The Municipal Co-operative Bank Limited, Mumbai

Customer Grievance Policy

Head Office

Municipal Bank Bhavan,

245, P. D'Mello Road, Fort,

Mumbai - 400001

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REVIEW HISTORY

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	1	**Purpose**
		In today's competitive electronic Banking, Customer Service is prime moto of the Banks. The Municipal Co-op. Bank recognizes the need for Customer Service in the Bank and it is Banks prime moto. Replying to Customers complaints and resolving the same are prime duty of the bank and its employees and Directors. This policy document aims at minimizing instances of customer complaints and grievances through proper service delivery and review mechanism and to ensure prompt redressal of customer complaints and grievances. The review mechanism is aimed at helping identification of shortcomings in product features and service delivery. Bank is fully aware that customer dissatisfaction would spoil bank's name and image. The bank's policy on grievance redressal shall follows the under noted policy and principles.
	2	**Policy Statement**
		Customers of the Bank shall have **a)** ***Right to Fair Treatment: No discrimination on basis of gender, age, religion, caste and physical ability*** **b)** ***Right to Transparency, Fair and Honest Dealing: Contracts or agreements between Bank and customer shall be transparent and easy to understand*** **c)** ***Right to Suitability: Products offered to the Customer shall be appropriate to the needs of the customer of the Bank.*** **d)** ***Right to Privacy: Customers' personal information shall be kept confidential by the Bank. No unwarranted communication, electronic or otherwise, shall be sent to the Customers.***

		e) ***Right to Grievance Redress and Compensation: Bank shall be accountable for products and services offered to its customer and shall provide & facilitate easy grievance redressal mechanism.***
	3	**Applicability**
		a) All Customers of the Bank b) All the employees of the Bank
	4	**Scope and Objectives**
		The objective of the policy is to spell out the framework for Grievance Redressal in the bank as outlined in the Master Circular on Customer Service and Ombudsman Scheme of Reserve bank of India to ensure that: a) All customers are always treated fairly and in an unbiased manner. b) All issues raised by customers are dealt with courtesy and resolved on time. c) Customers are made aware of avenues to escalate their grievance within the bank and their rights to alternate remedies if they are not fully satisfied with the response or resolution to their grievance. d) The employees shall work in good faith and without prejudice towards the interest of the customer. e) The customer is having full right to register his/her complaint if h€/she is not satisfied with the services provided by the bonk. A customer can give his/her complaint or grievance in writing, orally in person, over telephone and directly from bank webpage under customer complaints tab. f) If Customer Complaint is not resolved within 30 days/ a month from date of lodging the complaint or if he/she is not satisfied with the solution provided by the bonk, he/she can approach RBI Integrated Ombudsman or CPGRAMS (Centralized Public Grievances Redressal System - Govt of India, DFS portal) with his/her complaint or other legal avenues available for Grievance Redressal.

		Through this policy, the bank shall ensure that a suitable mechanism exists for receiving and addressing grievances from its customers and their constituents including pensioners, with specific emphasis on resolving such cases fairly and expeditiously regardless of the source of the case. The bank will give a special focus on complaints/grievances by customers with disabilities. This Policy document is mandatorily made available at all branches of the bank.
	5	**Principles of Grievance Redressal**
		The bank shall be guided by the following principles in its approach to grievance redressal: a) **Customer Awareness:** The bank shall endeavor to make continuous efforts to educate its customers to enable them to make informed choices regarding banking products as well as channels to approach for grievance redressal. b) **Fairness & transparency:** The customer's grievance shall be examined in all fairness and the bank shall take a balanced approach to resolve the same. The bank shall ensure customer grievances are resolved in a timely and efficient manner. c) **Escalation:** All responses to customer grievances will provide an escalation matrix mentioning the details of the next level of grievance redressal for the customer. d) **Review:** The bank shall have a process of quarterly review of customer grievances by Board to enhance quality and effectiveness of customer service. **1. Definition of Request, Query and Complaint:** The bank has clearly defined Requests, Queries and Complaints so that customer issues are lodged accurately. It is to be noted that the examples mentioned below are illustrative. **2.1 Request:** A Request is a demand made by the customer for banking services / products: Examples of requests:

i. Customer is requesting a waiver/reversal of fees/charges

ii. Customer is requesting a duplicate statement of account

iii. Customer is requesting re-issuance of PIN/Card

2.2 Query:

A Query is:

a) Any doubt/ enquiry

b) Customer seeking/ cross-checking clarification/more information

c) Customer enquiring/ cross checking before the expiry of specified turnaround time (TAT) for service/deliverables

d) Customer checking status/ progress, etc.

