**BEFORE THE DISTRICT CONSUMER DISPUTES REDRESSAL COMMISSION : AT NALGONDA :**

PRESENT: SRI MAMIDI CHRISTOPHER,
PRESIDENT.

SMT.S.SANDHYA RANI,
FEMALE MEMBER.

SRI K.VENKATESHWARLU,
MALE MEMBER.

. . .

[Tuesday, the Tenth Day of November, 2026]

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**CONSUMER COMPLAINT No.20 OF 2025**

**Date of filing of complaint : 07.03.2025**
**Date of Admission : 19.03.2025**
**Date of disposal : 10.11.2026**

**Between:**

Smt.Bolla Kalpana W/o. S.Venkataramana, D/o. Anji Reddy,
Age: 44 years, Occ: Housewife, R/o Narketpally Village and Mandal,
Nalgonda District, Telangana-508 254.

...COMPLAINANT.

**AND**

1. State Bank of India, Anneparthi Branch, Nalgonda District, Telangana, Pin: 508 001. Represented by its Branch Manager.
2. State Bank of India, Regional Office, Clock Tower, Nalgonda Town and District, Telangana-508 001. Represented by its Regional Manager.
3. The Cyber Crime Police, Nalgonda Town and District, Telangana, Represented by Deputy Superintendent of Police.

...OPPOSITE PARTIES.

This Complaint coming on before us for final hearing, in the presence of Sri N.Purnachandar, Advocate for the Complainant, and Sri G.Krishna Reddy, Advocate for the Opposite Parties No.1 and 2, and the Opposite Party No.3 remained absent and set ex-parte. Upon perusal of the material papers on record, and having stood over for consideration till this day, the Commission passed the following:

**O R D E R**

BY SRI KATEPALLY VENKATESHWARLU, MEMBER

1. This is a complaint filed by the Complainant against the Opposite Parties U/s 35 of Consumer Protection Act, 2019, alleging deficiency in banking service on the part of Opposite Parties No.1 and 2 in respect of an alleged unauthorized UPI transaction of Rs.55,000/- from the

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Complainant's Saving Bank Account No.62169090435 maintained with State Bank of India, Anneparthi Branch/Opposite Party No.1 on 03/11/2022 and seeking relief in respect of the said unauthorized UPI transaction amount together with interest, compensation and costs.

The complainant's case, in brief is that on 03/11/2022 an amount of Rs.55,000/- was debited from her said SBI account through UPI transaction without her knowledge, consent or authorization. She contends that she neither initiated the transaction nor shared her confidential banking credential with anybody authorized the said transaction. The complainant submits that immediately upon noticing the disputed debit entry in her account, she submitted an online complaint duly reporting the cybercrime authorities through the National Cyber Crime Reporting Portal on 06/11/2022, vide acknowledgment/application No.23711220043658, and thereafter submitted a written representation to the concern SBI Branch/Opposite Party No.1 on 07/11/2022, which was acknowledged by the said bank on the same date.

The complainant further state that, despite reporting the incident and approaching the bank, the disputed amount was not restored to her account. She further approached the police authorities on 30/12/2024 and 31/12/2024, which resulted in registration of FIR, vide crime No.410 of 2024 on 31/12/2024 for the offences mentioned therein.

The complainant alleges that the Opposite Parties failed to protect her account and failed to resolve her grievance in accordance with the applicable banking instructions, thereby committing deficiency in service. Hence, she filed the present complaint seeking refund of Rs.55,000/- with interest, compensation and costs.

2. **Version of Opposite Parties No.1 and 2:**

Opposite Party No.1 filed its written version and Opposite Party No.2 adopted the same by filing a memo. Their defence, in substance, is that the disputed transaction was carried out through the UPI facility after

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authentication by using the UPI PIN and the mobile/SIM-binding mechanism. They contend that the transaction could not have been completed without the required authentication and that the complainant was responsible for maintaining the confidentiality of her credentials.

They further contend that the complainant failed to report the disputed transaction to the bank within the prescribed period and did not raise the necessary charge back complaint within the stipulated period of 45 days. They deny negligence or deficiency in service on their part and contend that the bank cannot be held liable for a transaction allegedly facilitated by the complainant's own negligence or disclosure of confidential credentials.

