# The dawn of a new age of privacy in India

The Digital Personal Data Protection Act (DPDPA), 2023 and Rules, 2025



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### Digital Personal Data Protection Act, 2023

### Journey so far

Below is the timeline of the DPDPA Act, outlining its release and the key milestones in its implementation.

The Honorable Supreme Court of India declared the Right to Privacy as a fundamental right in K.S. Puttaswamy judgement. The PDP Act, 2019 introduced in the Lok Sabha and was referred to the Joint Parliamentary Committee (JPC).

The Ministry of Electronics and Information Technology (MeitY) released a draft on Digital Personal Data Protection Bill (DPDPB) for public consultation.

The President of India assented to the Bill to make Digital Personal Data Protection (DPDP) an Act.

MeitY has officially notified the final DPDP Rules, 2025

August 2017

December 2019

November 2022

August 2023

November 2025

July 2<u>018</u>

The Committee formed under the chairmanship of Justice Srikrishna submitted report along with a draft of PDP Act, 2018.

December 2021

JPC released its report and a new version of the Act as the Data Protection Act (DPA). July 2023

The Union Cabinet approved the draft DPDP Bill, 2023.

January 2025

The Draft DPDP Rules, 2025, were published for public consultation.

### Applicability of the Act-





### Processing of digital and digitized personal data

Processing of personal data within the territory of India and outside of India

Data that is in digital format or in non-digital form and digitized subsequently

Activity related to offering goods and services to Data Principals within India



### Does not apply to

Processing for domestic or personal purposes by individuals

Personal data made publicly available by:

Data Principal to whom such personal data relates

Any other person who is under an obligation under any law

### Exemptions to the Act



Processing personal data necessary for research, archiving, or statistical purposes is exempted, provided it meets the standards specified in Second Schedule of DPDP Rules, 2025

Certain instrumentalities of the Government of India are exempted from compliance when processing is in the interest of sovereignty, security, public order, or national integrity, as notified by the government

### Digital Personal Data Protection Act, 2023

### Key aspects of the Act

### **Key definitions -**



Personal data means any personal data about an individual who is identifiable or in relation to such s any person



**Data Fiduciary** mean who alone or in conjunction with other persons determines the purpose and means of processing of Personal Data.



Significant Data Fiduciary any Data Fiduciary or class of Data Fiduciaries as may be notified by the Central Government on the basis of an assessment of relevant factors.

### Notice -

Shall be clear, itemized, in plain language and should include

- Purpose of processing
- Manner for accessing rights
- Manner of making a complaint to the board

Notice to be provided in English or to have an option for any language specified in the Eighth Schedule of the Indian Constitution.

### Children's data -

The Data Fiduciary shall adopt appropriate technical and organizational measures to ensure that verifiable consent of the parent is obtained.

Behavioral monitoring of children or targeted advertising directed at children is prohibited.

### Data principal rights

- Rights to access
- Right to correction and erasure
- Rights of grievance redressal
- Right to nominate

### Transfer of personal data outside India

Personal data processed by Data Fiduciaries may be transferred outside India, provided that the Data Fiduciaries comply with the conditions or directions issued by the Central Government for such transfers.

### Grounds for processing personal data

### Consent -

Consent from a Data Principal shall be:

- free, specific and informed;
- unconditional and unambiguous with clear affirmative action

### Legitimate uses



Data Principal has voluntarily provided her personal data



Performance of any law or in the interest of sovereignty, integrity of India or security



To issue any subsidy, benefit, service, certificate, license or permit



Compliance with any legal judgement, decree or order



Responding to a medical emergency involving a threat to life



With the epidemic outbreak of disease, or any other threat to public health



For safety in the case of any disaster, or any breakdown of public order



For the purpose of employment or those related to safeguarding the employer from loss or liability

### Penalties of non-compliance

- Non-compliance of the provisions by Data Fiduciaries up to INR 250 crore
- Breach in observing the obligation of Data Fiduciary to take reasonable security safeguards up to INR 250 crore
- Breach in observance of duty of Data Principal up to INR
   10,000
- Breach in not giving notice of personal breach up to INR 200 crore
- Breach in observance of additional obligation in relation to children up to INR 200 crore
- Breach in observance of additional obligations of Significant Data Fiduciary up to INR 150 crore

### Key aspects of the Rules

The DPDP Act, approved by the President of India on 11 August 2023, is now set for effective implementation following the official notification of the final DPDP Rules by MeitY on 13 November 2025

23<sub>Rules</sub>

Rules

14 are directly applicable to the Data Fiduciary, while the remaining provisions address the establishment and operation of the Data Protection Board, the registration and obligations of the Consent Manager, and the standards to be followed while processing personal data by the State and its instrumentalities.

