Module 7 · Banking: BR Act, RBI, SARFAESI P13 · Section B · topics 7.1–7.3

SM pp. 323–346 (24 pages). **54.5 marks in 7 papers.** A Banking long question in **every paper** (Q6(b), Q7(b) or Q8(b)), plus an MCQ in 6 of 7 papers, usually on the BR Act. Section numbers the SM does not print are taken from the Act.

Paper	What was asked	Marks
Jun'23	MCQ: no dividend until **capitalised expenses** are written off (= SM MCQ 11) · Q6(b) SARFAESI: **NPA**, **qualified buyer**, **securitisation**	2 + 8
Dec'23	MCQ: reserve fund **20%** · MCQ: dividends need **RBI** approval · Q8(b) **ARC measures for asset reconstruction** (SARFAESI s.9)	2 + 2 + 7
Jun'24	MCQ: bank amalgamation needs **two-thirds** (= SM MCQ 8) · Q7(b) **restrictions on loans and advances** (s.20, 21)	2 + 5
Dec'24	MCQ: SARFAESI judicial authority = **DRT** (= SM MCQ 7) · Q6(b)(ii) **disposal of non-banking assets** (BR Act s.9: not in the SM)	2 + 3
Jun'25	MCQ: winding up is ordered by the **High Court** · Q5(b)(ii) SARFAESI **s.15 takeover of management**	2 + 3.5
Dec'25	Q8(b) **role of the RBI** in monetary, banking and financial policy	7
Jun'26	MCQ: **s.6** businesses: all of the above · Q8(b) **SARFAESI**: objectives, applicability, s.13 enforcement, secured creditors' rights	2 + 7

HOW IT IS EXAMINED · DEC'26 PREDICTION

- Answers are **SM lists**: s.20/21, the RBI's roles, SARFAESI s.9, s.13 and s.15. MCQs: SM exercise MCQs or single SM sentences.
- **Q8(b), 7 marks**: (1) **loans and advances s.20/21** (rotation; about 40%); (2) **ARC measures s.9** (PTP Q8(b); 30%); (3) **role of the RBI** (MQP Q8(b), postal; 20%). The SM solved case (**MD of a bank**) is a good case-study candidate.
- MCQ: s.15, s.17 (20%), s.44A (2/3), CRR/SLR, the DRT.

MAP

1. BR Act: s.6 business, board, chairman ★★
2. Capital, dividend s.15, reserve s.17, CRR/SLR ★★★
3. Loans s.20/21, licensing s.22, s.9 ⚠ ★★★
4. RBI powers, winding up, amalgamation s.44A ★★
5. Role of the RBI (18 roles) ★★
6. SARFAESI: definitions, ARCs, s.9, s.13, s.15 ★★★
7. Model answers · SM exercise · numbers

7.1 Banking Regulation Act, 1949: business and management · Jun'26 MCQ

Banking is in **entry 45 of the Union List**. The Act regulates all banking companies and supplements the Companies Act; **primary agricultural credit societies** and **cooperative land mortgage banks** are excluded. It empowers the RBI to **license** banks, regulate shareholding and voting, supervise boards and management, regulate operations, direct audits, impose a **moratorium**, handle mergers and liquidation, issue directions and impose penalties. [SM 325]

s.6 · WHAT A BANKING COMPANY MAY DO

SM WORDS **"Banking"** means accepting, for the purpose of lending or investment, of **deposits of money** from the public, **repayable on demand or otherwise** and **withdrawable by cheque, draft, order or otherwise**. A banking company is any company which transacts the business of banking. [SM 325]

In addition to banking it may: (a) act as **agent for any Government**, local authority or person (not as managing agent); (b) underwrite and deal in issues of loans and securities; (c) **guarantee and indemnity** business; (d) **manage, sell and realise property** received in satisfaction of its claims; (e) deal in property held as security; (f) **undertake and execute trusts**; (g) administer estates as **executor or trustee**; (h) set up funds for employees; grant money for charity; (i)–(j) build, manage and deal with its own property; (k) take over a similar business; (l) incidental acts; (m) any other business the **CG** specifies. *Jun'26 MCQ: (D) all of the above.* [SM 325–326]

BOARD · CHAIRMAN (s.10A, 10B, 10BB)

