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Bankers' Books Evidence Bill, 2026: Recasting a 135-Year-Old Evidence Law for Digital Banking

The Government has introduced the Bankers' Books Evidence Bill, 2026 to replace the 135-year-old Bankers' Books Evidence Act, 1891, marking the first comprehensive overhaul of India's legal framework governing the evidentiary value of banking records. While the foundational principle that certified bank records constitute *prima facie* evidence remains unchanged, the proposed legislation modernises the law by recognising contemporary banking technologies, prescribing standardised certification formats, incorporating the jurisprudence governing electronic evidence. The Bill seeks to create a technology-neutral and future-ready evidentiary regime while balancing the objectives of reliability, efficiency and procedural fairness.

The existing Bankers' Books Evidence Act, 1891 **(BBE)** has survived for more than 135 years because the principle underlying it remains commercially indispensable: a bank should not have to produce its original books, or routinely send its officers to court, merely to prove transactions recorded in the ordinary course of banking business. A duly certified copy of an entry is, therefore, admissible as *prima facie* evidence to the same extent as the original entry. That basic principle is retained in the proposed **Bankers' Books Evidence Bill, 2026**. What changes substantially is the statutory architecture around it.

The existing Act was conceived in an era of ledgers, day-books, cash-books and physical account books. Although amendments made over the years brought microfilms, magnetic tapes and electronic data within its fold, the statutory language inevitably carries the imprint of the technologies prevailing when those amendments were made, for example, references to floppies, discs, tapes and electromagnetic storage devices. The 2026 Bill seeks to move away from this incremental adaptation and establish a technology-neutral framework designed around the manner in which banking records are actually created, processed, stored and retrieved today.

The Statement of Objects and Reasons captures this shift expressly. It recognises that banking records are increasingly created, stored and maintained using contemporary technology and that the existing framework therefore requires modernisation and strengthening. The Bill accordingly seeks to recognise records maintained in physical, electronic, digital, virtual and cloud-based environments; standardise certification; expressly recognise electronic bank records as evidence; widen the potential institutional coverage of the legislation; and define when a bank officer can nevertheless be compelled to appear before a court.

THE BANKERS' BOOKS EVIDENCE BILL, 2026 DOES NOT ALTER THE FOUNDATIONAL EVIDENTIARY PRINCIPLE EMBODIED IN THE 1891 ACT

A duly certified copy of a bank record continues to constitute prima facie, and not conclusive, evidence, and bank officers continue to enjoy protection against routine summons for production of original records. The real significance of the Bill lies in modernising the statutory machinery surrounding that principle, by making the law technology-neutral, expressly recognising electronic and cloud-based records, prescribing uniform certification formats, strengthening requirements concerning digital integrity and cybersecurity, defining "special cause", and enabling extension of the framework to other financial-sector entities. It is therefore more a comprehensive technological and procedural recasting of the existing law than a fundamental alteration of its evidentiary philosophy.

THE CENTRAL RULE REMAINS EXACTLY THE SAME

- A duly certified copy of an entry in a banker's book is admissible in legal proceedings as **prima facie evidence** of the existence of the entry and of the transactions and accounts recorded therein, to the same extent as the original entry would be admissible. That principle appears in Section 4 of the 1891 Act and is substantially reproduced in Section 5 of the 2026 Bill.
- Similarly, the other basic philosophy of the 1891 Act is retained: where a bank is not itself a party to litigation, its officers should ordinarily not be compelled to produce the original books or appear as witnesses merely to prove transactions which can be proved through certified records. The Bill preserves that protection, although it now defines the circumstances constituting "special cause".
- So if the question is whether the Bill **changes the substantive evidentiary status of bank statements**, the answer is essentially **no**. It does not make bank records conclusive evidence, does not reverse the burden of proof, and does not give banking entries a higher evidentiary status than they presently enjoy.

WHAT THE BILL DOES CHANGE MATERIALLY IS THE MACHINERY THROUGH WHICH THAT OLD PRINCIPLE OPERATES IN A DIGITAL BANKING ENVIRONMENT?

