E-Signature – A Perspective to Authenticate Digital Document

E-Signature means electronic signature, it is a powerful technology tool. Electronic users can sign documents online and replace pen-paper signed system. According to Wikipedia, an e-signature refers to data in electronic form, which is logically associated with other data in electronic form and which is used by the signatory to sign. This type of signature provides the same legal standing as a handwritten signature as long as it adheres to the requirements of the specific regulation under which it was created.

According to section 2(1)(ta) of Information Technology Act,2000 E- Signature is defined as- *"Authentication of any electronic record by a subscriber by means of the electronic technique specified in the second schedule and includes digital signature".*

E-Signature is widely accepted option across the World among digital users. For instance countries in Europe, United States, Canada, United Kingdom are few names, who uptake e-Signature legally. It is very useful in the current pandemic scenario, when most of the enterprises are managing business activities online and they need to put e-Signature to sign the documents.

The key statistics given below indicate the growth of e-Signature users. (source-financesonline.com)

- E-signature transactions have ballooned from $89 million to $754 million in just five years.

- By 2020, the electronic signature market size will grow by 39 percent.

- From 2017 to 2023, the worldwide e-Signature market will expand at a CAGR of 34.7 percent.

- If the adoption rates continue, the e-Signature global market will reach $9.07 billion by 2023.

E-Signature is a digital version of a normal "wet" signature, and carries a legal authority to sign standard contracts. There are many E-signature software

tools available that give the ability to put signature on the electronic shared documents and eliminate the physical signed documents. E-signature software facilitates the distribution of sensitive documents with built-in security standards that meet local and federal legal requirements and guarantee the legitimacy and legal ramifications of signatures made through the software. Some of the key features of E-signature software are –

- It allows sender and recipient to sign documents on a variety of devices and operating systems.
- Encrypt and secure communications and shared documents between the users of the software tool.
- Track document status and notify users when actions are required (sign, approve, etc.)
- Enable users to define user roles and permission rights both internally as well as for external users (contractors, partners, customers, etc.)

In a nut shell, E-signature allows businesses and individual to process paperwork exponentially faster, eliminates the need for snail mail, printing, scanning, and hard-copy filing.

Source : www.g2.com, Wikipedia, financesonline.com

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