

### **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 should have a well laid out procedure for return of original movable/immovable property documents to the legal heirs.

With reference to above circular, procedure for return of Title Documents to Legal Heirs of the Borrower/s, in case of demise of the Borrower/s:

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 have offered to the NBFC.

- Duly signed application by legal heir/s of deceased and or co-borrower.
- Death Certificate of the Deceased owner of the property.
- The legal heirship certificate or the Succession certificate (issued by the competent civil court).
- The Legal heirship certificate / Family membership certificate issued by the competent authority/ Tehsildar.
- The Legal heirship Certificate / Family Membership certificate to contain all the names of the Legal heirs of the deceased along with the relationship and shall be eligible legal heirs for succession as per the respective personal law/ succession laws.
- Post loan repayment / settlement & closure, all Legal heirs shall be physically present for release of charge and/or consent from other legal heirs of deceased would be required. After complying with all other procedures, original property documents will be handed over to legal heirs under due acknowledgement.
- In case of deceased borrower is property owner along with other co-owners, then co-owners are entitled to take delivery of original property document along with legal heirs of the deceased.
- In case of any dispute among the Legal heirs, any claim made by legal heir / heirs, any notice received objecting release the original 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 property document custody and such understanding is signed by all legal heirs and delivered to our branch office.
- Legal heirs, co-owners visiting branch for collecting original property documents should produce original KYC documents and provide attested copy of the same to the branch.
- In context to above procedure duly signed **ANNEXURE 1**, duly executed **ANNEXURE 2** by all legal heirs of deceased and **ANNEXURE 3** must be obtained invariably. (Annexures attached herewith).

**CONSENT LETTER /LETTER OF AUTHORITY**

From

Date:

To  
The Branch Manager,  
Capital India Finance Limited,  
\_\_\_\_\_

Sir,

Sub: Claim in the matter of Assets of Late Shri/ Smt. \_\_\_\_\_

I am/We are writing this letter to inform you that Shri/Smt ..... passed away on \_\_\_\_\_ (date) leaving behind him/ her as his/her legal heir/s the under mentioned person/s.

I/We, the undersigned, who is/are legal heir/s of Late \_\_\_\_\_ do hereby authorize Sri/Smt. \_\_\_\_\_ Son/daughter of \_\_\_\_\_ residing at \_\_\_\_\_ who is also one of the legal heirs of the said deceased, to receive the documents mortgaged by Late \_\_\_\_\_ to be returned to me/us as legal heir/s being Legal heirs of said deceased as per below details.

**List of Legal Heir/s**

NAME	AGE	RELATION TO THE DECEASED

**PARTICULARS OF ACCOUNTS:**

S. NO.	BORROWER NAME	LOAN NO.	A/C	MORTGAGOR NAME	LOAN ACCOUNT CLOSURE DATE	MORTGAGED ASSET PARTICULARS

The original movable/immovable property documents under the above account forms part of the assets of the deceased. I/We am/are entitled to a share in his/her assets. I/We hereby declare that I/We have no objection to hand over the original movable/ immovable property documents mortgaged with your NBFC by the deceased to Sri/Smt. \_\_\_\_\_

I/ We further state that the acknowledgment/receipt given by the said Sri/ Smt. \_\_\_\_\_ in respect of the said mortgaged documents shall be effective as if the same is given by me/us and binding on me/us. Handing over of the original movable/immovable original documents by the NBFC shall be fully and completely binding on me/us and shall discharge the NBFC from any claim whatsoever from me/us and my/our legal heirs, successors in-title, assigns, administrators, executors or any other person claiming through me/us or in trust for me/us.

Yours faithfully,

Signature(s) of the Legal Heir/s

**WITNESSES:**

1. (Signatures)

Name:

Occupation:

Address:

2. (Signatures)

Name:

Occupation:

Address:

**(To be notarized by Notary Public.)**

**(TO BE STAMPED AS AFFIDAVIT CUM INDEMNITY)**

**AFFIDAVIT CUM INDEMNITY LETTER**

In respect of receipt of original movable/immovable property documents (Mortgaged) of deceased person;

I/We, Mr./Mrs./Miss \_\_\_\_\_(name/names of the claimants) s/o, w/o, d/o \_\_\_\_\_ aged \_\_\_\_\_ R/o \_\_\_\_\_do hereby solemnly affirm and state as follows:

1. I/We am/are the legal heirs of Mr./Mrs./Miss (name of deceased mortgagor) and the deceased is my/our (father/mother/wife/husband/son/daughter etc.)
2. I/We further state that I/We the following legal heirs are the only legal heirs entitled to claim/receive the original movable/immovable property documents mortgaged to your NBFC:

NAME	AGE	RELATIONSHIP TO THE DECEASED

3. I/We further state that the deceased has mortgaged the original movable/immovable property document to Capital India Finance Limited at its \_\_\_\_\_.

S. NO.	DESCRIPTION OF DOCUMENT	NATURE OF DOCUMENT (XEROX/ORIGINAL)

4. The loan accounts for which the above documents were mortgaged was fully closed on \_\_\_\_\_ I/We affirm that I/We am/are the sole legal heir/s of the deceased who is/are entitled to receive original movable/immovable property document. I/We also declare and affirm that there is no subsisting will have been executed by the Deceased. I/We have requested NBFC to hand over the original movable/immovable property document to Shri/Smt \_\_\_\_\_being one of the legal heirs for and on behalf of all the legal heirs.
5. I/We are aware that the NBFC has agreed to hand over the original movable/immovable property document relying on this affidavit and I/We agree to indemnify the NBFC in respect of such delivery of the original movable/immovable property document, against any claim made by any person for the same.
6. I/We for ourselves and my/our respective heirs, executors and administrators jointly and severally agree, affirm and undertake that the NBFC, its successors and assigns and its managers, agents,



officers and servants and their respective estates and effects are and shall from time to time and at all times hereafter be kept safe and saved harmless and indemnified for and in respect of such handing over the original movable/immovable property document and against all actions, losses, cost, charges, expenses and demands whatsoever in respect of the said delivery of the original movable/immovable property document. All the averments made herein before are true and correct and I/We put my/our signature/mark on this \_\_\_\_\_Day of 202\_\_\_ at \_\_\_\_\_

**WITNESSES:**

1. (Signatures)

Name:

Occupation:

Address:

Signature of the Claimants / Legal Heirs

2. (Signatures)

Name:

Occupation:

Address:

**(To be notarized by Notary Public.)**

**ACKNOWLEDGMENT / RECEIPT**

From: \_\_\_\_\_

Date:

To  
The Branch Manager,  
Capital India Finance Limited,  
\_\_\_\_\_

Sir,

Sub: Receipt of Original movable/immovable property documents.

I/We, Mr./Mrs./Miss \_\_\_\_\_ (name/names of the claimants) s/o, w/o, d/o  
\_\_\_\_\_ aged \_\_\_\_\_ R/o \_\_\_\_\_, received the below list of  
movable/immovable property documents in good condition and I hereby given discharge to the NBFC that  
I have received the below documents mortgaged with your NBFC.

S. NO.	DESCRIPTION OF DOCUMENT	NATURE OF DOCUMENT (XEROX/ORIGINAL)

Yours faithfully,

Signature  
Name & Address of the Claimants