

FRAMEWORK FOR RELEASE OF ORIGINAL MOVABLE/ IMMOVABLE PROPERTY DOCUMENTS/TITLE DEED OF DECEASED MORTGAGOR (SOLE/ JOINT) TO LEGAL HEIRS IN BORROWAL ACCOUNT

In event of death of mortgagor (sole/ joint), the original property documents have to be released in favour of Legal heirs, (or any one of them as mandated by all the legal heirs) after adjustment of loan, on verification of the authority of the legal heirs and proof of the death of the mortgagor. Bank shall release all the original property documents only after full repayment/settlement of all claims/dues outstanding against deceased mortgagor. Legal heirs will be bound by the terms of the sanction and other documents executed by the deceased mortgagor for creation of mortgage of the property in favour of the Bank.

1. Objective

The main objective of the framework is to ensure that only the rightful claimants (legal heirs) get the original property documents belonging to the deceased individual mortgagor in accordance with law. Prompt and speedy settlement of claims will facilitate enhancing the image of our bank and strengthen our bond with surviving family members.

2. Important Definitions

2.1.1 Legal representation: The term includes Court Order such as Probated Will, Letter of Administration or Succession Certificate, empowering certain person(s) to collect the assets due to the deceased. Bank to act as per the Legal representation. Types of Legal representation is explained hereunder:

2.1.1.1. **Probated 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.

2.1.1.2. **Letter of Administration:** Where there is no Will or when a person dies leaving a Will without appointing an Executor or if an executor appointed by a Will is legally incapable or refuses to act or has died before the testator or before he has proved the Will, an Administrator can be appointed by a Competent Court as distinguished from an executor who can be appointed by a person by his Will or codicil.

2.1.1.3. 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.

3. Procedure for release of original property documents to Legal heirs

3.1. **Release of original property documents/title deed to legal heirs without Legal Representation**

For the purpose of release of original property documents/title deed without production of Legal representation (such as Probated Will, Letter of Administration or Succession Certificate), bank has not prescribed any lower or upper limit with regard to loan exposure or value of the mortgage property. Therefore, if the Incumbent in-charge is satisfied that the legal heirs are identifiable and that there is no dispute amongst them in respect of the claim of property documents which is originally in the name of the mortgagor and deposited by the mortgagor with the Bank, there is no necessity for asking legal representation. The claim can be settled by the Competent Authority (as detailed in para no. 5 ‘Delegation of power’) on the basis of Indemnity Bond with surety.

However, confidential enquiry should be made by the branch about the legal heirs of the deceased mortgagor and while doing enquiry, the branch may also consider documents/ information pertaining to legal heirs available in the bank record. Keeping in view the outcome of the confidential enquiry, if there appears to be no dispute amongst the legal heirs and all are ready to join in release of property documents, the same may be released in favour of legal heirs against **Indemnity Bond with surety (Specimen of the ‘Indemnity bond with Surety’ are given at Annexure B)**. In case legal heirs have given the mandate to the Bank for release of original property documents/ title deed to one of the legal heirs, then letter of authority in this regard may be obtained from all the legal heirs except the legal heir in whose favour mandate has been given.

In the event of death of one (or more but not all) of the joint owner(s) of property/mortgagor, the property documents shall be released jointly to the survivor(s) and the legal heir(s) of the deceased owner of the property (or any one of them as mandated by all of them) against their joint claim on verification of the authority of legal heirs and proof of death of the deceased person/owner(s) of property.

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 other legal heirs) on verification of authority of the legal heirs and proof of death of the deceased person/owner(s) of the property.

3.1.1 The Claimants shall submit the duly executed application in the format (Annexure –A) prescribed by the Bank along with the following documents, when a claim for the property documents is made by him/her:

- (a) Death Certificate Issued by Competent Authority*;
- (b) Photograph and Proof of identification of Legal heirs viz., Election ID Card, Aadhar Card, Passport, Driving License copy or any other proof of identification acceptable to the Bank.

*Where the mortgagor is a Non-Resident or staying abroad has passed away abroad, the death certificate issued outside India/ abroad will have to be attested by one or more of the following:

- (i) Notarized by a Notary Public
- (ii) Indian Embassy or High Commission / Bank's Foreign Office of that country where the death has occurred or such country's Embassy or High Commission in India.
- (iii) Apostilled/ Consularised

(c) Indemnity Bond with surety is required

(d) Letter of Authority of legal heir(s) wherever applicable.

Branch shall obtain receipts from claimant in the format prescribed (Annexure D). Further, Branch shall obtain letter of authority to receive document in the format prescribed (Annexure C) in case mandate is given by legal heirs, if required.

Letter of Authority duly notarized /attested may be executed by the legal heirs in favour of one of the legal heirs authorizing him/her to lodge claim, execute documents, receive the property documents, etc. However, the branch should verify the identity of the executants of Letter of Authority to its satisfaction before acting thereon.