- First, it replaces a technologically dated definition of "bankers' books" with a much broader and technology-neutral formulation covering physical, electronic, digital, virtual and cloud-based records, including backup and disaster-recovery locations. This is significant, but it is an expansion of the medium in which the record may exist rather than a change in its evidentiary value.
- Second, the Bill gives **electronic and digital banking records express statutory admissibility**. Section 6 provides that admissibility cannot be denied merely because the record is electronic or digital, subject to compliance with Section 7. Again, this is important, but conceptually it removes uncertainty rather than creating an entirely new rule of evidence.
- Third, and perhaps most significantly from a compliance perspective, Section 7 imposes a more contemporary framework for establishing the **integrity and reliability of electronic records**. It deals not only with regular use and proper functioning of computer systems but also authorised access, absence of unauthorised alteration, integrity of data transfer, absence of tampering and cybersecurity of networks, devices and data.
- Under the present Act, litigation often turns upon whether the prescribed certificate accompanied a printout. Under the new framework, if authenticity is seriously challenged, questions may arise concerning the underlying system architecture, access controls, audit trails, cybersecurity and integrity of data processing. In that sense, the evidentiary foundation for electronic banking records becomes more sophisticated.
- Fourth, the introduction of **standard statutory certificate formats** is an important procedural reform. Presently, Section 2A prescribes what certificates must contain, but there is no uniform statutory form. The Bill moves the requirements into Section 3 and provides prescribed certificates in the First and Second Schedules, with authentication permitted manually, digitally or electronically.
- Fifth, the Bill contains one potentially substantive expansion in terms of **institutional coverage**. The 1891 Act permits extension to certain partnerships and individuals carrying on banking business. The 2026 Bill empowers the Central Government to extend the Act to **any entity or class of entities operating in the financial sector**, subject to conditions, exceptions or modifications.
- While the 2026 Bill does not fundamentally alter the evidentiary status of certified banking records, it may materially change the manner in which such records are contested. Section 7 converts several aspects of digital-system integrity, authorised access, absence of alteration or tampering, proper functioning, data integrity and cybersecurity, into express statutory conditions governing electronic banking evidence. Section 8, in turn, defines "special cause" and permits the Court to go behind the certified record where its accuracy or genuineness is doubtful or the ordinary course of record keeping appears to have been interrupted. Read together, these

provisions may provide litigants with a more clearly articulated statutory basis to seek production of underlying records and examination of bank officials. The challenge for courts will be to distinguish genuine questions concerning digital integrity from routine or tactical challenges designed merely to prolong proceedings.

FROM "ELECTRONIC RECORDS" TO A TECHNOLOGY-NEUTRAL CONCEPT OF BANKERS' BOOKS

Another important conceptual change is the manner in which **"bankers' books"** are defined. Under the 1891 Act, the definition had already been expanded beyond physical records to cover records stored in microfilm, magnetic tape or another mechanical or electronic data-retrieval mechanism, including records at off-site, back-up or disaster-recovery locations. The 2026 Bill goes considerably further. Bankers' books will include all records used in the ordinary course of banking business whether maintained in written or physical form or through any form of data-storage mechanism, including electronic or digital form, and whether located onsite, offsite, virtually or in the cloud, including back-up and disaster-recovery sites.

This is particularly relevant because contemporary banking records may not reside in a single "book" or even on a single server. Core banking systems, payment platforms, data centres, cloud environments, disaster-recovery infrastructure and intermediaries may collectively participate in the creation, storage and processing of the same information. The Bill expressly addresses this distributed architecture by providing that where these functions are performed through one or more computer systems or communication devices, whether standalone, networked, on a computer resource or through an intermediary, they are to be treated as constituting a ***single computer system or communication device*** for the purposes of the legislation.

ELECTRONIC BANK RECORDS RECEIVE EXPRESS STATUTORY RECOGNITION

The existing legislation primarily reaches admissibility through the concept of a "certified copy". The new Bill retains that mechanism but adds an express statutory rule for electronic and digital records.

Section 6 of the proposed legislation provides, through a non-obstante clause, that admissibility of an electronic or digital record of a banker's book **shall not be denied merely because it is an electronic or digital record**. Subject to satisfaction of Section 7, such a record is to be admissible, valid and legally enforceable as other evidence.