Examples of queries:

i. Non-receipt of cheque book.

ii. Query on application status (Within stipulated TAT)

iii. Query on TDS on FD, submission of documents, etc.

2.3 Complaint:

A Complaint is:

a) Service deficiency or error on the part of the bank in offering any service and /or

b) Non-conformance in any of the bank's products / process leading to grievance / complaint

Examples of complaints:

i. Delay in providing any product / service of the bank beyond the stipulated / committed TAT e.g.
    i. Address change request submitted, not done
    ii. Cheque deposited; credit not received
    iii. Delay in closure of account

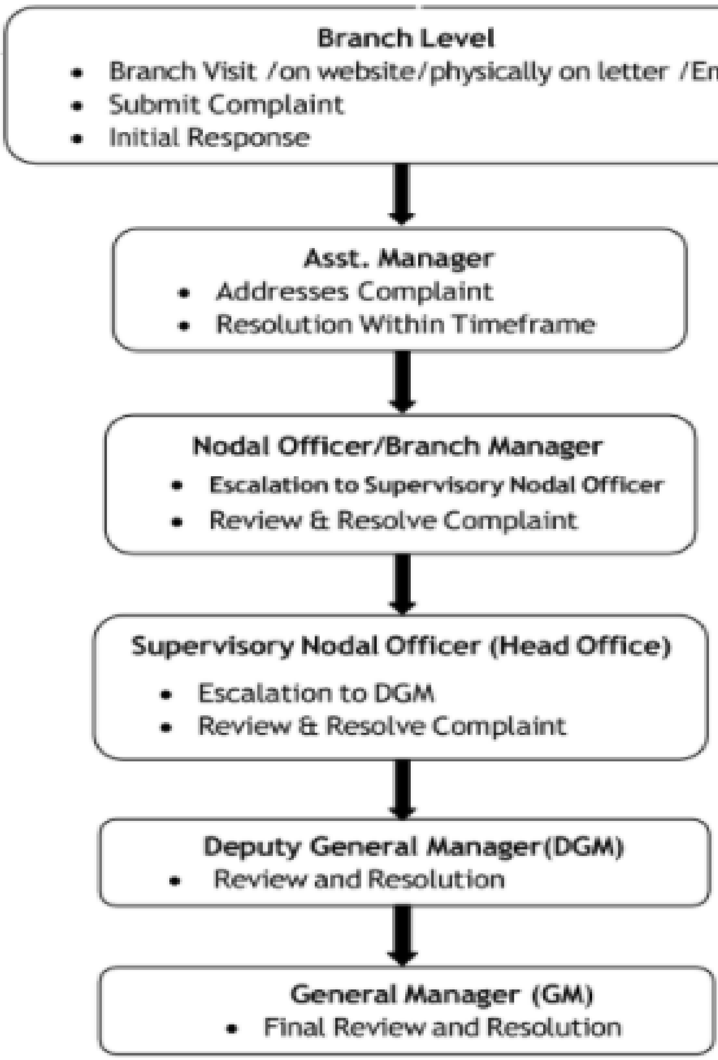
ii. Cash not dispensed / less cash dispensed from ATM

iii. Any dispute online, POS, ATM transactions carried out through Debit Card, Net Banking, UPI, etc. - claimed as not done by the customer.

