

I. Integrated and Functional Approach to Secured Transactions

B-Ready Assessment Area	Relevant Provisions	Links
<p>Fiduciary Transfers of Title <i>Fiduciary transfers of title are governed by a single law or governed by multiple laws or recognized under common or contract law</i></p>	<p>Chapter III of the SARFAESI Act, 2002; Chapter V, Transfer of Property Act, 1882; Chapter III, THE FACTORING REGULATION ACT, 2011; Section 31B, Recovery of Debts and Bankruptcy Act, 1993</p> <p>The term fiduciary transfer of Title is not defined in Indian Law. The term resembles to 'English Mortgage' defined in Section 58(e) of Transfer of Property Act, 1882 & Hypothecation' in Indian Law.</p>	<ul style="list-style-type: none"> • (SAARFAESI Act, 2002) https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • (Transfer of Property Act, 1882) https://www.indiacode.nic.in/bitstream/123456789/2338/1/A1882-04.pdf • (The Factoring Regulation Act, 2011) https://www.indiacode.nic.in/bitstream/123456789/2116/4/a2012-12.pdf • (Recovery of Debts and Bankruptcy Act, 1993) https://www.indiacode.nic.in/bitstream/123456789/1775/1/AArecovery199351.pdf
<p>Fiduciary Transfers of Title <i>Fiduciary transfers of title are registered in a single registry or registered in separate registries</i></p>	<p>Secured Interest needs to be registered as per Section 23 of the SARFAESI Act, 2002, The particulars of every transaction of securitization, asset reconstruction or creation of security interest shall be filed with the Central Registrar in the manner and on payment of fee as prescribed. Also, as per Sec 77(1) of Companies Act, 2013, it is the duty of every company creating a charge within or outside India, on its property or assets or any of its undertakings, whether tangible or otherwise, and situated in or outside India, to register the particulars of the charge with the Registrar within thirty days of its creation.</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf.pdf
<p>Financial Leases <i>Financial Leases are governed by a single law or governed by multiple laws or recognized under common or contract law</i></p>	<p>Section 2(ma) + 2(zf) + 13 + 26E, SARFAESI Act, 2002; Section 31B, Recovery of Debts and Bankruptcy Act, 1993; Chapter V, Transfer of Property Act, 1882</p> <p>The creation, priority, and enforcement of financial leases are covered under Indian law, primarily through the SARFAESI Act, 2002. Section 2(ma) defines financial lease, and Section 2(zf) includes it within the scope of security interest. Enforcement is governed by Section 13,</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf.pdf • https://www.indiacode.nic.in/bitstream/123456789/1775/1/AArecovery199351.pdf • https://www.indiacode.nic.in/bitstream/123456789/2338/1/A1882-04.pdf

