

DPDP Act Decoded:

Applicability, Impact & Our POV



India's Privacy Reset

Implications of the DPDP Rules 2025 for Indian Enterprises

The notification of the Digital Personal Data Protection Rules, 2025 on 14 November 2025, marks a decisive shift in India's data governance landscape. These rules operationalize the DPDP Act, 2023 and set the foundation for how organizations must collect, process, secure, retain, and share digital personal data going forward.

As a firm advising clients across digital transformation, risk, compliance, and cybersecurity, we see the DPDP rules as a watershed moment that demands immediate strategic action and structured implementation planning.

Applicability of the Rules



Data Fiduciaries (DF)

Entities that determine the purpose and means of processing digital personal data, including: Private sector enterprises, start-ups and MSMEs
Government bodies and authorities

Data Processors (DP)

Entities that process personal data on behalf of a Data Fiduciary

Significant Data Fiduciaries (SDF)

Designated by the Government based on volume or sensitivity of data processed

Territorial Scope

The rules apply to: Personal data processed within India, Offshore processing targeting individuals in India, third-party processors located outside India receiving data from Indian entities

Key Requirements Under the DPDP Rules

- Consent, Notices & Purpose Limitation
- User Rights & Response Obligations

Data Fiduciaries must operationalize mechanisms to fulfil rights, including

- Right to Access
- Right to Correction/Erasure
- Right to Grievance Redressal
- Right to Consent Withdrawal

Systems must maintain timestamps, proof of fulfilment, and tracking of requests

- Data Retention & Auto-Erasure
- Security Safeguards & Audit Trails
- Data Breach Notification Requirements
- Special Conditions for Children's Data
- Cross-Border Data Transfers
- Vendor, Third-Party & Outsourcing Compliance
- Significant Data Fiduciary (SDF) Obligations

Organizations must anticipate



- Overhaul of customer-facing notices & consent systems
- Investments in data discovery & lineage tools
- Redesign of retention, erasure & archival mechanisms
- Implementation of verifiable parental consent systems
- Strengthening of security posture including audit trail immutability
- Formalization of breach response protocols
- Governance structures and executive oversight
- Third-party assurance frameworks

Failure to comply may result in penalties under the Act, reputational harm, and regulatory scrutiny.

Enforcement, Compliance Timelines & Penalties



Phased Rollout

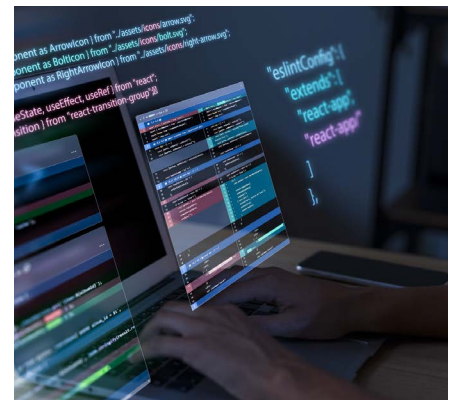
- Major DF obligations: within 12–18 months from notification of rules
- SDF obligations: within 24 months, unless notified earlier



Penalties (High Risk)

Significant fines for:

- Failure to implement reasonable security safeguards
- Breach reporting failures
- Violation of children's data rules
- Non-compliance with DPB directions



Enforcement Body

The Data Protection Board of India (DPB) oversees:

- Investigations
- Enforcement actions
- Hearings, Directives for remediation compensation.



What the DPDP Rules Mean for Organizations

- **Compliance is No Longer Optional—It is a Board-Level Mandate**
- **Organizations Must Move Now—Despite the Phased Rollout**
- **Data Discovery & Inventory Is the Immediate Priority**
- **Consent, Notices, and User Rights Need Complete Redesign**
- **Security Controls Must Mature Significantly**
- **Retention & Erasure Will Be Operationally Challenging**
- **Cross-Border Data Flows Need Immediate Attention**
- **Significant Data Fiduciaries (SDFs) Face Heightened Obligations**

Summary & Way Forward

The DPDP Rules, 2025 introduce a mature and comprehensive privacy governance model designed to protect digital personal data across sectors. Compliance requires a multidisciplinary approach integrating legal, technological, security, operational, and governance capabilities.

Organizations should begin immediate planning through:

- Gap Assessment & Readiness Review
- Data Discovery & Mapping
- Consent and Notice Framework Redesign
- Security Control Enhancement
- Retention/Erasure Automation
- Cross-Border Data Flow Assessments
- Governance Framework Implementation

Early action will enable a smoother transition and reduce compliance risks as enforcement strengthens.



Pierag Consulting

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With more than 150+ team members and offices across India (Gurugram, Jaipur, Chandigarh, Mumbai and Bengaluru), US and Singapore, we are fueled by our purpose of 'Inspiring people to do things that inspires them' and our values of 'Excellence, Equity & Empathy'.

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