iv. Customer disputes on EMI / ROI / Tenor / Loan Amount

	6	**Process of handling Customer Grievance**
		Branch Manager will be responsible for the resolution of complaints/grievances in respect of customer service by the branch. Any grievance received by email or in writing, should be resolved and responded immediately within a period of 7 days. Any grievance received verbally or through the phone shall be noted in the Customer Complaint register and resolved within a period of 7 days and informed to the customer accordingly. The complaints thus received shall be registered into the Customer Grievance Handling Module developed by the bank to keep track of customer complaints. The complaint registered through the bank's website should be resolved through Customer Grievance Handling Module itself. A complete reply should be given to the complainant to the extent possible, in cases where the complaint of the complainant has not been accepted by the Bank. If the customer is still not satisfied, he has the option to go to RBI Integrated Ombudsman with his complaint or other avenues available for Grievance Redressal. If the Branch Manager feels that it is not possible at his/her level to solve the problem, he/she may refer the case to Head Office for guidance within 24 hours of receipt of complaint. The complaint received at Head Office shall be resolved within 30 days from the receipt of the complaint not being addressed or satisfied at the branch. If the Customer is not satisfied with the reply, then he can refer the issue to General Manager/Chairman of the bank. In case the issue is still not resolved to the satisfaction of the customer, he/she may approach the Banking Ombudsman; address of the Ombudsman is available with the branches. **Touch points to report customer grievances:** I. Branches II. Email III. Website IV. Letters V. Senior Management and Principal Nodal officer VI. Head office
	7	**Customer Complaints**
		The customer complaint arises due to : • Deficiency in Customer Service

		• Employees behavior in dealing with customers • Inadequacy of the functions/arrangements made available to the customers or gaps in standards of services expected and actual services rendered. Customer shall have full right to register his complaint if he/she is not satisfied with the services provided by the Bank. He/she can give his/her complaint in writing, orally or over telephone If customer complaint is not resolved within given time or if he/she is not satisfied with the solution provided by the bank, he/she can approach Banking Ombudsman with his/her complaint or other legal avenues available for grievance redressal.
	8	**Provision in the Bank to Handle Customer Complaints.**
		If the customer of the Bank wants to make a complaint, Bank shall have displays and shall inform the Customers a) Where to make complaint b) How a complaint should be made c) When to expect a reply d) Whom to approach for redressal e) What to do if customers are not happy about the outcome The Bank will inform customers where to find details of procedures for handling complaints fairly and quickly. If the customer complaint is received in writing, Bank shall register the complaint in Customer Complaint Register & shall send an acknowledgement or response immediately. If customer complaint is given over phone at our designated Branch or Head office telephone, complaint reference number shall be informed to the customer and progress within a reasonable period of time. After examining the matter, Bank shall send final response or explain why Bank need more time to respond and shall endeavor to do so within 7 days of receipt of complaint and will tell customers to take their complaint further if they are still not satisfied.
	9	Grievance Escalation System
		a) Suggestion Box and Complaint register are provided in all the branches. Any written complaint shall be instantly and promptly acknowledged and redressed. b) If the counter staff is unable to resolve a grievance, the branch Manager shall intervene and shall resolve the issue.

		c) The complaint received in any form is first lodged with the branch for redressal. If the complaint is not redressed within 7 days of the date of the lodgment, the same shall be escalated to Head Office on the 8th day of the lodgment. If the complaint is not redressed within the next 30 days at the Head Office, the customer can approach RBI Integrated Ombudsman for redressal of grievance. d) 
	10	**Stipulations for filing the complaints before Banking Ombudsman:-**
		1) The complainant, before making a complaint to the Ombudsman, should have made a written representation to the Bank, and the Bank should have either rejected the complaint, or the complainant had not received a reply within a period of one month after the complaint was received by the Bank, or the complainant was not satisfied with the reply given by the Bank.