They also rely upon the bank's internal correspondence and contend that necessary steps were taken after receipt of the complaint. On these grounds, Opposite Parties No.1 and 2 seek dismissal of the complaint.

3. **Position of Opposite Party No.3:**

Opposite Party No.3 is the Cyber Crime Police, Nalgonda District, represented by the Deputy Superintendent of Police. Though Opposite Party No.3 was served with notice, Opposite Party No.3 did not appear and was set ex-parte. No written version or evidence affidavit was filed on behalf of Opposite Party No.3. Therefore, the case of Opposite Party No.3 is considered on the basis of material available on record, without treating the exparte status as an admission of the complainant's allegations.

4. **Evidence:**

In support of her case, the complainant filed her evidence affidavit and relied upon documentary evidence marked as Ex.A-1 to Ex.A-7.

"On behalf of the complainant, Ex.A-1 to Ex.A-7 were marked in support of her case. The said documents have been considered individually and collectively, with reference to the pleadings and evidence

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on record. Their evidentiary value has been assessed in conjunction with the documents filed by Opposite Parties No.1 and 2, particularly Ex.B-1 to Ex.B-3, while determining the disputed transaction, the reporting of the incident to the bank and the alleged deficiency in service."

On behalf of Opposite Parties No.1 and 2, the evidence affidavit and documentary evidence were filed, and the documents were marked as Ex.B-1 to Ex.B-4.

Ex. B-1 is the written representation submitted by the complainant to the bank on 07/11/2022 regarding the disputed debit of Rs.55,000/- from her Saving Bank Account.

Ex. B-2 is the SBI account statement dated 05/05/2025, reflecting the disputed debit of Rs.55,000/-.

Ex. B-3 contains the internal e-mail correspondence of SBI, dated 07/11/2022 and the subsequent UPI Support Team Communication, dated 11/11/2022. The correspondence shows that the branch forwarded the complaint to the concerned internal department and the matter was referred to the UPI Support Team. The communication dated 11/11/2022 records that the remitter and beneficiary bank details were furnished, that an e-mail was sent to the beneficiary bank requesting a hold on the beneficiary account, and that an e-mail was also sent to the remitter application team requesting blocking of the remitter UPI VPA.

Both sides filed their written arguments. Heard learned counsel for the complainant and Opposite Parties No.1 and 2 and perused the complaint, written version, evidence affidavits, written arguments and material papers on record.

5. **Points for Determination:**

i. Whether the complainant is a consumer within the meaning of Section 2 (7) of the Consumer Protection Act, 2019?

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ii. Whether the complaint is barred by limitation under section 69 of the C.P. Act, 2019?
iii. Whether the disputed UPI transaction of Rs.55,000/- dated.03/11/2022 was unauthorized and whether Opposite Parties No.1 and 2 committed deficiency in service in dealing with the complainant's grievance?
iv. Whether the complainant is entitled to the relief claimed against Opposite Parties No.1 and 2?
v. Whether any deficiency in service is established against opposite Party No.3?
vi. To what relief?

6. **Finding on Point No.1:**

The complainant is maintaining a Saving Bank Account with SBI/Opposite Party No.1 and availed banking services from Opposite Parties No.1 and 2. The relationship between the bank and its account holder is one of service provider and consumer of banking services, for which consideration is paid in the form of applicable banking charges and other charges.

The complainant has approached this Commission in respect of the banking services availed by her and the alleged failure of the bank to protect and appropriately deal with the disputed transaction in her account. There is nothing on record to show that the account was maintained for any commercial purpose so as to exclude the complainant from the definition of a consumer.

Therefore, the complainant is a consumer within the meaning of Section 2 (7) of the Consumer Protection Act, 2019.

Accordingly, Point No.1 is answered in favour of the complainant.

7. **Finding on Point No.2:**

The disputed transaction took place on **03/11/2022,** whereas the complaint was filed on **07.03.2025**, beyond the prescribed period of two years under Section 69 (1) of the Consumer Protection Act, 2019. Opposite Parties No.1 and 2 have specifically raised the objection that the complaint is barred by limitation.

