



UJJIVAN

UJJIVAN SMALL FINANCE BANK

Build a Better Life

SOP for Return of the document/ title deed related to security in Housing and MSME Assets Product

Corporate office:

Ujjivan Small Finance Bank Ltd. Grape Garden, No. 27, 3rd A Cross,
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SOP for Return of the document/ title deed related to security in Housing and MSME Assets Product

1 Introduction

Loan documentation shall be appropriate, valid, and enforceable. Appropriate documents properly executed signify the contractual relationship between the Bank and the borrower. Properly executed documents also incorporate the nature and description of the security offered. They indicate the terms and conditions of the advance/loan.

Reserve Bank of India (“RBI”), vide Master circular RBI/2023-24/60 dated 13th Sep’23 have mandated the banks to release all the original movable / immovable property documents and remove charges registered with any registry within a period of 30 days after full repayment/ settlement of the loan account. It is also insisted by regulator that the Bank has to give options to borrower for documents collection in terms of location nearest to them and Bank’s presence.

2 Scope of the document

The process note includes the steps for Return of the document/ title deed related to security in Housing and MSME Assets Product after the closure of loan and handling of the borrower’s documents. This set of procedures are aimed to provide clarity in the roles and responsibilities of each department to ensure that all the regulatory requirements related to release of Immovable Property Documents on Repayment/ Settlement of Loans are in place.

3 Document Reference

This document is the amendment to the existing SOP of Housing /MSME, (Housing Section 1 & 2 V2, MSE Manual section 1 ,2 & 3) and based on Regulatory guidelines issued on 13th Sep’23 i.e. RBI Master direction on Loan Documents DoR.MCS.REC.38/01.01.001/2023-24. **The documents has been reviewed by National Manager Housing & MSME annually or Ad-hoc as applicable.**

This document was approved in the PrAC dated ddmmyyyy.

This document shall be effective from ddmmyyyy.

4 Version Control

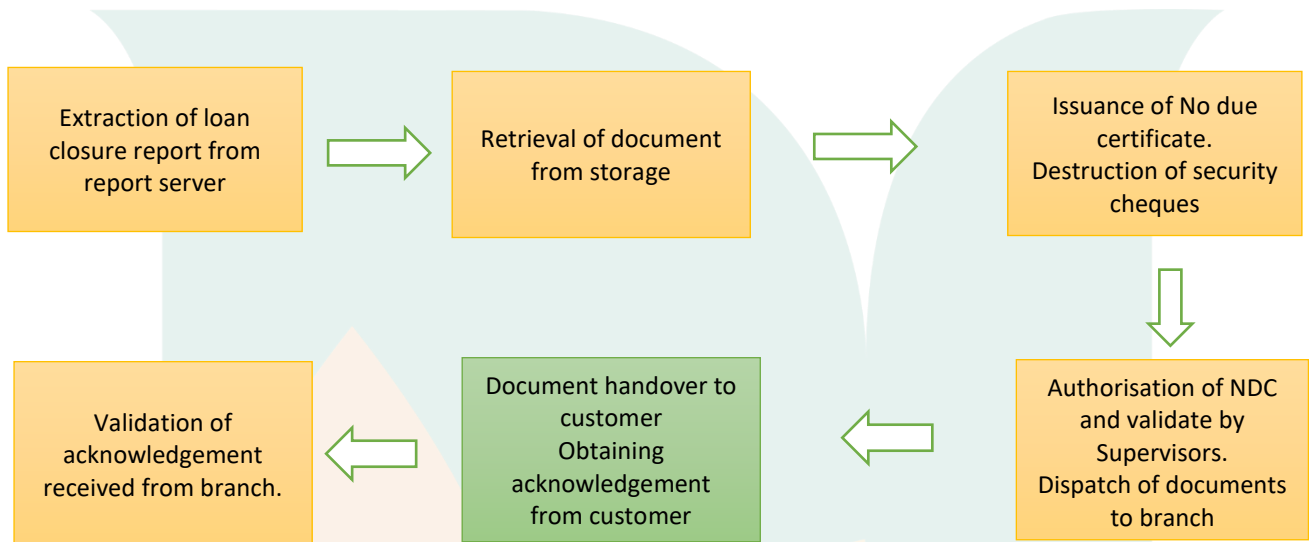
Version No.	Effective Date	Approved on	Summary of major Changes
V1.0	XX.12.2023	XX.12.2023	Addendum to Standard Operating Procedure-Housing Loan Documents