		2) The complaint is made not later than one year after the complainant received Bank's reply to his/her representation or where no reply is received, not later than one year and one month after the date of the representation to the Bank. 3) The complaint is not in respect of the subject matter, which was settled or dealt with on merits by the Banking Ombudsman in any previous proceedings, whether or not received from the same complainant or along with one or more complainants or one or more parties concerned with the subject matter. 4) The complaint does not pertain to the same subject matter for which any proceedings before any court, tribunal, arbitrator or any other forum is pending or a decree or Award or order has been passed by such court, tribunal, arbitrator or forum. 5) The complaint is not frivolous or vexatious in nature. 6) The complaint is made before the expiry of the period of limitation prescribed under the Indian Limitation Act, 1963 for such claims.
	11	Integrated Ombudsman Scheme 2021
		As per the Circular of Reserve Bank of India Ref. No. Ref. CEPD. PRD. No.S873/13.01.001/2021-22 dated 12th November 2021 Integrated Ombudsman Scheme 2021 shall be applicable to the Bank as banks Deposits are more then 50 Crores as per the Circular.
	12	Grievances Redressal Mechanism at Bank
		In case a customer feels that there is deficiency in the service provided to him or bank has not provided any of the services as promised, the customer has following primary options for Complaints and all the Customers Complaints shall be resolved by the Bank within maximum period of 7 days from the receipt of the complaint: a) Bank has appointed Customer Grievance Officer and is at Head office of the Bank for handling all the Customer Complaints. Office of the Customer Grievance Officer is at Head Office of the Bank as under:- Mr. Dr. Shivprasad Kurhade Customer Grievance Officer (Nodal Officer) Email Id: online.grievances@mcb.bank.in Contact Details: 02222717834 The Municipal Co-op. Bank Head Office 'Municipal Bank Bhavan' 245, P'Dmello Road, Fort, Mumbai - 400 001.

		b) Complaint on the Web Site 24x7 Availability – Customer of the Bank can make the compliant on the web site of the Bank using Banks website www.mcb.bank.in in the section Customer Care and Customer Online Grievance. Customer need to enter Customer Name, Mobile No., Email Id, address, Account number, Branch, and select complaint category and shall give details of the complaint and shall enter submit button. Bank will acknowledge the complaint and complaint shall be resolved within 7 days from the receipt of the complaint. c) Contact your Branch – i. The customers may contact the respective branch or the Branch Manager for immediate redressal. If the customer prefers to file a written complaint, it can be registered as per the format given at the end of this policy. The Branch Manager shall record the complaint in the complaint register and shall strive to redress the complaint. Branch Manager shall add the complaint in complaints register. ii. In case Branch Manager is of the opinion that, complaints needs interference of higher authorities the he shall make reference to Head Office within 24 hours of receipt of Complaint. iii. The branch shall respond to the Complainant within a maximum period of 7 days of receipt of the complaint. d) If the complainant does not receive a response from the branch within 7 days or if the complaint is not redressed to the satisfaction of the customer, the matter may be taken up at Head Office with General Manager of the Bank who shall respond to the complaints immediately but within 7 days from the receipt of the complaint not being addressed or satisfied at Branch. Address for Complaints to Head Office shall be as under The General Manager The Municipal Co-op. Bank Limited Head Office 'Municipal Bank Bhavan' 245, P'Dmello Road, Fort, Mumbai:- 400 001. Tel Office 022- 22717800 (P) Fax : 022-22664064 Email : mcbank@mcb.bank.in e) If the Customer is not satisfied with the reply then he can refer the issue to the Chairman of the Bank. f) In case the issue is still not resolved to the satisfaction of the customer, he/she may approach the Banking Ombudsman; address of the Ombudsman is available with the branches.

		g) Stipulations for filing the complaints before Banking Ombudsman i. The complainant, before making a complaint to the Ombudsman, should have made a written representation to the Bank, and the Bank should have either rejected the complaint, or the complainant had not received a reply within a period of one month after the complaint was received by the Bank, or the complainant was not satisfied with the reply given by the Bank. ii. The complaint is made not later than one year after the complainant received Bank's reply to his/her representation or where no reply is received, not later than one year and one month after the date of the representation to the Bank. iii. The complaint is not in respect of the subject matter, which was settled or dealt with on merits by the Banking Ombudsman in any previous proceedings, whether or not received from the same complainant or along with one or more complainants or one or more parties concerned with the subject matter. iv. The complaint does not pertain to the same subject matter for which any proceedings before any court, tribunal, arbitrator or any other forum is pending or a decree or Award or order has been passed by such court, tribunal, arbitrator or forum. v. The complaint is not frivolous or vexatious in nature. vi. The complaint is made before the expiry of the period of limitation prescribed under the Indian Limitation Act, 1963 for such claims.
	13	**DISPUTE REDRESSAL MECHANISM: TECHNOLOGICAL PRODUCTS**
		1) Complaints regarding failed ATM transaction are grouped as under :- a) Our Debit Cards used at our ATMs attached to the branch of issue. b) Banks Debit Card is used at our ATM's not attached to the Branch of issue c) Other Bank cardholder using his card at our ATM d) Banks Debit Cards used at other Bank ATM's 2) In terms of Reserve Bank of India guidelines, the wrongful Debit in the customer's account on account of ATM failed transactions shall be proactively reversed within 5 working days from the date of transaction of the customer, failing which a penalty at Rs.100/- for each day of delay shall be credited to the customer's account along with the disputed amount. 3) For all failed transactions in IMPS\Mobile Banking and UPI, amount shall be credited to Customers Account on T+1 basis as per the guidelines of NPCI.

