In the present scenario of competitive banking, excellence in customer service is the most important tool for sustained business growth. Customer complaints are part of the business life of any corporate entity more so for Banks because they are service organizations. As a service organization, customer service and customer satisfaction should be the core concern of any bank. At Model Co-operative Bank Ltd., customer service is the essence of is business strategy. The Bank believes that providing prompt and efficient service is essential not only to attract new customers, but also to retain existing ones. The policy aims at minimizing instances of customer complaints and grievances through proper service delivery and review mechanism and to ensure prompt redressal of customer grievances.

Reference to Regulatory Circulars / Guidelines

Reserve Bank of India (Urban Co-operative Banks – Responsible Business Conduct) Directions, 2025. RBI/DOR/2025-26/292 dated 28th November 2025.

1.Applicability

This policy is applicable to all branches, offices, all personnel, including outsourced employees working at various locations of M/s. Model Co-Operative Bank.

Policy is intended to specify the framework of Grievance Redressal mechanism of the Bank and regulatory reporting thereof etc.

2.Introduction

A Customer Grievance Redressal Policy is a structured framework designed to address and resolve customer complaints efficiently, transparently and fairly. This is done with a view for Banks to implement such policies to enhance customer satisfaction, maintain trust and comply with regulatory guidelines such as those set by the Reserve Bank of India or other relevant authorities.

3.Objective

To ensure a prompt and fair resolution of customer complaints and to enhance customer satisfaction through a transparent and responsive mechanism.

4.Principles

1) Fair Treatment: To ensure all customers are treated fairly and with courtesy at all times and without prejudice to the interests of the customer. There should be no discrimination between customers. Each customer should be treated at par with other customers
2) Timely Resolution: To address and resolve customer complaints in an efficient and timely manner.
3) Accessibility: To provide accessible channels for customers to lodge/ escalate their grievances within the Bank and their rights to alternative remedy if the resolution is not to their satisfaction.
4) Transparency: To maintain transparency in the complaint handling process and keep customers informed and
5) To make Bank’s redressal mechanism more meaningful and effective so that the solution offered is just and fair and within the given frame-work of rules and regulations of the Bank and Regulators.

5.Definition of Complaint, Request and Enquiry:

a. **Complaint:** A lapse or gap in service delivery vis-a-vis the standard expectations as per banking rules and regulations as well as RBI guidelines. Complaints could be on account of breach in committed turnaround time (TAT), non-fulfilment of admissible request placed with the bank.

b. **Request:**The act of asking for something admissible/ lawful that the customer asks for in regards to his relationship with the bank. Requests will have specific turnaround time (TAT)depending on its nature.

c. **Enquiry:** Any information that the customer seeks regarding the product or service.

6.Modes to lodge a complaint / grievance:
Customers can register their complaints at any branch, either by personal visit or over the telephone or through their registered e-mail ID. Complaint Register will also be made available at all branches for recording of the complaints.

Customers can directly send their complaints at our dedicated email ID customercare@modelbank.in,

If the customer's complaint is not resolved or not satisfied with the resolution provided by the Branch, then the said customer can further approach Banking Ombudsman, RBI. Details of the Banking Ombudsman are displayed at branches and on Bank's website.

Generally, the Turnaround time (TAT) will be as below: Sr. No

Sr. No	**Type of Complaints**	**TAT (in working days)**
1	Related to Passbook printing, mobile number/address/ PAN updation, Charges, FD related, Inward / Outward	3 days
2	Related to Account opening, KYC, Interest application, TDS, DEAF, Loans, Recovery, Staff behaviour, Shares, Dividend on shares, Death claim, FOREX, etc Dispute in cash withdrawal from other than Model Bank ATM / Debit Card Dispute regarding Mobile Banking / UPI / ECom / POS RTGS/NEFT	3 days 5 days 30 days Next working day
3	Related to Passbook printing, mobile number/address/ PAN updation, Charges, FD related, Inward / Outward	3 days
4	Related to CIBIL	30 days

7. Erroneous Debits arising on fraudulent or other transactions

7.1 Vigilance by Banks
Bank shall adhere to the guidelines and procedures for opening and operating deposit accounts to safeguard against unscrupulous persons opening accounts mainly to use them as conduit for fraudulently encashing payment instruments. However, in view of receipt of continuous complaints

of fraudulent encashment by unscrupulous persons opening deposit accounts in the name/s similar to already established entities, resulting in erroneous and unauthorized debit to drawers' accounts, the Bank shall remain vigilant to prevent such lapses and issue necessary instructions to the branches/staff.

