IN THE DELHI STATE CONSUMER DISPUTES REDRESSAL COMMISSION

Date of Institution: 05.12.2025

Date of Hearing: 17.09.2026

Date of Decision: 08.10.2026

FIRST APPEAL NO. - 601/2025

IN THE MATTER OF

STATE BANK OF INDIA,
THROUGH CHIEF MANAGER,
40-41, BAKSHI HOUSE,
NEHRU PLACE, NEW DELHI-110019.

(Through: Mr. Rajiv B. Samaiyar and
Ms. Akanksha Ahuja, Advocates)

…Appellant

VERSUS

MS. SHAKUNTALA MEHTANI,
(SENIOR CITIZEN),
W/O SH. R.C MEHTANI,
R/O C-4/52,
SAFDERJUNG DEVELOPMENT AREA,
NEW DELHI-110016.

…Respondent

CORAM:

HON'BLE JUSTICE SANGITA DHINGRA SEHGAL (PRESIDENT)
HON'BLE MS. BIMLA KUMARI, MEMBER (FEMALE)

Present: Mr. Rajiv B. Samiyar appeared through VC and Ms. Akanksha Ahuja counsel for the Appellant.

Mr. Raj Vardhan, counsel for the Respondent.

PER: HON'BLE JUSTICE SANGITA DHINGRA SEHGAL, PRESIDENT

JUDGMENT

1. The facts of the case as per the District Commission record are as under:

> *"Complainant has filed the present complaint seeking direction to OP to refund sum of Rs.42,92,450/- withdrawn unauthorisedly due to deficient and negligent services of OP; to pay a sum of Rs.20,00,000/- towards physical and mental agony and harassment caused to the complainant; to award the cost of litigation.*
>
> *1. It is stated that complainant is a senior citizen and an old customer of State Bank of India hereinafter referred to as OP. It is further stated that on 16.07.2021 there were unauthorised and fraudulent withdrawals from the Saving Account No.56189023119 and Over Draft Account No.56189003771 due to the connivance of (Shri Ajay Kumar Manchanda, (ex-Accountant of the complainant) with unknown bank officers of OP.*

2. It is next stated that OP officials procrastinated on the matter for many months on the pretext that complaint is forwarded to controlling office on where it was said to be pending.

3. It is further stated that complainant came to know that approximately sum of Rs.3,33,450/- was fraudulently withdrawn from her Savings Account and approximately sum of Rs.39,59,000/- from OD. Account without her knowledge and consent.

4. It is next stated that upon asking Shri Ajay Kumar Manchanda, ex-Accountant of the complainant he confessed that he changed complainant's all personal details like email, phone number etc. to his email and mobile number for the purpose of transaction alerts, OTPs with the help of his acquaintances who were employees of State Bank of India.

5. It is stated that complainant's accounts had only 'View Only option and was not activated or authorised by her for online transactions. Upon having knowledge of the fraud committed complainant and her husband personally visited the bank to make a formal complaint which was refused by OP.

6. Therefore the complainant was constrained to send the complainant dated 16.07.2021 by email and courier/speed post. Complainant also lodged an FIR

on 27.12.2021 against the ex-Accountant and employees of OP of Nehru Place Branch and the same is pending investigation.

7. Alleging deficiency of service complainant has approached this Commission.

8. OP resisted the complaint stating interalia that complainant has not come to the Commission with clean hands. Complainant has suppressed her part of negligence which caused the alleged unauthorised transactions.

9. It is stated that complainant is using internet banking services since 21.02.2018 and has given access of her account to third party. All the alleged transactions were done by him from the complainant's account.

10. It is further stated that complaint is not maintainable for misjoinder of party as complainant has made allegations against Mr. Ajay Kumar Manchanda, however, same has not been made party in the complaint.

11. It is further stated that complainant has alleged that her ex-accountant had fraudulently withdrawn the amount as per the complainant whose had the facility of "view only" on her internet banking, lodging the FIR and complained after lapse of more than 1.5 years from the alleged incident is not justified.

12. It is next stated that upon the complaint filed by the complainant OP sent it to the Fraud Monitoring Cell of the Local Head Office, New Delhi, to investigate the same. After investigation it was found that there was no connivance of any officials of OP. It is stated that OP as per the request, provided the internet banking facility to the complainant and the transaction alerts were duly received by the complainant on her registered mobile number therefore the allegations made by the complainant are not sustainable.