The Bill also aligns its terminology with the wider evidence and digital-law framework. Expressions not separately defined in it will take their meanings from, amongst others, the Information Technology Act, 2000, Bharatiya Nagarik Suraksha Sanhita, 2023 and Bharatiya Sakshya Adhiniyam, 2023.

THE REAL CHANGE: FROM PROVING THE PRINTOUT TO ESTABLISHING INTEGRITY OF THE DIGITAL SYSTEM

One of the more substantive features of the Bill lies in **Section 7**, which prescribes the conditions governing electronic or digital banking records.

The 1891 Act already contained fairly elaborate requirements concerning electronic records. Section 2A required certificates concerning the computer system, safeguards against unauthorised access and alteration, recovery of lost data, transfer to removable media, storage and custody, protection against tampering and confirmation that the computer system operated properly.

The new Bill requires the evidentiary foundation to establish that the computer system or communication device was regularly used in the relevant activity; information was regularly fed into it in the ordinary course; the system operated properly during the material period or any malfunction did not affect the record; and the information produced reproduces or is derived from information fed into the system in the ordinary course.

The Bill requires safeguards to ensure operations were performed only by authorised persons and that no unauthorised alteration was detected; safeguards concerning accurate transfer and custody of data; absence of system tampering; and, significantly, that **the network, devices and data were secure and equipped to meet cyber risks or threats**.

STANDARDIZED CERTIFICATES – AN IMPORTANT PRACTICAL REFORM

One of the most useful changes proposed is the introduction of **statutory formats of certificates**. Under the existing Act, the requirements for certification are embedded principally within the definition of "certified copy" and Section 2A. The 2026 Bill consolidates these requirements in Section 3 and, more importantly, provides separate prescribed formats through the **First and Second Schedules**.

The First Schedule deals with bankers' books maintained in written or physical form. The certificate is to be completed by the Branch Head, Office Head or another duly authorised bank officer and requires affirmation, inter alia, that the copy is true and correct and that the underlying entry or information forms part of the bank's ordinary records.

Electronic and digital records are dealt with separately. Section 3(2) requires certification concerning the computer system or device which produced the copy and the matters relevant to the statutory conditions contained in Section 7. Certificates need no longer depend upon conventional wet signatures. Section 3(3) permits them to be signed or authenticated **manually, digitally or electronically** in accordance with the Information Technology Act, 2000. Certification can be undertaken by the Branch Head, Office Head or another officer duly authorised by the bank.

Standardisation should reduce one recurring source of evidentiary disputes: whether a certificate issued by a bank contains every statutory declaration required for admissibility. Instead of individual banks, branches and litigants devising their own formulations, the statute itself supplies the basic template.

Section 12 empowers the Central Government **to modify the certificates contained in the Schedules by notification**, allowing certification requirements to evolve as technology changes without requiring amendment of the substantive Act.

THE EVIDENTIARY VALUE REMAINS ESSENTIALLY UNCHANGED

Despite its technological overhaul, the Bill does not alter the fundamental evidentiary status of certified bank records. Under Section 4 of the 1891 Act, a certified copy is *prima facie* evidence of the existence of the entry and evidence of the transactions and accounts recorded therein, but only to the same extent that the original entry would itself be admissible.

Section 5 of the 2026 Bill preserves this rule. A certified bank entry, therefore, does not become **conclusive proof** merely because it complies with the Act. It receives the statutory evidentiary status of *prima facie* evidence.

In this context, it is relevant to refer to section 34 of the erstwhile Indian Evidence Act, 1872, the corresponding principle is now contained in Section 28 of the Bharatiya Sakshya Adhiniyam, 2023. The traditional rule as contained in these provisions, is that entries in books of account, including those maintained electronically, are relevant whenever they refer to a matter into which the Court has to inquire, but such entries alone are not sufficient evidence to charge a person with liability.

