

PROCEDURE ON RELEASE OF MOVABLE/ IMMOVABLE PROPERTY DOCUMENTS ON REPAYMENT/ SETTLEMENT OF LOANS

Pursuant to the RBI circular 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" dated September 13, 2023, the procedure for return of original movable / immovable property documents to the legal heirs in case of contingent event of demise of the sole borrower or joint borrowers needs to be displayed on the website by Sundaram Finance Limited ("SFL") along with other similar policies and procedures for customer information.

Accordingly, in the case of contingent event of demise of sole borrower or joint borrowers ("deceased borrower(s)"), the following procedure shall be adhered to and below mentioned documents to be furnished to the concerned branch by the legal heirs of the deceased borrower(s):

- In case of the demise of the sole borrower or joint borrower/s, the legal heir(s) shall submit the request /application informing the death of the deceased borrower(s) and their relationship with the deceased borrower(s) for return of the original movable/immovable property documents at the branch, subject to repayment/closure of the loan account(s) to the full satisfaction of SFL as per the terms of the loan agreement(s).
- In case of the owner of the movable/ immovable property being different from that of the deceased borrower(s), the procedure mentioned herein shall be applicable and the term borrower may be read as owner.
- The aforesaid request/application shall be accompanied by the following details /documents and the legal heirs(s) shall be required to execute such other documents as may be required by SFL at the time of collection of the documents.
 - ❖ Duly signed application by legal heir/s of deceased borrower(s).
 - ❖ Death Certificate of the deceased borrower(s) issued by the competent authority and produce original of the same for verification.
 - ❖ The Succession certificate (issued by the competent civil court) or the Legal heirship certificate issued by the competent authority / Tahsildar as may be applicable to the relevant local laws and produce original of the same for verification.
 - ❖ The Legal heirship Certificate to contain all the names of the Legal heirs of the deceased borrower (s) along with the relationship and the applicant shall be one of the eligible legal heirs for succession as per the respective personal law/ succession laws.
 - ❖ In cases where there exists a WILL of the deceased borrower(s) - Original WILL / Original Probate / Original Letter of Administration if applicable should be produced.
 - ❖ Notarized Affidavit/Indemnity in favour of SFL in the prescribed format of SFL shall be collected to confirm that they are the only legal heirs of the deceased borrower(s) after evaluation of the request and in case all the legal heirs authorise one of the legal heirs to collect the documents, the indemnity may be specific about the authorisation
 - ❖ Duly notarized copies of KYC documents (like Aadhaar Card, PAN, Driving License, etc.) of all the legal heirs and produce original of the same for verification.



- SFL shall consider the application and supporting documents and only after ascertaining the authenticity of all the supporting documents and upon confirmation of payment of all monies due and payable to the full satisfaction of SFL against the loan account(s) in terms of the respective loan agreement(s) and shall return the original documents of immovable/movable properties within 30 days under due acknowledgement.
- The legal heir(s) shall contact the respective branch of SFL from where the loan(s) was/were availed and wherein the loan account of the deceased borrower(s) is/ are maintained. The property documents can be collected either from the specified SFL branch or any other preferred SFL office where the documents are available.
- Post loan repayment / settlement & closure as per confirmation by SFL, all legal heirs shall be physically present for release of charge or consent from other legal heirs of deceased, in the prescribed format would be required.
- In case of deceased borrower (s) is/are 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 borrower (s).
- In case of any dispute among the legal heirs, any claim made by legal heirs, any notice received objecting release of 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 SFL.
- The procedure provided herein shall be the standard procedure for the return of original documents. However, the procedure shall not be applicable to the cases where any proceeding/ inquiry/ investigation is pending in relation to the deceased borrower(s) or the underlying securities or documents have been impounded/seized by any Authority/Court for the enforcement of any statutory liability.

Note: Above mentioned documents are only indicative in nature and shall not be construed as comprehensive list and may differ from case specific basis to the satisfaction of SFL for release of property documents. This does not cover scenarios if the legal heir is/are minor, or the deceased borrower (s) is/ are director / partner of a Non-Individual or otherwise and the process of release of property documents and applicable documents for submission to SFL shall differ on case specific basis which shall be communicated after evaluation of the request/application.