#### **Notice and Consent**

Data Fiduciaries shall:



- Provide notices in clear and plain language with :
  - a) Itemised Description of the personal data
  - b) Specified purpose for processing of personal data.
- Provide communication link to Data Principals through website/app

#### Consent manager

Consent Manager shall:



- Be Registered with the Board and meet all eligibility requirements according to the Part A of First Schedule.
- Manage consent flows securely and maintain detailed consent records for at least 7 years, or longer if required by law or agreed with the Data Principal

#### Reasonable Security safeguards

Data Fiduciaries shall:



- Implement strong reasonable security safeguards such as encryption, masking, obfuscation, access controls, activity logging, backups and business continuity
- Maintain visibility through monitoring, reviews and one year log retention.

#### Personal data breach

Data Fiduciaries shall:



- Notify affected Data Principals and the Board without any delay after discovering a personal data breach.
- Submit a report with updated and detailed information related to the breach to the Board within 72 hours of becoming aware of the breach.

### Data retention timelines

Data Fiduciaries shall:



- Define clear data erasure timelines specific to the purpose of processing personal data
- Retain logs including traffic related to data processing transactions for a minimum of one year.
- Notify the Data Principal at least 48 hours before erasing their personal data once the purpose is fulfilled or no longer applies.

#### Data principal rights

Data Fiduciaries shall:



- Publish clear channels and means for Data Principals to submit rights requests on their websites/apps or both.
- Maintain a data principal grievance system that responds to issues within 90 days.

#### Verifiable Parental Consent

Data Fiduciaries shall:



- Obtain verifiable parental consent before processing any child's personal data.
- Use reliable identity and age verification methods (ID details or authorised digital tokens).
- Implement technical measures to ensure verifiable consent is obtained from parent of a child

#### **Exception to Verifiable Parental Consent**

Obligations on processing of children's personal data shall not be applicable to a Data Fiduciary who:

- Is a health professional or an allied healthcare professional.
- Is an educational institution and/or creche.
- Is a child transport provider and tracks location during travel for safety



### Key aspects of the Rules

### Significant Data Fiduciary (SDF)

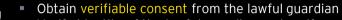
Significant Data Fiduciaries shall:

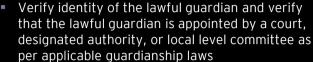


- Conduct Data Protection Impact Assessments (DPIA) and audits annually
- Cause the person carrying out DPIA and audit to furnish to the Board a report containing significant observations
- Ensure due diligence in technical measures including algorithmic software's

#### Verifiable Consent (Person with Disability)

Data Fiduciaries shall:



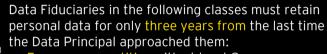


#### Data Protection Board of India



- The Data Protection Board of India is the regulatory body responsible for monitoring compliance with the DPDP Act and Rules
- Based in the National Capital Region (NCR), it operates as a fully digital office
- The Board will be constituted by a Search-cum-Selection Committee headed by the Cabinet Secretary

### Deletion of Personal Data



- E-commerce entities with at least 2 crore registered users in India
- Online gaming intermediaries with at least 50 lakh registered users in India
- Social media intermediaries with at least 2 crore registered users in India



3 Schedules outline requirements to guide Data Fiduciaries in taking appropriate actions to achieve compliance, while the remaining Schedules pertain to the operation of the Board and the processing of personal data by the State and its instrumentalities



First Schedule: Defines eligibility and operational obligations for Consent Managers.



**Second Schedule:** Specifies the standards for processing of personal data by the State and its instrumentalities.



Third Schedule: Specifies retention timelines pertaining to each class of Data Fiduciary.



**Fourth Schedule:** Identifies eligible Class of Data Fiduciaries and purposes that are exempted from the conditions of processing children's data.



**Fifth Schedule:** Details the terms and conditions of service for the Chairperson and other members of the Data Protection Board.



**Sixth Schedule:** Provides the terms and conditions of appointment and service for officers and employees of the Data Protection Board.



**Seventh Schedule:** Describes the purpose under which the central government may require the Data Fiduciary or the intermediaries to furnish information as requested.

### Timeline for implementation

Below is the implementation timeline for the rules that all Data Fiduciaries must adopt in order to ensure compliance and safeguard the personal data of Data Principals.

### Now

Rules 1, 2 and 17 to 21 shall come into effect immediately on the date of their publication in the Official Gazette.

- Rule 1: Provides the title of the Rules and specifies the date from which the Rules shall come into force
- Rule 2: Defines essential terms used throughout the Rules
- Rule 17: Provide details on appointment of Chairperson and other member for Data Protection Board of India (Board)
- Rule 18: Provide details on salary, allowances, and other terms and conditions of service of Chairperson and other Members of the Board
- Rule 19: Defines procedure for meetings of Board and authentication of its orders, directions and instruments.
- Rule 20: Provide details on functioning of Board as digital office.
- Rule 21: Defines terms and conditions of appointment and services of officers and employees of Board.

### 12 Months

November 2026

Rule 4 shall come into force one year after the date of publication of the Gazette

Rule 4: Provides details on registration and obligations of the Consent Manager

Rules 3, 5 to 16, 22 and 23 shall come into force eighteen months after the date of publication of the Gazette.