B-Ready Assessment Area	Relevant Provisions	Links
	<p>allowing secured creditors to act without court intervention. Priority of charge is addressed in Section 26E of SARFAESI and Section 31B of the RDBFI Act. Lease concepts are also covered under the Transfer of Property Act, 1882.</p>	
<p>Financial Leases <i>Financial Leases are registered in a single registry or registered in separate registries</i></p>	<p>Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI)</p>	
<p>Assignments of Receivables <i>Assignments of Receivables are governed by a single law or governed by multiple laws or recognized under common or contract law</i></p>	<p>Section 7, Factoring Regulation Act, 2011; Section 2(zf) + 13 + 26E, SARFAESI Act, 2002; Section 31B, Recovery of Debts and Bankruptcy Act, 2013.</p> <p>The creation, priority, and enforcement of assignment and outright transfer of receivables are governed by the Factoring Regulation Act, 2011, particularly Section 7, which allows receivables to be assigned by written agreement. Additionally, Section 2(zf) of the SARFAESI Act, 2002 includes assignment within the definition of security interest. Enforcement is covered under Section 13 of SARFAESI, and priority of charge is governed by Section 26E of SARFAESI and Section 31B of the RDBFI Act.</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • https://www.indiacode.nic.in/bitstream/123456789/2116/4/a2012-12.pdf • https://www.indiacode.nic.in/bitstream/123456789/1775/1/AArecovery199351.pdf
<p>Assignments of Receivables <i>Assignments of Receivables are registered in a single registry or registered in separate registries</i></p>	<p>Assignments and outright transfers of receivables must be registered to be effective against third parties. Under Section 23 of the SARFAESI Act, 2002, security interests—including those over receivables—must be filed with CERSAI. Additionally, Section 77(1) of the Companies Act, 2013 requires companies to register such charges with the Registrar of Companies (ROC) within 30 days of creation.</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • https://www.indiacode.nic.in/bitstream/123456789/15198/1/the_companies_act%2c_2013_no._18_of_2013_date_29.08.2013.pdf
<p>Retention of Title Sales <i>Retention of title sales are governed by a single law or governed by multiple laws or recognized under common or contract law</i></p>	<p>Section 148, 160, 171, Chapter IX, Indian Contract Act, 1872; Section 45-47, Sales of Goods Act, 1930; Chapter IV, Section 60 The Transfer of Property Act, 1882; Section 2(1)(zf), 12, 26E, SARFAESI ACT, 2002.</p> <p>While retention of title (ROT) sales are not explicitly defined</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2187/2/A187209.pdf • https://www.indiacode.nic.in/bitstream/123456789/2390/1/193003.pdf • https://www.indiacode.nic.in/bitstream/123456789/2338/1/A1882-04.pdf

B-Ready Assessment Area	Relevant Provisions	Links
	<p>in Indian law, they are legally recognized through contractual agreements under the Indian Contract Act, 1872, and supported by provisions in the Sales of Goods Act, 1930 (Sections 45–47 on unpaid seller’s lien). For immovable assets, protections exist under the Transfer of Property Act, 1882. Additionally, Section 2(zf) of the SARFAESI Act, 2002 includes conditional sales within the definition of security interest, with enforcement and priority governed by Sections 13 and 26E respectively.</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf
<p>Retention of Title Sales <i>Retention of title sales are registered in a single registry or registered in separate registries</i></p>	<p>Section 31, SARFAESI Act, 2002 provides that the provisions of the Act shall not apply to a lien on any goods, pledge of movables and rights of unpaid seller. Additionally, under Section 77(1) of the Companies Act, 2013, companies must register charges with the Registrar of Companies (ROC) within 30 days of creation. There is no legal requirement of registration for an individual.</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • https://www.indiacode.nic.in/bitstream/123456789/15198/1/the_companies_act%2c_2013_no._18_of_2013_date_29.08.2013.pdf
<p>Rules on creation, priority, and perfection apply equally to both incorporated and unincorporated debtors</p>	<p>Section 58e, Transfer of Property Act; Section 172, Indian Contract Act; Section 77, Companies Act, 2013; Section 23, 26B, 26D, and 26(E) of SARFAESI Act, 2002; Section 45-47, Sales of Goods Act, 1930.</p> <p>Considering the provisions under SARFAESI Act, which is applicable on all debtors and presence of non-obstant clause in SARFAESI Act, incorporated and unincorporated debtors are treated equally for any type of security interest transactions. Section 31, SARFAESI Act, 2002 provides that the provisions of the Act shall not apply to a lien on any goods, pledge of movables and rights of unpaid seller. Additionally, under Section 77(1) of the Companies Act, 2013, companies must register charges with the Registrar of Companies (ROC) within 30 days of creation. There is no legal requirement of registration for an individual.</p>	<ul style="list-style-type: none"> • (Transfer of Property Act, 1882) https://www.indiacode.nic.in/bitstream/123456789/2338/1/A1882-04.pdf • (Indian Contract Act, 1872) https://www.indiacode.nic.in/bitstream/123456789/2187/2/A187209.pdf • (Companies Act, 2013) https://www.indiacode.nic.in/bitstream/123456789/2114/5/A2013-18.pdf • (SARFAESI Act, 2002) https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf

B-Ready Assessment Area	Relevant Provisions	Links
Rules on creation, priority, and perfection apply equally to both incorporated and unincorporated creditors	Rules apply equally for fiduciary transfer of title, financial lease, assignment of receivables.	

