

AS INTRODUCED IN THE RAJYA SABHA  
ON 26<sup>TH</sup> JULY, 2024

**Bill No. XXXV of 2024**

THE NATIONAL ARTIFICIAL INTELLIGENCE TECHNOLOGY  
REGULATORY AUTHORITY BILL 2024

A  
BILL

*to provide for the establishment of a National Artificial Intelligence Technology Regulatory  
Authority for the regulation and monitoring of the use of Artificial Intelligence  
and related technologies in the country and for matters connected  
therewith or incidental thereto.*

BE it enacted by Parliament in the Seventy-fifth Year of the Republic of India as  
follows: -

1. (1) This Act may be called the National Artificial Intelligence Technology  
Regulatory Authority Act, 2024.

Short title and  
commencement.

- 5 (2) It shall come into force on such date, as the Central Government may, by  
notification in the Official Gazette, appoint.

Definitions.

2. In this Act, unless the context otherwise requires, —

- (a) “AI” means Artificial Intelligence, *i.e.*, a constellation of technologies that enable machines to act with higher levels of intelligence and emulate the human capabilities of sense, comprehension and actions; 5
- (b) "appropriate Government" means in the case of a State, the Government of that State and in all other cases, the Central Government;
- (c) “Authority” means the National Artificial Intelligence Technology Regulatory Authority constituted under section 3; 10
- (d) “deep fake” means artificial media that has been digitally altered to replace a person’s face or body or sound with that of another;
- (e) “deep learning” means a method in AI that teaches computers to process data in a way that is inspired by the human brain;
- (f) “IT” means Information Technology; 15
- (g) “machine learning” means a field of study in AI related to the development and study of statistical algorithms that can learn from data and generalise to unseen data and thus perform tasks without explicit instructions;
- (h) "member" means a Member of the Authority constituted under section 3; and 20
- (i) "prescribed" means prescribed by rules made under this Act.

Constitution of  
the National  
Artificial  
Intelligence  
Technology  
Regulatory  
Authority.

3. (1) **The Central Government shall, with effect from such date as it may by notification in the Official Gazette appoint, constitute an Authority to be known as the National Artificial Intelligence Technology Regulatory Authority to exercise the powers conferred on and to perform the functions assigned to it, under this Act.** 25
- (2) **The headquarters of the Authority shall be at New Delhi.**
- (3) **The Authority may establish its offices at such other places within the country, as it may deem necessary for carrying out the purposes of this Act.** 30
- (4) **The Authority shall consist of the following: —**
- (i) **a Chairperson having specialised knowledge and extensive experience in the AI landscape, to be appointed by the Central Government;** 35
  - (ii) **two Members, to be nominated by the Central Government, from amongst persons of ability, integrity and standing, who have extensive professional experience –**
    - (a) **in understanding the various risks associated with AI, Machine learning and deep learning;** 40

- (b) of working in organisations and institutions involved in the ethical deployment of AI and related technologies;
- (c) in conceptualising and developing innovative and ethically responsible projects using AI;
- 5 (d) in understanding the IT policies of State and Central Governments; and
- (e) in understanding the future threats of AI in replacing human jobs;

10 (5) The Chairperson and every Member of the Authority shall hold office for such period, not exceeding four years, as may be specified by the Central Government in this behalf.

15 (6) **The Central Government shall, from time to time, appoint such number of officers and staff including experts to the Authority, as may be required to assist it in its efficient functioning, in such manner as may be prescribed.**

(7) **The salary and allowances payable to, and other terms and conditions of service of the Chairperson, Members, officers, staff and experts of the Authority shall be such as may be prescribed.**

(8) The Authority shall have the power to regulate its own procedure.

20 **4.** (1) The Authority shall perform all or any of the following functions, namely, to –

Duties and functions of Authority.

(a) function as an apex authority for regulating and monitoring the deployment of AI and related technologies in the country;

25 (b) design a monitoring and regulatory landscape for the adaptation of AI technology based on the principles of (i) safety, security and robustness; (ii) transparency and ethics; (iii) accountability; and (iv) equality and fairness;

30 (c) identify the key privacy challenges of AI technology including the bias challenge, privacy challenge, misinterpretation challenge, employment loss challenges and other related issues in order to control and minimise the potential risks to human life;

35 (d) formulate a comprehensive national policy for regulating the dissemination of AI technology in the country; design a strategic action plan and guidelines, and monitoring and evaluation activities for leveraging the benefits of AI technology as well as mitigating the ethical risks arising out of it;

(e) **perform such functions regarding the formulation and implementation of schemes and projects for creating awareness among the people about the prospects and risks of AI;**

40 (f) coordinate with various Government departments for cross-sector risk assessment, supporting innovators and identifying the loss of human labour;

(g) **support the institutions, organisations and individuals who are engaged in the development of ethical and responsible AI tools;**

(h) identify a set of high-risk application of AI, and prohibit all the AI and deep fake activities that are associated with unacceptable risks;

(i) enquire into any complaints concerning the deprivation of rights of workers as a result of replacing human labour with AI and act as a national-level grievance redressal mechanism in matters related to AI, machine learning and deep fake; 5

(j) advise the appropriate Government in any other matter as may be referred to it, from time to time; and 10

(k) perform such other functions, as it may consider necessary, for implementation of the provisions of this Act and any other matters incidental to the above functions.

Authority to have powers of Civil Court.