5 Glossary

RSO	Regional Secured Operations
SR	Service Request
BOO	Branch Operations Officer

BM	Branch Manager
CCR	Customer Care Representative

6 Process Overview / Workflow



7 Process Steps

To ensure timeline for handover of collateral document to customer, below are the steps followed by Regional Operations team and branch officials,

7.1 Extraction of reports of Closed loan

The Regional Secured Operations extracts the list of closed loan accounts from the report server on daily basis.

7.2 Retrieve documents from Storage

Team member in Regional Secured Operations to review the list of loan closure extracted from report server, check if the collateral is linked to any other active loan using menu "HCLL".

Place request to vendor for retrieval of the documents from storage on the same day. The request shall be shared from designated official (Regional Secured Operation officer) of USFB through designated email ID of the vendor with following details,

1. Name of the Customer
2. Loan Account Number
3. Document Reference Number

On receipt of property document from storage location of the vendor, an entry is done in document receipt tracker with details of the official who has received the documents.

The document is stored in joint custody in regional office.

Any delay in receipt of the document shall follow the escalation matrix defined.

7.3 Issuance of No Due Certificate and Destruction of security cheques

Officer at Regional Secured Operations team to open the loan file containing original property documents and destroy the security cheques in presence of the Assistant Manager or Manager Secured Lending Operations and specify the same in Security cheque destruction register format provided as **Annexure 2**

Officer at Regional Secured Operations team to validate the documents received, ensure to check if the loan is closed in Finacle system and proceed to issue No Due certificate as per the format provided in **Annexure 3**.

7.4 Supervisory checks

The officer shall submit the complete loan file along with the original property documents and destruction register to the Operations Manager/Assistant Operation Manager for review and final Sign off.

The Operations Manager/ Assistant Operation Manager shall review the loan account as per the following steps:

- a) Review the loan account to confirm closure of the loan and date of closure.
- b) Sign the No Due Certificate post verification.
- c) *Independent review and check if destruction of the security cheque has been completed.*
- d) **Any request submitted by customer for change banking outlet / branch for of collecting the original immovable property documents**
 - **During foreclosure/Balance transfer amount submission**
 - **During Settlement amount / Settlement letter sign**
 - **During last EMI payment in case Auto closure**

7.5 Dispatch of Original document to branch from RPU

The Regional Secured Operations officer shall send the original documents to the branch post supervisory checks completion as stated in section above by following below protocol,

- The courier package shall be addressed to the Branch Manager/Branch Operations Officer (BOO) of the branch where the loan accounts is held.
- Property documents and KYC photocopy shall be sent to the branch within 10 days of closure of account. This also includes the dispatch timelines.
- Share the photocopy of the KYC documents as part of the courier package to the branch. This is necessary for authentication of the borrower/property owner by the branch.
- A photocopy of the 'Memorandum of Deposit of Title Deeds' shall be kept with the Bank. The same shall be filed with the loan file docket.
- Original property package is dispatched only through courier empanelled by the admin department of the Bank. Currently, the 'Blue Dart' courier service is being utilised. However, In the absence of 'Blue Dart', an equal alternative premium courier service shall be utilised post consultation and approval from NM-Secured lending Operations.