- At least **51%** of the board must have special knowledge or experience: accountancy, agriculture and rural economy, banking, co-operation, finance, law, small-scale industry, or another field the RBI approves; at least **two** from agriculture and rural economy, co-operation or SSI. [SM 326]
- Directors other than the chairman and whole-time directors hold office for at most **8 years**. No conflicts of interest; the RBI may order the board **reconstituted**; **no common directors** across banks. [SM 326]
- **s.10B**: the board names one director as **Chairman**, whole-time or part-time. A whole-time chairman manages the whole affairs under the board's supervision; with a part-time chairman, a **Managing Director** manages. Both need **RBI approval**, for at most **5 years** at a time. [SM 326]
- **s.10BB**: if the post of whole-time chairman or MD is vacant and that harms the bank, the **RBI may appoint** a fit person (term up to **5 years**), who is deemed a director. [SM 326]

s.11–19 Capital, dividend, reserve fund, CRR · Jun'23, Dec'23 MCQs

CAPITAL (s.11, 12)

- **Subscribed capital ≥ half of authorised**; **paid-up ≥ half of subscribed**; on an increase, up to **two years** to restore the ratio. Shares may be equity or preference. [SM 327]
- No person may exercise more than **10%** of voting rights, which may be raised to **20%** in phases (SM). [SM 327] ⚠ The Act (2012 amendment) lets the RBI raise the cap up to 26%, which it did in 2016.
- **Basel III**: three pillars, namely minimum capital on **risk-weighted assets** (credit, market, operational risk), **supervisory review**, and **market discipline** (disclosures); capital buffers; compliance from **1 Jan 2019**, with total capital of at least **9%** of RWAs. [SM 327]

DIVIDEND (s.15) · JUN'23 MCQ = SM MCQ 11

SM WORDS No banking company shall pay any dividend on its shares until all its **capitalized expenses** (preliminary expenses, brokerage and commission on issue of shares, etc.) have been **completely written off**. It may pay **without** writing off: (a) depreciation on **approved securities** not capitalised or treated as a loss; (b) depreciation on other investments that is **adequately provided** (auditor approves); (c) **bad debts** adequately provided (auditor approves). (d) Banks pay dividends after **specific approval of the RBI** (Dec'23 MCQ). [SM 327]

RESERVE FUND (s.17) · DEC'23 MCQ

- Every bank incorporated in India transfers **at least 20% of profit** each year to the reserve fund, until the fund plus **share premium** equals the **paid-up capital**; the CG may exempt on the RBI's recommendation. [SM 328]
- Any appropriation from reserves is reported to the RBI within **21 days**, with reasons. [SM 328]
- RBI directive: scheduled commercial banks (incl. foreign banks) transfer at least **25%** of net profit. [SM 328]

CASH RESERVE (s.18) · SUBSIDIARIES (s.19)

- A **non-scheduled** bank keeps a daily cash reserve of at least **3%** of its time and demand liabilities (with itself, or in a current account with the RBI, SBI or a notified bank) and reports by the **20th** of each month. **Scheduled** banks' CRR is under **s.42 of the RBI Act, 1934**. [SM 328]
- **s.19**: a bank may form subsidiaries only for permitted or incidental purposes, with the RBI's prior written permission; it may not take controlling interests in non-banking companies. [SM 328]

s.20–30 Loans, licensing, branches, liquidity, returns · Jun'24 Q7(b), Dec'24 Q6(b)(ii)

RESTRICTIONS ON LOANS AND ADVANCES (s.20, 21) · THE JUN'24 ANSWER

SM WORDS **Section 20** restricts banking companies from granting any loan to (i) any of its **directors**, (ii) any **firm in which a director is interested**, or (iii) any individual for whom a **director stands as guarantor**. Banks are also prohibited from granting loans or advances **on the security of their own shares**. The RBI may control advances by any bank in the public interest. [SM 328]

Section 21: the RBI determines the **policy on advances** and may direct banks on: (a) the **purposes** for which advances may or may not be granted; (b) the **margins** on secured advances; (c) the **rate of interest** on advances, other accommodation and commission on guarantees; (d) the **maximum amount** of advances or guarantees for a **single party**, having regard to the bank's paid-up capital, reserves and deposits. [SM 328]

⚠ DISPOSAL OF NON-BANKING ASSETS (s.9): DEC'24 Q6(b)(ii), NOT IN THE SM

From the Act: a banking company shall **not hold any immovable property**, however acquired, **except what it needs for its own use**, for more than **seven years** from its acquisition, and must **dispose of it** within that period. The **RBI may extend** the period by up to **five years** if that is in the depositors' interest. (Property received in satisfaction of claims, s.6(d), is the usual source.)

