



Claiming inherited assets

After locating assets, the next challenge is legally establishing ownership, securing control, and navigating asset-specific transfer procedures.



by **Abhinav Kaul**

Locating financial assets, such as mutual funds, demat accounts, bank accounts and so on, that a deceased person left behind without a trace is just the beginning, if you are the legal heir or even an executor of the will. (<https://shorturl.at/6PDbo>)

What lies ahead is equally tricky. Families must secure, value and manage those holdings while juggling urgent legal steps.

First legal steps

When a person dies, their assets can be accessed or managed only by someone with legal authority, depending on whether a will exists. If there is a will, the executor named in it administers the estate after obtaining probate, which legally confirms the will and empowers them to access, manage, sell, and distribute the assets as directed.

If there is no will, legal heirs must approach the court for a succession certificate (for movable assets) or a letter of administration (for full estate control). Once authorised, heirs can access, manage, sell, or distribute assets in accordance with inheritance laws. Once authorised by a court, the legal heirs can collectively decide to

manage or sell an asset to divide the proceeds or manage it jointly. However, any sale of an asset would require the consent and signatures of all legal heirs.

ET Wealth breaks it down for you, asset by asset, the legal documents required, the authorities involved, and the sequence of steps heirs or executors must follow to manage, transfer or liquidate those assets.

Bank accounts, FDs and PPF

After a person's death, the process of accessing and managing their assets depends on whether there is a joint holder, a nominee, or neither.

Joint holders by following the process of name deletion automatically become owners and can operate the account. Nominees follow the process and become operators of the account albeit as custodians representing the heirs and beneficiaries, by submitting the death claim with their KYC.

The will following the probate process ensures that the bank accounts are bequeathed to the designated beneficiary. Hence both the account holder as well as the nominee are bound to adhere to the probate will. In case the asset owner has died intestate then the applicability of succession laws will decide the heirs.

"If there is no nominee or joint holder, the asset is treated as an 'orphan asset' and legal intervention becomes mandatory. Banks lack the judicial authority to decide the legal heirs, so the Reserve Bank of India

(RBI) has facilitated the process and fixed threshold limits i.e. for amounts above ₹5 lakh (for cooperative banks) and ₹15 lakh (in case of commercial banks), claimants must approach the court for a succession certificate or a letter of administration if there is no will, and probate if there is a will," says Rajat Dutta, Founder and Initiator, Inheritance Needs Services.

The competent court of jurisdiction where a claimant needs to file a petition is dependant on either the city mentioned in the Aadhaar card of the deceased or the place of death, and not necessarily the location of the assets, as the deceased may have assets across various states in India.

Bank lockers

Often people store their important documents, such as property papers, their will, apart from ornaments and jewellery in bank lockers. A situation could arise when the sole holder or all joint holders in a safe deposit vault are deceased and there is either no nominee, or all nominees are also deceased. In such cases, banks have their own well laid down procedures aligned to the IBA Model Locker Agreement which further got endorsed by the recent RBI circular dated 26 September 2025.

Heirs can now access the contents of the locker on the submission of claim form, with KYCs of claimants, death certificates of deceased (i.e. sole/joint holders and nominees), letter of disclaimer/ NOC of other

non-claimant legal heirs along with a legal heir certificate.

However, in case a legal heir certificate is not issued by a competent authority, then an affidavit duly notarised and signed by an independent person known to the family of the deceased but not party to the claim would suffice. Unlike bank accounts and FDs, lockers follow a different process because they involve a contractual agreement between the bank and the client.

"If a court order names an executor, the bank would adhere to the order and in case the keys are not available, banks follow the defined procedure of breaking the locker before two independent witnesses and noting/recording the contents of the same before handing over the same to the claimant, after recovering the charges of breakage and outstanding due (rentals if any). Only then will the bank allow access," said Dutta. The other contents in the locker would also be handed over to the heir.