- Before the docket is dispatched, Officer Regional Secured Operations shall also raise SR in CRMNext and assign it to the concerned branch. SR path to be followed is Category – Assets, Sub category – Housing / MSME, Sub Sub category – Original documents dispatch backend.
- With the creation of this SR auto SMS will be triggered to the customer on his registered mobile number as per SMS template 1 in customer communication section of this document.
- Regional Secured Operations team shall track SMS delivery report based on the report received from Fulfilment team and in case there is SMS failure reported, Officer in RSO shall share the list with Fulfilment team to initiate communication letter to the customer on his/her communication address as per format attached in **Annexure -1** and track its delivery status.
- Manager – Fulfilment team shall ensure to share delivery status report shall be shared with RSO team for onward circulation to Housing department supervisory team and respective branch for liaising with customers.
- Officer Regional Secured Operations shall also keep the branch informed on the dispatch of the courier. An email shall be sent to BOO/BM of the branch with details as listed below:
 - Branch Name
 - Branch ID
 - Customer Name
 - Contact Number
 - CIF ID
 - Loan Account ID
 1. Loan Product
 2. Balance in the Loan Account
 3. AWB number
 4. Date of dispatch
- Officer Regional Secured Operations shall check the SR with acknowledgement shared by branch and close the SR which shall trigger SMS to customer as per SMS template 3 stated in customer communication section of this document.
- Manager Regional Secured Operations shall publish a MIS to respective branch and respective business vertical supervisors on pending document lying at branch to follow-up with customer for collecting the documents on weekly basis.

7.6 Role of Branch – Receipt of document

- On receipt of document from Regional office, CCR to make an entry in inward courier register of the branch and handover the document to BOO/CCR/BM of the branch and obtain an acknowledgement.
- Upon receipt of the documents at branch, BOO/CCR to verify the documents and acknowledge the SR created in CRMNext which will auto trigger a SMS to customer as per SMS template 2 captured in customer communication section of this document.
- BOO/CCR to ensure that the entire file is kept only in joint custody inside the vault.
- A separate register shall be maintained by BOO/CCR in branch for recording the inward details and handover of documents to customer as per format provided in **Annexure 4**.

7.7 Role of Branch – Identification of customer and handover of document

- BOO/CCR shall inform the borrower and property owner to visit the branch for the collection of the documents.

- BOO/CCR shall identify the borrower and property owner by verification of the KYC documents as per the document shared by Regional Secured Operations.
- The following documents shall be obtained from the property owner for identification purpose,
 - ✓ Self-attested copy of the ID proof. (Acceptable ID proof is as per KYC guidelines). Branch Operations Officer / Branch Manager shall verify the ID proof copy with the original and satisfy the identity of the person as the true owner of the property based on document received from Regional Secured Operations team. Branch Operations Officer / Branch Manager shall affix the 'Original Seen and Verified' stamp.
- The property documents shall be handed over by the Branch Operations Officer /Branch Manager only to the Property owner. A presence of another official while handover is mandatory. It shall be any of the following officials:
 - Branch Manager
 - Credit Officer
 - Loan officer
 - Relationship Officer
- Under any circumstance, the branch is not permitted to handover the original property documents to any individual other than the property owner. For any deviation's approval shall be obtained from National Credit Manager/Regional Operations Manager.
- BOO/CCR to obtain acknowledgment of the borrower, co-borrower and property owner on the No Due Certificate copy and the document register maintained by BOO/CCR.
- The signature in the acknowledgement shall be matched with the MODT signed by the property owner.
- If the mortgaged property is in the name of more than one individual, all of them shall be present at the time of document handover.
- The Branch Operations Officer and the official present at the time of handover of the original documents shall sign in the register and also mention their Employee ID.
- After the handover process Branch Operation officer / CCR shall also upload signed document copy in CRM Next under the same SR.
- If the document is not collected by borrower, property owner within 7days from the date of raising SR an auto SMS is triggered to customer as per format captured in SMS template 4 in customer communication section of this document.
- Still documents not collected by customer, after sending reminders as mentioned above in notes. Existing SOP will be followed for those cases.

