crore

Digital Personal Data Protection Rules, 2025

The Digital Personal Data Protection Rules, 2025 ('Rules') were notified on 13 November 2025. However, Rule 3, 5 to 16, and 22 and 23 - relating to compliance and enforcement - shall come into force after 18 months, giving time to stakeholders for technical and operational readiness



Notice given by Data Fiduciary to Data Principal

- Independent in clear and plain language
- To include itemized description
- To give particular communication link to exercise their rights under the Act



Data Principal's Rights

- Access, correction, completion, updating, erasure, grievance redressal (within 90 days) and nomination
- Can furnish business contact information of DPO or any other person responsible for ensuring rights of Data Principals



Personal data of children/person with disability

- Verifiable consent and identity verification of parent/lawful guardian as prescribed



Personal data breach

- 72 hours to furnish report to Data Protection Board (DPB)
- Intimation, without delay, to the Data Principal and DPB concerned



Data retention timeline

- Prescribed, based on registered users, for E-commerce, gaming, social media companies
- For others: 1 year or as required by any law



Reasonable security safeguards

- Encryption, obfuscation, masking, maintaining data backups or use of virtual tokens mapped to personal data
- Access control management and maintenance of access logs
- In case of unauthorized access, retention of personal data and logs for a period of 1 year or as required by any law



Significant Data Fiduciary (SDF)

- Conduct Data Protection Impact Assessment
- Annual audit and report to be furnished to DPB
- Observe due diligence of algorithmic software
- Data not to be transferred outside India - yet to be specified
- Government of India can carry out an assessment to classify any Data Fiduciary as SDF



Exemptions

- Research, statistical and archiving purposes as specified
- Processing of children's data subject to conditions prescribed in Fourth Schedule: Clinical, mental health, educational establishments in respect of children/person with disability



Transfer of personal data outside India

- Transfer of personal data outside India is allowed subject to restrictions to be specified by central government



Consent Manager

- First Schedule lays down requirements and obligations of registering as a Consent Manager with the DPB
- Registration and obligations commence from 13 November 2026

Source: <https://www.meity.gov.in/static/uploads/2025/11/53450e6e5dc0bfa85ebd78686cadad39.pdf>