

Dear Customer,

The Reserve Bank of India has, vide circular no. DoR.MCS.REC.28/01.01.001/2023-24 (RBI/2023-24/53) dated August 18, 2023 on **“Fair Lending Practice - Penal Charges in Loan Accounts”**, issued instructions (**“RBI instructions”**) regarding quantum and levy of Penal Charges on Loan Accounts. The RBI instructions mandate penalty to be treated as ‘Penal Charges’ and not be levied as ‘Penal Interest’.

We wish to inform you that the Penal Interest/Default Interest (if and when applicable) as stated in your loan agreement/Sanction Letter will be treated as Penal Charges with effect from 01-04-2024 for your loan account. Note- Penal Charges will be subject to GST as per applicable laws on Goods and Service Tax in India, and GST will be charged separately.

For any clarification/queries, kindly reach out to nearest JSFB branch or call 18004200 or mail us to at [customercare@janabank.com](mailto:customercare@janabank.com)