8 Exception Handling

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9 Exception Handling

The same process as stated above shall be followed for accounts which were closed as part of Settlement process.

There are no exceptions allowed to the process documented above. Any deviations / gaps identified shall attract disciplinary actions against erring officials as per Disciplinary SOP of the Bank.

Any customer escalation of requesting for payment of penalty as per RBI guideline shall be handled on case-to-case basis by referring the same to National Manager – Secured Operations and Head of Operations.

10 Customer Communications

SMS template 1 - Content for customer communication when SR is raised by Officer Regional secured lending operations,

"Dear "Customer", Title deeds of mortgaged property linked to Loan/OD A/c ending <<XXXX>> will be ready for handover in <<XX>> working days after closure of A/c. Please contact your home Branch in due course. Ujjivan SFB."

SMS template 2 - Content for customer communication when SR is acknowledged by Branch BOO/BM on receipt of the document,

"Dear (Customer), Your Loan/OD A/c ending <<XXXX>> is closed on DD/MM/YYYY. Please visit your home Branch during working hours with valid KYC documents and collect the title deeds of mortgaged property".

SMS template 3 - Content for customer communication when SR is closed by officer Regional secured operations on receipt of signed acknowledgement copy from branch on document handover,

"Dear (Customer), Thank you for visiting our Branch on DD/MM/YYYY and collecting the title deeds of mortgaged property linked to Loan/OD A/c ending <<XXXX>>."

SMS template 3 - Content for customer communication when document is not collected by customer within 7days as reminder,

"Dear (Customer), Your Loan/OD A/c ending <<XXXX>> is closed on DD/MM/YYYY. We remind you to visit your home Branch during working hours with valid KYC documents and collect the title deeds of mortgaged property".

11 Responsibility Table

S. N	Activity	Department	The system used/Remarks	TAT (Working Day)
1	Extraction of loan closed report	Officer RSO	Report server	T day
2	Retrieval of loan documents	Officer RSO	Manual / Outlook	T day
3	Tracking and Storage of documents received. Issuance of NOC Destruction of Security cheques	Officer / Assistant / Manager RSO	Manual	T+3 day
4	Supervisory checks	Manager RSO	Manual / Finacle	T+7 day
5	Dispatch of document to branch and initiate SR and email	Officer / Asst Manager RSO	Outlook / CRM Next	T+7 day
6	Receipt of document, entry in Inward register. Storage in Joint custody. Identification of property owner / Borrower and handover of documents, obtaining acknowledgement. Updation in CRM Next	BOO/CCR/BM	Manual / CRM Next	T+10 day
7	Verification of SR with acknowledgement received	Officer / Asst Manager RSO	Outlook / CRM Next	T+11 day
8	Publishing MIS to Business vertical / Branch on pending document collection	Officer / Asst Manager RSO	Outlook	Weekly

12 Escalation Matrix

Below escalation matrix shall be followed when the reports couldn't be extracted or customer request related,

TAT	IT	Operations	Product
>7 days	Senior data scientist	Regional Operations Manager	Lead – Product
>15 days	Head -Data Science and Decision Management	National Manager – Secured Operations	National Manager – Product
>30 days	National Manager – IR & FPS	Head of Operations	Head of the department

13 MIS and Reporting

Report	Internal/External Reporting (Specify department or Regulator to whom it is reported)	Frequency	Responsible Department	Recipient	Expected action
Loan Closure	Internal	Daily	MIS	Regional Secured Ops	Review and Retrieval of document and further process
SMS Report	Internal	Daily	MIS	Regional Secured Ops	Review and check SMS Failure report and share the list with

					Fulfilment team for initiating letter
Communication to Business Team / Branch	Internal	Weekly	Regional Secured Operations	Business Team / Branch	Follow-up with customer for collecting loan documents.
Pending documents lying at branch	Internal	Quarterly	Secured Operations	ORMC	To review the status and for discussion on actionable

14 Record Retention

Activity	Mode (Physical/Digital)	Retention Period	Responsible Unit
Customer Communication	Digital/Physical	10 Years	CRM team - Information Technology / Fulfilment
Customer Acknowledgement	Physical	10 Years	Branch
Undelivered Documents	Physical	Permanent	Branch/RPU

15 Regulatory Reference

- RBI Master direction on Loan Documents DoR.MCS.REC.38/01.01.001/2023-24 Dated 13th Sep,2023.