II. Movable Assets used as Security

B-Ready Assessment Area	Relevant Provisions	Links
Accounts receivable, Inventory, Tangible movables and Intangible movables can be used as collateral	Yes to all categories of assets. Section 2(1)(n), 2(1)(zc), 2(1)(t), 2(1)(zf)(ii), 13(4)(d), SARFAESI Act, 2002; Sub-Rules 2A, 2B, 2C of Rule 4, SARFAESI (Central Registry Rules, 2011) (as amended upto 2016).	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • https://upload.indiacode.nic.in/showfile?actid=AC_CEN_2_11_00037_200254_15_17807324604&type=rule&filename=SARFAESI%20(Central%20registry)%20Rules_2011.pdf
Accounts receivable, Inventory, Tangible movables and Intangible movables can be used as collateral without significant restrictions <i>(e.g., consent requirements, valuation rules, exclusions of certain assets, registry technicalities limiting or preventing registration of certain assets, etc.)</i>	Yes to all categories of assets.	
Accounts receivable, Inventory, Tangible movables and Intangible movables can be described in general terms when used as collateral both in the security agreement and at registration?	Yes to all categories of assets. Section 2(1)(n)+ Section 2(1)(zf), SARFAESI Act, 2002	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf
Securing Multiple Categories of Assets <i>Single security right covers multiple asset classes</i>	Section 2(1)(n), Section 2(1)(zb), SARFAESI Act, 2002; Appendix IV (Possession Notice), IV-A (Sale Notice), The Security Interest (Enforcement) Rules, 2002	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • https://upload.indiacode.nic.in/showfile?actid=AC_CEN_2_11_00037_200254_15_17807324604&type=rule&filename=security_interest_(enforcement)_rules_2002.pdf
Securing Multiple Categories of Assets <i>There are no material limitations on included asset categories</i>	Section 2(1)(n), SARFAESI Act, 2002	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf
Securing Multiple Categories of Assets <i>There is single registration for multi-category security rights</i>	Section 2(1)(zb), SARFAESI Act, 2002	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf

III. Future Assets

B-Ready Assessment Area	Relevant Provisions	Links
<p>Securing Future Assets <i>Security interest over future (after acquired) assets</i></p>	<p>Section 2(1)(n), SARFAESI Act, 2002; Section 10, Indian Contract Act, 1872</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • https://www.indiacode.nic.in/bitstream/123456789/2187/2/A187209.pdf
<p>Securing Future Assets <i>Automatic extension of the collateral to products of the original collateral</i></p>	<p>Section 2(1)(n) Section 2(zb), SARFAESI Act, 2002; Section 2(h), 10, Indian Contract Act, 1872</p> <p>There is no restriction under law in this regard. This is usually subject matter of contract between parties. It depends on terms agreed in security agreement between the debtor and the creditor in the Security Agreement and in terms of Section 2(1)(n) of SARFAESI Act, 2002.</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • https://www.indiacode.nic.in/bitstream/123456789/2187/2/A187209.pdf
<p>Securing Future Assets <i>Automatic extension of the collateral to proceeds of the original collateral</i></p>	<p>Section 2(1)(n) Section 2(1)(zb), SARFAESI Act, 2002; Section 2(h), 10, Indian Contract Act, 1872</p> <p>There is no restriction under law in this regard. This is usually subject matter of contract between parties. It depends on terms agreed in security agreement between the debtor and the creditor in the Security Agreement and in terms of Section 2(1)(n) of SARFAESI Act, 2002.</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • https://www.indiacode.nic.in/bitstream/123456789/2187/2/A187209.pdf

