International Journal of Advanced Research in Commerce, Management & Social Science (IJARCMSS)
(An International Quarterly Multidisciplinary Open Access Double Blind Peer Reviewed Refereed Journal)
ISSN :2581-7930 (Online), Impact Factor (Cosmos): 7.270 & PIF (I2OR): 5.010, Volume 09, No. 04(I), October-December, 2026, pp 62-75

Unclaimed Financial Assets in India: A FinTech–FinCare Analysis of Scale, Causes and Policy Response

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Citation: *Srivastava, A. & Agarwal, R. (2026). Unclaimed Financial Assets in India: A FinTech–FinCare Analysis of Scale, Causes and Policy Response. International Journal of Advanced Research in Commerce, Management &Amp; Social Science, 09(04(I)), 62–75. https://doi.org/10.62823/ijarcmss/9.4(I).9613*

Abstract

India's formal financial system holds a large and growing stock of money that owners or their heirs have not claimed. This paper consolidates and re-verifies official disclosures for six pools (bank deposits, life-insurance proceeds, mutual funds, company dividends and shares, post-office small savings and provident-fund balances) and reads them through a FinTech–FinCare lens: digital expansion has widened participation, but post-onboarding care (nominees, KYC upkeep, heir awareness and assisted claims) has lagged. Drawing on regulator reports, parliamentary replies, government press releases and RTI disclosures, each figure is graded by evidential quality and conflicting numbers are reconciled. Verified cash-type pools total about ₹1.14 lakh crore: ₹72,454 crore of bank deposits in the RBI's DEA Fund (28 January 2026), ₹20,062 crore with life insurers, ₹9,330 crore in inoperative EPF accounts, about ₹9,000 crore of IEPF dividends and about ₹3,000 crore in mutual funds. Shares held by the IEPF Authority add roughly ₹89,000 crore at market value. Reported recovery ratios are low, generally below 4% of stock, despite new search portals and the 2025 "Your Money, Your Right" campaign. Because definitions and reporting dates differ across regulators, no single official total exists. We recommend common definitions, one consolidated annual report, a consent-based unified search layer and claimant-side incentives.

Keywords: *Unclaimed Assets, Dormant Accounts, FinTech, FinCare, Financial Inclusion, DEA Fund, IEPF.*
JEL Classification: *G21, G22, G23, G28, D14.*

Introduction

Unclaimed financial assets arise when money or securities held with a regulated institution are not claimed by the owner, or by legal heirs, within a statutory period. In India the problem cuts across sectors: savings accounts left inactive for ten years, term deposits not redeemed after maturity, insurance proceeds not collected, mutual-fund folios with no investor activity, dividends and shares not claimed for seven consecutive years, and provident-fund balances that stop moving after retirement or migration. Ownership is not lost when funds move to a custodian such as the Reserve Bank of India's Depositor Education and Awareness (DEA) Fund, the Senior Citizens' Welfare Fund (SCWF) or the Investor Education and Protection Fund (IEPF); the owner or heir can still claim them, but only by taking the initiative to discover and pursue them.

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Policy attention has risen sharply. The Government of India launched the nationwide campaign "आपकी पूँजी, आपका अधिकार – Your Money, Your Right" on 4 October 2025 around a three-part framework of awareness, accessibility and action. Its indicative estimates were about ₹78,000 crore in bank deposits, nearly ₹14,000 crore in insurance proceeds, about ₹3,000 crore in mutual funds and about ₹9,000 crore in unclaimed dividends [[cite:pib2025a|(Press Information Bureau [PIB], 2025a)]]. An IRDAI member separately put unclaimed funds "across various financial services" at close to ₹1.9 trillion (Business Standard, 2025). These headline numbers differ in scope and date, which is itself a research problem.

Problem Statement and Research Gap

Three gaps motivate this study. **First**, the data are scattered across regulator reports, ministry replies and news items, with different definitions and reference dates; no consolidated, evidence-graded dataset exists. **Second**, public discussion often attributes the growth of unclaimed assets to digital expansion, yet dormancy thresholds of seven to ten years imply that today's stock largely reflects accounts opened and abandoned long before the recent FinTech wave. **Third**, evidence is thin on whether the discovery portals built since 2023 have translated into recoveries.

Research Questions and Contribution

The paper asks (RQ1) how large the unclaimed pools are and how they are distributed; (RQ2) how they have moved and where official figures disagree; (RQ3) how a FinTech–FinCare framework helps explain accumulation; (RQ4) how effective current recovery mechanisms appear to be; and (RQ5) what policy changes follow. It contributes (i) a verified, confidence-graded consolidation of official figures, (ii) a reconciliation of conflicting numbers, (iii) a testable FinTech–FinCare framework, (iv) recovery-ratio evidence from the 2025–26 drives, and (v) a prioritised policy matrix.

Structure of the Paper

Section 2 sets out definitions, institutional pathways and the conceptual framework. Section 3 maps research questions to methods. Section 4 describes data and the verification protocol. Section 5 presents results, Section 6 discusses them, Section 7 offers policy recommendations, and Sections 8 and 9 cover limitations and conclusions. Appendix A records every correction made to the original draft, and the References section lists every source cited, each linked to its original web location.

Conceptual Framework and Literature Context

- **Terminology**

Sources use overlapping terms, so this paper fixes them. An account or instrument is **dormant, inactive or inoperative** when the holder has initiated no transaction for a stated period. It becomes **unclaimed** when dormancy passes a statutory threshold and the money is moved to, or flagged for, a custodian. The distinction matters: the Ministry of Labour has told Parliament that EPF has no "unclaimed" accounts, only inoperative accounts with definite claimants (Deccan Herald, n.d.)(Ministry of Labour and Employment, 2022), so the EPFO figure in this paper is labelled inoperative, not unclaimed.