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Section 69 (1) provides that the Commission shall not admit a complaint unless it is filed within two years from the date on which the cause of action has arisen. The proviso enables the Commission to entertain a complaint after the said period, if sufficient cause is shown and reasons for condoning the delay are recorded.

Though limitation is ordinarily examined at the stage of admission, the requirement under the Sec.69 does not prevent the Commission from considering a specific limitation objection raised by the Opposite Parties in their written version, since the objection has been raised and the parties have had an opportunity to address the matter, this Commission considers the question on the basis of the material on record and records its reasons under the proviso to Sec. 69 (1). The earlier admission of the complaint, by itself, is not treated as condonation of delay.

In the present case, the complainant reported the cyber fraud through the National Cyber Crime Reporting Portal on 06/11/2022 and submitted a written representation to State Bank of India/Opposite Party No.1 on 07/11/2022 under Ex.B-1. Exhibit B-3, which is the bank's own internal correspondence, further establishes that the bank received and processed the complaint on 07/11/2022 and that the matter was referred to the UPI Support Team. The subsequent communication dated 11/11/2022 shows that steps were initiated to communicate with the beneficiary bank and the remitter application team.

The complainant thereafter approached the Police authorities on 30/12/2024 and 31/12/2024, resulting in registration of FIR in crime No.410 of 2024 on 31/12/2024. The sequence of these events demonstrates that the complainant had been pursuing the grievance and had not abandoned her claim. The fact that she initially approached the bank and the cybercrime authorities, and thereafter pursued the matter with the Police, is relevant while considering the explanation for the delay in approaching this Commission.

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Having regard to the prompt reporting of the incident to the bank, the bank's own correspondence acknowledging and processing the complaint, the subsequent efforts made by the complainant before the Police authorities and the circumstances borne out by the record, this Commission is satisfied that sufficient cause has been established for entertaining the complaint beyond the prescribed period.

"In view of the foregoing reasons, this Commission is satisfied that sufficient cause has been shown for the delay in filing the complaint. Accordingly, the delay in filing the complaint is hereby condoned by exercising the power under the proviso to Sec. 69 (1) of the C.P. Act, 2019. Consequently, the objection raised by Opposite Party Nos.1 and 2 with regard to limitation is rejected, and the complaint is held to be fit to be entertained on merits".

Hence, Point No.2 is answered against Opposite Party No.1 and Opposite Party No.2 and in favour of the Complainant.

8. **Findings on Point No.3:**

The complainant specific case is that she did not initiate or authorize the disputed UPI transaction of Rs.55,000/-. An amount of Rs.55,000/- was unauthorizedly debited from her Saving Bank Account on 03/11/2022 through a UPI transaction. The account statement Exhibit B-2, reflects the disputed debit. The complainant has consistently disputed the transaction and contended that she did not initiate or authorize it. Opposite Party Nos.1 and 2 seek resist the claim mainly on the ground that the transaction was authenticated through the registered mobile number, SIM binding and UPI PIN.

It is thus, according to the Opposite Parties that the transaction was authenticated through the UPI PIN and the mobile/SIM-binding mechanism and that the complainant must have disclosed her confidential credentials.

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The material on record, including the complainant's version and the police record relating to Crime No.410 of 2024, supports the complainant's case that the disputed transaction was an unauthorized transaction resulting from the third-party cyber fraud. There is no sufficient evidence to establish that the complainant authorized the transaction or shared her confidential banking credentials. OP1 and OP2 have also not established that the original fraudulent transaction was caused by any act or omission of the bank.

Moreover, the mere fact that a UPI PIN or authentication mechanism was used does not, by itself, conclusively establish that the account holder personally authorized the transaction or that she was negligent. The bank must establish the factual basis for attributing the transaction to the customer. Therefore, on the evidence available the transaction is attributable to a third-party breach in which neither the bank nor the complainant has been shown to be responsible.

In terms of the RBI Circular in RBI/2017-18/15, DBR.No.Leg.BC.78/09.07.005/2017-18, dated: 06/07/2017, titled Customer Protection-Limiting liability of Customers in Un-authorized Electronic Banking Transactions (Ex.A-5) and it says that the bank is required to provide appropriate channels for customer to report un-authorised electronic transactions, and upon receipt of such reports to take immediate steps upon receiving such reports to prevent further unauthorized transaction and determine the liability of the customer in accordance with the guidelines prescribed therein.