16 Customer Compliant/Grievance Redressal Mechanism

All the customer complaints/disputes will be governed by the Customer Grievance Redressal Policy of the Bank duly approved by the Board. The grievance redressal procedure of the Bank and the time frame fixed for responding to the complaints is placed on the Bank's website. If a complainant does not get satisfactory response from the Bank within the specified time, he/she will have the option of escalating as per the levels defined in the Customer Grievance Redressal Policy of the Bank.

As per the customer grievance redressal policy, the customer will be able to register the complaint through multiple channels which may include:

- Complaint form/ suggestion box at branches
- Complaints register or verbal complaints to Customer Care Representative at branches
- Contacting the customer care number
- Grievances received through post, emails or through internet or mobile banking

As a bank, USFB will adopt a four-tier approach for handling escalation of all complaints/ grievances by the customer. Escalations of customer complaints/ grievances will be handled in a structured manner as mentioned below:

Level of Escalation	TAT	Official to be approached	Channel to be followed
Level 1	Up to 7days	Branch Manager / Phone Banking Number / Customer Care Representative	In-person/ Call/ In writing
Level 2	>7days	Regional Nodal Officer	Call/ In writing
Level 3	>14days	Principal Nodal Officer	In writing (email/ physical letter)/ Call

Level 4	>30days	Integrated Ombudsman	Email or Online Complaint
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The contact details of Nodal officers / Banking Ombudsman will be displayed on the Bank’s website and in the branch notice board.

17 Annexure

Annexure 1

Date:/...../.....

Cust. ID: [.....]
 [Name & Address

]

Subject: Request to collect title deeds related to the property mortgaged in favour of the Bank in [Name of the Product] Loan/Overdraft A/c No: [Loan Account Number] at [Name of the Branch].

Dear [Name(s) of the Property Owners],

Thank you for choosing Ujjivan Small Finance Bank as your preferred banking partner. This is with regard to return to title deeds related to the immovable property deposited with us in your above-mentioned loan/OD account. The said account has been closed on DD/MM/YYYY and we have tried reaching you at your registered mobile number, for informing you to collect the Title Deed of property mortgaged in your above-mentioned Loan /OD. However, your number was not contactable.

You are requested to visit our above-mentioned Branch within 7 working day from the receiving of this letter and collect title deeds related to the immovable property deposited with us in your above-mentioned loan/OD account.

At Ujjivan Small Finance Bank, we strive to provide an exceptional service and support throughout your borrowing journey. Need you require assistance or have queries, please feel free to contact our customer support team at 1800 208 2121 or visit the nearest branch of Ujjivan SFB.

Best regards,

Yours faithfully,
 For Ujjivan Small Finance Bank Ltd.

Authorised Signatory

Annexure 2

Branch name	CIF ID	Loan account number	Customer Name	Bank Name and cheque number	Date of destruction	Signature - Officer	Signature of Asst. Manager or Manager (Official witnessing the destruction)

Annexure 3

No Due Certificate cum Security Delivery Letter - (Mortgagor and Borrower different)

Ref No:

Date:

To

<Customer Name > <Co Borrower Name >

<Address>

<Customer Name > <Co Borrower Name >

Sub: Your Loan Account Number xxxxxxxxxx at <Branch Name> Branch.