Here, the Supreme Court's decision **in *Chandradhar Goswami v. Gauhati Bank Ltd***[1]*,* is particularly important on this point. The Court held, in the context of Section 4 of the Bankers' Books Evidence Act, that the certified copy receives the same evidentiary status as the original bank entry; however, the original entry itself would remain subject to the Evidence Act rule that entries in books of account cannot **by themselves** fasten liability.

In this context, the judgement of the Delhi High Court in ***ICICI Bank Ltd. v. Kamini Sharma***, RFA 297/2015, decided on 31 January 2018, recognised the practical reality that contemporary bank accounts are maintained electronically and that the "primary evidence" may effectively reside on the bank's server. Requiring the bank to produce the server or hard drive in every recovery suit would plainly be impractical. The Court, therefore, referred approvingly to the more pragmatic approach adopted under the UK's **Civil Evidence Act, 1995**, where authenticated copies and records maintained in the ordinary course of business can be received without insisting upon originals in every case.

But the judgment did **not** say that once a bank statement is certified, the underlying liability automatically stands proved. In the case before it, the bank had also produced the original loan documents, credit facility application, deed of

[1] AIR 1967 SC 816

hypothecation and other material, and its witness had entered the witness box. The Court found the entire evidentiary record sufficient to establish the loan and default.

Indeed, the jurisprudence referred to in *Kamini Sharma* itself recognised that admissibility of the statement of account and proof of liability are distinct questions. A properly certified statement becomes admissible; the entries may nevertheless have to be connected with other evidence where the underlying liability is disputed

Thus, while the proposed Section 5 continues to confer prima facie evidentiary value upon duly certified entries in bankers' books, it does not appear to alter the settled principle that an entry in books of account, though admissible, may not by itself be sufficient to fasten liability upon a person. The Bill considerably strengthens and simplifies the authentication of electronic banking records through Sections 6 and 7 but stops short of expressly dispensing with further proof of the underlying transaction where such proof is required under the general law of evidence.

This distinction assumes greater significance in view of Section 8, which expressly permits the Court, upon existence of special cause, to go behind the certified record where its accuracy or genuineness is doubtful or the ordinary course of record keeping appears to have been interrupted.

"SPECIAL CAUSE" WILL NO LONGER BE LEFT UNDEFINED

Another useful reform concerns the circumstances in which a bank officer can be compelled to produce the bank's books or appear personally as a witness.

The 1891 Act protects a bank officer from being compelled to do so, where the bank itself is not a party, unless the Court orders otherwise for **"special cause"**. The Act, however, does not define what constitutes special cause.

The Bill retains the protection but removes the uncertainty. Section 8 requires special cause to be recorded **in writing** and identifies three situations:

- *where the accuracy or genuineness of the relevant entry or information is doubtful;*
- *where an event suggests that the regularity or ordinary nature of the bank's record keeping has been interrupted; or*
- *where the bank fails to comply with an order for inspection or production under Section 9.*

BEYOND BANKS – POTENTIAL EXTENSION ACROSS THE FINANCIAL SECTOR

A less conspicuous but potentially far-reaching change is the power contained in Section 4. The 1891 Act empowered State Governments to extend the legislation to certain partnerships or individuals carrying on banking business, subject to specified bookkeeping requirements.

The 2026 Bill replaces this with a wider power vested in the Central Government. It may extend the Act to any entity or class of entities operating in the financial sector, subject to conditions, exceptions or modifications specified in the notification.

Continuity despite repeal: Section 16 contains an elaborate **repeal and savings regime**. Previous operations accrued rights and liabilities, investigations, legal proceedings, certificates, notifications and orders under the existing legislation are protected. Importantly, proceedings, including appeals, reviews and references, instituted before, on or after commencement in relation to the repealed enactment may continue under the old legislation as if it had not been repealed.

JURISPRUDENCE CONCERNING PROOF OF BANKING TRANSACTIONS AND EVIDENTIARY VALUE OF CERTIFIED COPY OF LEDGERS

The important authorities can be grouped around **(i) evidentiary value of certified bank entries, (ii) certification of electronic records, and (iii) compelling banks/officers to produce underlying records**.