- **Institutional Pathways**

Each sector follows its own path from dormancy to custody and to a claim route, as summarised in Figure 1 and Table 1. Banks transfer deposits unclaimed for ten years to the DEA Fund under the DEA Fund Scheme, 2014 (Lawrbit, 2025a). Insurers move policyholder amounts unclaimed beyond ten years to the SCWF (Government of India, 2016)(IRDAI, n.d.). Companies transfer dividends unpaid for seven consecutive years, and the underlying shares, to the IEPF and the IEPF Authority's demat account (Lawrbit, 2025b). Mutual funds flag folios with no investor-initiated transaction for ten years (SEBI, 2025). EPFO treats accounts as inoperative roughly three years after retirement, migration abroad or death.

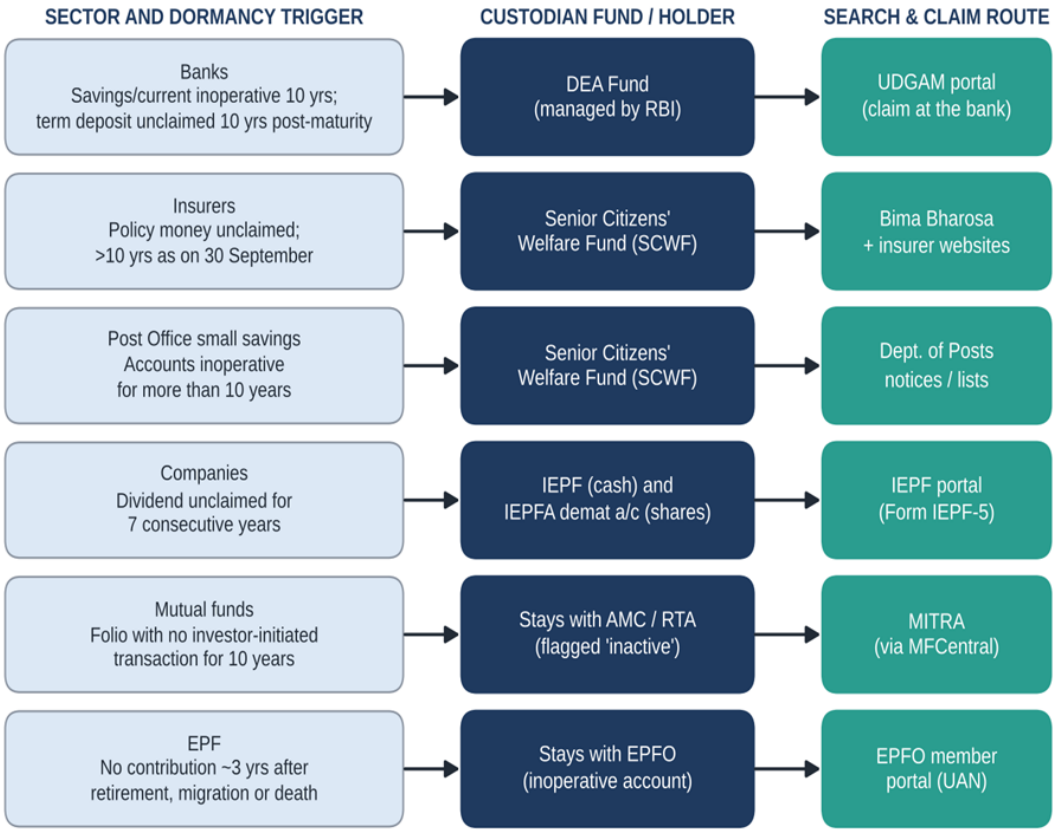


Figure 1: Regulatory Pathways from Dormancy to Custody and Claim Route, by Sector

Table 1: Dormancy Triggers, Custodians and Claim Routes

Sector	Dormancy / Unclaimed Trigger	Custodian	Search Route	Legal / Regulatory Basis
Banks	Savings/current: no customer-initiated transaction for 10 years; term deposit unclaimed 10 years after maturity	DEA Fund (RBI)	UDGAM	DEA Fund Scheme, 2014 (s.26A, Banking Regulation Act, 1949); revised RBI norms in force from 1 Apr 2024
Insurers	Amounts unclaimed beyond the prescribed period; those older than 10 years at 30 Sep move by 1 Mar	Insurer, then SCWF	Bima Bharosa; insurer sites	SCWF under the Finance Acts of 2015–16 and SCWF Rules, 2016; IRDAI Master Circular on Unclaimed Amounts (amended Feb 2024)
Post Office small savings	Matured or inoperative accounts; inoperative for over 10 years go to SCWF	SCWF	Dept. of Posts lists / notices	SCWF Rules, 2016
Companies	Dividend unpaid or unclaimed for 7 consecutive years	IEPF (cash); IEPFA demat a/c (shares)	IEPF portal, Form IEPF-5	Companies Act, 2013 ss.124–125; IEPF Rules, 2016
Mutual funds	Folio with units but no investor-initiated transaction for 10 years	AMC / RTA (flagged inactive)	MITRA via MFCentral	SEBI circular dated 12 Feb 2025
EPF	Account inoperative about 3 years after retirement, migration abroad or death	EPFO	EPFO member portal (UAN)	EPF Scheme, 1952; replaced by EPF Scheme, 2026 from 29 Jun 2026

Sources: Lawrbit (2025a, 2025b); Government of India (2016); IRDAI (n.d.); SEBI (2025); Onmanorama (2020); BusinessToday (2026b); author's compilation.

- **FinTech and FinCare**

FinTech is used here for technology-enabled onboarding, distribution and servicing: e-KYC, UPI-era digital banking, demat and mutual-fund apps, and online insurance. **FinCare** is the post-onboarding stewardship that keeps an asset connected to its owner: registering and refreshing nominees, keeping KYC and contact details current, alerting nominees during long inactivity, tracing heirs, and assisting claims. FinTech lowers the cost of opening and holding assets; FinCare determines whether they survive changes in the holder's life. Figure 2 shows the framework used throughout the paper.

