

Procedures to be followed for Release of Property Documents upon Demise of Property Owner

Vide RBI Notification dated 13.09.2023 with Ref. No. RBI/2023-24/60 DoR. MCS. REC. 38/01.01.001/2023-24 on Responsible Lending Conduct – Release of Movable/Immovable Property Documents on Repayment/Settlement of Personal Loans / Credit Facilities, NBFCs shall have a well laid out procedure for return of original movable / immovable property documents to the legal heirs in the contingent event of demise of the sole borrower or joint borrowers.

With reference to above circular, in the event of demise of sole Borrower or Joint Borrowers as the case may be, the following procedure shall be applicable for return of Title Documents related to securities of the sole Borrower or Joint Borrower offered to SIFPL.

- The legal heirs/legal representative(s) should notify Share India Fincap Private Limited (SIFPL), of the borrower's demise in writing by submitting a formal request letter along with supporting Legal Representation at its branch/HO.
- The legal heirs/legal representatives must submit the following documents to establish their claim:
 - Death Certificate issued by Competent Authority for verification along with Application;
 - Court order such as Probated Will/ Letter of Administration issued by competent authority/ Succession Certificate to establish the rightful claim;
 - Loan Closure Proof – Confirmation that all outstanding dues, if any, have been cleared;
 - KYC Documents of Legal Heirs: Photograph and valid proof of identification (as per Officially Valid Document) such as proof of possession of Aadhaar number, the Voter's Identity Card issued by the Election Commission of India, job card issued by NREGA duly signed by an officer of the State Government and letter issued by the National Population Register containing details of name and address;
- In case of any dispute among the Legal heirs, any claim made by legal heir/ heirs, any notice received objecting release the original property documents, then the documents will be handed over only after clear court order or all the legal heirs have jointly decided among themselves with respect to the original property document custody and such understanding is signed by all legal heirs.
- If any outstanding dues exist, SIFPL will communicate the same to the legal heirs and upon settlement of dues, SIFPL will issue a No Dues Certificate (NDC).
- Once the verification is complete and there are no pending liabilities, SIFPL will arrange for the handover/delivery of original property documents at the discretion of SIFPL. The legal heirs may need to visit the branch/office in person for document collection if required. After complying all required procedures, original property documents will be handed over to legal heirs under due acknowledgement.
- SIFPL shall reserves the right in sole discretion and without liability to take final decision on delivery of property documents.
- The laws, rules of the respective states / jurisdiction will be applicable in case of any dispute.

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