Legality of electronic signatures in India

Are electronic signatures legal, admissible and enforceable in India?

Signatures in electronic form have been recognized by law in India since 2000, with the passage of the Information Technology Act. A court in India will admit electronic signatures as evidence, therefore specifying electronic signature as legally-admissible.

The Act identifies and establishes a two-tiered legality structure, classified as simple electronic signatures and digital signatures. Under the Indian Information Technology Act, only digital signatures are recognized as valid electronic signatures. Though, simple electronic signatures can be produced as evidence as per the evidence act of India.

Summary of the law

Indian laws provide for the enforcement of both simple electronic signatures and digital signatures (sometimes called advanced electronic signatures). It is considered a two-tier jurisdiction because it gives digital signatures the same legal status as handwritten signatures but also recognizes simple electronic signatures as admissible in court for evidence. Countries that follow this model give companies the opportunity to select different forms of signatures and customize their business processes based on the form that is most convenient and appropriate for each use case.
Electronic signatures are presumed valid unless proof to the contrary is produced. Specifically, section 10A provides that where an agreement is “expressed in electronic form or by means of an electronic record, such contract shall not be deemed to be unenforceable solely on the ground that such electronic form or means was used for that purpose.” Companies may choose to use electronic signatures after internal consultation with their legal counsel subject to the conditions that it meets business needs and other requirements of verifying the execution of the contract and consent to use of eSignatures.

When using digital signatures in India, there are additional technical and legal requirements. Section 15, 35 in particular specifies standards for entities that issue digital certificates.

Key restrictions

Agreements related to powers of attorney, wills and real estate are exempted from the law. In addition, the requirement that many transactions must use stamped paper hinders adoption.

SignEasy and electronic signatures in India

At this point, SignEasy provides simple electronic signatures as well as Aadhaar-based electronic signatures, making SignEasy 100% legally-binding in India.

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