The Branch should exercise due care and caution in ascertaining the identity of the legal heirs and the fact of death of the mortgagor through appropriate documentary evidence;

3.2. Release of property documents to legal heirs on production of Legal Representation

In case there is any dispute amongst the legal heirs or all the legal heirs do not join in the claim of original property documents/title deeds and/or in indemnifying the bank or if the claimant (s) is not willing to provide third party indemnity/ surety or in any other case where there is reasonable doubt regarding the authenticity of the claimant(s) of their being the only legal heir(s) of the deceased mortgagor, Legal Representation shall be asked from the claimants.

When a Legal Representation/Court order is produced, Bank is bound to release property documents to the persons mentioned therein as per terms of legal representation after complying with all the formalities prescribed by the Bank. Bank gets valid discharge by releasing the property documents in favour of such persons.

3.2.1 The Claimants shall submit the duly executed application in the format prescribed by the Bank (Annexure A) along with the following documents, when a claim for the property documents is made by him/her:

- (a) Death Certificate Issued by Competent Authority*;
- (b) Original Succession Certificate OR Probated Will OR Letter of Administration or any other court order from the Competent Court (as applicable)
- (c) Photograph and Proof of identification of Claimant viz., Election ID Card, Aadhar Card, Passport, Driving License copy or any other proof of identification acceptable to the Bank.

*Where the mortgagor is a Non-Resident or staying abroad has passed away abroad, the death certificate issued outside India/abroad will have to be attested by one or more of the following modes:

- (i) Notarized by a Notary Public
- (ii) Indian Embassy or High Commission / Bank's Foreign Office of that country where the death has occurred or such country's Embassy or High Commission in India.
- (iii) Apostilled or Consularised

It is clarified that no Indemnity Bond or surety is required in this case. Branch shall obtain receipts from claimant in the format prescribed (Annexure D).

4. Other Guidelines

4.1. Wills, Probates, Letters of Administration - Probates, Letters of administration, Succession Certificates, Court orders appointing Receivers, etc. as and when submitted to the bank must be carefully examined. **Under Section 273 of the Indian Succession Act, probates and letters of administration** have effect over all the property and estate, movable and immovable of the deceased **throughout the State** in which these are granted. These probates/letters of administration do not have effect outside the State unless these are granted (a) by a High Court, or (b) by a District Judge, where the deceased, at the time of his death, had a fixed place of abode within the jurisdiction of the Judge and the Judge certifies that the value of the property and estate beyond the limits of the State does not exceed Rs. 10,000/-. These provisions, however, do not apply to **Succession Certificate which will have effect throughout India (Section 380 of the Indian Succession Act, 1925).**

4.2. Legally established title (Verification of Succession Certificate / Letters of Administration / Probate) - When Succession Certificate / Letters of Administration / Probate or any other Court order is produced, the genuineness of the document be checked. If need be, Court records be inspected personally or through a Counsel. It can also be verified from the website of the Court concerned. If the inspection is done personally, a report to that effect be kept on record. If done through counsel, a report be obtained from the counsel and be kept on record. If the order produced is not genuine, FIR be lodged with the police. Where claim is settled on the basis of Succession Certificate / Letters of Administration / Probate then in such case it is not required to obtain indemnity / surety from the claimant. A letter of request and certified copy of the Succession Certificate / Letters of Administration / Probate issued by the Court be kept on record.

4.3. Claim based on 'Will' - In case the deceased mortgagor has left a 'Will', the branch may ask for probate of the 'Will'. However, if that is not feasible and if the facts are not complicated, all the legal heirs may be asked to confirm the genuineness of the Will and that they (legal heirs) have no objection for settling of the claim in terms of the Will by executing a suitable declaration duly attested by notary or magistrate. While examining the 'Will', it should be verified that the 'Will' has been attested by at least two witnesses. Copy of the 'Will' submitted by the claimant(s) be verified with the original and the fact of such verification with the original be recorded on the copy and the original 'Will' be returned against proper acknowledgment signed by the legatee i.e. the person in whose favour the 'Will' has been executed.

While examining a 'Will' submitted in support of the claim, the following aspects be also taken care of: -

- Find out who is / are the legatee(s) under the 'Will' entitled to the claim.
- An affidavit of the attesting witnesses, affirming that the 'Will' was executed in their presence by the deceased while he/she was in sound mind and with free will without any coercion or undue influence, be obtained and kept on record.
- An affidavit from the claimant(s) be obtained and kept on record to the effect that the 'Will' submitted and relied upon in support of his / their claim is the last 'Will' of the deceased and that no litigation challenging the 'Will' is pending in any Court.

4.4. Entry with regard to release of property documents shall be made in Mortgage Register on the date of release of property documents by Incumbent in charge of Branch where loan account was serviced and copy of claim form along with receipt from claimant be held in record.