		4) Any customer is entitled to receive such compensation for delay, if a claim is lodged with the issuing bank within 30 days of the date of the transaction. 5) If the customer prefers the complaint after 30 days but within 60 days the claim will be settled without compensation through our Dispute Management System (DMS) package. The claim preferred after 60 days but within 120 days, known as good faith claim, is settled through NPCI. 6) All disputes regarding ATM failed transactions shall be settled by the issuing bank and the acquiring bank through National Payment Corporation of India only. No bilateral settlement arrangement outside the dispute resolution mechanism available with the system provider is permissible. **Exception handling:** 1) Exception transactions are those that cannot be reconciled or reported as erroneous by a card holder. 2) Members should collaboratively endeavor to settle discrepancies in settlement, if raised by other member banks, and all such discrepancies should be resolved amicably. **Charge Backs:** It is obligatory on the part of the card issuer member to resolve and settle all adjustments pertaining to the cardholder transaction arising out of error, within 120 days after date of original transaction provided if a claim is lodged with the issuing bank within 30 days of the date of the transaction. The card issuer member shall furnish all documents in support of cardholder's transaction dispute. If the acquirer member bank, does not honor the cardholder dispute, the acquirer member bank shall submit a representation within 60 working days after the charge back initiated date. A charge back form may be submitted by an issuer to NFS in response to a cardholder dispute using the appropriate form. NFS will in turn forward the charge back form to the concerned member bank after making necessary adjustments in the daily settlement report. **Credit/Debit Adjustments** Acquirer Member Bank should take appropriate measures to adjust cardholder balance arising out of error, identified during EOD balancing.

		However, it is obligatory on the part of all acquirer Member Banks to submit adjustment details along with appropriate documents to NPCI, within 30 working days after the settlement date of the original transaction. An issuer bank may at its discretion accept an adjustment beyond the specified period. NFS will in turn forward the adjustment form to the concerned member bank after making necessary adjustments in the daily settlement report. **Representment -** An acquirer member bank shall submit a representment in order to reverse a cardholders dispute. The representment shall be submitted within 60 working days after the settlement date of cardholder's dispute along with all relevant documents. The document should be sent to the card issuer member bank and in case the card issuer member bank does not respond the same within 5 working days from the date of dispatch, NPCI reserves the right to reverse the representation.
	14	**Customer Liability in Unauthorized Electronic Banking Transaction**
		A) Systems and Procedures 1) Municipal Co-op. Bank has appropriate systems and procedures to ensure safety and security of electronic banking transactions carried out by its customers; 2) Bank has robust and dynamic fraud detection and prevention mechanism; 3) Bank has put in place mechanism to assess the risks resulting from unauthorised transactions and measure the liabilities arising out of such events; 4) Bank is continuously taking appropriate measures to mitigate the risks and protect themselves against the liabilities arising therefrom; 5) Bank will at regular intervals advise customers on how to protect themselves from electronic banking and payments related fraud **B) Reporting of Unauthorized Transactions** 1) All the Customers of the Bank shall mandatorily register for SMS alerts and wherever available register for e-mail alerts, for electronic banking transactions. 2) Bank shall send SMS alerts mandatorily to all Customers and email alerts shall be sent wherever registered. The customers must notify their bank of any unauthorised electronic banking transaction at the earliest after the occurrence of such transaction.

3) Customer shall report the Unauthorized Transactions at Bank's any branch & register the complaint through online Customer Grievance on Bank's website at www.mcb.bank.in
4) Customers shall inform the bank immediately of the unauthorized transactions and failure to do so shall increase the liability or risk of loss to the bank/ customer.