IV. Debts and Obligations

B-Ready Assessment Area	Relevant Provisions	Links
<p>Scope and Flexibility of Secured Obligations <i>Ability to secure all types of obligations (current, future, fixed, fluctuating)</i></p>	<p>Section 2(1)(n), Section 2(1)(zb), SARFAESI Act, 2002; Section 2(h), 10, Indian Contract Act, 1872</p> <p>It can be governed under security agreement as defined under Section 2(1)(zb) of SARFAESI Act, between the creditor and debtor providing explicit terms and conditions and in terms of Section 2(1)(n) of SARFAESI Act, 2002, subject to Section 31 of SARFAESI Act, 2002.</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • https://www.indiacode.nic.in/bitstream/123456789/2187/2/A187209.pdf
<p>Scope and Flexibility of Secured Obligations <i>Description of debts and obligations</i></p>	<p>Section 2(1)(zb), SARFAESI Act, 2002; Section 2(h), 10, Indian Contract Act, 1872</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • https://www.indiacode.nic.in/bitstream/123456789/2187/2/A187209.pdf
<p>Scope and Flexibility of Secured Obligations <i>Automatic priority for future advances</i></p>	<p>Section 2(1)(n), Section 2(zb), SARFAESI Act, 2002</p> <p>If it is expressly mentioned in agreement between parties as contractual obligations. However as per laws there are provisions on mutual agreement that can be entered. As per Sec 2(h) of Indian Contract Act, 1872: An Agreement enforceable by law is a contract. As per Sec 10, All agreements are contracts if made by free consent of parties competent to contract, for lawful consideration & with lawful object, & are not hereby expressly declared to be void. As per section 2 (zb) of SARFAESI Act, 2002 for enforcement of security interest, “security agreement” means agreement, instrument/any other document/arrangement under which security interest is created in favor of secured creditor including creation of mortgage by deposit of title deeds.</p>	<ul style="list-style-type: none"> • (SARFAESI Act, 2002) https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • SARFAESI (Central Registry) Rules, 2011 https://upload.indiacode.nic.in/showfile?actid=AC_CEN_2_11_00037_200254_15_17807324604&type=rule&filename=SARFAESI%20(Central%20registry)%20Rules_2011.pdf • (SARFAESI (Central Registry) Amendment Rules, 2016) https://upload.indiacode.nic.in/showfile?actid=AC_CEN_2_11_00037_200254_15_17807324604&type=rule&filename=NOTIFICATION_DATED_22.1.2016_RELATED_TO_RULES_UNDE.sw.pdf
<p>Automatic Extensions of Secured Obligations <i>Automatic inclusion of the interest, maintenance, and enforcement cost in the secured debt</i></p>	<p>Section 5(8), IBC, 2016; Section 2(g), RDB Act, 1993; Section 2(1)(ha), Section 13(7), SARFAESI Act, 2002</p>	<ul style="list-style-type: none"> • (IBC, 2016) https://www.indiacode.nic.in/bitstream/123456789/15479/1/the_insolvency_and_bankruptcy_code%2C_2016.pdf • (Recovery of Debts and Bankruptcy Act, 1993) https://www.indiacode.nic.in/