Mutual funds

According to founders at Vealthx, a wealth continuity platform, a large amount of investor wealth in India remains unclaimed in mutual fund folios. This typically happens due to investor deaths without nomination, outdated contact information, or simply because the investments were forgotten. Mutual fund units are classified as "unclaimed" when dividends or redemption payouts remain unpaid for more than

six months. In such cases, the unpaid amounts are transferred to the fund house's Unclaimed Dividend and Redemption Account. At the same time, the actual units remain in the investor's folio and continue to grow in value with market performance.

The recovery process begins with identifying the folio. Once the mutual fund folio is traced, the legal heir must complete the KYC and update the bank details to receive the proceeds. The nominee must provide a claim form and a death certificate for the registered nominee.

Where no nominee is registered, legal documents such as a succession certificate, an indemnity bond, or a no-objection certificate (NOC) from other legal heirs may be required.

Shares

A large volume of investor wealth in India lies unclaimed due to unpaid dividends and forgotten shareholdings, often caused by address changes, bank account updates, or the death of the original investor. Dividends that remain unpaid for more than 30 days are deemed "unclaimed," and the corresponding shares fall into the category of unclaimed shares. These assets may eventually be transferred to the Investor Education and Protection Fund (IEPF) if they remain unclaimed for over 7 years.

Tracing these investments often begins at home, by examining old share certificates, dividend warrants, demat statements, and even email records.

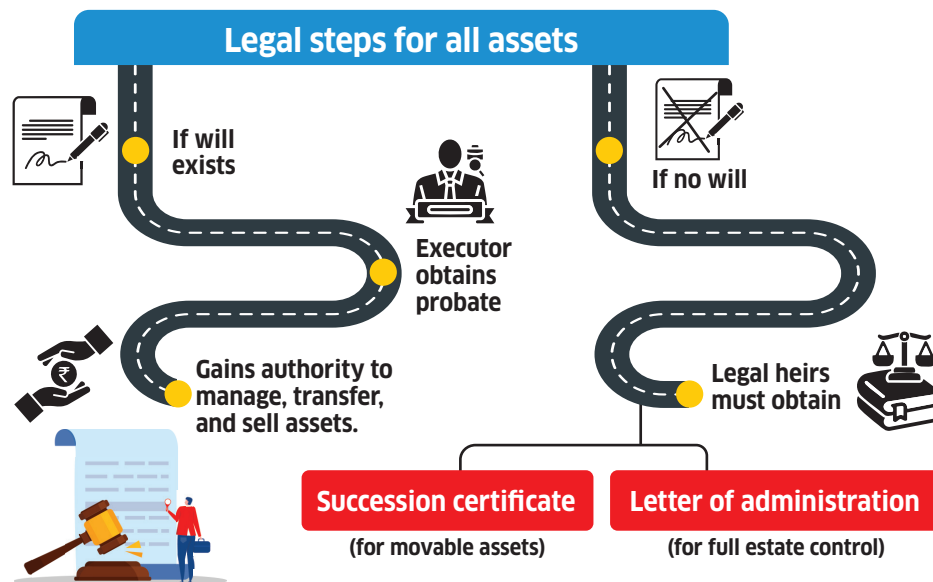
However, reclaiming these assets involves a layered, paperwork-heavy process. The investor needs to file a police report for loss of shares, indemnity and affidavit to be given to the company, newspaper advertisement to be done for loss of shares. In cases where the original holder is deceased, legal heirs must additionally provide succession or legal heir certificates to initiate transmission. Claims pertaining to shares transferred to the Investor Education and Protection Fund (IEPF) require a separate filing with the authority. "Most investors don't realise their money is still working for them in forgotten folios. The challenge is not loss of wealth, but loss of awareness," says Parashuram Hallur, Founder and Chief of Product & Growth at Vealthx.

Insurance

In India, more than ₹25,000 crore is lying unclaimed in insurance policies with various insurance companies. The process of claiming unclaimed insurance is simpler than for shares or other investments.