- ***Chandradhar Goswami & Ors. v. Gauhati Bank Ltd.*, AIR 1967 SC 816:** This is probably the foundational Supreme Court judgment on Section 4. The Hon 'ble Supreme Court held that Section 4 gives banks a special evidentiary facility by permitting certified copies of entries to be produced without producing the original books. Such certified copies constitute *prima facie evidence of the existence of the entries and of the matters and transactions recorded therein*. However, the statutory privilege goes no further than the original entry itself would go. Importantly, applying Section 34 of the Evidence Act, the Court held that **entries in books of account by themselves are not sufficient to fasten liability upon a person**. Therefore, a certified bank statement does not become substantive proof of the underlying loan merely because it satisfies the BBE Act; corroborative evidence may still be required.

  This principle remains important under the 2026 Bill because proposed Section 5 substantially retains the expression **"prima facie evidence"**.

- ***State Bank of India v. Yumnam Gouramani Singh*, AIR 1994 SC 1644:** This judgement complements *Chandradhar Goswami*. The Supreme Court held that where entries in the bank's books were corroborated by the Branch Manager and other bank officials, they constituted sufficient evidence of the loan transaction, particularly where the borrowing itself had been admitted.

  The two Supreme Court decisions therefore establish an important distinction:

  Certified bank entries = prima facie admissible evidence; certified entries + independent/corroborative evidence = capable of proving the underlying transaction/liability. This distinction will remain relevant even after enactment of the 2026 Bill.

- ***ICICI Bank Ltd. v. Kamini Sharma & Anr.*, Delhi High Court, 31 January 2018:** This is particularly important for **electronic bank statements** and therefore directly relevant to the proposed Section 7. The Delhi High Court examined Sections **2(8), 2A and 4** of the BBE Act along with the electronic-evidence jurisprudence. It held that where statements of account are accompanied by the certificate contemplated under Section 2A, they are admissible.

  More importantly, the Court distinguished between a defect concerning the **mode of proof** and an inherent defect concerning **admissibility**. If the requisite Section 2A certificate is absent, the electronic bank statement is inadmissible and cannot be read in evidence merely because it was marked as an exhibit and no objection was taken at that stage.

  This authority could acquire greater importance under the 2026 framework because proposed Section 7 expressly describes its requirements as **conditions for "admissibility, validity and enforceability as evidence."** A litigant may, therefore, rely upon this line of authority to argue that non-compliance with Section 7 goes to admissibility itself rather than merely to evidentiary weight.

- ***United Commercial Bank v. Madan Mohan Dide*, Bombay High Court, 1 December 1999:** The Bombay High Court considered both *Chandradhar Goswami* and *Yumnam Gouramani Singh*. It explained that *Chandradhar Goswami* should not be understood as saying that properly certified bank statements have no evidentiary value. Rather, the limitation is that **ledger entries alone cannot prove that the principal amount was actually advanced unless the underlying advance is otherwise proved**.

  Where the entries are corroborated by other evidence, they can establish the amount due. The Court also referred to *United* ***Industrial Bank Ltd. v. G. C. Dey***[2]*,* the Calcutta High Court held that a certified statement of account or ledger folio from a bank, when duly certified under the Bankers' Books Evidence Act, serves as prima facie evidence of the correctness of the debt. No further supporting testimony is strictly required to prove the baseline debt amount if the entries are maintained in the ordinary course of business.

- ***Central Bank of India Ltd. v. P.D. Shamdasani*, Bombay High Court, 1937:** For the particular issue you are examining concerning **Section 8 of the proposed Bill**, this old Bombay High Court decision is quite relevant. The Court recognised the BBE Act as a special statute governing production of bankers' books. It specifically considered Section 5, under which a bank which is not a party to the proceeding enjoys protection against its officers being compelled to produce

[2] AIR 1974 Cal 151

the bank's books or appear as witnesses, **unless the Court makes an order for "special cause."** The Court noted that no such order recording special cause had been made in that case.

This becomes particularly interesting under the proposed 2026 Bill because Parliament is now proposing to define what was historically left to judicial discretion as "special cause."