LICENSING (s.22) · SM ESSAY 2

- No banking company may **commence or carry on banking** in India without an **RBI licence**. [SM 328]
- Before licensing, the RBI may **inspect the books** and must be satisfied that: (1) it can **pay depositors in full**; (2) its affairs will **not be run against depositors' interests**; (3) for a foreign bank, it is in the **public interest** and its home country does **not discriminate** against Indian banks. [SM 329]
- **Cancellation** if it stops banking in India or breaks licence conditions; **appeal to the CG within thirty days**, whose decision is final. [SM 329]
- RRBs are under the **RRBs Act 1976**. Licences are "**on tap**" (2016 guidelines); in 2015 Bandhan Bank and IDFC Bank got licences. [SM 329]

OTHER CONTROLS

- **s.23** branches: no new place of business in or outside India, and no change of place, without the **RBI's prior permission**; not needed for a **temporary** place (up to **1 month**) for an exhibition, conference or mela. [SM 329]
- **s.24 SLR**: liquid assets (cash, gold, unencumbered approved securities) of up to **40%** of time and demand liabilities, as the RBI notifies. [SM 329]
- **s.25**: assets in India of at least **75%** of its demand and time liabilities in India, at the last Friday of each quarter. [SM 330]
- **s.26**: return of accounts **un-operated for 10 years**, within **30 days** after each calendar year. **s.27**: monthly return of assets and liabilities. [SM 330]
- **s.30 audit**: accounts audited; **RBI's prior approval** to appoint, re-appoint or remove auditors; **three copies** to the RBI within **three months**. [SM 330]

s.35–44A RBI's powers, moratorium, winding up, amalgamation · Jun'24, Jun'25 MCQs

- **s.35A directions**: the RBI may caution or prohibit banks, or issue binding directions, in the **public interest**, in the interest of **banking policy**, to protect **depositors**, or to secure proper management. [SM 330]
- The **CG may authorise the RBI** to direct banks to start **insolvency resolution under the IBC** for a default; the RBI may issue directions on **stressed assets** (s.35AB). [SM 330–331]
- **s.35B**: **RBI's prior approval** for the number of directors, and for appointment, re-appointment, remuneration and removal of the chairman, MD or a director; also for amendments to the MOA, AOA or resolutions on these matters. [SM 331]
- **s.36AA, 36AB**: the RBI may **remove managerial persons** and **appoint additional directors**. The board may be **superseded**; the CG may **acquire** the undertaking (s.36AE). [SM 331]
- **s.37 moratorium**: a bank temporarily unable to pay may ask the **High Court** to stay all proceedings for up to **6 months**, with an **RBI report** that it can pay its debts if granted. [SM 331]
- **Winding up (s.38–44)**: the **High Court** orders it (Jun'25 MCQ: (D)) if the bank cannot pay its debts or the RBI applies. [SM 331]
- **RBI may apply** if the bank: (a) fails the s.11 **capital** requirement; (b) has **no licence** under s.22; (c) is **barred from taking deposits**; (d) keeps breaking the Act after RBI notice; (e) a court-sanctioned compromise **cannot work**; (f) per its returns, **cannot pay its debts** or its continuance harms depositors. [SM 331]
- **Voluntary winding up** only if the RBI certifies it can pay its debts **in full**. The **CG may acquire** a banking company by compulsory transfer of shares (an SM fill-in). [SM 331–332]
- **Amalgamation (s.44A)**: the scheme is approved by a majority of **2/3 in value** of the shareholders of **each** company, present in person or by proxy (Jun'24 MCQ = SM MCQ 8). Dissenters get the value of their shares **as determined by the RBI**. The **RBI sanctions** the scheme, directs the transfer of assets and liabilities and dissolves the transferor bank. Since **October 2020** the RBI may start reconstruction or amalgamation **without a moratorium**. [SM 332]

7.2 Role of the Reserve Bank of India · Dec'25 Q8(b), MQP Q8(b), postal Q6(a)

SM WORDS Since its inception the Reserve Bank has been playing a **key role in the formulation of monetary, banking and financial policies**, moving from **"regulator" to "facilitator"**. [SM 333]