Claimant needs to submit the original policy document, KYC documents, bank details, death certificate (if applicable) and the claim form. Thus, after these documents are submitted, insurance companies verify them and, if satisfied, release the unclaimed insurance amount into the claimant's bank account. In case of a death claim, the process becomes longer as the claimant has to prove their legal heirship to the deceased policyholder and may have to obtain an order from the court. Therefore, insurance companies insist on nomination in the insurance policy. It's a good practice to specify beneficial nominees (parents, spouse, kids) to make the claim payout process smoother.

Inheritance roadmap Legal steps to manage every asset class after death



Bank accounts, FDs

Scenario	Process	Documents required
Joint holder	Name deletion	Death certificate, KYC
Nominee available	Transmission	Claim form + KYC + Death certificate
No nominee/joint holder	Account treated as 'orphan' asset	Succession certificate/LoA if no will; probate if there is will

Bank lockers

Who can access	Process	Legal requirement
Joint holder/nominee	Immediate access	KYC + Death certificate
Heirs if no nominee + key missing	Locker break open in presence of bank	Heir certificate claim form, KYC death certificate

Mutual Funds

Scenario	Required steps
With nominee	Submit death certificate + claim form
No nominee	Succession certificate / indemnity bond / NOC from legal heirs

Insurance policies

Claim type	Documents required
Maturity claim	Policy, KYC, bank proof
Death claim	Policy, KYC, death certificate, legal heir proof (if no nominee)

EPF

Step	Process
If nominee	Submit death claim via UMANG app/EPF office
No nominee	Family certificate, marriage proof, employer note

Property

The legal process for managing, transferring, or selling a deceased person's property depends on whether they left a valid will and who their rightful heirs are. No sale or transfer can take place until legal ownership is formally established.

If the deceased made a will, the executor

must obtain probate—a court-certified validation of the will—that grants them authority to transfer or sell the property. In the absence of a will, the property devolves under the Hindu Succession Act, Indian Succession Act or relevant personal laws, and the heirs must secure a Legal Heir Certificate, Succession Certificate or Letter of Administration from a court.

Once legal heirs are established, they must update the property records with the local municipal authority or sub-registrar and submit KYC documents, a death certificate, and proof of inheritance, after which the title can be transferred. Only after the mutation—process of updating ownership

records with the local government or municipal authority—of property records can the heirs legally sell or monetise the property.

EPF

Managing the EPF (Employees' Provident Fund) account of a deceased individual in India is a complex, multi-step process that begins with locating the deceased individual's EPF accounts and consolidating their balances. "The biggest challenge families face is not claiming the money, but finding where it is (usually for pre-UAN period) since most families don't know the service history or have access to old payslips," says Kunal Kabra, founder and chief executive of Kustodian Life.

Once all accounts are consolidated, the nominee or eligible heir can file a death claim either online (through the UMANG app) or physically at the EPF office. The claim allows withdrawal of the full PF balance, monthly pension (if eligible), and insurance benefits under the Employees' Deposit Linked Insurance (EDLI) scheme, which ranges from ₹50,000 to ₹7 lakh based on the employee's last drawn salary and service period. The claim amount is completely tax-free.

"In cases where an employer maintains its own PF trust, separate claims must be filed with the trust for PF and with the EPFO for pension. If no nominee is registered, legal heirs must provide additional documents such as a family certificate, marriage proof, or an employer's declaration. Disputes between family members may result in court intervention," said Kabra.

Crypto

Accessing cryptocurrency after the death of its owner presents unique legal and technical challenges, depending entirely on how the assets were stored. If the crypto is held on a centralised exchange, the process is similar to accessing a bank account. Legal heirs can approach the exchange with a death certificate and court-issued probate or succession certificate, after which the exchange can transfer the assets to the heir's account.

However, if the crypto is stored in a decentralised wallet (non-custodial), recovery may be impossible without the private key. There is no central authority to approach and no legal mechanism to override blockchain security. "We must manage client expectations and be clear that in a significant number of cases, the assets may be permanently lost," says Adnan Siddiqui, Partner, King Stubb & Kasiva, Advocates and Attorneys.

Even if inaccessible, these digital assets must be disclosed in the deceased's estate for tax purposes and may be recorded as a capital loss. In some cases, blockchain forensics may be used only to trace their existence, not recover them.