B-Ready Assessment Area	Relevant Provisions	Links
		in/bitstream/123456789/1775/1/AArecovery199351.pdf <ul style="list-style-type: none"> (SARFAESI Act, 2002) https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf
Automatic Extensions of Secured Obligations <i>Automatic extension to supporting obligations</i>	Section 2(1)(f), Section 13(11), SARFAESI Act, 2002; Chapter XIII, Indian Contract Act, 1872.	<ul style="list-style-type: none"> https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf https://www.indiacode.nic.in/bitstream/123456789/2187/2/A187209.pdf
Cancellation and Discharge Mechanisms <i>Mechanism for the secured creditor to cancel the registration</i>	In terms of Section 25(1) of SARFAESI Act, 2002, secured creditors are required to report satisfaction of security interest to Central Registry.	<ul style="list-style-type: none"> https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf
Cancellation and Discharge Mechanisms <ul style="list-style-type: none"> <i>Mechanism for the debtor to request cancellation after satisfying an Obligation</i> <i>Mechanism for the debtor to request cancellation of an advanced registration</i> 	Section 23, 25, 26A, SARFAESI Act, 2002 In terms of Section 25, SARFAESI Act, 2002, the secured creditor is required to report satisfaction of interests and the said section provides mechanism for borrower to give intimation to CERSAI. 26A provides for modification of Rectification by Central Government in matters of registration, modification and satisfaction, etc., which may take care of never attached - An advance/precautionary registration was filed, but no security right ever came into existence Further, as per Section 23 SARFAESI the particulars of every transaction of securitisation, asset reconstruction and creation of security interest shall be filed with the Central Registrar, as such the filing is to be done once the security interest has been created.	<ul style="list-style-type: none"> https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf

V. Priority and Enforcement of Security Interests

B-Ready Assessment Area	Relevant Provisions	Links
<p>Priority of Claims outside Insolvency or Bankruptcy <i>Clear priority rules for competing claims</i></p>	<p>Section 26E, SARFAESI Act, 2002; Section 31B, RDDBFI Act, 1993</p>	<ul style="list-style-type: none"> • (SARFAESI Act, 2002) https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • (Recovery of Debt and Bankruptcy Act, 1993) https://www.indiacode.nic.in/bitstream/123456789/1775/1/ARecovery199351.pdf#search=recovery%20of%20debt%20due%20to%20Banks
<p>Priority of Claims outside Insolvency or Bankruptcy <i>Treatment of secured creditors and statutory liens</i></p>	<p>Section 26E, SARFAESI Act; Section 31B, Recovery of Debts and Bankruptcy Act, 1993; read with Section 53, Insolvency and Bankruptcy Code, 2016</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • https://www.indiacode.nic.in/bitstream/123456789/1775/1/ARecovery199351.pdf • https://www.indiacode.nic.in/bitstream/123456789/2154/5/A2016-31.pdf
<p>Priority of Claims outside Insolvency or Bankruptcy <i>Protection of buyers in the ordinary course of business</i></p>	<p>Section 53, Transfer of Property Act, 1882; Section 27, Sales of Goods Act, 1930</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2338/1/A1882-04.pdf • https://www.indiacode.nic.in/bitstream/123456789/2390/1/193003.pdf
<p>Procedural Safeguards <i>Out of court enforcement of security interests</i></p>	<p>Chapter III, Section 13, SARFAESI Act, 2002</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf
<p>Procedural Safeguards <i>Conditions for taking possession</i></p>	<p>The legal framework allows a secured creditor to take possession of the collateral upon default. The debtor/grantor's written consent can be included in the security agreement. The demand notice under Section 13(2) should clearly states that failure to deposit amount claimed within the prescribed time period will give secured creditor recourse to enforcement measures under 13(4) . Under SARFAESI Act, 2002, there is no requirement for obtaining NOC from the debtor or any other person in possession. Under the provisions of section 13 of SARFAESI Act, there is no legal requirement for obtaining the borrower's consent, either pre-default or post-default, for taking possession of the secured asset upon occurrence of default.</p>	
<p>Private Sale <i>Availability of private sale</i></p>	<p>Rule 6, 8, Security Interest (Enforcement) Rules, 2002,</p>	<ul style="list-style-type: none"> • https://upload.indiacode.nic.in/showfile?actid=AC_CE

B-Ready Assessment Area	Relevant Provisions	Links
	Security Interest (Enforcement) Amendment Rules, 2007, Security Interest (Enforcement) Amendment Rules, 2018.	N 2 11 00037 200254 15 17807324604&type=rule&filename=security_interest_(enforcement)_rules,_2002.pdf <ul style="list-style-type: none"> • https://upload.indiacode.nic.in/showfile?actid=AC_CEN 2 11 00037 200254 15 17807324604&type=rule&filename=Security%20Interest%20(Enforcement)%20Amendment%20Rules,%202007.pdf
Private Sale <i>Notice requirements for interested parties</i>	Rule 6, 8, 9, Security Interest Enforcement Rules, 2002	<ul style="list-style-type: none"> • https://upload.indiacode.nic.in/showfile?actid=AC_CEN 2 11 00037 200254 15 17807324604&type=rule&filename=security_interest_(enforcement)_rules,_2002.pdf • https://upload.indiacode.nic.in/showfile?actid=AC_CEN 2 11 00037 200254 15 17807324604&type=rule&filename=Security%20Interest%20(Enforcement)%20Amendment%20Rules,%202007.pdf
Appropriation <i>Appropriation by creditor</i>	Section 13(1), 13(2), 13(4), 13(5A), SARFAESI Act, 2002; Section 69, 69A, Transfer of Property Act, 1882	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • https://www.indiacode.nic.in/bitstream/123456789/2338/1/A1882-04.pdf
Appropriation <i>Conditions for acquisition of collateral</i>	Rule 5, 8(5) of Security Interest (Enforcement) Rules, 2002	<ul style="list-style-type: none"> • https://upload.indiacode.nic.in/showfile?actid=AC_CEN 2 11 00037 200254 15 17807324604&type=rule&filename=security_interest_(enforcement)_rules,_2002.pdf • https://upload.indiacode.nic.in/showfile?actid=AC_CEN 2 11 00037 200254 15 17807324604&type=rule&filename=Security%20Interest%20(Enforcement)%20Amendment%20Rules,%202007.pdf
Procedural Safeguards <i>Commercially reasonable realization</i>	Section 13, SARFAESI Act, 2002; read with Rule 4, 6, 7, 8, 9, Security Interest (Enforcement) Rules, 2002.	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • https://upload.indiacode.nic.in/showfile?actid=AC_CEN 2 11 00037 200254 15 17807324604&type=rule&filename=security_interest_(enforcement)_rules,_2002.pdf • https://upload.indiacode.nic.in/showfile?actid=AC_CEN 2 11 00037 200254 15 17807324604&type=rule&filename=Security%20Interest%20(Enforcement)%20Amendment%20Rules,%202007.pdf

B-Ready Assessment Area	Relevant Provisions	Links
		17807324604&type=rule&filename=Security%20Interest%20(Enforcement)%20Amendment%20Rules,%202007.pdf
Procedural Safeguards <i>Debtor's right of redemption</i>	Section 13(8), SARFAESI Act, 2002	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf
Procedural Safeguards <i>Order of distribution of proceeds</i>	Section 13(7), SARFAESI Act, 2002	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf

VI. Operation of Collateral Registries

B-Ready Assessment Area	Relevant Provisions	Links
<p>Registry Scope and Coverage <i>Unified registry for security interests exists</i></p>	<p>CERSAI, established under Chapter IV of the SARFAESI Act, 2002, serves as a nationwide central registry for recording security interests created by secured creditors.</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf
<p>Registry Scope and Coverage <i>Ability of all creditor types to register security interests</i></p>	<p>As per Section 26B, SARFAESI Act, 2002, all types of creditors (including secured and other creditors) — whether incorporated or not— their representatives are allowed to register a security interest with the collateral registry (CERSAI) in India.</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf
<p>Verification and Material Checks <i>Priority established at the time of submission</i></p>	<p>In terms of Section 26C, priority is established at the time of its submission with the Registry.</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf
<p>Verification and Material Checks <i>Availability of notice-based filing</i></p>	<p>Section 23 & 25, SARFAESI Act, 2002</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf
<p>Verification and Material Checks <i>No human review of legality of transaction</i></p>	<p>As per Para 2.2.1(Features of Collateral registries) Table 19 (Sl. no 2(ii)) on Unified Collateral Registry, the good practice is to have registries as notice-based registries. The registries in India are notice based registries. However, all applicants are given sufficient opportunities to rectify and insert accurate and correct information in their application which includes legality of the transaction being undertaken.</p>	
<p>Verification and Material Checks <i>No human review of notice for correctness</i></p>	<p>Under Section 23 of SARFAESI Act, 2002 read with Rule 4 of the SARFAESI (Central Registry) Rules, 2011, particulars of transactions must be filed with the Central Registry using prescribed forms, authenticated with a valid digital signature. The signatory bears full responsibility for the correctness of the information. Filings are submitted online through the secured CERSAI portal, and no staff review of accuracy or completeness is conducted. Forms are available on the CERSAI website: https://www.cersai.org.in/CERSAI/downloads.prg</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • https://upload.indiacode.nic.in/showfile?actid=AC_CE_N_2_11_00037_200254_15_17807324604&type=rule&filename=SARFAESI%20(Central%20registry)%20Rules_2011.pdf
<p>Safeguards to Prevent Unlawful Registrations <i>Availability of a mechanism for challenging an</i></p>	<p>Section 26A, SARFAESI Act, 2002 provides for corrections which can be requested through the online CERSAI portal.</p>	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf

B-Ready Assessment Area	Relevant Provisions	Links
<i>incorrect or fraudulent registration</i>		
Public Access <i>Unrestricted public access to registry database</i>	Section 26, SARFAESI Act, 2002 provides for the right to inspect the registry. The Central register is maintained in electronic form and the public search is available through the “public search” tab available on https://www.cersai.org.in/CERSAI/home.prg For carrying out public search there is no requirement of creating an account. Any person can initiate search by through the public search tab available on the CERSAI’s website.	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf
Public Access <i>Secured creditor’s unrestricted access to registry system</i>	The filing of the particulars of transactions of creation of security interest, modification and satisfaction is carried out in terms of Section 23, 24, 25 of SARFAESI Act, 2002 respectively. Creditors can register, modify and satisfy security interest themselves without the assistance of intermediaries.	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf
Digital Management of the Registry Notice <ul style="list-style-type: none"> • <i>Online search</i> • <i>Online registration</i> • <i>Online amendment</i> • <i>Online cancellation</i> • <i>Online challenge of notices</i> 	All online services are available on registry	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf
Digital Management of the Registry Notice <i>Automated notifications to debtor</i>	Email Notification is being sent to debtors for SI Registration and to the users who are performing SI Registration, Rectification, Modification and Satisfaction of security interests.	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf#search=SARFAESI
Reliability of the Registration System <i>Protection of users relying on collateral registry data</i>	Section 26, SARFAESI Act, 2002; read with Section 63, Bharatiya Sakshya Adhinyam, 2023.	<ul style="list-style-type: none"> • https://www.indiacode.nic.in/bitstream/123456789/2006/1/A2002-54.pdf • https://www.indiacode.nic.in/bitstream/123456789/20063/1/aa202347.pdf
Reliability of the Registration System <i>Perception of users on reliability of collateral registry data</i>	The Central Registry (CERSAI), established under the SARFAESI Act, 2002, is designed to be a reliable nationwide database of security interests. The Entries are time-stamped and electronically recorded. The entries made have statutory recognition since the priority is given to the secured creditors in terms of Section 26C and 26E. Under the provisions of Section 26	

B-Ready Assessment Area	Relevant Provisions	Links
	SARFAESI any person can carry the inspection/search of the database, ensuring transparency.	