#	Role	What the SM says
i	**Inspection of banks**	under the BR Act, in the interest of the banking system, banking policy and depositors [SM 333]
ii	**Regulating commercial banks** and LABs	Department of Banking Operations and Development: licensing, branch expansion, liquidity reserves, management, amalgamation, reconstruction and liquidation
iii	**Anti-money laundering**	AML cell for combating financing of terrorism (CFT) under the PMLA (SM fill-in 8)
iv	**Board-level appointments**	approves private banks' chairmen, MDs and CEOs; recommends PSB executive directors, CMDs, non-official and RBI nominee directors to the Government
v	**Licensing of branches**	authorisations, complaints on opening or closing offices, periodic policy review, branch and ATM database
vi	**Banking policy** (prudential norms)	capital adequacy; income recognition, asset classification and provisioning; investment valuation; exposure limits; PSB capital; Basel II; ALM; NPA settlements; FCRA donations [SM 334]
vii	**Directives to banks**	deposit interest rates (incl. NRI), deposit accounts, agents, gifts, freezing of accounts; capital-market exposure
viii	**Information on defaulters**	borrowers with dues of **₹1 crore and above** classed doubtful or loss, half-yearly (31 March, 30 September) [SM 334]
ix	**Indian banks abroad**	branches, JVs, representative offices; management and correspondent agreements
x	**Precious metals**	gold deposit and import schemes; authorising banks to import gold, silver, platinum
xi	**Offshore banking units**	OBUs in **SEZs**; IFSCs (SM fill-in 6) [SM 334–335]
xii	**Industrial and export credit**	policy, export credit and industrial rehabilitation desks

xiii–xiv	**Interpretation · exemptions**	interprets the BR and RBI Acts; frames rules; grants exemptions
xv	**Foreign exchange (FEMA)**	permissions; capital-account conditions (s.6(2)), regulations (s.6(3)); export realisation (s.8); exemptions (s.9); authorised persons (s.10–12). It **cannot restrict current-account transactions**; only the CG can, in consultation with the RBI [SM 335]
xvi–xviii	**Bankers' bank · Government's banker · payments**	lends to banks; banker to the Central and State Governments and issues their bonds; oversees payment and settlement systems [SM 335]

7.3 SARFAESI Act, 2002 · Jun'23 Q6(b), Dec'23 Q8(b), Jun'25, Jun'26 Q8(b)

PURPOSE (SM ESSAY 5) · JUN'26 "OBJECTIVES"

- In force from **21 June 2002** (amended 2004, 2012), to regulate **securitisation** and **reconstruction of financial assets** and **enforcement of security interest**. [SM 336]
- It lets banks and FIs **realise long-term assets**, manage liquidity and asset-liability mismatch and **improve recovery** by taking possession of securities and selling them, reducing **NPAs**. [SM 336]
- It promotes **asset reconstruction companies** to take over NPAs, and gives lenders and ARCs power to take over assets **without first going to court**. [SM 336]

DEFINITIONS · JUN'23 Q6(b) (3 + 3 + 2)

- SM WORDS **Non-performing asset**: an asset or account of a borrower classified by a bank or FI as **sub-standard, doubtful or loss**, (a) per the directions of the authority that regulates that bank or FI, or (b) otherwise per the **RBI's** asset-classification directions. [SM 337]
- **Qualified (institutional) buyer**: an FI, insurer, bank, SFC, SIDC, trustee, **ARC** registered under s.3(4), an **AMC investing for a mutual fund** or pension fund, a **SEBI-registered FII**, or any body corporate specified by SEBI. [SM 337]
- **Securitisation**: **acquisition of financial assets** by an ARC from any originator, by raising funds from qualified buyers through **security receipts** representing undivided interests in those assets, or otherwise. [SM 338]
- **Asset reconstruction**: acquisition by an ARC of a bank's or FI's rights in a financial assistance **for its realisation**. **Borrower** includes a guarantor and a mortgagor. **Default**: non-payment leading to NPA classification; for debt securities, after a **ninety days** notice. [SM 336–337]

ASSET RECONSTRUCTION COMPANIES (s.3–11)