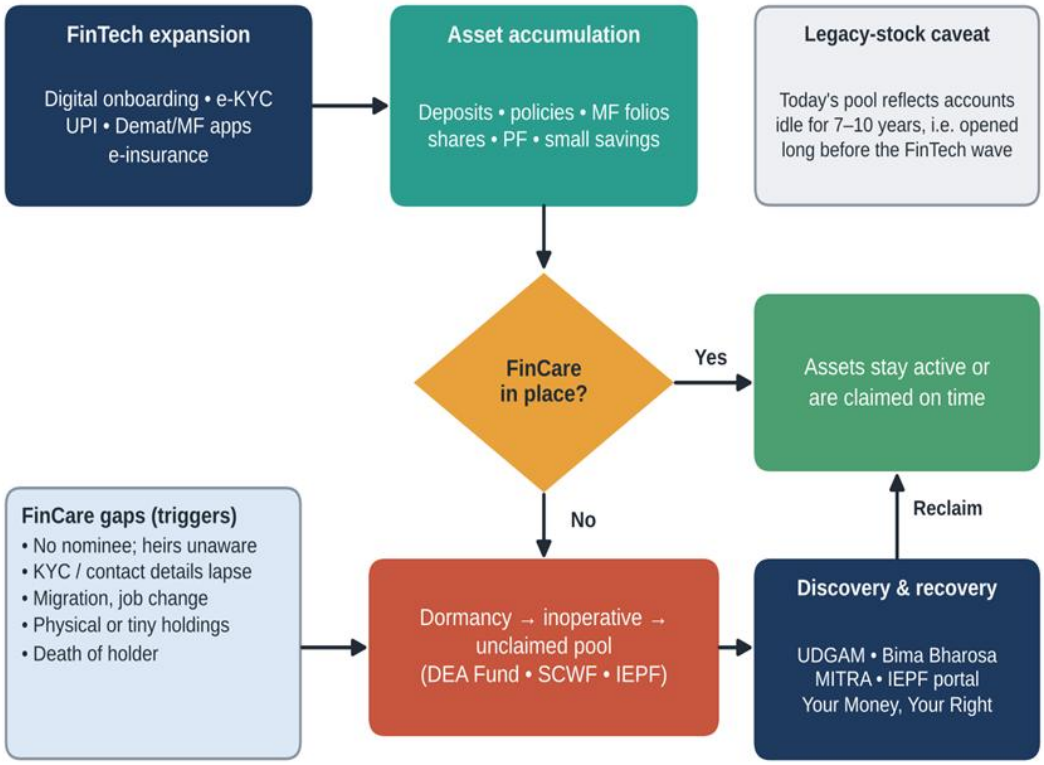


Figure 2: FinTech–FinCare Framework: from Digital Accumulation to the Unclaimed Pool and the Recovery Layer

One analytical caution shapes the framework. Because a bank deposit becomes "unclaimed" only after ten years of inactivity, the stock reported in 2024 consists of accounts last used around 2014 or earlier. It therefore cannot be attributed to recent FinTech growth. The relevant question is forward-looking: whether accounts opened during the digital and financial-inclusion push of the mid-2010s, including those under the Pradhan Mantri Jan Dhan Yojana launched in 2014, will begin to enter the pool as they cross the ten-year threshold. This is a hypothesis for later testing, not a finding of this paper.

- **Prior Evidence**

Research that quantifies unclaimed financial assets in India is limited; most available evidence comes from regulator reports, parliamentary replies and press coverage, which this paper treats as data rather than as literature. International practice offers useful contrast: many jurisdictions, including US states through unclaimed-property (escheat) laws and the UK through its Dormant Assets Scheme, run custodial models with public search databases and defined claim rights. India keeps the owner's right to claim without expiry (for example, IEPF claims have no time limit), which protects owners but leaves the stock to accumulate.

- **Propositions**

The framework yields three propositions that the descriptive evidence can speak to, though not test causally:

- **P1 (concentration):** unclaimed value concentrates in legacy, low-touch instruments (bank deposits, small savings, traditional insurance) where post-onboarding care is weakest.
- **P2 (discovery outpaces recovery):** search infrastructure has been built faster than recovery rates have improved, so reported recovery ratios remain in low single digits.
- **P3 (measurement):** inconsistent definitions across regulators prevent a reliable aggregate estimate and weaken accountability.

Research Questions and Objectives

Table 2: Research Questions, Objectives and where each is Answered

ID	Research question	Objective	Method	Section
RQ1	How large are unclaimed pools, and how are they distributed across institutions?	Build a consolidated, dated and graded dataset	Source extraction; shares of total	5.1
RQ2	How have the pools moved, and where do official figures disagree?	Identify trends and data discrepancies	Time-series comparison; reconciliation	5.2–5.6, 6.2
RQ3	Does a FinTech–FinCare lens explain accumulation better than a FinTech-only view?	Interpret patterns against propositions P1–P3	Framework-based interpretation	6.1
RQ4	Are UDGAM, Bima Bharosa, MITRA, IEPF and the 2025 campaign enabling recovery?	Evaluate mechanisms using recovery ratios	Ratio analysis; mechanism review	5.7, 6.3
RQ5	Which changes would reduce future accumulation and speed recovery?	Propose a prioritised policy matrix	Evidence-to-recommendation mapping	7

Note: RQ = research question.

Data and Methodology

- **Design**

The study is a descriptive, secondary-data consolidation with an explicit evidence-grading step. It does not estimate causal effects. The workflow (Figure 3) moves from source mapping through extraction, cross-verification and grading to synthesis and interpretation.

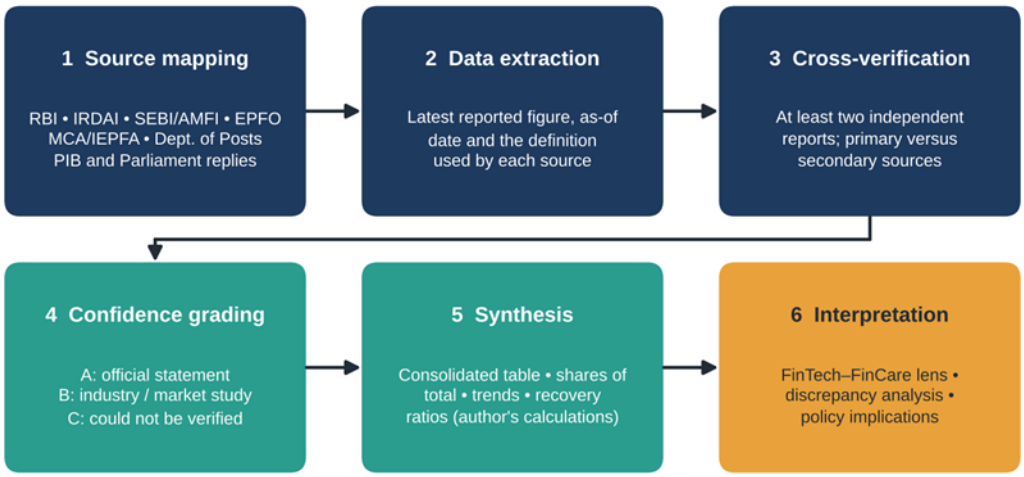


Figure 3: Research Workflow: From Source Mapping to Policy Interpretation

- **Data Sources**

Table 3: Principal Disclosures Used

Pool	Disclosure	Body	Reference date	Accessed via
Banks	RBI Annual Report 2023–24; Rajya Sabha written reply of 10 Feb 2026	RBI; Ministry of Finance	31 Mar 2024; 28 Jan 2026	PTI / Business Standard; Free Press Journal
Life insurers	IRDAI Annual Report FY2023–24	IRDAI	31 Mar 2024	Business Standard
Mutual funds	Indicative estimate in campaign note; SEBI MITRA circular	PIB; SEBI	Dec 2025; 12 Feb 2025	PIB; TaxGuru copy of circular
IEPF dividends and shares	Lok Sabha reply of 27 Jul 2026; industry study of IEPFA holdings	MCA / IEPFA; 1 Finance Magazine	2025–26; Nov 2025	Outlook Money; BusinessToday
EPF	RTI reply to India Today	EPFO	31 Mar 2026	BusinessToday
Post Office	Rajya Sabha Q. 4340 (2 Apr 2026), as cited in the draft	Dept. of Posts	30 Sep 2025	Not independently traced
Recovery	Rajya Sabha reply (9 Dec 2025); PIB campaign note; DFS review of PSBs	Ministry of Finance	Oct–Dec 2025	IANS; PIB; Business Standard

Note: figures were verified through official statements as reproduced in wire and press reports. Underlying PDFs should be re-checked before journal submission.

- **Verification and Confidence Grading**

Each figure was located in at least one official statement (regulator report, ministry reply, PIB release or RTI reply) and checked against an independent report where one existed. Figures are graded **A** (official statement, independently reported), **B** (industry or market-value study not traced to a primary document) or **C** (could not be verified). Where two official figures conflict, both are shown and the difference is analysed rather than averaged (Section 6.2). The verification of the original draft is logged in Appendix A.

- **Scope, Exclusions and Calculations**

The scope covers banks, life insurers, mutual funds, companies (through the IEPF), EPFO and the Department of Posts. It excludes non-life insurers, state-level small-savings schemes, physical securities and demat balances held outside the IEPF Authority. Shares of total and recovery ratios are the author's calculations from reported figures. Reference dates differ across pools, so totals are indicative and should not be read as a single-day balance sheet.

Results

- **The Consolidated Picture**

Table 4 and Figure 4 consolidate the verified pools. Cash-type pools with official figures (Subtotal A) total **₹1,13,846 crore**, about ₹1.14 lakh crore. Bank deposits dominate with 63.6%, followed by life-insurance proceeds (17.6%), inoperative EPF balances (8.2%), IEPF dividends (7.9%) and mutual funds (2.6%). Adding shares held by the IEPF Authority, valued at market prices, lifts the total to about ₹2.03 lakh crore, which is close to the ₹1.9 trillion cited by an IRDAI member (Business Standard, 2025). The post-office figure of ₹25,441 crore, carried over from the draft, remains unverified (Section 5.6).

Table 4: Unclaimed and Inoperative Financial Assets in India: Consolidated and Graded (₹ crore)

Pool	Amount	Reference date	Source	Grade	Share of Subtotal A
Bank deposits (DEA Fund)	72,454	28 Jan 2026	Rajya Sabha reply, 10 Feb 2026 (PTI)	A	63.6%
Life-insurance proceeds	20,062	31 Mar 2024	IRDAI Annual Report FY24	A	17.6%
EPF inoperative accounts	9,330	31 Mar 2026	EPFO RTI reply (India Today)	A	8.2%
IEPF unclaimed dividends	≈9,000	2025–26	PIB (Dec 2025); Lok Sabha, 27 Jul 2026	A	7.9%
Mutual-fund unclaimed amounts	≈3,000	Dec 2025	PIB indicative estimate	A	2.6%

Subtotal A: verified cash-type pools	**1,13,846**				**100%**
IEPF-held shares (market value)	≈89,004	Nov 2025	1 Finance Magazine study (BusinessToday)	B	n/a
Subtotal A + B	**2,02,850**				
Post Office small savings	25,441	30 Sep 2025	Rajya Sabha Q. 4340, as cited in draft; not traced	C	n/a
Total including Grade C	**2,28,291**				

Notes: reference dates differ by pool, so totals are indicative. Shares may not sum to 100% because of rounding. The bank figure was ₹78,213 crore at 31 Mar 2024 in the RBI Annual Report (see Table 5). Grades: A official statement; B industry or market-value study; C not verified. Author's calculations.