The circular also prescribes the circumstances in which the customer may be held liable and the extent of such liability. Significantly, paragraph 12 of the Circular specifically provides that the burden of proving customer liability in cases of unauthorized electronic banking transactions shall lie on the bank.

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The said RBI Circular was applicable on the date of disputed transaction. Paragraph 6(ii) of the said circular provides for zero liability in cases of third-party breach, where neither the bank nor the customer is responsible, provided the customer reports the unauthorized transaction within the prescribed period of three working days from receipt of communication from the bank. Paragraph 8 provides for calculation of working days, excluding the date of receipt of such communication to attribute zero liability on the part of the customer.

The learned counsel for the complainant has explained the calculation of the prescribed three working days with reference to the calculation for November 2022 and contended that the complainant reported the unauthorized transaction within the stipulated period. It is stated by the counsel for the complainant that the as per the relevant calendar 2022, the three working day position for the dates. Excluding 03/11/2022, being the date of receipt of the bank's communication regarding the transaction, 04/11/2022 (Friday) was the first working day, 05/11/2022 (Saturday, being the first Saturday) was the second working day, 06/11/2022 (Sunday) was a bank holiday and is excluded, and 07/11/2022 (Monday) was the third working day. The complainant's written representation was acknowledged by SBI on 07/11/2022 itself. Thus, the complainant reported the unauthorized transaction within the prescribed period of three working days under paragraph 6 (ii) read with paragraph 8 of the said RBI Circular.

Ex.B-1 establishes that the complainant informed SBI in writing about the unauthorized debit and requested that no further amount be debited from her account. Ex.B-3 contains SBI's internal correspondence dated.07/11/2022 and the subsequent communication of the UPI Support Team date 11/11/2022. The said correspondence shows that SBI treated the matter as a cyber-theft complaint and communicated with the beneficiary bank requesting that a hold be marked on the beneficiary

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account. However, the correspondence does not establish that the disputed amount was actually recovered or restored to the complainant's account.

Despite receiving and acknowledging the complainant's written representation on 07/11/2022 within the prescribed period, OP1 and OP2 have not established that either of them took effective steps to investigate the complaint, diligently pursue the matter with the beneficiary bank, ensure the effective blocking or recovery of the disputed amount, or communicate a proper resolution to the complainant. The internal correspondence under Ex.B-3, by itself, does not establish effective follow-up or recovery of the amount. Such failure, despite timely reporting by the complainant, constitutes deficiency in banking service on the part of OP1 and OP2.

Further, Paragraph 12 of the RBI Circular places the burden of proving customer liability upon the bank. OP1 and OP2 have not discharged that burden. Their contention that the transaction was authenticated through UPI credential, without establishing the complainant's authorization or negligence, is insufficient to fasten liability upon her. The objection regarding non-raising of a chargeback within (45) days also does not, by itself, absolve the bank of its obligations under the applicable RBI directions.

For the foregoing reasons, the complainant is entitled to zero liability in respect of the disputed unauthorized transaction of Rs.55,000/- and the failure of OP1 and OP2 to resolve the complaint and restore the amount constitutes deficiency in service.

Accordingly, Point No.3 is answered in favour of the complainant and against OP1 and OP2.

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9. **Findings on Point No.4:**

In view of the findings on Point No.3, the complainant is entitled to reimbursement of the disputed amount of Rs.55,000/-, which was debited unauthorizedly from her SBI account, together with interest, compensation and costs.

Accordingly, Point No.4 is answered in favour of complainant and against OP1 and OP2.

10. **Findings on Point No.5:**

Opposite Party No.3 is the Deputy Superintendent of Police, Cyber Crime Police Station, Nalgonda District, and the allegations against OP3 arise out of the complainant's grievance regarding the handling of her cybercrime complaint and investigation of the alleged offence, i.e. un-authorized transaction.

Under Section 2(7) of the Consumer Protection Act, 2019, a consumer is a person who hires or avails of any service for consideration. In the present case, the complainant approached OP3 in the exercise of the statutory functions of the Police authorities relating to receipt of complaints. Registration of criminal cases and investigation of offences. She has neither hired nor availed of any service from OP3 for consideration, and there is no material establishing any consumer-service relationship between them.