13. It is stated that the mobile number could be changed only after getting mandate from the customer. In light of the same, it is prayed that the instant complaint be dismissed."

2. The District Commission after taking into consideration the material available on record passed the order dated **11.08.2025**, whereby it held as under:

"Status report dated 08.05.2023 filed by the IO before the Hon'ble High Court of Delhi is perused. It is noted that case against the ex-accountant Shri Ajay Kumar Manchanda is pending before the Trial Court. Investigation regarding the role of bank officials, disposal of cheated amount was still in progress. It is seen from the status report filed by the police before the Hon'ble Delhi High Court that the

accountant of the complainant could get the registered mobile number of the complainant changed with the help of OP bank's clerk namely Ajay Kumar Kaushal. It was also found out from the enquiries made by the police that the written consent of the customer is mandatory for change of registered mobile number however request in the present matter is not available with the bank.

Further, it is noted from the WS filed by the OP on record that in reply to para 5 of the complaint, OP has confirmed that mobile number could be changed only after getting mandate from the customer. However, it is seen that OP has not placed any document to show that there a mandate was given by the complainant to change her mobile number.

It is also seen that complainant has alleged that she was using the internet banking facility as view only option but the transactions were done using the internet facility for which the OP has not given any cogent reason as to the circumstances under which the said mandate was changed and whether it was done as per rules.

It is also seen that OP has not filed any documents on record to support any of their contentions. An evasive reply is given by the OP stating that option

of Internet banking facility was given to the complainant and that the alerts were duly received by the complainant on her registered mobile number. The reply fails to clarify anything about the change of the registered mobile number and the process undertaken to change the registered mobile number because of which the complainant lost huge sum of money.

It is further seen that though OP has categorically denied hand of any of their employees in this entire activity, the police inquiry report clearly indicates not just the hand but also the name of the banking official who had helped the accountant of the complainant to get away with the change of registered mobile number because of which the accountant could withdraw huge amount of money from the account of the complainant to his own account. Further, the OP states that they conducted an enquiry but the report of it has not been placed on record.

All these facts coupled with the fact that OP has not placed on record any evidence to prove their stand of sticking to the mandate provided in respect of change of mobile number and change in internet banking facility, this Commission is of the view that OP has been deficient in its services. Had the OP

bank followed the mandate and sought for the written consent of the complainant for changing her mobile number to another mobile number the money of the complainant could have been protected.

This Commission therefore directs the OP to pay 42,92,450/-lost by the complainant into her account with interest at 7% per annum from the date of each transaction. OP is further directed to pay a sum of Rs.1,00,000 as compensation to the complainant for the harassment caused to a senior citizen and who was made to run from pillar to post for her own money. This order is to be complied with within three months from the date of the pronouncement of the order failing which the interest payable would be 9% per annum till realization."

3. Aggrieved by the aforesaid order of the District Commission, the Appellant has preferred the present appeal contending that the District Commission has erred in holding the deficiency of service on the part of the Appellant and in directing payment of Rs. 42,92,450/- along with interest and compensation. The Appellant further submitted that the District Commission failed to consider the fact that the alleged transactions were carried out by the erstwhile accountant of the Respondent, Shri Ajay Kumar Manchanda, who, as per the case of the Respondent, had access to the accounts and had changed the registered mobile number and other personal details. The Appellant has also submitted that the internet banking facility could not have been upgraded from "View Only" to a transaction-enabled facility without the mandate of the account holder and that

the transaction alerts were duly sent to the registered mobile number. It has also been submitted that, upon receipt of the complaint, the matter was referred to the Fraud Monitoring Cell, which found no connivance of any official of the Appellant Bank. The Appellant has relied upon the RBI guidelines dated 06.07.2017 concerning customer protection in unauthorized electronic banking transactions and contended that the Respondent failed to establish any negligence or deficiency on the part of the Bank. Pressing the aforesaid submissions, the Appellants have prayed for setting aside the impugned order passed by the District Commission.

4. Vide order dated 04.08.2026, Counsel appearing on behalf of the Respondent submitted that the Respondent does not wish to file a reply or written arguments and would make oral submissions before this Commission.