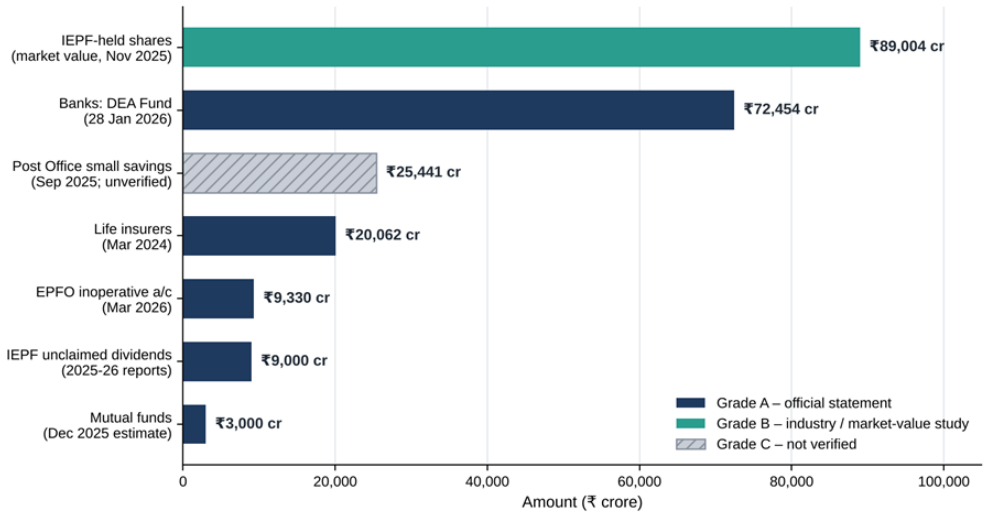


Figure 4: Unclaimed and Inoperative Assets by Pool (₹ Crore), Shaded by Evidence Grade. Dates Differ by Pool

- **Banks**

The RBI Annual Report recorded DEA Fund amounts of ₹62,225 crore at March 2023 and ₹78,213 crore at March 2024, a rise of 25.7% (Business Standard, 2024b). More recent official figures are lower than the March 2024 benchmark yet still historically high: ₹67,004 crore at 30 June 2025 and ₹72,454 crore at 28 January 2026, of which public-sector banks hold ₹60,571 crore, private banks ₹9,608 crore and foreign banks ₹2,275 crore (Free Press Journal, 2026). Public-sector banks alone had transferred ₹63,939 crore by 31 March 2025 (Business Standard, 2026). Table 5 sets out every bank figure encountered. The series are not mutually consistent, and this paper could not reconcile them from public documents.

Table 5: Bank Unclaimed-Deposit Figures as Reported (₹ crore)

As of	Amount	Measure as Described	Source
Mar 2021	27,824	Unclaimed bank deposits	Government data, via Business Standard (2026)
Mar 2023	62,225	Amount with DEA Fund	RBI Annual Report 2023–24, via PTI (Business Standard, 2024b)
Mar 2023	42,270	Unclaimed deposits	PTI report on RBI UDGAM FAQs (Business Standard, 2024a)
Mar 2024	78,213	Amount with DEA Fund	RBI Annual Report 2023–24, via PTI (Business Standard, 2024b)
Mar 2025	63,939	Public-sector banks only, transferred to DEA Fund	Business Standard (2026)
30 Jun 2025	67,004	Unclaimed bank deposits	Business Standard (2026)
28 Jan 2026	72,454	DEA Fund: PSBs 60,571; private 9,608; foreign 2,275	Rajya Sabha reply, via PTI (Free Press Journal, 2026)

Note: the two March 2023 figures differ by ₹19,955 crore. A plausible explanation is a difference between the DEA Fund balance and deposits transferred, but this is not confirmed.

- **Life Insurers**

Unclaimed amounts with life insurers fell from ₹22,237 crore at the start of FY2023–24 to ₹20,062 crore at its end, a fall of ₹2,175 crore or 9.8% (Business Standard, 2024c). A six-month IRDAI special drive from June to November 2023 produced a net reduction of ₹1,018 crore, about 4.6% of the opening balance. The campaign note of December 2025 gives a lower figure of nearly ₹14,000 crore (PIB, 2025a). IRDAI amended the definition of "unclaimed amount" in its Master Circular in February 2024, which is one candidate explanation for the gap. A June 2026 secondary report cites ₹8,973.89 crore held at 28 February 2026 (Whalesbook, 2026) under a definition that is unclear, so it is not used here.

- **Mutual Funds and IEPF**

PIB puts unclaimed mutual-fund amounts at about ₹3,000 crore and unclaimed dividends at about ₹9,000 crore (PIB, 2025a); the latter was repeated in a Lok Sabha reply of 27 July 2026 (Outlook Money, 2026). For mutual funds SEBI defines an inactive folio as one with units but no investor-initiated transaction for ten years (SEBI, 2025). The IEPF Authority also holds shares in 1,671 listed companies valued at about ₹89,004 crore in November 2025, with Reliance Industries alone accounting for 15.6% (BusinessToday, 2026a). This is the single largest pool of unclaimed securities and it was missing from the draft. Over two years the Authority received 1,32,545 claims, approved 75,417 (56.9%), returned about 4.36 crore shares and refunded ₹77.82 crore of dividends (Outlook Money, 2026). An earlier Lok Sabha figure of ₹5,539.25 crore (October 2022) suggests substantial growth in the cash balance, although definitions may differ (Business Standard, 2022).

- **EPFO**

Inoperative EPF balances rose more than five-fold from ₹1,638 crore in 2018–19 to ₹8,505 crore in 2023–24 (Deccan Herald, n.d.), reached ₹10,181 crore in 31.83 lakh accounts at March 2025 and eased to ₹9,330 crore in 30.91 lakh accounts at March 2026, a fall of ₹851 crore (8.4%) and about 92,000 accounts (BusinessToday, 2026b). The earlier figure at 31 March 2021 was ₹3,930.85 crore (Ministry of Labour and Employment, 2022). Figure 5(a) shows the trend. The recent decline is a net change and cannot be read as claims alone.

