

The complaint

Ms and Mr V complain State Bank of India (UK) Limited (SBI) won't refund transactions made on their account which they did not authorise.

Ms V holds the account in question jointly with her son, Mr V.

What happened

Ms and Mr V dispute two withdrawals totalling £5,168.66 made on their account without their consent or knowledge.

Both transactions took place online. The first withdrawal was made on 30 June 2020 for £5,000 and the second withdrawal was made on 2 July 2020 for £168.66.

They say the issue was first brought to their attention when contacting SBI for a balance enquiry on 29 November 2024 which highlighted that money was missing from their account. They say that SBI failed to carry out relevant checks when allowing changes on the account and they raised their concerns.

SBI on reviewing the matter said it did not agree. It said it had received a request from Mr V on 18 June 2020 to change the mobile number recorded on the account, which it then finalised on 24 June 2020. It says a new beneficiary was then subsequently added to the account on 30 June 2020 with a one-time passcode (OTP) being sent to the newly registered mobile number to authorise the transaction prior to the funds being transferred on to another bank.

Ms and Mr V said they did not recognise the new phone number and nor had they made a request for it to be changed. They also refuted having made the request to transfer the funds and felt that SBI had caused them stress and anxiety in dealing with the complaint and referred the matter to our service for consideration.

The investigator on considering the circumstances further, felt that SBI could not fairly or reasonably hold Ms V or her son liable for the transactions. She recommended that SBI refund the £5,168.66 loss in full including any applicable interest, and recommended that a further £150 should be awarded to recognise the stress and inconvenience caused to Ms and Mr V.

SBI disagreed, so the complaint was passed to me to decide.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, my review of the evidence has led me to the same overall conclusion as the investigator for much the same reasons.

I have reviewed information provided by both parties, which includes evidence provided by SBI and Ms and Mr V to understand what happened. This includes testimonies; bank account activity; information relating to the mobile number change and the OTP that SBI says was sent to the newly registered phone number, prior to the transactions being made.

I've also considered SBI's very detailed response to our investigators view and I'm very aware that I've summarised this complaint in far less detail than SBI has. Instead, I've focussed on what I think are the key issues here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I will, however, refer to those crucial aspects which impact the decision I'm making. Our rules allow me to do this.

Firstly, the relevant regulations here are the Payment Services Regulations 2017 (PSRs). Broadly speaking, SBI can hold Ms and Mr V liable for the disputed transactions if the evidence suggests that they made or authorised the transactions. Or if the transactions were made with their apparent authority. So, I've taken that into account when deciding what is fair and reasonable in this case.

Ms and Mr V maintain that the matter came to their attention when an account balance enquiry highlighted a large sum of money had been withdrawn from their account in 2020. They state they had not used the online banking facility with SBI and nor had they shared their account security details with a third party or had them written down. They also declared they did not hold an account with the bank that the proceeds were transferred to, and that they did not recognise the phone number on the account.

I note our Investigator, when considering this information, reached out to the receiving bank in order to ascertain whether this was accurate and it confirmed that it did not hold an account for them. So, I am satisfied that no relationship existed between the receiving bank and Ms V or Mr V.

So, what remains for me to decide is whether Ms V or Mr V consented to the transactions that they are now disputing as unauthorised, or whether they were made without their consent.

Ms and Mr V claim that Mr V's phone number was changed fraudulently, and SBI didn't carry out adequate verification checks, and its weak security system allowed the change – which then enabled the withdrawals to be made. And SBI was asked to explain what would have been required to complete verification.

I can see that SBI outlined its process and explained that a T-PIN (Telephony personal identification number) would have been required along with answers to specific security questions, but I can't see that the evidence presented by SBI goes into detail as to what questions were asked at that time, so it's unclear how the verification requirements were met - although it does seem to suggest a T-PIN was provided.

I can also see that SBI has presented a copy of an email that was sent to the email address it had on record for Mr V on 10 June 2020, which acknowledges a request to change the mobile number – and requests the return of a completed change of circumstances form, and for identification to be provided, or alternatively it offers Mr V the option to download the SBI app to update his mobile number. However, SBI mentions that it neither received the completed form back and nor does it have any record of the app being downloaded. And I

can see no information was presented regarding how the enquiry was made prior to the email response being sent to Mr V.

Mr V maintains he did not make the request, and he also can't remember receiving the email and that it possibly may have been diverted to his junk mail. But SBI states that if the request was not made by him – as claimed, it still ought to have given him cause for concern and a reason to contact SBI to clarify further.

Having given this considerable thought, I don't doubt SBI responded to a request it had received, but here given there is nothing to show otherwise, I'm not entirely convinced that this email conclusively points to Mr V as having made the request to change the number on the account.

Even if I were to accept that Mr V received sight of the email, considering it outlined further action would have been required on his part before a change could be administered on his account – and SBI has confirmed that did not happen – I'm not convinced Mr V receiving the email changes things here.

SBI mentions that Ms V told branch staff that they had received blackmail threats around the time of the transactions in 2020, but that this was not disclosed to SBI at the time. However, I can see that Ms V has refuted that she ever said this and was upset by these comments. I understand SBI believe this information was also ignored during our investigation into the matter, despite it suggesting that this information was given to SBI by Ms V of her own accord, and so should be considered as relevant given the circumstances presented. But having reviewed this further, as I can't be certain as to what happened, and what was said, on balance I do not think it's something I can base my decision on.

Given what I've seen, the account was dormant and inactive for a number of years, and Ms and Mr V say they did not receive the annual statements for the account after the transactions took place - which would have highlighted the withdrawals made on their account sooner. They maintain their banking details were not shared with any third party, and nor did they use the online banking facility, and the matter only came to their attention some four years after the transactions had taken place. So overall, I'm more persuaded than not that the payments were made without their knowledge.

SBI says information regarding the change of number is limited to what is held on file, so specific details relating to the security checks that were completed prior to the mobile number being changed for Mr V are not known.

Considering the account had been dormant for a significant period of time prior to the change of details on the account being requested, it seems reasonable to suggest that further security and verification checks would have been required prior to any account details being changed on the account - especially considering such a significant sum of money was then transferred out shortly after. I can accept that SBI may not have known the two transactions were not genuine at the time they were made, but as the information presented by SBI is limited, I cannot be certain that it was Mr V that requested the change.

So, here I am not satisfied SBI has acted fairly by refusing to refund these transactions to the account as Ms and Mr V would like.

Ms and Mr V also state they are unhappy with the time SBI took to look into the matter and state that it caused them undue stress and anxiety in chasing a response from SBI. I have reviewed the communication that took place between the two parties and having done so, I think SBI's actions caused Ms and Mr V unnecessary inconvenience, which could have been

otherwise avoided. So, I consider it only fair that SBI award Ms and Mr V £150 in recognition of this.

Finally, I can see that there has been mention of a previous decision this service has made where the circumstances are highlighted as being similar to those outlined here. But I want to clarify that as all cases are considered independently and are based on their own merits, previous decisions would have no relevance on what I decide. Here I have considered what I think is fair and reasonable based on all the evidence presented that is specific to these circumstances alone.

Putting things right

For the reasons given, my decision is that this complaint is upheld. SBI is instructed to:

- Refund the total sum of the disputed transactions £5168.66 to the account.
- Pay any interest due on the account from the date of the transfers being made, to the date of the settlement.
- Award Ms and Mr V £150 for the distress and inconvenience caused.

My final decision

For the reasons explained, I uphold this complaint against State Bank of India (UK) Limited. It should put things right in the way I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms and Mr V to accept or reject my decision before 6 March 2026.

Sukhdeep Judge
Ombudsman