7.2 Compensating the customer

In cases of fraudulent encashment of third-party instruments by unscrupulous persons, by opening deposit accounts in the name/s similar to already established concern/s resulting in erroneous and unwanted debit of drawer's accounts:
(1) In cases where Bank is at fault, it shall compensate the customers without demur; and
(2) In cases where neither the Bank is at fault nor the customer is at fault, but the fault lies elsewhere in the system, then also Bank shall compensate the customer up to a limit as part of a Board approved customer relations policy.

8. Limiting Liability of Customers in Unauthorized Electronic Banking Transactions

8.1 Strengthening of systems and procedures

Broadly, electronic banking transactions can be divided into two categories:

(1) Remote/online payment transactions (transactions that do not require physical payment instruments to be presented at the point of transactions e.g. internet banking, mobile banking and
(2) Face-to-face/proximity payment transactions (transactions which require the physical payment instrument such as a card or mobile phone to be present at the point of transaction e.g. ATM, POS, etc.)
The systems and procedures of the Bank shall be designed to make customers feel safe about carrying out electronic banking transactions. To achieve this, Bank shall put in place:
(1) Appropriate systems and procedures to ensure safety and security of electronic banking transactions carried out by customers.
(2) Robust and dynamic fraud detection and prevention mechanism.
(3) Mechanism to assess the risks (for example, gaps in the Bank's existing systems) resulting from unauthorized transactions and measure the liabilities arising out of such events.
(4) Appropriate measures to mitigate the risks and protect themselves against the liabilities arising therefrom; and
(5) A system of continually and repeatedly advising customers on how to protect themselves from electronic banking and payments related fraud.

8.2 Reporting of unauthorized transactions by customers to Bank

Bank shall ask its customers to mandatorily register for SMS alerts, for electronic banking transactions. The SMS alerts shall mandatorily be sent to the customers. The customers shall be advised to notify the Bank of any unauthorized electronic banking transaction at the earliest after the occurrence of such transaction and informed that the longer the time taken to notify the Bank, the higher will be risk of loss to the Bank/customer. To facilitate this, Bank shall provide customers with 24X7 access through multiple channels such as website, SMS, reporting to home branch, etc. for reporting unauthorized transactions that have taken place and/or loss or theft of payment instrument such as card, etc. The Bank shall also enable customers to instantly respond by "Reply" to the SMS alerts and the customers shall not be required to search for a web page or an email to notify the objection, if any. As an alternative, Bank shall provide and alternative number in the transaction alert SMS itself, to which the customer can immediately send a reply. Further a direct

link for lodging the complaints, with specific option to report unauthorized electronic transactions shall be provided by Bank on home page of website. The loss/fraud reporting system shall also ensure that immediate response (including auto response) is sent to customers acknowledging the complaint along with the registered complaint number. The communication systems used by Bank to send alerts and receive their responses thereto shall record the time and date of delivery of the message and receipt of customer's response, if any, to them. The Bank shall not offer facility of electronic banking transactions other than ATM cash withdrawals to customers who do not provide mobile numbers to it. On receipt of report of an unauthorized transaction from the customer, Bank shall take immediate steps to prevent further unauthorized transactions in the account.

8.3 Liability of a customer

8.3.1 Zero Liability of Customer

A customer's entitlement to zero liability shall arise where the unauthorized transaction occurs in the following events:

1. Contributory fraud/negligence/deficiency on the part of the bank (irrespective of whether or not the transaction is reported by the customer).

2. Third party breach where the deficiency lies neither with the bank nor with the customer but lies elsewhere in the system, and the customer notifies the bank within three working days of receiving the system driven SMS from the bank regarding unauthorized transaction.