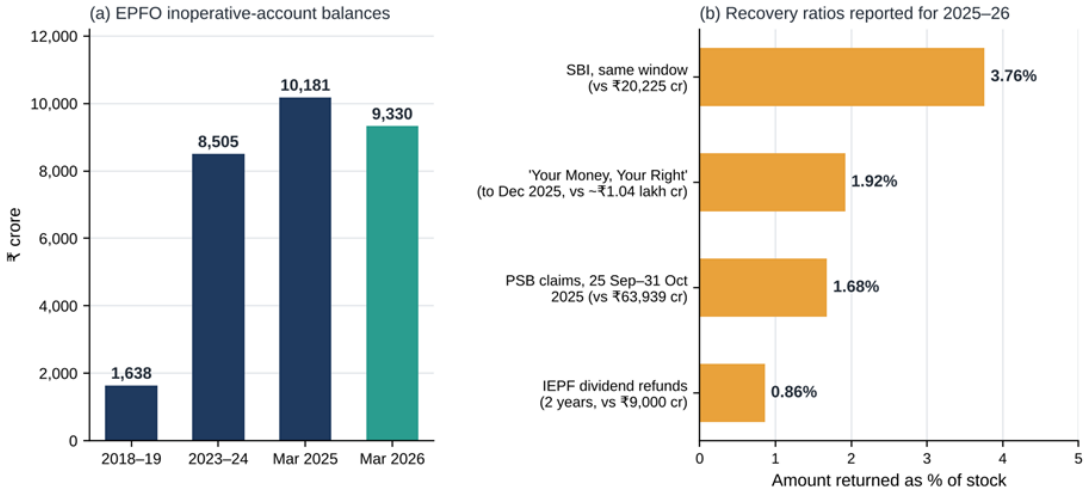


Figure 5: (a) EPFO inoperative-account balances; (b) reported recovery ratios, 2025–26. Ratios are the author's calculations; denominators and time windows differ.

- **Post Office Small Savings**

The draft reported ₹25,441.49 crore dormant in post-office schemes at 30 September 2025, citing a Rajya Sabha answer of 2 April 2026. No independent report or primary text of this figure could be located. Earlier official disclosures were far smaller: ₹1,000.61 crore unclaimed in 2015 (BusinessToday, 2015) and about ₹752 crore in inactive savings accounts in 2011 (Deccan Herald, 2012). A jump of this size may reflect a broader definition that includes PPF, KVP, NSC and other schemes, or a transcription

error. The figure is therefore graded C and shown hatched in Figure 4. The Department of Posts has since moved to freezing matured accounts inactive for more than three years twice a year, effective 15 July 2025 (BusinessToday, 2025).

- **Recovery Ratios**

Figure 5(b) compares amounts returned with the relevant stock. The "Your Money, Your Right" drive returned nearly ₹2,000 crore by December 2025 (PIB, 2025b)(IANS, 2025), which is 1.9% of the ₹1.04 lakh crore indicative pool in the campaign note and about 3.0% of bank deposits at 30 June 2025. In the one-month claim window from 25 September to 31 October 2025, public-sector banks facilitated ₹1,071 crore, or 1.7% of the ₹63,939 crore they had transferred; SBI reached 3.76% (Business Standard, 2026). IEPF dividend refunds over two years equal 0.86% of the ₹9,000 crore balance. Banks also reported settling more than ₹10,000 crore of unclaimed deposits between April 2022 and November 2025 (IANS, 2025). All measured ratios are below 4%.

Discussion

- **Reading the Evidence through the FinTech–FinCare Lens**
  - **Stock Versus Flow:** The pools measured here are stocks built by behaviour a decade or more ago, so they say little about the effect of recent digital adoption. What they do show is where care failed: deposits, policies and shares whose owners died, moved or lost track without a nominee or updated contact details. The RBI's 2024 norms already require banks to trace nominees and legal heirs, and IRDAI has asked insurers to prompt contact-detail updates at renewal (Business Standard, 2024b)(Business Standard, 2024c). The IEPF design offers another example: dividends of a few rupees can trigger transfer of the underlying shares after seven years of non-encashment (Business Standard, 2023a).
  - **Propositions:** P1 is supported descriptively: banks, insurers and small savings (all legacy instruments) account for most of the value, although the IEPF share pool shows that equities are also affected. P2 is supported: every recovery ratio measured is below 4% even after portals and a national campaign. P3 is strongly supported: the bank, insurance and post-office figures each vary by source (Table 6). A FinTech-only explanation is not supported by the data, since it cannot account for the age structure of the stock; a FinCare-gap explanation is consistent with it but has not been tested causally.
- **Data Discrepancies**

Table 6: Cross-Source Reconciliation

Item	Figures in Circulation	Likely Reason for Gap	Treatment Here
Banks	₹78,213 cr (Mar 2024); ₹67,004 cr (Jun 2025); ₹72,454 cr (Jan 2026); ₹42,270 cr (Mar 2023)	Different measures (fund balance versus deposits transferred), dates and perimeters; not confirmed	Latest official figure as headline; RBI figure as benchmark; all shown in Table 5
Life insurers	₹20,062 cr (Mar 2024); about ₹14,000 cr (Dec 2025)	Definition amended Feb 2024; different dates or perimeter	IRDAI figure used; PIB figure noted
EPFO	₹9,330 cr described as 'unclaimed' in press; official term 'inoperative'	Terminology	Labelled inoperative
IEPF	₹9,000 cr (dividends) versus ₹89,004 cr (shares)	Draft merged cash and shares; shares are market-linked	Reported as separate rows and grades
Mutual funds	About ₹3,000 cr	Indicative estimate, not an AMFI or SEBI series	Grade A but marked approximate
Post Office	₹25,441 cr (draft); ₹1,000.61 cr (2015)	Scope may differ; or transcription error	Grade C pending primary source

Source: author's analysis of the figures cited in Section 5.

- **Are the Recovery Mechanisms Working?**

Since 2023 India has built a discovery layer for most asset classes (Figure 6 and Table 7). Evidence of use is encouraging but recovery is still small relative to stock. UDGAM covered 30 banks holding about 90% of unclaimed deposits by value by early March 2024 (Business Standard, 2024a). In

October 2025 the RBI introduced a one-year scheme paying banks 5% to 7.5% of the amount returned, capped between ₹5,000 and ₹25,000 per account depending on inoperative age (Deccan Chronicle, 2025). These incentives reward banks, not claimants, and search portals do not settle claims: the deposit can be claimed only from the respective bank (Business Standard, 2024a).