- ***PhonePe Private Limited v. State of Karnataka***[3]**, Karnataka High Court, 29 April 2025:** This is a recent decision concerning the protection available under Section 5 to banks/payment intermediaries in relation to production of records. The Court examined Sections 4 and 5 and the circumstances in which banking records and officers can be required in proceedings where the institution itself is not a party.

- **Delhi High Court in Om Prakash v. Central Bureau of Investigation**[4]**, held as under:** *"A conjoint reading of Section 34 of the Indian Evidence Act, Sections 2(8), 2A and 4 of the Banker's Book Evidence Act and the various pronouncements of the Supreme Court lead to the conclusion that firstly, the prosecution is required to lead admissible evidence to prove the entries in the books of accounts and after having led admissible evidence link the same with other evidence on record to prove the guilt of the accused beyond reasonable doubt. Thus, in case the statements of accounts exhibited on record are accompanied by certificate as envisaged under Section 2A of the Bankers' Books Evidence Act, the statements of accounts would be admissible in evidence. An objection as to the person exhibiting the said statements of account i.e. an objection to the mode of proof and not admissibility, has to be taken at the time of exhibition of the documents. Therefore if certified copies of the statements of accounts have been exhibited as per the requirement of Section 2A of the Act, the statement of account would be admissible and in case no objection to the witness proving the same is taken at the time when the document is exhibited, the document would be validly read in evidence. However, if the statements of accounts have been exhibited without the necessary certificate as contemplated under Section 2A of the Act, the same being inadmissible in evidence, even in the absence of an objection taken as to the mode of proof during trial, this Court cannot read the same in evidence even though marked as an exhibit*."

- **Admissibility of Electronic Records:** The Hon'ble Supreme Court in ***Anvar P.V. v. P.K. Basheer***[5] while addressing the issue of admissibility of electronic evidence and Section 65B of the Evidence Act held as under:

  "*13. Any documentary evidence by way of an electronic record under the Evidence Act, in view of Sections 59 and 65A, can be proved only in accordance with the procedure prescribed under Section 65B. Section 65B deals with the admissibility of the electronic record. The purpose of these provisions is to sanctify secondary evidence in electronic form, generated by a computer. It may be noted that the Section starts with a non obstante clause. Thus, notwithstanding anything contained in the Evidence Act, any information contained in an electronic record which is printed on a paper, stored, recorded or copied in optical or magnetic media produced by a computer shall be deemed to be a document only if the conditions mentioned Under Sub-section (2) are satisfied, without further proof or production of the original. The very admissibility of such a document, i.e., electronic record which is called as computer output, depends on the satisfaction of the four conditions Under Section 65B(2). Following are the specified conditions Under Section 65B(2) of the Evidence Act:*

  (i) The electronic record containing the information should have been produced by the computer during the period over which the same was regularly used to store or process information for the purpose of any activity regularly carried on over that period by the person having lawful control over the use of that computer;

  (ii) The information of the kind contained in electronic record or of the kind from which the information is derived was regularly fed into the computer in the ordinary course of the said activity;

  (iii) During the material part of the said period, the computer was operating properly and that even if it was not operating properly for some time, the break or breaks had not affected either the record or the accuracy of its contents; and

[3] WRIT PETITION No.3757 OF 2023
[4] 2017 VII AD (Del) 649
[5] AIR 2015 SC 180

(iv) The information contained in the record should be a reproduction or derivation from the information fed into the computer in the ordinary course of the said activity.

14. Under Section 65B(4) of the Evidence Act, if it is desired to give a statement in any proceedings pertaining to an electronic record, it is permissible provided the following conditions are satisfied:

(a) There must be a certificate which identifies the electronic record containing the statement;

(b) The certificate must describe the manner in which the electronic record was produced;

(c) The certificate must furnish the particulars of the device involved in the production of that record;

(d) The certificate must deal with the applicable conditions mentioned Under Section 65B(2) of the Evidence Act; and

(e) The certificate must be signed by a person occupying a responsible official position in relation to the operation of the relevant device."

