



VIT[®]
Vellore Institute of Technology
(Deemed to be University under section 3 of UGC Act, 1956)

Legal Aspects of Business

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Recapitulate

Information Technology Act, 2000

- Digital Signature
- Importance of Digital signature
- Advantages of Digital signature
- Distinguish between Digital signature and Electronic signature

Information Technology Act, 2000

Regulation of Certifying Authorities

The Information Technology Act, 2000 has established a **Certifying Authority** to regulate the electronic transactions. Regulation of Certifying Authorities under the **Information Technology (Amendment) Act, 2008** hereinafter referred to as (the Act), has been assigned to the **Controller of Certifying Authorities** by the Central Government. The **Deputy Controllers, Assistant Controllers and other officers are also appointed by the Central Government** to perform functions assigned to them by the Controller. The **Controller has to exercise supervision over the activities** of the Certifying Authorities. It has to certify the public keys of the Certifying Authorities as well as **lay down standards to be maintained** by the Certifying Authorities. It also lays down the duties of the Certifying Authorities and **resolves conflicts of interest between them and the subscribers**. The Controller has various other functions with respect to the Certifying Authorities which are provided in the Act.

Information Technology Act, 2000

Regulation of Certifying Authorities

Appointment of Controller and other Officers

The Central Government may by notification in the Official Gazette appoint a Certifying Authorities.

Qualifications, Experience, etc.

As may be prescribed by the Central Government

Head Office

As such specify by the Central Government may think fit the place for the Head Office and Branch Office

Seal

There shall be a seal of the office of the Controller

Information Technology Act, 2000

Functions of Controller

- a. Exercising supervision over the activities of the Certifying Authorities
- b. Certifying public keys of the Certifying Authorities
- c. Laying down standards to be maintained by the Certifying Authorities
- d. Specifying the qualifications and experience which employees of the Certifying Authorities should possess
- e. Specifying the conditions subject to which the Certifying Authorities shall conduct their business
- f. Specifying the contents of written, printed or visual materials and advertisements that may be distributed or used in respect of a Digital Signature Certificate and Public Key
- g. Specifying the form and content of a Digital Signature Certificate and Public Key

Information Technology Act, 2000

Functions of Controller

- h. Specifying the form and manner in which accounts shall be maintained by the Certifying Authorities
- i. Specifying the terms and conditions subject to which auditors may be appointed and the remuneration to be paid to them
- j. Facilitating the establishment of any electronic system by a Certifying Authority either solely or jointly with other Certifying Authorities and regulation of such systems
- k. Specifying the manner in which the Certifying Authorities shall conduct their dealings with the subscribers
- l. Resolving any conflict of interests between the Certifying Authorities and the subscribers
- m. Laying down the duties of the Certifying Authorities
- n. Maintaining a database containing the disclosure record of every Certifying Authority

Information Technology Act, 2000

Recognition of Foreign Certifying Authorities

Recognize with the previous approval of the Central Government and by notification in the official gazette.

Revocation of Recognition

If the Certifying Authorities has contravened any of the conditions and restrictions subject to which it was granted recognition can be revoked by recording the reason in writing and by notification in the official gazette

Licence to issue Electronic Signature Certificates

Any person may make an application to the Controller for a licence to issue Electronic Signature Certificates, if he fulfils requirements with respect to qualification, expertise, manpower, financial resources and other infrastructure facilities, which are necessary to issue Digital Signature Certificates. It shall be;

- a. be valid for such period as may be prescribed by the Central Government
- b. not to be transferable or heritable and
- c. be subject to such terms and conditions as may be specified by the regulations

Information Technology Act, 2000

Application for licence

Every application shall be in such form as may be prescribed by the Central Government along with the following documents;

- a. A certification practice statement
- b. A statement including the procedures with respect to identification of the applicant
- c. Payment of such fees, not exceeding Rs.25,000 as may be prescribed by the Central Government
- d. Such other documents as may be prescribed by the Central Government

Renewal of licence

An application for renewal of a licence shall be

- a. In such form
- b. Accompanied by such fees, not exceeding Rs.5,000 as may be prescribed by the Central Government and shall be made not less than 45 days before the date of expiry of the period of validity of the licence.

Procedure for grant or rejection of licence

Information Technology Act, 2000

Suspension of licence

The Controller may, after making an enquiry, revoke the licence where a Certifying Authority has;

- a. In case of incorrect or false in material particulars
- b. Failed to comply with the terms and conditions
- c. Contravened to maintain standards specified by the Central Government
- d. Contravened any provisions of this Act

However the Certifying Authority has been given a reasonable opportunity of showing cause against the proposed revocation

Notice of suspension of revocation of licence

Power to delegate: Certifying Authority may delegate his power to Deputy Controller and Assistant Controller

Display of licence: Every Certifying Authority shall display its licence at a conspicuous place of the premises

Surrender of licence

Information Technology Act, 2000

Duties of Subscribers

- **Generating key pair**

Where any Digital Signature Certificate, the public key of which corresponds to the private key of that subscriber which is to be listed in the Digital Signature Certificate has been accepted by a subscriber, then, the subscriber shall generate the key pair by applying the security procedure

- **Acceptance of Digital Signature Certificate**

A subscriber shall be deemed to have accepted a Digital Signature Certificate if he publishes or authorizes the publication of a Digital Signature Certificate;

- a. To one or more persons
- b. In a repository, or otherwise demonstrates his approval of the Digital Signature Certificate in any manner

- **Control of private key**

Review Questions

1. Who will appoint the Controller of Certifying Authorities?
 - a. Information Technology Act
 - b. Cyber law
 - c. Central Government
 - d. All of the above

2. How much an applicant has to pay to Controller of Certifying Authorities for obtaining licence?
 - a. Rs.25,000
 - b. Rs. 5,000
 - c. Rs. 50,000
 - d. No cost

3. Only the corporate can apply to act as Certifying Authority. **True or False**

Answer

1. Who will appoint the Controller of Certifying Authorities?

Answer: c. Central Government

2. How much an applicant has to pay to Controller of Certifying Authorities for obtaining licence?

Answer: a. Rs.25,000

3. Only the corporate can apply to act as Certifying Authority.

Answer: False

Thank You