

SAHAYYA FINSERVE

Procedure for returning the Original Documents of the
Movable/ Immovable Property of the deceased
borrower(s) to their legal heir(s)

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1. Introduction

SAHAYYA FINSERVE PRIVATE LIMITED (herein referred to as “Sahayya”) is a Non-Banking Finance Company regulated by Reserve Bank of India (RBI). Pursuant to the Direction issued by the Reserve Bank of India (RBI) vide its Notification having reference no. RBI/2023-24/60 DoR.MCS.REC.38/01.01.001/2023-24, dated September 13, 2023 on “Responsible Lending Conduct – Release of Movable / Immovable Property Documents on Repayment/ Settlement of Personal Loans”.

As per the above direction, the Regulated Entities shall have a well laid out procedure for return of original movable / immovable property documents to the legal heirs. Such procedure shall be displayed on the website of the Regulated Entities along with other similar policies and procedures for customer information. This document provided simplified Procedure for enabling speedy and hassle-free return of original property documents to the legal heirs in event of demise of the sole borrower or joint borrowers.

2. Release of Movable / Immovable Property Documents

The Company shall release all original movable and immovable property documents and remove any charges registered with any registry within 30 days from the date of full repayment or settlement of all the loan accounts which are charged/secured by the specific documents/security/ies.

In cases where cross-collateralization exists, i.e., the borrower has provided security for multiple facilities, the 30-day period for the release of original movable and immovable property documents apply only after the full repayment or settlement of all the loan facilities availed by the borrower, unless waived by the sanctioning authority. The release of documents in such instances will be subject to the complete closure of all associated loan accounts and the satisfaction of all outstanding liabilities by the borrower.

The Company shall also endeavour to release all charges registered with the various registries within a period of 30 days from the date of issuance of a “No Dues” letter to the borrower. In situations where delays in the release of such charges are caused on account of technical issues on external portals or challenges faced in the offices of regulatory authorities, such as the MCA / CERSAI / NESL / Sub – Registrar of assurances or other government regulatory offices, the Company shall not be held responsible for any resulting delay beyond the stipulated 30-day period. The Company will make every effort to resolve such issues promptly and will communicate transparently with the concerned borrower/s, providing details regarding the nature of the delay and the feasible measures being taken to expedite the process. However, it shall also be made abundantly clear to the borrower that it would be for the borrower:

- i) to initiate satisfaction of charge in the register of charges maintained with the concerned ROC;
- ii) to initiate the process for drafting and execution of a release deed for mortgaged immovable assets and to pursue with the concerned sub – registrar of assurances for registering such release deeds

With regard to actions required to be initiated and followed up by the borrower, the Company shall not be held responsible for delays caused due to delayed action or inaction of borrowers. Further, the Company shall not be responsible for any delay caused due to reasons beyond the control of the Company and its officers or agents. The details regarding the timeline and location for the return of these documents will be explicitly mentioned in the loan sanction letters issued on or after the effective date of this Policy/ Procedure.

3. Procedure for Return of Original Property Documents to Legal Heirs

In the contingent event of demise of the sole or joint borrower / promoter / guarantor, the legal heirs of such borrower / promoter / guarantor shall approach Sahayya as per below procedure:

1. The Legal Heir(s) shall contact the respective branch of the Company from where the loan(s) was availed and wherein the loan account of the deceased borrower(s) is maintained.
2. The Legal Heir(s) shall submit the following details/documents:

- a. Death Certificate of the deceased borrower(s), issued by the Competent Authority.
 - b. Certified Copy of the Legal Heir Certificate/ Succession Certificate, etc. issued by the competent authority.
 - c. Power of Attorney (POA) from other Legal Heir(s), authorizing one of the Legal Heir(s) to collect the property paper from the Company.
 - d. Indemnity on behalf of all the Legal Heirs.
 - e. The Legal heir collecting the document should also provide his / her KYC documents
3. Post-receipt of all the above documents, Sahayya shall examine the documents and may request additional details / documents from the legal heir and post detailed examination shall handover the immovable/movable properties documents to the legal heirs within 30 days from the date of receipt of all required documents.
4. The procedure provided herein above shall be the standard procedure for the return of 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.
5. The handover will be subjected to clearance of all the dues to the Company.

4. Review of Policy/Procedure

The document is subject to periodic annual review and any amendments to the regulatory framework issued by the RBI, from time to time.