8.3.2 Limited Liability of a customer

a. A customer shall be liable for the loss occurring due to unauthorized transactions in the following cases:

b. In cases where the loss is due to negligence by a customer, for e.g. sharing of confidential details by customer i.e. payment credentials or any critical key parameters like his birth date, CIF Id, PAN, etc. which helped the fraudster to do the fraud OR clicking any unauthorized link by the customer OR installing any type of remote control software application/s on mobile handset, the customer will bear the entire loss until he reports the unauthorized transaction to the Bank. Any loss occurring after the reporting of the unauthorized transaction shall be borne by the Bank. However, merely dropping an e-mail after office hours will not be considered as communication for reporting of unauthorized transaction on immediate basis. The said mail will be considered on next working day.

c. In cases where the responsibility for the unauthorized electronic banking transaction lies neither with the bank nor with the customer, but lies elsewhere in the system and when there is a delay (of four to seven working days after receiving system driven SMS from the bank regarding unauthorized transaction) on the part of the customer in notifying the bank of such a transaction, the transaction liability of the customer shall be limited to the transaction value or the amount mentioned in below table, whichever is lower.

d. Further, if the delay in reporting is beyond 7 working days, entire liability shall be of Customer

e. Overall liability of the customer in third party breaches, where the deficiency lies neither with the bank nor with the customer but lies elsewhere in the system, is summarized below:

As per RBI's circular number Reserve Bank of India (Urban Cooperative Banks - Responsible Business Conduct) Directions, 2025. RBI/DOR/2025-26/292 dated 28th November 2025

Time taken to report the fraudulent transaction from the date of receiving the communication from Bank	**Customer's liability**
Within 3 working days	Zero Liability
Within 4 to 7 working days	
1. BSBD accounts	5,000
2. SB accounts	10,000
3. Current / Cash Credit/ Overdraft Accounts of MSMEs	
4. Current Accounts/ Cash Credit/ Overdraft Accounts of Individuals with annual average balance (during 365 days preceding the incidence of fraud)/ limit up to Rs.25 lacs	
5. All other Current/Cash Credit/overdraft accounts	25,000
Beyond 7 working days	Entire liability of customer

The number of working days mentioned in the above table shall be counted as per the working schedule of the home branch of the customer excluding the date of receiving the communication.

8.4 Reversal timeline for Zero Liability/Limited Liability of customer

On being notified by the customer, the bank shall credit the amount involved in the unauthorized electronic transaction to the customer's account within 10 working days from the date of such notification by the customer. The credit shall be value dated to be as of the date of the unauthorized transaction.
Bank should resolve a complaint within 90 days from the date of receipt of the complaint and should compensate the customer, if any, as per above mentioned provisions. If Bank is unable to resolve the complaint or determine the customer liability, if any, within 90 days, the compensation as prescribed above is to be paid to the customer. **Bank will debit Fraud Suspense account GL 100/99776 and credit the customer's account. Lien will be marked in the account for a period of 90 days from the date of receipt of complaint.**

8.5 Burden of Proof
The burden of proving customer liability in case of unauthorized electronic banking transactions shall lie on the Bank.

8.6 Reporting and Monitoring Requirements
The Bank shall put in place suitable mechanism and structure for the reporting of the customer liability cases to the Board or one of its Committees. The reporting shall include volume, number of cases and aggregate value involved and distribution across various categories of cases such as internet banking, mobile banking, ATM transactions, etc. The Board shall periodically review the unauthorized electronic banking transactions reported by customers and also the action taken thereon, the functioning of grievance redressal mechanism and take appropriate measures to

improve the systems and procedures. All such transactions shall be reviewed by Bank's internal auditors.

9. Time Frame for Complaint handling process.

Customers have a right to register a complaint. The Branch Manager is responsible for resolution of grievances in respect of customer service at the Branch. He would be responsible for closure of all complaints received at Branches. It is his prime responsibility to ensure that the complaint is resolved promptly upto the customer's satisfaction within time frame decided by the Bank and if the customer is not satisfied, he should provide alternate avenues to escalate the issue.