5. Competent Authority for release of original property documents/ title deed

Accounts handled at	Competent Authority
GBB/MCC/ CBB	Committee at Circle office level (already formulated for deceased depositors claims), comprising of <ol style="list-style-type: none">1. Circle Head2. Second Man3. Chief Manager4. Senior Manager (Inspection & Audit) – Convener Quorum- 3, with Circle Head as mandatory member
LCB/ELCB	Committee at LCB/ELCB level (already formulated for deceased depositors claims), comprising of <ol style="list-style-type: none">1. Branch Incumbent of LCB or ELCB2. Second Man3. Chief Manager nominated by Branch Incumbent of LCB or ELCB4. Law Officer (in case no Law Officer is posted then, person in-charge of establishment LCB or ELCB). Quorum- 3, with Branch Head as mandatory member

The complete claim application received at GBB/MCC/ CBB shall be forwarded along with observations and recommendations, within 3 days to the concerned Circle Office. The competent authority shall provide its approval with 7 days of receipt of application to the concerned branch, in order to release the original property documents/ title deeds to the legal heirs with in defined timeframe of 15 days.

6. Rules of succession in case of Hindu, Buddhist, Jain, Sikh, Muslim and Christian

Rules of succession in case of Hindu, Buddhist, Jain, Sikh, Muslim and Christian have been prescribed vide LAW Division Circular no. 03/2023 dated 01.04.2023. The field functionaries are advised to refer to the said circular and subsequent amendment therein from time to time.

APPLICATION FOR DECEASED CLAIM

To,
The Branch Incumbent
B/o _____
Punjab National Bank

Dear Sir,

Re: Application for returning the property documents/title deed of deceased mortgagor

Late Shri/Smt.....

Loan Account No(s)..... Borrower name.....

With reference to the above I / we inform you that Shri / Smt. / Kum. _____, who has been mortgagor in the above loan account deposited following documents with the Bank.

	Nature of Title Deed	Registration No.	Date
1.	_____	_____	_____
2.	_____	_____	_____

I/We being the legal heirs of the deceased lodge my/our claim for releasing the property document/title deed of deceased mortgagor.

The relevant information about the deceased and the legal heirs is as under:

1. Names in full of the parents of the deceased:

Father: _____ whether alive yes/no
Mother: _____ whether alive yes/no

2. Religion of the deceased: _____

3. Details of Legal Heirs:

S No.	Full Name/Address	Occupation	Relationship with Deceased	Age	Mobile No

4. Name of Guardian of the minor Children of the mortgagor _____

(a) Whether Natural Guardian: No/ If Yes, Name of the Guardian _____

(b) Whether Guardian appointed by a Court of Law in India. If so, attach a certified copy or duly attested copy of such order: No/ If Yes, Name of the Guardian _____

(c) In whose custody the Minor/Minors is / are: _____

5. Claimant/s name/s and address in full:

(i) _____

(ii) _____

(iii) _____

6. Whether the deceased has left any Will, if so, name of executor

7. Liabilities in the name of deceased mortgagor in any branch of PNB

8. Whether any succession certificate/ letter of administration/ Probate or any other Court order obtained from competent Court. If so, Certified Copy be enclosed.

I/We submit the following documents.

- 1. Death Certificate: _____
- 2. Indemnity Bond with Surety: _____
- 3. Letter of Authority: _____
- 4. KYC Papers: _____
- 5. Other relevant documents: _____

We request you to return the original title deed of the above-named deceased deposited with the Bank to and also on behalf of other legal heirs.

I/We hereby solemnly affirm that the above statements are true and correct to the best of my/our knowledge and belief.

Place: _____ Yours faithfully,

Date: _____ Signature of Claimant(s)
 Name, Address and Signature of the Claimant(s)
 1.
 2.
 3.

Note: The form should be filled in legibly and complete in every respect

Signed before me on this _____ day of _____ Two thousand _____.

Signature & Seal of Notary Public / Gazetted Officer
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**INDEMNITY BOND WITH SURETY
(To be stamped)**

THIS INDENTURE is made at.....this..... day of.....20.....

Sh/Smt*.....Son/daughter/husband/widow of Sh....., age _____ R/O..... (hereinafter called 'the principal party') of the FIRST PART AND Sh/Smt.....son/daughter/widow of Sh....., age _____ R/O (hereinafter called 'the surety') of the SECOND PART and PUNJAB NATIONAL BANK a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act of 1970, having its Head Office at Plot No. 4, Sector – 10, Dwarka, New Delhi -110075 and inter-alia a branch office at (hereinafter called 'The bank') of the THIRD PART

WHEREAS the principal party and the surety has represented to the Bank that Late Smt/Sh.....wife/son of Shriresident of (deceased) has died at _____ on _____ and at the time of her/his death had stood as a mortgagor in the loan account No..... and deposited an original title deed(s) as mentioned below with the Bank in consideration of the loan granted by the Bank to the borrower.