The Bankers' Books Evidence Bill, 2026 substantially incorporates the safeguards governing admissibility of electronic records recognised by the Supreme Court in *Anvar P.V. v. P.K. Basheer*. Sections 6 and 7 reproduce, in substance, the requirements of regular use of the computer system, regular feeding of information in the ordinary course, proper functioning of the system and faithful reproduction or derivation of the information, while Section 3 provides for certification of the electronic record through prescribed formats. The Bill goes further by introducing safeguards concerning authorised access, alteration, data integrity, tampering and cybersecurity. The new framework should therefore substantially address the admissibility concerns identified in *Anvar*. However, it may be useful for the legislation to expressly clarify that compliance with the special certification and admissibility regime under the new Act is sufficient for electronic bankers' books without requiring duplicative certification under the general electronic-evidence provisions of the Bharatiya Sakshya Adhiniyam, 2023.

WHAT THESE JUDGMENTS TELL US ABOUT THE 2026 BILL?

The jurisprudence under the 1891 Act broadly developed three propositions:

- Certification facilitates proof; it does not make the contents conclusive. Chandradhar Goswami remains the principal authority for this proposition.
- For electronic records, statutory certification requirements concern admissibility itself. ICICI Bank v. Kamini Sharma is particularly important here.
- Going behind the certified record and compelling a non-party bank/officer required "special cause", but the 1891 Act never told courts what that expression meant. Central Bank v. P.D. Shamdasani illustrates the operation of that protection.

WHAT THESE JUDGMENTS TELL US ABOUT THE 2026 BILL?

The jurisprudence under the 1891 Act, read with the law governing electronic evidence, broadly developed the following propositions:

- **Certification facilitates proof of the bank record; it does not make the contents conclusive proof of the underlying liability.** *Chandradhar Goswami v. Gauhati Bank Ltd.* remains the principal authority for this proposition. A certified entry is *prima facie* evidence and receives the same evidentiary status as the original entry, but an entry in books of account, standing alone, may not be sufficient to fasten liability. Section 5 of the 2026 Bill substantially preserves this position.
- **In the case of electronic banking records, compliance with the prescribed statutory conditions goes to admissibility and authentication of the electronic record itself.** *Anvar P.V. v. P.K. Basheer*, read with *ICICI Bank Ltd. v. Kamini Sharma*, establishes the importance of satisfying the statutory conditions governing computer-generated evidence. Sections 3, 6 and 7 of the 2026 Bill substantially incorporate this framework and go further by expressly addressing authorised access, alteration, data integrity, tampering and cybersecurity.

- **The admissibility/authentication of a banking record and proof of the underlying transaction or liability remain distinct issues.** Even where an electronic bank statement satisfies the certification and system-integrity requirements, it does not necessarily follow that the underlying debt or liability stands conclusively proved. The Bill facilitates proof of the banking record but does not appear to displace the general evidentiary principle that entries in books of account, by themselves, may not be sufficient to charge a person with liability.
- **Going behind a duly certified banking record and compelling a non-party bank or its officer required "special cause" under the 1891 Act, but that expression was left undefined.** *Central Bank of India v. P.D. Shamdasani* illustrates the protection afforded to banks. Section 8 of the 2026 Bill materially develops this area by defining circumstances constituting special cause, including doubt regarding the accuracy or genuineness of an entry and interruption in the regularity or ordinary course of the bank's record keeping.

The last two propositions are particularly important because Sections 7 and 8 will operate together. Section 7 strengthens the statutory presumption of reliability by prescribing detailed conditions relating to the integrity of electronic banking records; Section 8 simultaneously provides a clearer route for a litigant to go behind that record where there is a credible challenge to its accuracy, genuineness or the integrity of the record-keeping process.

Thus, the 2026 Bill, strengthens both sides of the evidentiary framework: it makes duly certified electronic banking records easier to authenticate and admit by substantially incorporating the principles governing electronic evidence, while at the same time providing a more structured statutory basis for challenging such records where their accuracy, genuineness or system integrity is genuinely in doubt. The critical issue for courts will be to ensure that Section 8 is invoked on the basis of a specific and credible challenge and does not become a routine mechanism for reopening duly certified banking records.

We trust you will find this an interesting read. For any queries or comments on this update, please feel free to contact us at insights@elp-in.com or write to our authors:

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