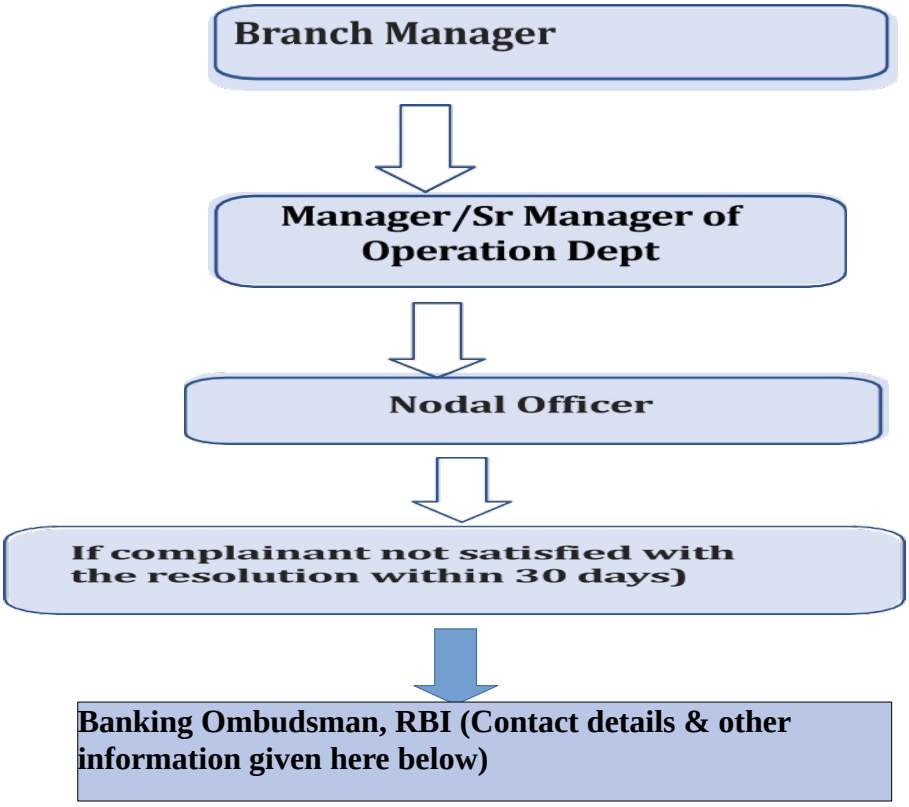
If the Branch Manager feels that it is not possible to solve the complaint at his level within seven (7) days, he should refer it to the Manager/ Senior Manager/ authority at the Operation Department, Head Office. The Manager/ Senior Manager/ authority at the Operation Department, Head Office, if not resolve the complaint at their level within next 7 days, they should refer the complaint to Nodal Officer to redress the grievances within next 16 days.

The Branch Manager at Branch Level, the Manager/ Senior Manager/ authority at the Operation Department, Head Office and Nodal Officer should try to resolve the complaint promptly and within the specified time frame decided by the Bank which should not exceed 30 days. The Communication of the Bank's stand on any issue to the customer is of prime importance. Complaints which require time for investigation of issues should be acknowledged promptly and If need of more time depending upon the nature of complaint Interim reply to be sent to customer.

Escalation Matrix:

Level 1: Branch Manager
Level 2: Manager/Senior Manager/Authorised official of Operation Dept.
Level 3: Nodal Officer

Organization Structure:



10. Mandatory requirements:

Complaint cum Suggestion Box is provided in the Banking Hall.

Complaint Book /Register made available with the Branch Manager.

All branches should maintain a separate complaint register. These registers should be maintained irrespective of the fact whether a complaint is received or not in the past. The concern Nodal Officer, Head Office Authority during his periodical visit to the branches should take review of the observations/comments recorded in complaints registers maintained by branches.

Display the names of the bank officials like Nodal Officer and/or other Officer who can be contacted for redressal of complaints, together with their name, contact number, e-mail details and office address at prominent place on the notice board of branches. At the same time, name and address of the Banking Ombudsman (RBI) also to be displayed on the Branch notice board.

Details of Nodal Officer: Mr. Sachin Prabhu

Address: Senior Manager, Operation Dept.,
Model Co-operative Bank Ltd., 501, Central Plaza,
166, CST Rd., Kalina, Santacruz East, Mumbai-400098.

Email : nodalofficer@modelbank.in

Contact details of Banking Ombudsman of the area

Mumbai (I) Districts of Mumbai, Mumbai Suburban & Thane	Smt. Raksha Mishra C/o Reserve Bank of India, 4th Fl., RBI Byculla Office Building, Opp. Mumbai Central Railway Station, Byculla, Mumbai 400 008 Email: cms.bomumbai1@rbi.org.in
Mumbai (II) Maharashtra & Goa (Except the Districts of Mumbai, Mumbai Suburban & Thane)	Shri Sanjay Kumar C/o Reserve Bank of India, 4th Fl., RBI Byculla Office Building, Opp. Mumbai Central Railway Station, Byculla, Mumbai 400 008 Email: cms.bomumbai1@rbi.org.in

30.04.2026