Details of property documents / title deed of the deceased mortgagor

Nature of Title Deed	Registration No.	Date
1. _____	_____	_____
2. _____	_____	_____

AND WHEREAS the Principal Party(ies) and the Surety(ies) have represented that deceased has left behind the following as his/her only legal heirs.

Details of Legal Heirs:

S No.	Full Name/Address	Occupation	Relationship with Deceased	Age	Mobile No

AND WHEREAS the said principal party claim (s) to be the legal heirs of the said deceased and legally entitled to receive the above-mentioned property documents /title deed of the deceased mortgagor on account of the closure of the loan account

The letter of authority has also been executed by other legal heirs in favour of principal party to receive the property documents /title deed of the deceased and this indemnity bond has been given by the principal party for himself and on behalf of all the legal heirs (Delete, if not applicable)

Further, in consideration of the aforesaid release to the said principal party by the bank, the principal party and the surety both undertake for themselves, their heirs, executors and administrators to hold the bank, its agents etc. harmless and indemnified in respect of all claims to the aforesaid property document(s).

The receipt shall be furnished by the principal party at the time of receiving the above documents which shall be binding and acceptable upon / to all the parties concerned and shall be read as part of this Indemnity Bond.

The Principal Party/Parties and the Sureties do hereby jointly and severally undertake and keep the Bank harmless and indemnified against any loss, damage, cost, claim, interest or expenses for which the Bank may be held liable to suffer, pay or incur in consequence of retuning the original title deed of the deceased mortgagor to the Principal Party/ Parties. IN WITNESS whereof the principal party, and the surety have put their signatures.

1) WITNESS OCCUPATION..... ADDRESS.....	PRINCIPAL PARTY(ies)
2) WITNESS OCCUPATION..... ADDRESS.....	SURETY (ies) (EXECUTANTS)

*(Give the details of all claimants)

BRANCH MANAGER
 FOR PUNJAB NATIONAL BANK
 (A GOVT. OF INDIA UNDERTAKING)

LETTER OF AUTHORITY TO RECEIVE ORIGINAL DOCUMENTS/TITLE DEED

The Branch Manager,
Punjab National Bank,
BO: _____

Dear Sir,

Release of property documents/title deed of Deceased /Mortgagor Shri / Smt. / Kum. _____ in respect of Loan Account No. _____ at your branch

With reference to the above I / we inform you that Shri / Smt. / Kum. _____, who stood as a mortgagor, in the loan account no _____ deposited following documents with the Bank.

- 1.
- 2.
- 3.

The deceased mortgagor expired on and has left behind him/her the following legal heirs, who are entitled to receive the property documents/title deed lying with you in the above account:

Sr. No	Name of the Legal heir with full Address	Age (Years)	Relationship with the Deceased
1.			
2.			
3.			

That there are no other legal heirs of Late *Shri/Smt./Km. _____ except the persons mentioned in the above para. That no dispute or proceedings is/are pending any Court of Law with respect to entitlement / custody of original title deed of Late Shri/Smt./Km. _____

We, the legal heirs at Sr. No. _____ to _____ above, do hereby give consent in favor of the above said Shri / Smt. / Kum _____ (at Sr. No. _____ above) to sign & present the claim on our behalf to receive property documents/title deed deposited in the above loan Account and to execute the required documents including indemnity bond on our behalf and to give receipt and discharge the bank in regard to the claim.

We hereby declare that the delivery of such original property documents / title deed so made to the above Shri / Smt. / Kum. _____ shall validly discharge the bank and none of us will have any claim against the bank in whatsoever manner in this regard.

The Signature of the above-named Shri / Smt./Kum _____ is given below:

<p>_____ (Signature of the Authorized Person) Name: Address_____</p>	<p>1. 2. 3.</p> <p>*EXECUTANTS</p>
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(*To be signed with name and full address by the persons except the person in whose favour the letter of authority is given)

Signed before me on this _____ day of _____ Two thousand _____.

<p>Seal Notary Public / Gazetted Officer / Officer of Public Sector Undertaking</p>

RECEIPT FROM CLAIMANT

Received with thanks from Punjab National Bank, _____ branch, following property documents

- 1.
- 2.

in favour of _____ in full and final settlement of my/our claim as legal heir(s)/claimant in _____ Loan Account(s) No(s). _____ standing in the name of the M/s/Shri/Smt/Kum. _____ where deceased person is the mortgagor in said loan account.

I/We do not have any other claim from the Bank henceforth. I /we hereby confirm that the delivery of above documents has been received for self and for and on behalf of other legal heirs of the deceased.

Place:	(Signature of Legal heirs)
Date:	

Signature

Date:

Place:
