

# POLICY ON RELEASE OF SECURITY ON REPAYMENT/ SETTLEMENT OF LOANS



## Risk

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### Expected Credit Loss (ECL) Policy

Version: 3.0

Document No: **BACL\_ECL\_V3.0**

17 March 2026

Internal

**BACL\_ Expected Credit Loss (ECL) Policy\_V3.0**

**Internal**

## POLICY ON RELEASE OF SECURITY ON REPAYMENT/ SETTLEMENT OF LOANS

ORGANIZATION AREA	DOCUMENT TYPE	VERSION
OPERATIONS	POLICY ON RELEASE OF SECURITY ON REPAYMENT/ SETTLEMENT OF LOANS	VERSION 3.0

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# POLICY ON RELEASE OF SECURITY ON REPAYMENT/ SETTLEMENT OF LOANS

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## POLICY ON RELEASE OF SECURITY ON REPAYMENT/ SETTLEMENT OF LOANS

### Responsible Lending Conduct – Release of Movable / Immovable Property Documents on Repayment/ Settlement of Loans

In terms of the guidelines on Fair Practices Code issued to various Regulated Entities (REs) since 2003, REs are required to release all movable / immovable property documents upon receiving full repayment and closure of loan account. However, it has been observed by RBI that the REs follow divergent practices in release of such movable / immovable property documents leading to customer grievances and disputes. To address the issues faced by the borrowers and towards promoting responsible lending conduct among the REs, the following Directions are being adopted:

#### Release of Movable / Immovable Property Documents

1. The Company shall 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.
2. The borrower shall be given the option of collecting the original movable / immovable property documents either from the banking outlet / branch where the loan account was serviced or any other office of the Company where the documents are available, as per her / his preference.
3. The timeline and place of return of original movable / immovable property documents will be mentioned in the loan sanction letters issued on or after the effective date.
4. In order to address the contingent event of demise of the sole borrower or joint borrowers, the Company 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 Company along with other similar policies and procedures for customer information.

#### Compensation for delay in release of Movable / Immovable Property Documents

1. In case of delay in releasing of original movable / immovable property documents or failing to file charge satisfaction form with relevant registry beyond 30 days after full repayment/ settlement of loan, the Company shall communicate to the borrower reasons for such delay. In case where the delay is attributable to the Company, it shall compensate the borrower at the rate of ₹5,000/- for each day of delay.
2. In case of loss/damage to original movable / immovable property documents, either in part or in full, the Company shall assist the borrower in obtaining duplicate/certified copies of the movable / immovable property documents and shall bear the associated costs, in addition to paying compensation as indicated at paragraph 6 above. However, in such cases, an additional time of 30 days will be available to the Company to complete this procedure and the delayed period penalty will be calculated thereafter (i.e., after a total period of 60 days).
3. The compensation provided under these directions shall be without prejudice to the rights of a borrower to get any other compensation as per any applicable law.

**Place: Pune**

**Date: 17 March 2026**

**RAJIV BAJAJ  
CHAIRMAN**

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