

Costs of Aadhaar-based electronic signature expected to come down

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The cost of e-sign, an Aadhaar-based electronic signature, is expected to halve as new private companies are licenced to issue these signatures. One of the largest participants in this space expects costs to come down to as much as Rs1 or Rs2, from Rs5 per signature.

"The government has come up with a comprehensive plan and will soon license the private companies to provide digital locker services. Once this is introduced, it will make most of the transactions within the country completely digital leading to a sharp increase in the demand for e-signatures," said V. Srinivasan, founder

chairman, eMudhra.

"Initially the cost of each digital signature was around Rs20 but now it is Rs5. As more agencies/entities join as digital locker and e-sign providers, and the volume of signatures go up, we can expect to see the prices coming to as low as Rs1 or Rs2." On Thursday, the IT ministry issued an official order to the Controller of Digital Locker Authority to invite applications from interested entities for granting them licence to provide digital locker services.

DigiLocker is a government repository for documents. Users can sign up for the service, link it to their Aadhaar card, upload their documents, e-sign them, and share the documents on request.

"E-sign is a form of digital signature which is legally

backed by Information Technology Act, 2000 and substitutes the need for a physical or wet signature. A person can make e-sign by just putting the Aadhaar number and getting verification done through biometrics—fingerprint or iris scan—or through a onetime password," he added.

It eliminates the need to carry a dongle in which the certifying authorities would supply digital signature certificates.

Introduced last year, the number of e-signs generated by eMudhra alone has crossed 5 million. "Yesterday, we have crossed more than 5 million e-sign and that too the last 1 million was generated in a record time of 15 days," Srinivasan said.

E-sign and DigiLocker form an integral part of India Stack,

built on the JAM (Jan Dhan-Aadhaar-Mobile) trinity, which aims to provide cashless, paperless and presenceless service delivery.

"The identity verification part of e-sign is dependent on the Aadhaar database. However, the other details of the individual are not disclosed by the database to private entities/companies, so it doesn't pose a potential risk of data privacy breach," said Rahul Matthan, a partner at Trilegal.

Aadhaar e-sign enables banks, financial institutions to open accounts without the need for papers and forms. It can also be used to authenticate documents for a myriad of services such as filing of income-tax returns, availing financial and telecom services and getting different kinds of certificates.