Procedure for return of original movable / immovable property documents after closure of loan account / upon receiving full repayment / settlement of loan account, in case of death of mortgagor

RBI vide its circular dated 13.09.2023 - Responsible Lending Conduct – Release of Movable / Immovable Property Documents on Repayment/ Settlement of Personal Loans has laid out that Bank 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 and such procedure shall be displayed on the website of the Bank.

In view of the above requirement, Shree Kadi Nagarik Sahakari Bank Ltd has laid down below mentioned procedure for handing over of title documents to the legal heirs and / or claimants.

In the event of death of both / all joint owner(s) of the property, the property documents shall be released jointly to the legal heirs of all the deceased owner(s) of the property (or any of them as mandated by all the legal heirs) after following procedure as mentioned below.

Where property owner(s) dies

In the event of demise of all Mortgagor(s), upon closure of the Loan Account / upon receiving full repayment / settlement of loan account the Title Deeds to be handed over to the Legal Heir(s) of deceased property owner(s) in accordance with the process set out herein below.

In case mortgagor(s) died intestate (i.e. without making "will")	**In case mortgagor(s) died testate (i.e. deceased had executed "will")**
• Application from Surviving Mortgagor(s) and / or Legal heir(s) of deceased mortgagor is required to be submitted regarding handing over of original title documents of mortgaged property • Death Certificate of mortgagor(s) issued by competent authority • Duly stamped and notarized Affidavit confirming the legal heirs of deceased (Pedhinamu) **OR** • Succession Certificate* / Pedhinamu issued by Talati etc. • Haq Release Deed / Gift Deed executed and registered by Legal heir(s) of deceased Mortgagor (if any) If all the legal heirs of deceased property owner appoint one of the legal heirs(s) to collect the original title documents then authority letter / notarized or registered power of attorney signed by other legal heir(s) is required to be obtained stating that they have authorized Mr. / Mrs. / Ms.	• Application from legatee (in whose favour property is bequeathed through will) is required to be submitted regarding handing over of original title documents of mortgaged property • Death Certificate of mortgagor(s) issued by competent authority • Duly stamped and notarized Affidavit stating that the will submitted to bank is the final and the same is not challenged in any Court of Law by anyone / legal heir(s) of deceased property owner as per **Annexure – 1** • True Copy of will • Probate of Will* (if any) • If legatee is not available to collect original title documents from Bank, then notarized / registered power of attorney executed by legatee is required to be obtained stating that he / she / they have authorized Mr. / Mrs. / Ms. _____ and / or Mr. / Mrs. / Ms. _____ to collect the original title deeds of _____

_____ and / or Mr. / Mrs. / Ms. _____ (Legal heirs) and / or Surviving Mortgagor(s) to collect the original title deeds of _____ (Property *Description*) from Shree Kadi Nagarik Sahakari Bank Ltd for and on behalf of all legal heirs of deceased Mortgagor(s). If any POA is executed outside India, the same is required to be duly stamped as per applicable laws of the state where it is first received. • Proof of identification of Surviving mortgagor(s) and / or Legal heir(s) and / or claimants (KYC) • In case where legal heir(s) is / are minor, natural guardian shall represent the minor to receive the title documents along with documentary proof confirming the age of minor. In case where Legal heir is minor and there is no natural guardian, then the court appointed Legal Guardianship Certificate / order needs to be submitted along with documentary proof confirming his/her identity. Minor should not sign on any loan related documents, such documents should be signed by the legal guardian as above • Acknowledgment by the Survivor and / or legal heir(s) / claimant regarding receipt of original title documents as per **Annexure – 2**	_____ (Property *Description*) from Shree Kadi Nagarik Sahakari Bank Ltd for and on behalf of legatee. If any POA is executed outside India, the same is required to be duly stamped as per applicable laws of the state where it is first received. • Proof of identification of legatee (KYC) • In case where legatee(s) is / are minor, natural guardian shall represent the minor to receive the title documents along with documentary proof confirming the age of minor. In case where Legatee is minor and there is no natural guardian, then the court appointed Legal Guardianship Certificate / order needs to be submitted along with documentary proof confirming his/her identity. Minor should not sign on any loan related documents, such documents should be signed by the legal guardian as above. • Acknowledgment by the legatee regarding receipt of original title documents as per **Annexure – 2**
In the event of demise of one or more (but not all) of the mortgagor(s) , upon closure of the Loan Account / upon receiving full repayment / settlement of loan account the Title Deeds to be handed over to the surviving Mortgagor(s) and Legal Heir(s) of deceased jointly in accordance with the process set out herein above	

Succession Certificate: It is a Certificate/order issued by a Court of competent jurisdiction declaring the names of legal heirs of a deceased person and percentage of their share in the property of the deceased. A succession certificate is a document which gives authority to a person named in the document to collect "debts and securities" (i.e. credit balances & transferable securities) due to deceased person.

Probate of Will: It is a copy of the Will certified under the seal of the Court of competent jurisdiction confirming that the Will has been duly executed and has the force to be acted upon. It is the legal process/court order administering the estate of a deceased person by resolving all claims and distributing the deceased person`s property under a valid Will.

Annexur-1

Affidavit

To be stamped and notarized as per applicable law

I / we, Mr. / Mrs. / Ms. _____ and
/ or Mr. / Mrs. / Ms. _____
and / or Mr. / Mrs. / Ms. _____
and / or Mr. / Mrs. / Ms. _____
do hereby state and confirm on solemn affirmation as follows :

1. That Mr. / Mrs. / Ms. _____
   and / or Mr. / Mrs. / Ms. _____
   and / or Mr. / Mrs. / Ms. _____
   passed away on Dtd. _____ at _____. (Hereinafter referred to as deceased)
2. The deceased had executed his / her / their last will on Dtd. _____ duly notarized before notary public or registered with Sub Registrar _____ under Sr. No. _____ on Dtd. _____ and thereby bequeathed the property bearing _____ (Description of mortgaged property) in favour of the legatee herein. The will submitted to Shree Kadi Nagarik Sahakari Bank Ltd is the final and last will executed by property owner(s). The probate of the said will is / is not obtained (tick whichever is applicable).
3. That the said will is not challanged in any Court of Law by anyone / legal heir(s) of deceased property owner(s). There is no dispute between the legal heir(s) of deceased property owner(s) regarding the will. Thus by the above mentioned will, the legatee herein has acquired the interest in the subject property.

All the above information is true and correct to my / our best of knowledge and understanding and accept complete responsibility in case of any falsehood found in the same.

We have signed this Affidavit on _____ at _____.

_____
(Legatee)

Annexure - 2

Acknowledgment of original title documents of _____ (Property *Description*)

From, Date :

To,
The Branch Manager,
Shree Kadi Nagarik Sahakari Bank Ltd
_____ Branch

Dear Sir,

Sub: Receipt of Original title documents

I / We, _____
_____
_____
aged adults, presently residing at _____ hereby state that I / we have received all title documents of immovable property bearing _____ (Description of mortgaged property) in good condition and I / we hereby give discharge to the bank
that I / we have received all original title documents deposited with bank. I / we shall not raise any claim / right / objection against bank regarding the same.

Yours faithfully,

_____
(Surviving Mortgagor(s) and / or Legal heirs / Claimants / Legatee)