- **Registration with the RBI** (SM MCQ 6) and **owned fund** of at least **₹2 crore** or more as the RBI specifies. [SM 338] ⚠ The RBI's 2022 framework requires ₹300 crore.
- Conditions: no losses in the **three preceding years**; arrangements to realise assets and pay investors; experienced directors; no director convicted of moral turpitude; a fit and proper sponsor; prudential norms. RBI approval for a **substantial change in management**, registered office or name. [SM 338]
- **Cancellation (s.4)**: stops holding qualified-buyer investment or doing the business; breaks conditions or directions; does not keep accounts or submit to inspection; after an opportunity to comply. [SM 338–339]
- **Acquisition (s.5)**: by issuing debentures or bonds, or by agreement with the bank; such documents are **exempt from stamp duty**. [SM 339]
- **s.10**: an ARC may act as a bank's **agent** for recovery, as a **manager** under s.13(4)(c), or as a court-appointed **receiver**; no other business without RBI approval. **s.11**: disputes among banks, ARCs and buyers go to **conciliation or arbitration**. [SM 339–340]

s.9 · MEASURES FOR ASSET RECONSTRUCTION (DEC'23 Q8(b), PTP)

a. proper management of the borrower's business by **change in or takeover of management**
b. **sale or lease** of part or whole of the business
c. **rescheduling** of payment of debts
d. **enforcement of security interest** under the Act
e. **settlement of dues**
f. **taking possession** of secured assets
g. **conversion of debt into shares** of a borrower company (deemed always valid)

The **RBI** sets the policy and gives directions, including on management of the borrower's business and fees. [SM 339]

s.13 · ENFORCEMENT WITHOUT A COURT (JUN'26 Q8(b))

1. A security interest may be enforced **without the intervention of a court or tribunal**. [SM 340]
2. Borrower defaults and the account is classified an **NPA** → written **notice to pay in full within sixty days**, giving the amount and the assets to be enforced. [SM 340]
3. The creditor considers any objection and replies with reasons within **fifteen days**. [SM 340]
4. **Measures (s.13(4))**: (a) **take possession** of secured assets, with the right to lease, assign or sell; (b) **take over management** of the business (transfer only where a substantial part of the business is security); (c) appoint a

s.15 · TAKEOVER OF MANAGEMENT (JUN'25 Q5(b)(ii))

- The ARC or secured creditor may appoint as many **directors** (company) or **administrators** (others) as it thinks fit, and **publishes a notice** in an **English** and an **Indian-language** newspaper where the principal office is. [SM 342]
- **Effect**: the existing directors or administrators are **deemed to vacate office** and their **contracts end**; shareholders cannot appoint directors without the creditor's approval; **no winding-up** or receiver proceedings without its consent. Management is **restored** once the debt is realised in full. [SM 342]

manager; (d) require anyone who owes the borrower money to **pay the creditor**. [SM 340]

5. A transferee gets **good title**; proceeds go first to costs, then to the creditor's dues, residue to the borrower. If the borrower **tenders the full dues** before the auction notice, the asset cannot be sold. [SM 341]
6. **Consortium**: action needs creditors with at least **60% in value**, binding on all. A shortfall can be recovered through the **DRT**; guarantors and pledged assets may be pursued directly. After notice, the borrower may **not transfer** the secured assets except in the ordinary course. [SM 341–342]

- **s.16**: no **compensation** to directors or managers for loss of office. [SM 342]

APPEALS

- **s.17**: an aggrieved borrower or person appeals to the **DRT** (the "judicial authority": Dec'24 MCQ = SM MCQ 7). [SM 342] Act: within 45 days.
- **s.18**: against the DRT's order, to the **Appellate Tribunal within thirty days**; the borrower must deposit **50%** of the debt (claimed or determined, whichever is less), reducible to **25%**. [SM 342]

⚠ APPLICABILITY (s.31): JUN'26 ASKED IT; NOT IN THE SM

From the Act, the enforcement provisions do **not** apply to: a **lien** on goods or money; a **pledge of movables**; security on **aircraft** or **vessels**; a financial asset of **₹1 lakh or less**; **agricultural land**; cases where the amount due is **less than 20%** of the principal and interest. Secured creditors covered: banks, FIs, ARCs, debenture trustees, and notified NBFCs.

