

All you want to know about UDIN

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Process of UDIN and implementation of UDIN by practicing CAs.

Background:

UDIN has been introduced by the ICAI to curb the malpractice of fake / forged / bogus certifications made by persons who misrepresent themselves as CAs. The main object of introducing UDIN is to secure the attestation of Chartered Accountants. This will enable the regulators (i.e. end users to whom certificate has been issued by CAs e.g. bankers, ROC etc.).

Looking at the above mentioned scenario, the ICAI has made UDIN compulsory w.e.f. 1st February, 2019. As informed by ICAI, the applicability of UDIN would be implemented in phased manner, i.e. there are exceptions for UDIN as of now, which would be removed as exception on a later phase.

Features of UDIN

- (a) Only those Chartered Accountants who are in practice (full-time) would be able to register on the UDIN portal and generate UDIN for attested documents. A member can register on UDIN by simply generating OTP on registered mobile number. Neither any other formalities are to be complied with nor there are any fees to be paid to the ICAI. Detailed procedure is mentioned in para 3 below.
- (b) There is no restriction on generating number of UDINs per member.
- (c) UDIN will be applicable for both manually signed certificates as well as digitally signed certificates. In case the certificate has been digitally signed, the issuer will have to generate UDIN and retain it for providing the same on being asked by concerned authority.
- (d) UDIN HAS TO BE generated at the time of signing the certificate. However, the ICAI has made a facility that UDIN can be generated within 15 days of signing the same (i.e. 15 days from the date mentioned in the certificate by the issuer).
- (e) UDIN generation has been made mandatory by the council. Hence, not generating the UDIN for mandatory documents would amount to non-adherence of the council decision and may attract disciplinary proceedings as per the second schedule part II of The Chartered Accountants Act, 1949.
- (f) At any time after issuing a UDIN generated certificate, if the issuer is of the opinion of revoking the certificate for certain reasons, he/she may revoke the same and there is no

time limit for revoking the same. At the time of revocation, a relevant narration has to be filled up.

Further, in case a UDIN has been revoked, a system generated SMS / Email will be sent to the verifier regulator and third parties who have verified / viewed the UDIN generated document so that they have the knowledge of revocation of UDIN generated documents.

- (g) It is possible that sometimes, there are multiple certifications in a single assignment. In such cases, UDIN has to be generated assignment wise. i.e. only one UDIN will be generated for all the documents signed under the concerned assignment. E.g. only one UDIN will have to be generated for Bank audit assignment and under that UDIN, all the documents shall be certified.

Process for Generating UDIN for documents under certification

- (a) After logging into the <https://udin.icai.org/> website, directly “Generate UDIN” page will be opened where membership no., member name and email id fields will be prefilled already.
- (b) Thereafter, “Type of certificate” has to be selected out of the drop down menu depending upon the type of certification the issuer is making. If the issuer is of the opinion that the type of certificate is not on the drop down menu, he may choose “others” and mention the description on “Document Description” field which is appearing later on this page.
- (c) “Date of signing of document” field is self-explanatory which needs to be filled up in required format.
- (d) Issuer needs to fill up financial figures which he/she is certifying and the particulars of such amount needs to be filled up in the “Particulars” field such as net-worth or turnover or the particular which the issuer deems fit between 10 to 50 characters.
- (e) TWO financial figures are mandatory to be filled up out of THREE fields given on the page. In case there are no financial figures in the certificate, “ZERO” (0) is to be mentioned in the **FINANCIAL FIGURES** field and “There is no Financial Figure in Certificate” has to be mentioned in the **PARTICULARS** field.
- (f) In the next field being **DOCUMENT DESCRIPTION**, issuer needs to fill the description / details about the certificate in 15-50 characters. If “others” has been selected for **TYPE OF CERTIFICATE** field, then the issuer needs to specify the type of the certificate for which the UDIN is being generated. We are of the opinion that under this field, the issuer needs to mention a unique serial number or a unique algorithm for future reference and non-duplication of UDIN by third parties.
- (g) On completing all the fields, issuer needs to click “Send OTP” and on filling up the OTP, the issuer will be able to preview the UDIN details filled up by him. Depending upon the

verification, issuer may chose “Edit” or “Submit” button and generate the UDIN which will be an 18 digit number.

- (h) The construction of the 18 digit UDIN number as proposed is as under:
First 2 digits are YY – i.e. 19 in current year
Next 6 digits are MMMMMM – i.e. Membership no. of the issuer
Next 10 digits are AANNNAANN – i.e. alpha-numeric generated randomly by the UDIN system.
- (i) A notification via SMS and E-mail would be sent to the issuer as and when the UDIN is generated. The same can be used for mentioning on the certificate either in printed form or in hand-written form. In case it is to be mentioned in handwritten form, it has to be under the signature and membership no. of the issuer
- (j) The authorities who seek to verify the UDIN, shall visit <https://udin.icai.org/> and click on **VERIFY UDIN**. Under the VERIFY UDIN page, the verifier will have to fill details such as Name, Mobile no., Email id, UDIN and Captcha code. On filling up the above details, the person would be able to verify the parameters entered by the issuer.
Further, in case a UDIN has been revoked, a system generated SMS / Email will be sent to the verifier regulator and third parties who have verified / viewed the UDIN generated document so that they have the knowledge of revocation of UDIN generated documents.

Non-applicability of UDIN as of now:

- UDIN as of now is not mandatory to be generated for attestation of following documents:
 - (i) Auditor's Opinion/Reports issued by the Practicing Chartered Accountant under any Statute w.r.t. any entity or any person (e.g.: Tax Audit, Transfer Price Audit, VAT Audit, GST Audit, Company Audit, Trust Audit, Society Audit, etc.,
 - (ii) Valuation Reports,
 - (iii) Quarterly Review Reports,
 - (iv) Limited Review Report
 - (v) Information System Audit,
 - (vi) Forensic Audit,
 - (vii) Revenue / Credit / Stock Audit,
 - (viii) Borrower Monitoring Assignments,
 - (ix) Concurrent / Internal Audit and the like,

- (x) Any report of what so ever nature issued including Transfer Price Study Report, Viability Study Report, Diligence Report, Due Diligence Report, Management Report, etc.
- Further, UDIN is not required for making certified true copies.

All my fellow members shall take a note of this new feature which has to be implemented with due care and utmost accuracy. Let us all take this initiative to a height of success!!

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