

District Consumer Disputes Redressal Commission-I (North District)

[Govt. of NCT of Delhi]

Ground Floor, Court Annexe -2 Building, Tis Hazari Court Complex, Delhi- 110054

Phone: 011-23969372; 011-23912675 Email: confo-nt-dl@nic.in

CONSUMER COMPLAINT NO.: DC/80/CC/370/2024

In the matter of:

Rakesh Kumar

S/o Sh. Ram Singh

R/o House No- 406, Jounty,

Near Mohini Hospital, Delhi-110081

... Complainant

VERSUS

SBI Cards & Payment Services Pvt. Ltd.,

(Through its Manager0

401-402, Fourth Floor,

Aggarwal Mellinium Tower,

Netaji Subhash Place, Pitampura

Delhi-110034

Also at:

SBI Cards & Payments Services Pvt. Ltd.,

(Through its Manager)

PO Bag No-28, GPO

New Delhi-110001

... Opposite Party

ORDER

21.09.2026

Divya Jyoti Jaipuria, President

1. The present complaint has been filed Paragraph 10 of the aforementioned circular further requires a bank to resolve the complaint and determine customer liability, if any, within the time specified in its Board-approved policy, but in no case exceeding 90 days from the date of receipt of the complaint, failing which the prescribed compensation amount regardless of nature of unauthorised transactions. Despite the Complainant's repeated requests and reminders, the Opposite Party failed to initiate or conclude any investigation into the disputed transactions within this timeline.

2. Paragraph 10 of the aforementioned circular further requires a bank to resolve the complaint and determine customer liability, if any, within the time specified in its Board-approved policy, but in no case exceeding 90 days from the date of receipt of the complaint, failing which the prescribed compensation amount regardless of nature of unauthorised transactions. Despite the Complainant's repeated requests and reminders, the Opposite Party failed to initiate or conclude any investigation into the disputed transactions within this timeline.

3. Paragraph 10 of the aforementioned circular further requires a bank to resolve the complaint and determine customer liability, if any, within the time specified in its Board-approved policy, but in no case exceeding 90 days from the date of receipt of the complaint, failing which the prescribed compensation amount regardless of nature of unauthorised transactions. Despite the Complainant's repeated requests and reminders, the Opposite Party failed to initiate or conclude any investigation into the disputed transactions within this timeline.

4. under Section 35 of the Consumer Protection Act, 2019 alleging deficiency of service by the SBU Cards & Payments Services Pvt. Ltd (OP herein) in not ensuring safety and security of the credit card issued to the Complainant herein resulting in fraudulent transaction on his card. The brief details of facts, as alleged by the Complainant in the Complaint in hand, are:

- i. The Complainant herein was holder of SBI Credit Card, bearing card no. xxxxxxxxxxxx8937. On 23.05.2024, the complainant saw an advertisement for offer on purchase of butter on an app for the platform “Big Bazaar” and started the purchase process, guided by the advertisement. During the same process, he claims that amounts of Rs. 10,000-/ and Rs. 5,000-/ were wrongfully charged to the complainant.

- ii. The complainant promptly intimated the aforementioned transactions to the representatives of OP at the same time of the incident and subsequently, complainant's credit card was blocked on request.
- iii. The Complainant also lodged a cyber-crime complaint, bearing Acknowledgement No. 30805240019069, dated 28.05.2024.
- iv. The Complainant complied with all formalities required for chargeback of disputed transactions to no avail. Despite repeated requests and reminders, the Opposite Party failed to pursue or conclude any investigation into the matter. The complainant approached OP several times in attempt to seek help regarding the same, but received minimal and unsatisfactory response.
- v. The complainant claimed that representatives of the OP were rude and further claimed that representatives of OP failed to discharge services they were legally obligated to.

5. The complainant alleged that the act committed by the OP amounts to deficiency in service as per Section 2(11)(i) and unfair trade practices as per Section 2(47). In regard to the above, the Complainant has thereafter filed this complaint praying to pass the following orders for OP: -

- a.) To pay Rs. 15000-/ with 18% interest PA to the Complainant till its realisation.
- b.) To compensate the complainant with Rs. 2,00,000-/ on account of mental agony, physical harassment, conveyance etc. on account of deficiency in service.
- c.) Any other order that the Hon'ble Commission may deem fit under the circumstances of the case.

6. The Complainant has also filed the following in addition to his complaint- copy of SBI Credit Card, bearing card no. xxxxxxxxxxxx8937, copy of the email sent by the Complainant on the same date of disputed transaction to the OP, copy of e-mail from OP regarding dispute form bearing Reference No. 1379561880579, copy of e-mail confirming blockage of Credit Card, copy of e-mails from OP for

transactions of Rs. 10,000-/ and Rs. 5,000-/ separately, which is identical to OP's previous e-mail, copy of cybercrime complaint bearing Acknowledgement No. 30805240019069, dispute form filled out by Complainant and copy of Complainant's Aadhaar.

7. Notice was duly issued to the Opposite Party. Despite service, no written version was filed within the period prescribed under Section 38(2)(a). Thereafter, Complainant filed evidence by way of affidavit re-iterating the contents of the complaint.

8. It is undisputed fact that the Complainant sent the complaint of disputed transactions to the OP on the same date of transaction. There was no delay in intimation to the OP. However, except for acknowledging the emails, there is no communication from the OP that would suggest that the O has acted in conformity with the RBI guidelines dated 06.07.2017 dealing with unauthorised transaction.

9. Under RBI Circular "DBR.No.Leg.BC.78/09.07.005/2017-18" dated 06.07.2017 on "Customer Protection- Limiting Liability of Customers in Unauthorised Electronic Banking Transactions", the customer can only be held liable for losses due to unauthorised transactions they took place due to customer's own negligence, however, the burden of establishing that an unauthorised transaction resulted from the customer's own negligence rests completely on the bank, and not on the customer to disprove it. This position was affirmed by Suresh Chandra Singh Negi v. Bank of Baroda [AIROnline 2025 ALL 332], where Hon'ble Allahabad High Court held the burden of proving consumer negligence in cases of unauthorised transactions to lie on the banking institution. Where a bank fails even to attempt to prove negligence of Complainant, the bank cannot deny hold customer liable on the ground of negligence and reject his requests for recovery of amount.

10. In Hare Ram Singh v. Reserve Bank of India [AIROnline 2024 DEL 1431], Hon'ble Delhi High Court held that where a customer falls victim to a sophisticated cyber-attack, the negligence required to defeat his claim under the RBI Circular dated 06.07.2017 must be gross, utterly reckless and unconscionable

— a threshold not met by mere susceptibility to fraud, and certainly not met where, as here, the customer never affirmatively shared his OTP or payment credentials with any third party. The Court further held that the burden under Clause 12 of the circular to prove customer negligence lies completely on the bank, and that a bank's failure to act with urgency on a promptly reported fraud — including its failure to attempt chargeback or recovery despite being able to trace the transaction — independently constitutes deficiency of service under Section 2(11) of the Consumer Protection Act, 2019. Applying this reasoning, even assuming the Complainant's engagement with the advertisement involved some degree of inadvertence, this falls well short of the gross negligence required to defeat his claim, and in the complete absence of any evidence that he shared his credentials with a third party, the resulting debit is properly attributable to a breach of the Opposite Party's own security architecture rather than to any culpable conduct on his part.

11. Paragraph 6(ii) of the aforementioned circular entitles a customer to zero liability where the unauthorised transaction stems from a third-party breach — the deficiency lying neither with the bank nor the customer, but elsewhere in the system — provided the customer notifies the bank within three working days. The Complainant reported the disputed transactions to the Opposite Party well within the required time frame and had his card blocked without delay.

12. Paragraph 9 of the aforementioned circular requires a bank, on being notified by the customer, to provisionally credit the disputed amount to the customer's account within 10 working days of such notification, without awaiting the outcome of any investigation or the settlement of any insurance claim. The Opposite Party failed to credit the disputed amount within this mandated period, or at any point thereafter, despite the Complainant's prompt notification at the time of the incident. No explanation for this failure has been placed on record.

13. The Complainant's repeated requests for information regarding the investigation and recovery of the disputed amount were met with a minimal and unsatisfactory response, further reinforcing the Complainant's claim of deficiency

in service by the Opposite Party. Although the reply of the OP was not taken on record, in view of the fact that said reply was filed after the expiry of statutory period of 45 days since the date of service, the said reply of the OP is also silent on the investigation and further action undertaken by the OP on the complaint filed by the Complainant herein.

14. Paragraph 10 of the aforementioned circular further requires a bank to resolve the complaint and determine customer liability, if any, within the time specified in its Board-approved policy, but in no case exceeding 90 days from the date of receipt of the complaint, failing which the prescribed compensation amount regardless of nature of unauthorised transactions. Despite the Complainant's repeated requests and reminders, the Opposite Party failed to initiate or conclude any investigation into the disputed transactions within this timeline. As a result, the OP is also liable to compensate the Complainant in terms of the RBI circular referred above.

15. In view of the above discussed circumstances and available records, we are of the considered view that the Opposite Party has failed to discharge the burden placed upon it under Paragraph 12 of the RBI Circular dated 06.07.2017 to establish negligence on the part of the Complainant, has failed to credit the disputed amount within the mandated timeline under Paragraph 9, and has failed to resolve the Complainant's grievance within the timeline mandated under Paragraph 10. Therefore, this Commission holds that the Opposite Party was deficient in services provided to the Complainant within the meaning of Section 2(11) of the Consumer Protection Act, 2019.

16. Hence, while holding the OP liable for deficiency of service, we direct the OP as under:

- a. The Opposite Party is directed to refund Rs. 15,000 to the Complainant, with interest @ 7% per annum from the date of the transaction within four weeks of receipt of this order.

- b. The Opposite Party is directed to pay a sum of Rs. 10,000/- as compensation for the harassment and mental agony caused to the Complainant within a period of four weeks of receipt of this order.

17. It is clarified that if the aforesaid amount is not paid by the OP to the Complainant within the stipulated period, the Opposite Party shall be liable to pay interest @9% per annum on the entire awarded amount from the date of expiry of the four weeks period calculated from the date of receipt of this order.

18. Order be given to the parties in accordance with rules. Order be also uploaded on the website. Thereafter, file be consigned to the record room.

Divya Jyoti Jaipuriar, President

Harpreet Kaur Charya, Member