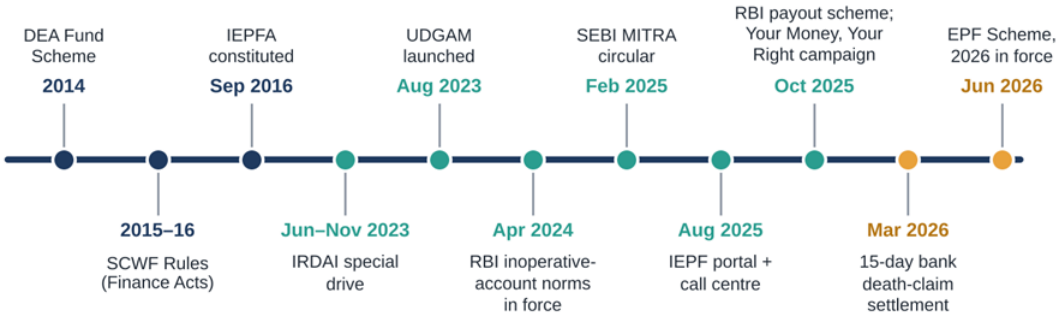


Figure 6: Milestones in India's Policy Response (not to Scale). Navy: Statutory Foundations; teal: Portals and Drives; amber: 2026 Measures.

Table 7: Recovery Mechanisms: Function, Evidence and Gaps

Mechanism	Since	Function	Evidence to date	Gap
UDGAM (RBI)	Aug 2023	Search of DEA Fund deposits across banks	30 banks covering about 90% of value by Mar 2024	Search only; claim must go to the bank
RBI accelerated payout scheme	Oct 2025	Pays banks 5%–7.5% (capped) for settled claims	PSBs facilitated ₹1,071 cr in a one-month window	Bank-side incentive; scheme ends 30 Sep 2026
Bima Bharosa and IRDAI drives	2023–24	Insurer search links; special drive; revised circular	Net ₹1,018 cr reduction in the 2023 drive	No single consolidated public dataset identified
MITRA (SEBI)	Feb 2025	Industry-wide search of inactive folios via MFCentral	Platform live; no recovery data located	Outcome data not published
IEPF portal and call centre	Aug 2025	Claim filing for dividends and shares (Form IEPF-5)	75,417 of 1,32,545 claims approved; ₹77.82 cr refunded	Refunds under 1% of dividend balance
Your Money, Your Right	Oct 2025	Camps in 668 districts; cross-regulator drive	About ₹2,000 cr returned by Dec 2025	Time-bound; recovery about 1.9% of pool

Sources: Business Standard (2024a, 2026); Deccan Chronicle (2025); Outlook Money (2026); PIB (2025a, 2025b); RBI (2023); SEBI (2025); Lawrbit (2025a).

- **Design Trade-offs**

Keeping the owner's claim right open indefinitely, as India does, protects households but means the custodial stock can only shrink through active claims. Regimes with shorter dormancy periods or stronger custodial databases may trade some owner convenience for faster reunification, although a comparative test lies outside this paper. India's current path, which combines perpetual rights with better search, makes claimant-side friction the binding constraint, and that is where policy can now do the most.

Policy Recommendations

Recommendations are grouped under prevent, discover and recover, with monitoring as the foundation (Figure 7). Several building blocks already exist: the Banking Laws (Amendment) Act, 2025 allows up to four nominees per account, and the RBI has mandated faster death-claim settlement from 31 March 2026 (Free Press Journal, 2026)(Upstox, 2026). The recommendations below therefore extend, rather than restart, current policy.

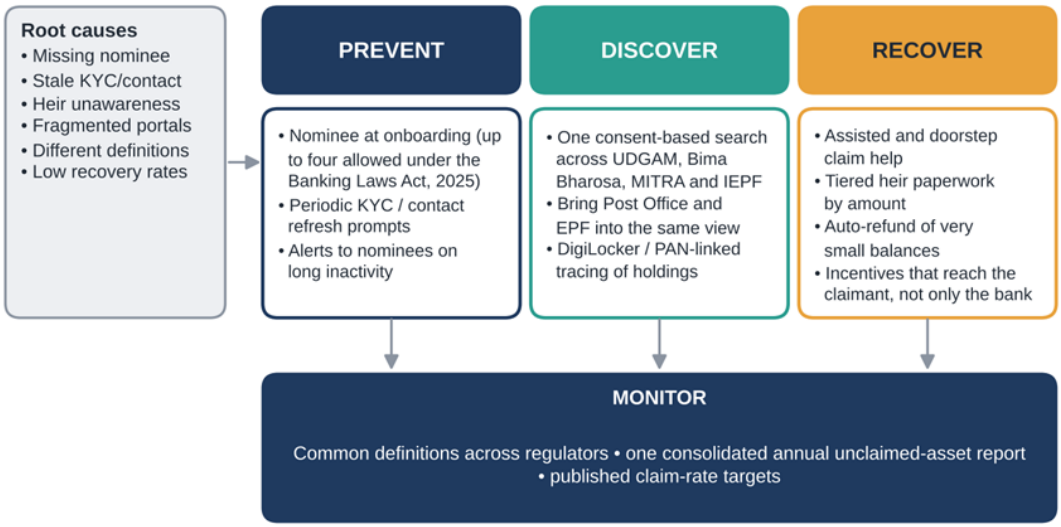


Figure 7: Policy Roadmap: Prevent, Discover, Recover, Monitor

Table 8: Policy Matrix

#	Recommendation	Lead	Horizon	Evidence Base
1	Adopt common definitions and publish one consolidated annual unclaimed-asset report	DFS with RBI, IRDAI, SEBI, MCA, EPFO, DoP	≤ 12 months	Conflicting figures in Table 6; no single official total
2	Build a consent-based unified search over UDGAM, Bima Bharosa, MITRA and IEPF; add Post Office and EPF	DFS; regulators	12–24 months	Four separate portals listed in the 2025 campaign; recovery below 4%
3	Make nominee registration a lifecycle default and extend prompts to mutual funds and shares	RBI, IRDAI, SEBI	≤ 12 months	Multiple nominations now legal for banks; IRDAI renewal prompts; gaps remain in securities
4	Tier heir documentation by amount and provide assisted or doorstep claim support	Banks, insurers, RTAs, IEPFA	12–24 months	About 24 documents were required for IEPF refunds in 2023 (Business Standard, 2023b); low recovery ratios
5	Auto-credit small balances to verified accounts (banks, mutual funds, IEPF dividends)	RBI, SEBI, MCA	12–24 months	Small dividends trigger share transfers; EPFO is reported to be refunding very small inoperative balances directly
6	Reward and report claimant outcomes: settlement time, rejection rate, recovery ratio	RBI, IRDAI, SEBI	≤ 12 months	Payouts reward banks only; MITRA lacks outcome data
7	Review the seven-year IEPF share-transfer trigger for very small dividends	MCA, SEBI	24 months+	Transfers occur even for dividends of a few rupees (Business Standard, 2023a)