- Rule 3: Provide details on the content of the notice that the Data Fiduciary must provide to the Data Principal when processing their personal data.
- Rule 5: Describes that the State and its instrumentalities for subsidies, benefits, licenses, etc process personal data following the standards in the Second Schedule of DPDP Rules 2025.
- Rule 6: Describes reasonable security safeguards that Data Fiduciary must implement to safeguard personal data processed by them.
- Rule 7: Provide details on intimation of personal data breach to data principals and the Board.
- Rule 8: Provide details on the retention timeline to be followed by the Data Fiduciary and the class of Data Fiduciary once the purpose has been fulfilled.
- Rule 9: Describes the requirement to publish contact information of a person who can answer
  questions about data processing on the application or website.
- Rule 10: Provide details on the collection of verifiable consent for processing the personal data of a \*child.
- Rule 11: Provide details on the collection of verifiable consent for processing of personal data of person with disability who has lawful guardian.
- Rule 12: Describes exemptions from certain obligations applicable to processing of personal data of child.
- Rule 13: Describes additional obligations applicable to Significant Data Fiduciary (SDF).
- Rule 14: Provide details on rights of data principal.
- Rule 15: Provide details on transfer of personal data outside the territory of India
- Rule 16: Describes exemptions from Act for research, archiving or statistical purposes
- Rule 22: Provide details on how to appeal to the Appellate Tribunal
- Rule 23: Provide details on purposes where Central Government may require the Data Fiduciary
  or the intermediaries to furnish information as requested.



### Journey to compliance

As organizations embark on the journey towards compliance with the DPDP Act, 2023 and DPDP Rules 2025 there are multiple facets and requirements as per the Act and could be phased in 0 to 18 months for an effective and sustainable data privacy and protection program.

### Now

0 - 6 months

- Develop the data privacy framework to strengthen your organization's data privacy program
- Develop/Refresh privacy notice to clearly articulate the requirements as following:
  - The categories of personal data being collected
  - The purposes for which each data element is captured
  - The mechanisms for data principles to withdraw consent
  - The process through which users can raise concerns or submit grievances
- Conduct data mapping exercise to identify
  - The categories and attributes of personal data captured across the organization
  - Systems, repositories, and environments where this data is stored or processed
  - The internal recipients and external recipients (third parties) with authorized access
  - Flow of data across internal processes and external partners, including all third party vendors
- Enhance/implement baseline security measures such as but not limited to
  - Protection of personal data in transit and at rest
  - Role-based access controls supported by continuous log monitoring
  - Maintenance of audit logs for a minimum of one year
  - Robust backup, disaster recovery, and business continuity protocols
  - Appropriate provision in the contract within all third-party contracts
- Update/develop and operationalized breach response procedure to ensure readiness to notify data principals and Data Protection Board without undue delay
- Establish/Enhance data privacy training program to ensure compliance with the requirements of DPDPA 2023 and Rules 2025
- Define and document data retention procedure to:
  - Establish a mechanism to retain personal data and transactional logs for a period of at least one year
  - Establish a three-year data retention schedule and provide users with at least 48 hours' advance notice prior to any planned deletion for the special classes of Data Fiduciaries
- \*Establish mechanisms for:
  - Annual Data Protection Impact Assessments (DPIAs)
  - Independent Annual Audits
  - Algorithmic Transparency and Fairness Assessments
  - Potential Data Localisation Requirements



12 - 18 months

- Implement Privacy Enabling Technologies (PETs) to reduce manual tasks and manage your data governance activities in an automated manner
- Undertake external certifications to demonstrate compliance with the Privacy Information Management System (PIMS)

Note: This timeline is indicative in nature and the associated activities and timeframes may vary depending on the organization's data privacy posture

### How can EY help?

### Journey to compliance

Our comprehensive transformation strategy takes into account the essential aspects of the Act throughout the organization's data management lifecycle.

### Data privacy assessment O:

Assess the current Data Privacy posture, working practices and documentation against the requirement of DPDP Act and Rules

### Data discovery and mapping Of

Identify the personal data touch points and conduct data discovery and mapping activities.

### RoPA and data flow diagram

Document personal data processing activities and its flow across various processes, systems, applications, third parties, etc.

### Consent and notice management 04

Prepare consents, cookie banners, cookie policies and privacy notices to be implemented across touchpoints where personal data is collected.

### Privacy impact assessment O

Identify data privacy risks by performing privacy impact assessments for processing activities and define controls to be implemented for mitigation.



### Third party risk management O6

For third parties processing personal data, enable organizational and technical security measures that are implemented through inclusion within contracts and strong governance practices.

#### Technical safeguards

Identify and implement the required technical safeguards to ensure protection of personal data from data breaches.

### Data protection office setup

Setup a data protection office by identifying the right team accountable and responsible for enabling compliance within the organization.

### Implementation and automation OG

Implement the controls required to achieve compliance and identify opportunities for automation to bring efficiency in managing compliance.

### Monitoring and sustenance 1

Implement a periodic monitoring program to assess compliance at various intervals to sustain what has been implemented.

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