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We all have apps that quietly hold our bank accounts, demat holdings, insurance policies and fixed deposits – unlocked with a glance, never once written down. Statements arrive as notifications rather than envelopes; renewals happen with a single tap. It is, in many ways, a remarkably convenient way to manage one's finances.

But convenience has a quiet cost. What happens when you are no longer around, or after the demise of a loved one, and the phone remains locked because no one else knows the passcode? What happens when the one person who understood the family's financial life is suddenly unavailable to explain it?

It is not a hypothetical question. Somewhere, right now, a family is going through old passbooks and papers, trying to remember which bank their father used or whether an old demat statement still means anything. They are not confused because they did not care. They are confused because nobody ever wrote it down.

A View from the Claims Desk

In the years I have spent around investor claims and grievances, I have lost count of the families who came to us not because they doubted their rights,

The 'Trust Folder' Your Family Will Thank You For A Small Habit That Spares Loved Ones Years of Searching

but simply because they did not know what their loved one owned. A share certificate from a company no longer in the family's memory. A fixed deposit nobody remembers opening. A policy whose number was known only to the person who is no longer there to share it.

The reasons vary: sudden illness, an accident, a period of isolation, or simply the passage of old age – but the outcome is almost always the same: money that rightfully belongs to a family becomes something they must first discover exists, then prove they are entitled to, before they can claim it. What should be a straightforward inheritance turns into a search stretched across months or years, almost always during a period already marked by grief.

This is precisely the gap that the Investor Education and Protection Fund exists to address once assets go unclaimed for extended periods. But our work at that stage is, in many ways, a response to a problem that could have been prevented far earlier, at home, with nothing more than a habit of writing things down.

Not a Will, a Nomination, or a Power of Attorney — Just a Record

It is important to be precise about what a trust folder is, and is not, because the three legal instruments it is often confused with each do something quite different.

A Will is a legal instrument that determines how a person's assets are distributed after death; it must be validly executed and, where relevant, probated, and is best drafted with professional legal advice. A nomination, registered separately with each bank, depository,

insurer, EPFO or NPS account, identifies who may receive or manage an asset immediately after the account holder's death though a nominee generally holds the asset in trust for the legal heirs rather than owning it outright. A Power of Attorney authorises another person to act on one's behalf during one's lifetime, and lapses on death.

A Trust Folder does none of these things. It confers no legal rights, transfers no ownership, and grants no authority. It is simply an index, a single place that records what exists and where, so that whoever eventually deals with the Will, the nominations or the estate does not have to search for the underlying facts first. It complements these instruments; it replaces none of them.

Where a Chartered Accountant Fits In

Preparing this folder is also a natural opportunity to involve a Chartered Accountant, particularly for households with multiple accounts, investments or business interests. CAs routinely assist clients with organising financial documentation and tax records, advising on succession and estate planning, ensuring nominations are recorded consistently across accounts, and reconciling assets against liabilities such as loans and guarantees — the same inventory a Trust Folder is meant to hold. A CA does not substitute for a lawyer on matters of Will drafting or probate but is often the professional best placed to help a family take an accurate first stock of what it owns and owes.

What Belongs in the Trust Folder

A reasonably complete Trust Folder for most Indian households would cover the categories mentioned in the table.

Category	What to Record
Bank accounts	Bank, branch and account numbers, and whether a nominee is registered.
Fixed and recurring deposits	FD/RD numbers, issuing bank or NBFC, and maturity dates.
Shares and mutual funds	Demat account number, depository participant details, and folio numbers for any physical holdings.
Insurance policies	Life, health and general insurance, with policy numbers and insurer names.
Retirement savings	EPF, PPF and NPS account numbers.
Tax records	PAN, and the location of recent income-tax returns and assessment records.
Liabilities	Home, personal or vehicle loans, credit cards and any guarantees, with lender names and account numbers.
Property and loan documents	Registration details and where the originals are kept.
Digital assets	A note of which apps, wallets or platforms hold financial information or digital property — without recording the passwords themselves.
Nominations	Which accounts have a registered nominee, and where the nomination forms are filed.
Key contacts	The family's banker, insurance agent, Chartered Accountant, financial advisor or lawyer, and their phone numbers.

None of these entries need to be elaborate. A single line for each account, the institution's name and the account or policy number, is often enough to save a family weeks of searching later. The value of this folder lies not in its detail, but in its existence.

Digital Assets, Passwords and the Law

The Digital Personal Data Protection Act, 2023 has introduced a mechanism allowing an individual to nominate another person to exercise certain rights over their personal data in the event of death or incapacity, though this is a data-protection provision rather than a full succession framework.



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The practical implication for households is straightforward, even where the law itself is still evolving: passwords, PINs and OTPs should never be recorded in a Trust Folder or shared informally, but the existence of an account, platform or digital asset should still be noted so that it is not simply lost. Where significant value is involved, a Will that references digital assets, a business's digital records, or holdings in newer asset classes, professional legal advice is strongly recommended, and readers



are encouraged to consult the latest official guidance, since this area of law continues to develop.

Physical and Digital, Kept Differently

The right format for this folder depends on who is keeping it. Young professionals and Gen-Z investors tend to trust their phones with everything, and rightly so, modern devices are secure and always within reach. But a phone can be lost, damaged or simply inaccessible when it is needed most. A wallet-sized card carrying only emergency contacts and a note of where the fuller folder is kept costs nothing and takes five minutes to make.

THEME ● THE CHARTERED ACCOUNTANT

For senior citizens, and for those less comfortable with technology, a physical folder kept with a spouse, an adult child or another trusted family member usually works better than any app, it requires no password, login or internet connection to be opened.

Whichever format is chosen, the habit of updating it matters more than the format itself. A folder prepared once and never revisited quickly becomes outdated. The discipline that matters is revisiting the folder after any new financial decision, or at minimum, once a year.

Two Illustrations, One Lesson

Two situations, reflecting patterns commonly seen in investor grievances, show what this habit can mean in practice.

In one, an elderly parent passes away after a long illness, and the family discovers an old physical share certificate only months later while clearing a cupboard. The company has since undergone mergers and name changes, and the family must first trace its corporate history before a claim can even begin. What could have been a same-week claim becomes a matter of months.



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In another, a household that maintained a simple folder, reviewed once a year, is able to locate every bank account, insurance policy and mutual fund folio within a day of sudden bereavement and filed nominee claims within weeks. The difference is not the family's wealth or its legal awareness; it is a single afternoon spent, at some point, writing things down.

A Word on Safety, KYC and Nominee Updates

None of this should ever include actual passwords, PINs or OTPs written in the open. The idea is to record what exists and where, not the keys to access it.

In the same spirit, KYC and nominee details are not one-time formalities. Every bank, depository, insurer, EPFO and NPS account maintains its own separate records, so updates must be made individually with each institution updating a nominee with one bank does nothing for another bank, an insurance policy or a mutual fund folio. An outdated mobile number, address or nominee can delay a claim precisely when a family needs those funds most. These details are worth reviewing once a year and again after any major life event, such as a marriage, the birth of



a child, a change of address, or the loss of a family member previously named as nominee.

A Small Habit, a Rightful Claim

Every year, IEPFA processes claims for dividends and shares that families did not know they were entitled to, simply because no record survived the person who held them. A folder that takes an afternoon to prepare with a Chartered Accountant's help, if needed, and a few minutes' review each year can spare a family that entire journey. It is a quiet act of care for those who will one day need to pick up where we left off. What is rightfully theirs should never have to be rediscovered. It should only ever have to be claimed.

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