**Information Technology Act, 2000**

New communication systems and digital technology have made dramatic changes in the way we live and the means to transact our daily business. It is cheaper, easier to store and retrieve and speedier to communicate. Although people are aware of the advantages which the electronic form of business provides, people are reluctant to conduct business or conclude and transaction in the electronic form due to lack of appropriate legal framework. The Government of India realized the need for introducing a new law and for making suitable amendments to the existing laws to facilitate e-commerce and give legal recognition to electronic records and digital signatures. This gave birth to the Information Technology Bill, 1999.

The Information Technology Act, 2000 or ITA, 2000 or IT Act, was notified on October 17, 2000. It is the law that deals with cybercrime and electronic commerce in [India](https://www.toppr.com/guides/general-knowledge/overview-of-india/india-an-overview/). The first draft was created by the Ministry of Commerce, [Government](https://www.toppr.com/guides/civics/what-is-government/meaning-of-government/) of India as the ECommerce Act, 1998, it was redrafted as the ‘Information Technology Bill, 1999 and passed in May 2000.

## Objectives of the Act

The Information Technology Act, 2000 provides legal recognition to the transaction done via electronic exchange of data and other electronic [means of communication](https://www.toppr.com/guides/business-correspondence-and-reporting/communication/types-of-communication/) or electronic commerce transactions.

This also involves the use of alternatives to a paper-based method of [communication](https://www.toppr.com/guides/business-studies/directing/communication/) and information storage to facilitate the electronic filing of documents with the Government agencies.

Further, this act amended the [Indian Penal Code 1860](https://www.toppr.com/guides/legal-aptitude/indian-penal-code/abetment-under-section-107-ipc-instigation-conspiracy-aid/), the Indian Evidence Act 1872, the Bankers’ Books Evidence Act 1891, and the Reserve Bank of India Act 1934.

The specific objectives are:

* Grant legal recognition to all transactions done via electronic exchange of data or other electronic means of communication or [e-commerce](https://www.toppr.com/guides/business-environment/emerging-trends-in-business/electronic-commerce/), in place of the earlier paper-based method of communication.
* Give legal recognition to digital signatures for the authentication of any information or matters requiring legal authentication
* Facilitate the electronic filing of documents with Government agencies and also departments
* Facilitate the electronic storage of data
* Give legal sanction and also facilitate the electronic transfer of funds between [banks](https://www.toppr.com/guides/general-awareness/banks/major-functions-of-banks/) and financial institutions
* Grant legal recognition to bankers under the Evidence Act, 1891 and the [Reserve Bank](https://www.toppr.com/guides/commercial-knowledge/organizations-facilitating-business/the-reserve-bank-of-india/) of India Act, 1934, for keeping the books of accounts in electronic form.

## Features of the Information Technology Act, 2000

1. All electronic contracts made through secure electronic channels are legally valid.
2. Legal recognition for digital signatures.
3. Security measures for electronic records and also digital signatures are in place
4. A procedure for the appointment of adjudicating officers for holding inquiries under the Act is finalized
5. Provision for establishing a Cyber Regulatory Appellant Tribunal under the Act. Further, this tribunal will handle all appeals made against the order of the Controller or Adjudicating Officer.
6. An appeal against the order of the Cyber Appellant Tribunal is possible only in the High Court
7. [Digital Signatures](https://www.toppr.com/guides/business-laws-cs/cyber-laws/digital-signature/) will use an asymmetric cryptosystem and also a hash function
8. Provision for the appointment of the Controller of Certifying Authorities (CCA) to license and regulate the working of Certifying Authorities. The Controller to act as a repository of all digital signatures.
9. The Act applies to offences or contraventions committed outside India
10. Senior police officers and other officers can enter any public place and search and arrest without warrant
11. Provisions for the constitution of a Cyber Regulations Advisory Committee to advise the Central Government and Controller

Conclusion

The Information Technology Act, 2000 is the first enactment of its kind in India, which grants e-governance rights to the citizens of India. The Information Technology Act , 2000 attempts to change outdated laws and provides ways to deal with cyber crimes. The Information Technology Act , 2000 attempts to change outdated laws and provides ways to deal with cyber crimes. We need such laws so that people can perform purchase transactions over the Net through credit cards without fear of misuse. The Act offers the much-needed legal framework so that information is not denied legal effect, validity or enforceability, solely on the ground that it is in the form of electronic records.

**References**

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2.

*<https://meity.gov.in › content › information-technology-act-2000>*