5. We have perused the material available on record and heard the counsel appeared on behalf of the Appellant and the Respondent.

6. The ***main question*** for consideration before us is ***whether the District Commission erred in holding the Appellant deficient in service and in directing the Appellant to reimburse a sum of Rs.42,92,450/- along with interest and compensation to the Respondent.***

7. On perusal of the record, we find that the Respondent had specifically alleged that the registered mobile number linked with the bank accounts was changed without her knowledge or consent and that the internet banking facility, which was stated to be limited to "View Only", was subsequently utilized for carrying out the disputed transactions. The Appellant, on the other hand, has contended that the change in the registered mobile number and the activation of the transaction facility could not have been affected without the mandate of the account holder. However, despite taking such a specific stand, the Appellant has failed to place on record any document evidencing the mandate or written consent

of the Respondent for change of the registered mobile number or for alteration of the internet banking facility.

8. It is further evident from the record that the Status Report dated 08.05.2023 submitted by the Investigating Officer before the Hon'ble High Court of Delhi records that the registered mobile number of the Respondent was changed with the assistance of an official of the Appellant Bank. The said report further indicates that written consent of the customer was mandatory for such change, whereas no such request was available with the Bank. Thus, the material available on record raises a serious question regarding compliance with the prescribed banking procedure by the Appellant.

9. Furthermore, the submission of the Appellant that transaction alerts were duly received on the registered mobile number also does not satisfactorily explain the circumstances in which the registered mobile number itself came to be changed. Once the Appellant admitted that change of the registered mobile number required a mandate from the account holder, it was incumbent upon the Appellant to produce the relevant mandate or other contemporaneous record to establish that the change was duly authorized. However, no such material has been filed by the Appellant before the District Commission as well as before this Commission.

10. Similarly, the Appellant has failed to produce any cogent material to establish when and in what manner the internet banking facility was upgraded from "View Only" to a transaction-enabled facility and pursuant to whose request or authorization such change was effected. Additionally, the Appellant being the custodian of the relevant banking records was in a position to produce such material and the failure to produce the same assumes significance when the disputed transactions were carried out thereafter and the Respondent has consistently denied having authorized such transactions.

11. The Appellant has also relied upon the RBI guidelines dated 06.07.2017 relating to customer protection in unauthorized electronic banking transactions. However, before seeking to attribute liability to the Respondent, the Appellant was required to establish the circumstances in which the disputed transactions were authenticated and to demonstrate compliance with the prescribed procedure. The Appellant has failed to establish that the Respondent had authorized the change of the registered mobile number or the alteration of the internet banking facility. The mere fact that the transactions were carried out through internet banking or that alerts were generated on the registered mobile number cannot, in the circumstances of the present case, establish authorization by the Respondent.
12. In view of the aforesaid discussion, it is clear that the Appellant Bank failed to establish that the change of the registered mobile number and the alteration of the internet banking facility were carried out pursuant to a valid mandate or consent of the Respondent. The Appellant also failed to produce the relevant banking records or the internal investigation report to substantiate its defense.
13. In these circumstances, we are of the considered view that the Appellant Bank was deficient in providing its banking services and failed to exercise the requisite care and diligence expected from it, which resulted in the unauthorized withdrawal of the amount from the accounts of the Respondent. The finding of deficiency in service recorded by the District Commission, therefore, does not call for any interference.
14. In view of the foregoing, we are in agreement with the reasons given by the District Commission and fail to find any cause or reason to reverse the findings of the District Commission. Consequently, ***we uphold the order dated 11.08.2025 passed by the District Consumer Disputes Redressal Forum-II, (South District), GNCT of Delhi, Udyog Sadan, C-22 & 23, Qutub Institutional Area (Behind Qutub Hotel), New Delhi –110016.***

15. ***Consequently, the present Appeal stands dismissed with no order as to costs.***
16. Application(s) pending, if any, stand disposed of in terms of the aforesaid judgment.
17. The Judgment be uploaded forthwith on the website of the Commission for the perusal of the parties.
18. File be consigned to record room along with a copy of this Judgment.

(JUSTICE SANGITA DHINGRA SEHGAL)
PRESIDENT

(BIMLA KUMARI)
MEMBER (FEMALE)

Pronounced On:
08.10.2026

LR-AJ