GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA
UNSTARRED QUESTION NO. 1827

ANSWERED ON TUESDAY, AUGUST 5, 2025/ 14 SRAVANA, 1947 (SAKA)

FROZEN ACCOUNTS AT SBI, BHAVNAGAR

1827 # SHRI SHAKTISINH GOHIL:

Will the Minister of Finance be pleased to state:

(a) the number of Bank Account holders whose accounts have been frozen in the Vidyanagar Branch of State Bank of India in Bhavnagar district of Gujarat;
(b) the number of genuine bank account holders and the steps being taken by Government to ensure that such innocent account holders of this branch who have no role in any offense do not face trouble because of some fraudsters; and
(c) by when the frozen accounts of innocent people in this branch would become active?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (c): As per inputs received from State Bank of India (SBI), bank accounts are opened by it, only after completion of customer identification and due diligence process and acceptance of 'officially valid documents', as prescribed by Reserve Bank of India in its master direction on 'Know Your Customer Direction, 2016' and the bank's board approved policies. The accounts where KYC is non-compliant or is overdue for updation, are frozen with intimation to the customers for compliance. Such accounts are unfrozen as soon as the customers comply with extant KYC norms.

Further, bank accounts are also frozen due to various reasons, including, inter alia, attachment order from tax authorities, garnishee order from judicial bodies, non-operation in account, non-compliance with bank norms/regulations and orders/instructions from law enforcement agencies (LEA). And such freezing orders are lifted either after compliance with the norms/regulations, with which the account is in non-compliance, or after the receipt of due order from the concerned agency, viz. tax authorities, judicial bodies, LEA, etc.

SBI has informed that as on 30.7.2025, there are total 18,898 accounts in its Vidyananagar Branch in Bhavnagar district of Gujarat, of which 3,205 are frozen due to various reasons. The concerned account holders have been informed for the reason of the freezing of account, including, inter alia, non-compliance with the norms/regulations, pending KYC-update and receipt of orders from government/court/LEA. The account holders are required to adopt the process, as defined by the bank or the concerned authorities, as the case may be, for compliance. The accounts are unfrozen and activated for operations by bank as soon as the compliance is completed by the customer or intimation for the same is received from the concerned authority, viz. government/court/LEA, as the case may be.

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