



Key Fact Statement (KFS)

A Document that clearly summarizes the most important terms and conditions of a loan

Key Features of a Key Fact Statement (KFS)

- **Loan Amount & Tenure** – Clearly states how much you are borrowing and for how long.
- **Interest Rate & APR** – Shows both the nominal interest rate and the **Annual Percentage Rate (APR)**, which includes hidden costs.
- **Repayment Schedule** – Outlines EMI amounts, frequency, and total repayment over the loan period.
- **Fees & Charges** – Lists processing fees, late payment penalties, foreclosure charges, and other costs.
- **Borrower's Obligations** – Explains what you must do to remain compliant (timely payments, maintaining credit discipline).
- **Transparency & Comparability** – Helps borrowers compare loan offers across banks easily

Example: What You'll See in a KFS

Section	Example Details
<i>Loan Amount</i>	<i>₹10,00,000</i>
<i>Tenure</i>	<i>5 years</i>
<i>Interest Rate</i>	<i>10% per annum</i>
<i>APR</i>	<i>11.2% (includes processing fee)</i>
<i>EMI</i>	<i>₹21,247 per month</i>
<i>Processing Fee</i>	<i>₹5,000</i>
<i>Foreclosure Charges</i>	<i>2% of outstanding principal</i>

You should read and understand Key Fact Statement carefully