M Model answers

MODEL ANSWER 1 · SARFAESI: OBJECTIVES, APPLICABILITY, ENFORCEMENT, RIGHTS (JUN'26 Q8(b)) · 7 MARKS

(1) **Objectives**: the three points of "Purpose" above. (2) **Applicability**: secured creditors (banks, FIs, ARCs) against borrowers whose account is an **NPA**; the exclusions of s.31 (⚠ box). (3) **Enforcement (s.13)**: no court needed; **sixty days** notice; reply to objections in **fifteen days**. (4) **Rights and measures**: take **possession** and sell, lease or assign; take over **management** (s.15); appoint a **manager**; collect from the borrower's debtors; **60%** consortium rule; recover any shortfall via the **DRT**; pursue guarantors. (5) **Borrower's remedy**: DRT (s.17), then the Appellate Tribunal with a **50%** deposit. [SM 336, SM 340–342]

MODEL ANSWER 2 · SM SOLVED CASE: APPOINTING THE CFO AS MD OF A LISTED BANK

Facts: the MD of a large listed bank is retiring; the NRC finds the CFO, a CA, suitable. **Steps:** (1) **Companies Act**: the **NRC recommends** → the **Board appoints** the MD → approval at the next **general meeting**. (2) **BR Act** also applies: the MD of a bank is appointed with the **prior approval of the RBI** (s.10B; also s.35B, which covers appointment, re-appointment, remuneration and removal), for up to **5 years** at a time. **So RBI approval must be obtained** before the appointment takes effect. [SM 326, SM 331, SM 345–346]

The other past long questions are SM lists printed above: s.20/21 (Jun'24 Q7(b)) · SARFAESI s.9 (Dec'23 Q8(b)) · role of the RBI, (i)–(xviii) (Dec'25 Q8(b): write 8–10 roles, each with a line) · s.15 takeover (Jun'25) · NPA, qualified buyer, securitisation (Jun'23).

The SM's own exercise for Banking (SM 343–346)

1 NPA stands for	**(b)** "Non Performance Asset" (key; really non-*performing*)	7 SARFAESI judicial authority ★	**DRT**
2 BR Act enacted in	**1949**	8 bank amalgamation vote ★	**two-thirds**
3 cash reserve ratio	**4%** (key) ⚠	9 liquid assets at least	**25%** (key) ⚠
4 SLR stands for	**(b)** (key; really statutory liquidity *ratio*)	10 balance sheet as on last working day of	**accounting year**
5 written off before dividend	**all of the above**	11 no dividend until ★	**capitalised expenses** written off
6 ARCs registered with	**RBI**		

⚠ MCQ 3: the SM text gives **3%** for non-scheduled banks (s.18); the key's 4% was the RBI's CRR for scheduled banks when the SM was written (cut to 3% by Nov 2025). MCQ 9: the key's 25% is the old statutory floor; s.24 now says "up to 40%, as the RBI notifies". In the exam, pick the option that matches the question's wording.

True/False: NBFCs come under the BR Act **F** · RBI approval for a bank's MD **T** · no dividend until capitalised expenses are written off **T** · RBI can cancel a licence without notice **F** · non-scheduled banks' CRR is outside the BR Act **F** (it is s.18). **Fill-ins:** licence by the **RBI** · Basel **III** from Jan 2019 · SLR = **statutory liquidity ratio** · **CG** can acquire shares of any bank in the public interest · LAB = **local area bank** · OBU = **offshore banking unit** · **CG** may acquire a banking company · CFT = **combating financing of terrorism**.

R Revision: numbers

Rule	Number	Rule	Number
board with special knowledge / agri etc.	≥ 51% / ≥ 2	assets in India (s.25)	≥ 75%
director tenure / chairman, MD approval	8 yrs / 5 yrs	un-operated accounts / return	10 yrs / 30 days
subscribed ≥ ½ authorised; paid-up ≥ ½ subscribed	2 yrs to restore	accounts to RBI (s.30)	3 copies / 3 months
voting cap (SM)	10% → 20%	s.37 moratorium	≤ 6 months
Basel III total capital	9% from Jan 2019	amalgamation (s.44A)	2/3 in value
reserve fund (s.17) / RBI for SCBs	20% / 25%	licence appeal to CG	30 days
reserve appropriation reported	21 days	defaulter data (RBI)	≥ ₹1 crore
CRR non-scheduled / report by	3% / 20th	SARFAESI notice / reply	60 / 15 days
SLR ceiling (s.24)	40%	consortium consent	60% in value
temporary branch	1 month	DRAT appeal / deposit	30 days / 50% (min 25%)
non-banking assets (Act)	7 yrs + 5	ARC owned fund (SM) / no losses in	₹2 cr / 3 yrs