Abbreviations: DFS Department of Financial Services; DoP Department of Posts; RTA registrar and transfer agent.

Limitations and Future Research

- **Source Mediation:** Figures are verified through official statements as reported by wire agencies, PIB and the press.
- **Mixed Dates and Definitions:** Reference dates range from March 2024 to July 2026, and the bank and insurance series are not mutually consistent (Section 6.2).

- **Coverage:** Non-life insurers, state small-savings schemes, physical securities and demat balances outside the IEPF Authority are excluded. The IEPF share value is a market-linked estimate from an industry study.
- **One Unverified Pool:** The Post Office figure is Grade C.
- **No Causal Identification:** The FinTech–FinCare framework is interpretive. Future work could use UDGAM and MITRA micro-data, claimant surveys and event-study designs around the 2025 campaign, and could test whether accounts opened after 2014 enter the pool as predicted.

Conclusion

Verified official figures place India's unclaimed and inoperative cash-type balances at about ₹1.14 lakh crore, with bank deposits accounting for nearly two-thirds, and a further ₹89,000 crore or so of unclaimed shares held by the IEPF Authority. The data support a care-gap reading more than a technology reading: the stock reflects legacy accounts whose owners or heirs lost contact, and reported recovery remains below 4% of stock despite new portals and a national campaign. Because regulators use different definitions and dates, even the size of the problem is contested. Common definitions, one consolidated annual report, a unified consent-based search layer and claimant-side support would turn FinTech-era discovery tools into FinCare outcomes, so that money reaches its rightful owners instead of lying dormant.

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Appendix A. Verification Log of the Original Draft

Each factual statement in the uploaded draft is checked against sources available at the 24 September 2026 data cut-off. "Confirmed" means the figure matches an official statement as reported by an independent outlet.

Table A1: Statements checked, findings and actions

	Statement in draft	Finding	Action taken
1	Bank unclaimed deposits ₹78,213 crore at Mar 2024, up 26%	Confirmed (RBI Annual Report via PTI); growth is 25.7% on ₹62,225 crore. Newer official figures exist (₹67,004 cr Jun 2025; ₹72,454 cr Jan 2026) and series conflict	Kept as benchmark; latest figure used as headline; Table 5 added
2	UDGAM launched Apr 2023	Announced 6 Apr 2023; launched 17 Aug 2023 (RBI press release)	Corrected
3	Life insurers ₹20,062 crore at Mar 2024	Confirmed (IRDAI Annual Report FY24 via Business Standard)	Kept
4	IRDAI drives reduced the pool by about ₹1,018 crore	₹1,018 cr was the net fall during the Jun–Nov 2023 drive; the full-year fall was ₹2,175 cr (22,237 to 20,062)	Clarified
5	IRDAI ₹20k cr versus PIB about ₹14k cr	Real discrepancy (PIB, Dec 2025, about ₹14,000 cr); definition amended Feb 2024	Analysed in Table 6
6	Mutual funds about ₹3,000 cr, attributed to Financial Express	Figure appears in PIB note of 26 Dec 2025 as an indicative estimate	Re-attributed to PIB
7	IEPFA about ₹9,000 cr for 'dividends and shares'	₹9,000 cr is dividends only; shares held are about ₹89,004 cr at market value (Nov 2025)	Corrected; shares added as Grade B row
8	Summary: '₹3,000–9,000 crore in mutual fund and dividend payouts'	Merges two distinct pools	Split into two rows
9	MITRA launched Apr 2024	SEBI circular dated 12 Feb 2025; beta launched shortly after	Corrected

10	Post Office ₹25,441.49 cr at 30 Sep 2025 (Rajya Sabha Q. 4340)	No independent source found; earlier official figures were ₹1,000.61 cr (2015) and about ₹752 cr (2011)	Retained as Grade C; primary document needed
11	EPFO ₹9,330 cr in about 30.9 lakh accounts, down from ₹10,181 cr	Confirmed (RTI via India Today / BusinessToday). Official term is 'inoperative', not 'unclaimed'	Confirmed; wording corrected
12	RBI says about 30% of inactive accounts belong to deceased or migrated customers	No supporting source found	Removed
13	Total 'over ₹1 lakh crore'	Consistent with PIB (about ₹1.04 lakh cr, four pools). Verified cash pools total ₹1.14 lakh cr; ₹2.03 lakh cr with IEPF shares	Restated with definitions
14	Unclaimed assets rise because FinTech grew without FinCare	Not testable; 7- to 10-year dormancy means stock reflects earlier behaviour	Reframed as propositions P1–P3
15	NSDL/CDSL unclaimed securities 'not separately reported'	Shares transferred to the IEPF Authority's demat account are the main unclaimed-securities pool	Addressed via IEPF shares row
16	'Your Money, Your Right' launched Oct 2025	Confirmed: 4 Oct 2025; about ₹2,000 cr returned by Dec 2025	Outcome data added
17	Placeholders and formatting: '【null†】' chart, empty mermaid table, 'Figure X', missing table, citation-token artefacts, duplicate citation lists	Structural defects	Replaced with real figures, tables and one hyperlinked reference list

Sources for each check are listed in the References, each linked to its original web location..

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