The mere submission of cybercrime complaint or registration of an FIR does not amount to hiring or availing of a service for consideration within the meaning of the said Act. Therefore, the complaint against OP3 is not maintainable under the Consumer Protection Act, 2019 for want of consumer-service relationship.

Accordingly, Point No.5 is answered against the complainant and in favour of OP3.

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11. **Findings on Point No.6:**

In view of the findings recorded on the foregoing points, the complainant is entitled to the relief against OP1 and OP2 as indicated below. The complaint against OP3 is not maintainable under the Consumer Protection Act, 2019 and liable to be dismissed.

12. **Result:**

In the result, the complaint is allowed against Opposite Party No.1 and Opposite Party No.2, directing them jointly and severally:

i) To pay Rs.55,000/- (Rupees Fifty-Five Thousand only), to the Complainant, being the disputed unauthorized debit from the Complainant's SBI account, together with interest at 6% per annum from 03.11.2022, being the date of the unauthorized transaction, till realization.

ii) To pay Rs.20,000/- (Rupees Twenty Thousand only) towards compensation for deficiency in service and Rs.10,000/- (Rupees Ten Thousand only) towards costs of complaint to the Complainant.

iii) The above amounts shall be paid within (45) days from the date of receipt of a copy of this order, failing which the Complainant is at liberty to proceed in accordance with law.

iv) The complaint against Opposite Party No.3 is dismissed without costs.

Dictated to the Stenographer, transcribed by him, corrected and pronounced by us in open Commission on this 10th day of November, 2026.

FEMALE MEMBER MALE MEMBER PRESIDENT

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**APPENDIX OF EVIDENCE**
**WITNESSES EXAMINED**

| **For Complainant:** | **For Opposite Parties:** |
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| Affidavit of Complainant. | Affidavit filed on behalf of Opposite Party Nos.1 and 2. |

**EXHIBITS MARKED**

**For Complainant:**

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| Ex.A-1 | Dt.31/12/2024 | Photostat copy of Complaint lodged by the Complainant with the Police, Narkatpally in respect of cyber crime. |
| Ex.A-2 | Dt.30/12/2024 | Photostat copy of Receipt of Complaint, issued by Nalgonda District Police, Central Complaint Cell, along with complaint lodged by the Complainant. |
| Ex.A-3 | Dt.07/11/2022 | Copy of E-Mail of Opposite Party No.1 regarding Cyber-Theft in Customer Account along with Photostat copy of Statement of Account (SBI) of the Complainant. |
| Ex.A-4 | Dt.07/11/2022 | Photostat copy of letter addressed by the Complainant to the Manager, HDFC Bank, Nalgonda along with Statement of Account (HDFC) of the Complainant. |
| Ex.A-5 | Dt.06/07/2017 | Photostat copy of Circular, issued by Reserve Bank of India. |
| Ex.A-6 | Dt.31/12/2024 | Photostat copy of F.I.R. No.410/2024 of PS.Narkatpally. |
| Ex.A-7 | -- | Photostat copy of Aadhar Card of the Complainant. |

**For Opposite Party Nos.1 and 2:**

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| Ex.B-1 | Dt.07/11/2022 | Attested copy of representation addressed by the Complainant to the Manager, SBI, Anneparthi Branch. |
| Ex.B-2 | Dt.05/05/2025 | Attested copy of Statement of Account of the Complainant, issued by Opposite Party No.1 Bank. |

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| Ex.B-3 | Dt.07/11/2022 | Attested copy of E-Mail communications. |
| Ex.B-4 | Dt.05/05/2025 | Attested copy of Certificate U/s.2(8) of the Banker's Books Evidence Act, 1891, R/w Sec.65(B) of the Indian Evidence Act, 182/Sec.63 BSA, 2019. |

**For Opposite Party No.3:**

Nil (Exparte).

Sd/-
PRESIDENT
DISTRICT CONSUMER DISPUTES
REDRESSAL COMMISSION,
NALGONDA

Order Pronounced on :

Copy made ready on :

Dispatch Number & Date :

Free copy of order furnished to the Complainant/s on :

Free copy of order furnished to the Opposite Party/Parties on :