5. The Authority shall, while investigating any matter referred to it under clause (j) of section 4, have all the powers of a Civil Court in trying a suit and, in particular, in respect of the following matters, namely: - 15

(a) summoning and enforcing the attendance of any person from any part of India and examining him on oath;

(b) requiring the discovery and production of any document;

(c) receiving evidence on affidavits; 20

(d) requisitioning any public record or copy thereof from any court or office;

(e) issuing commission for the examination of witnesses and documents; and

(f) any other matter which may be prescribed. 25

Appropriate Government to consult the Authority.

6. The appropriate Government shall consult the Authority on all policies affecting the application and deployment of AI and related technologies.

Central Government to provide funds.

7. **The Central Government shall, after due appropriation made by Parliament by law in this behalf, grant such sums of money to the Authority, as it may think fit, for carrying out the purposes of this Act.** 30

Accounts and Audit.

8. (1) The Authority shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed, in consultation with the Comptroller and Auditor-General of India.

(2) The accounts of the Authority, as audited and certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf, together with the audit report thereon, shall be forwarded annually by the Authority to the Central Government, which shall cause the same to be laid, as soon as may be after it is received, before each House of Parliament. 35

9.	(1) The Authority shall prepare every year, in such form and within such time as may be prescribed by the Central Government, an annual report giving a true and full account of its activities during the previous year and copies thereof shall be forwarded to the Central Government.	Annual Report of the Authority.
5	(2) The Central Government shall cause to be laid before each House of Parliament, the annual report along with a memorandum of action taken or proposed to be taken on the recommendations of the Authority and the reasons for non-acceptance of the recommendations, if any, within a period of one year from the date of receipt of such report.	
10	(3) Where the report or any of its part is related to any of the issues connected with the State Government, a copy of such report shall be forwarded to the Governor of that State, who shall in turn, cause to be laid before the State legislature concerned, such report along with an explanatory memorandum concerned with the action taken or proposed to be taken on the recommendations related to the State, if any, and reasons for not accepting any of the recommendations made therein, within a period of one year from the date of receipt of such report.	
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	10. The provisions of this Act shall be in addition to and not in derogation of the provisions of any other law for the time being in force.	Act not in derogation of any other law.
20	11. The provisions of this Act and rules made there under shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force.	Act to have an overriding effect.
	12. If any difficulty arises in giving effect to the provisions of this Act, the Central Government may make such order or give such direction, not inconsistent with the provisions of this Act, as may appear to be necessary or expedient for removing such difficulty.	Power to remove difficulties.
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	13. (1) The Central Government may, by notification in the Official Gazette, make rules, for carrying out the provisions of this Act.	Power to make rules.
	(2) Every rule made by the Central Government under this section shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.	
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## STATEMENT OF OBJECTS AND REASONS

Artificial intelligence (AI) presents big opportunities and potential risks for the countries around the globe. The transformative effect of AI on commerce, government service delivery and human interactions can hardly be ignored in India as well. Realizing the future prospects and risks of AI, the NITI Aayog released two major documents in 2018 and 2021 – the National AI Strategy and the Principles of Responsible AI. Since India stands at a unique position to leverage such emerging technologies for dynamic growth, the Government has taken a proactive approach toward developing frameworks for ethical and responsible deployment of AI systems.

Nevertheless, AI continues to develop rapidly with new tools being released on a regular basis capable of increasingly sophisticated tasks. The sophistication of these tools and their capabilities to generate highly realistic imagery has raised concerns over the long term social and political impact of AI. With the advent of deep learning and deep fake, world over Governments are seeking to address the issues of regulating AI. These digitally falsified media have the potential to harm reputations, fabricate evidence, and erode trust in institutions due to their hyper-realistic nature. Besides, the AI is replacing human labor with machines at a faster rate. This has seriously affected the livelihood of large number of people.

Against this context, the EU and Canada had already initiated regulations to control and monitor the use of AI. But India currently lacks specific regulatory mechanism that directly addresses generative AI, deep fakes, and AI-related crimes. While the existing guidelines list good practices and steer towards a vision for responsible AI, they are not legally binding. Therefore, there is a need for establishing a specific authority that is empowered to regulate, monitor and control the use of AI in an ethical manner without affecting its innovative potentials. The rapid advancement and proliferation of AI technologies necessitate the establishment of a robust regulatory framework to ensure the ethical, transparent, and accountable use of AI in the Country. The Bill seeks to create a dedicated Authority, namely, the National Artificial Intelligence Technology Regulatory Authority (NAITRA), which shall have powers of a civil court, to oversee the regulation and monitoring of the use of AI and related technologies in the country. The Authority will be empowered to set standards, monitor compliance, promote research and it is envisaged that the creation of the Authority, would certainly address the issue of ethical regulation of AI in the country substantially.

Hence, this Bill.

SANDOSH KUMAR P.

## FINANCIAL MEMORANDUM

Clause 3 of the Bill provides for the constitution of the National Artificial Intelligence Technology Regulatory Authority to carry out the responsibilities assigned to it. It also provides for the headquarters of and appointments of a Chairperson, Members, officers, staff and experts to the Authority as well as the provision of salary and allowances to them. Clause 4 provides for the duties and functions of the Authority. Clause 7 provides that the Central Government shall provide adequate funds to the Authority.

The Bill, therefore, if enacted, would involve both non-recurring and recurring expenditure from the Consolidated Fund of India. However, at this juncture, it is difficult to estimate the actual expenditure likely to be involved.

## MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 13 of the Bill empowers the Central Government to make rules for carrying out the purposes of the Bill. As the rules will relate to matters of detail only, the delegation of legislative power is of a normal character.





RAJYA SABHA

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*(Shri Sandosh Kumar P., M.P.)*