This is to certify that the below mentioned Loan availed by you from our <Branch Name> Branch, against security of the below mentioned property, stands closed in the following manner as on DD-MM-YYYY as per our records:

Loan Product	:	
Loan Account Number	:	
Client ID	:	
Loan Limit (INR)	:	
Details of Security	:	Vetting report
Name and Address of the Mortgagor	:	
Closure (manner)	:	<input type="radio"/> Normal <input type="radio"/> Pre-Closure <input type="radio"/> Compromise Settlement <input type="radio"/> Further to Order of Court/ Tribunal <input type="radio"/> Credit Shield (Life Insurance Claim Settlement)

In view of closure of the above Loan in the above manner, we are also releasing and discharging from our charge, the property mentioned above unto the Mortgagor.

All security cheques not presented till the date of loan closure have been destroyed.

Please find the above documents in order and also acknowledge receipt of the same.

We value your relationship and assure you best services always. In future references, please quote the loan account number.

Thanking you.

Yours Faithfully,

For the Ujjivan Small Finance Bank Limited

Authorized Signatory
Operations Manager

Enclosures: Annexure containing list of title deeds/ documents being handed over.

I/We hereby acknowledge receipt of the above referred title deeds/ documents and find the same in order.

No Due Certificate cum Security Delivery Letter

(Mortgagor and Borrower different)

Ref: -

Date:

To

<Property Owner name>

<Address>

<Property Owner name>

Sub: Your Loan Account Number xxxxxxxxxx at <Branch Name> Branch.

This is to certify that the below mentioned Loan availed by you from our 2203-Vigyan Vihar Branch, against security of the below mentioned property, stands closed in the following manner as on DD-MM-YYYY as per our records:

Name of Borrower	:	
Name of Co-Borrower	:	
Loan Product	:	
Loan Account Number	:	
Loan Limit (INR)	:	
Details of Security	:	
Name and Address of the Mortgagor	:	
Closure (manner)	:	<input type="radio"/> Normal <input type="radio"/> Pre-Closure <input type="radio"/> Compromise Settlement <input type="radio"/> Further to Order of Court/ Tribunal <input type="radio"/> Credit Shield (Life Insurance Claim Settlement)
Client ID	:	

In view of closure of the above Loan in the above manner, we hereby release and discharge unto you from our charge, the property mentioned above. We are also returning the title deeds/ documents mentioned in the Annexure to you:

Please find the said title deeds/ documents in order and also acknowledge receipt of the same.

We value your relationship and assure you best services always. In future references, please quote the loan account number.

Thanking you.

Yours Faithfully,

For the Ujjivan Small Finance Bank Limited

Authorized Signatory
Operations Manager

Enclosure: Annexure containing list of title deeds/ documents being handed over.

I/We hereby acknowledge receipt of the above referred title deeds/ documents and find the same in order.
<name and signature of the borrower and co-borrower, with date

Annexure 4

Date of document received from Regional Operations	Customer Name	Loan ID	Loan Closure date	Date of handover of document to Borrower / Property Owner	Customer Signature (Borrower / Property Owner)	Signature of Joint custodians on receipt of document	Signature of Joint custodians on handover of document	Signature of Branch Manager / Loan officer/Credit Officer/Relationship Manager

NOTE:

Any charge created on the property by the Bank will be removed within a maximum of 30 days after the full and final repayment/settlement of the loan account to the Bank and the original property documents will be returned to the customers

The original property documents will be returned to borrower from the Branch where the loan account was sanctioned or from any other nearest Bank Branch within a period of maximum 30 days after full and final repayment/settlement of the loan account. In case the date (in case of delay from the mentioned timeline) or place or both, are changed by the customer, then the customer shall immediately intimate the Bank of such change in writing and the Bank shall arrange to handover of the same to according to customers request. This is at the discretion of the Bank.

In case of any contingent event of demise of the sole borrower or joint borrowers of the loan account, the Bank may return original property documents to the legal heirs subject to the legal heir being able to prove the heirship with a relevant government issued document. These documents may be subjected to the scrutiny of the Bank and the customers shall abide by the process.