

UNIT II

INFORMATION TECHNOLOGY ACT, 2000

NEED FOR IT ACT

- The dependence of business on the use computers was increasing because of the inevitable advantages internet offers
- Businesses used computers to create, transmit and store information in electronic form instead of traditional paper
- But due to anonymous nature of internet, people had been misusing internet

- So, common man was reluctant to do business in electronic form
- Therefore, Government of India realised the need to give legal recognition to digital signatures and electronic records
- As a result, IT Act 2000 was introduced to facilitate e-Commerce and e-Governance
- It was the first step that our Government took in this direction

OBJECTIVES OF ACT

- To grant legal recognition to any transaction carried out by means of electronic data interchange
- To give legal recognition to digital signature for authentication of any information which requires authentication under any law
- To facilitate electronic filing of documents with Government Departments

- To facilitate electronic storage of data
- To provide legal sanction to transfer funds electronically to and between banks and financial institutions
- To provide legal recognition for keeping books of account in electronic format by bankers
- To provide legal infrastructure to promote e-commerce and secure information system

SCOPE OF THE ACT

- Extends to whole of India
- Also applicable to any offence committed outside India by any person irrespective of his nationality provided such offence involves a computer system located in India

EXCLUSIONS FROM THE ACT

- A negotiable instrument (other than a cheque)
- A power of attorney
- A trust
- A will
- A contract for sale of immovable property
- Any document or transaction notified by the Central Govt in official gazette

AMENDMENTS TO THE IT ACT, 2000

- Exponential growth of technology gave new ways and means to cybercrimes.
- To counter this growing cyber threats in the act was amended in the years 2002, 2006 and 2008.
- The major changes were brought about in the year 2008

IT AMENDMENT ACT 2008

- A body corporate dealing in sensitive personal data or information in a computer resource and lacking in providing sufficient security to safeguard data has been made liable
- Dishonest act by misuse of electronic signature, password or any other unique identification feature of a person is punishable
- Sending messages of offensive nature through communication service has become punishable u/s 66A

- Punishment for stealing or retaining of any stolen computer resource or retaining of any stolen computer resource u/s 66B
- Introduction of virus, manipulating accounts, denial of services made punishable
- Cyber terrorism u/s 66D
- Child pornography

KEY DEFINITIONS UNDER THE ACT

- Please refer to the book for the key definitions