Limited Liability of the Customer

D) Zero Liability

1) In case of Unauthorized Transaction Customer's entitlement to zero liability shall arise where the unauthorised transaction occurs in the following events:
   (i) Contributory fraud/ negligence/ deficiency on the part of the bank (irrespective of whether or not the transaction is reported by the customer).
   (ii) 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 communication from the bank regarding the unauthorised transaction.

E) Limited Liability of the Customer

1) A customer shall be liable for the loss occurring due to unauthorised transactions in the following cases:-
   (i) In cases where the loss is due to negligence by a customer, such as where he has shared the payment credentials, the customer will bear the entire loss until he reports the unauthorised transaction to the bank. Any loss occurring after the reporting of the unauthorised transaction shall be borne by the bank.
   (ii) In cases where the responsibility for the unauthorised 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 the communication from the bank) on the part of the customer in notifying the bank of such a transaction, the per transaction liability of the customer shall be limited to the transaction value or the amount mentioned in below Table, whichever is lower.

Maximum Liability of the Customer under Para		
Sr. No.	**Type of Account**	**Maximum Liability**
1	Basic Savings Account	Rs.5,000/=

2	• All other SB accounts • Pre-paid Payment Instruments and Gift Cards • Current/ Cash Credit/ Overdraft Accounts of MSMEs • 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 lakh • Credit cards with limit up to Rs.5 lakh	Rs,10,000/=
3	• All other Current/ Cash Credit/ Overdraft Accounts • Credit cards with limit above Rs.5 lakh	Rs.25,000/=

F) Summary of Customer Liability

Overall liability of the customer in third party breaches, as detailed in paragraph D and paragraph E above, where the deficiency lies neither with the bank nor with the customer but lies elsewhere in the system, is summarised in Table given below

Summary of Customers Liability		
Sr. No.	**Time taken to report the fraudulent transaction from the date of receiving the communication**	**Customers Liability**
1	Within 3 working Days	Zero Liability
2	Within 4 to 7 working Days	The transaction value or the amount mentioned in Table given in E above whichever is lower
3	Beyond 7 working days	As per Banks Board Approved Policy

H) Reporting of the Transactions Beyond 7 working Days

i) If unauthorized transaction amount is upto Rs.20,000/- then upto Rs. 10000/- shall be borne by the customer and above Rs. 10,000/- shall be borne by the Bank.

		ii) If unauthorized transaction amount is above Rs. 20,000/- then 50% of loss amount shall be borne by the Bank. ***I) Reversal Timeline for Zero Liability / Limited Liability Customer added vide RBI Circular*** *RBI/2017-18/109 CBR.BPD.(PCB/RCB). Circular Number 06/12.05.001/2017-18 dated 14th December 2017* *1) On being notified by the customer, the bank shall credit (shadow reversal) the amount involved in the unauthorised electronic transaction to the customer's account within 10 working days from the date of such notification by the customer (without waiting for settlement of insurance claim, if any). The credit shall be value dated to be as of the date of the unauthorised transaction.* *2) Bank shall within 90 days from the date of the complaint shall resolve Customer complaint and liability of the customer, if any, established and the customer shall be compensated as per provisions of paragraphs F above.* *In cases where liability is not established or customer is not compensated within 90 days from the date of complaint Customer will be compensated as per clause F above immediately.*
	15	**Interaction with customers**
		Customer's expectation/requirement/grievances can be better understood through personal interaction with customers by Bank's staff. Bank shall take structured customer meets to give a message to the customers that the Bank cares for them and values their feedback/suggestions for improvement in customer service. Many of the complaints arise on account of lack of awareness among customers about bank services and such interactions will help the customers appreciate the banking services better. The feedback from customers would be a valuable input for revising our product and services to meet customer requirements. Branch shall have Customer feedback register for the same.
	16	**Alerting the operating staff on handling complaints**
		Our staff will be properly trained for handling complaints. During all the Training Sessions, the importance of handling complaints is explained to all the participants and they are trained to deal with customer complaints. Bank will ensure that internal machinery for handling complaints/grievances operates smoothly and efficiently at all levels. Customer grievance policy adopted, approved by the Board and published in our website.

	17	**Reporting and Monitoring** *(added on 21st March 2018)* Every month report shall be placed before the Board regarding number of cases reported by the Customer and action taken thereof.