

Key Fact Statement (KFS)

By IAS Toppers | 2024-02-10 15:30:00



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The **RBI** (Reserve Bank of India) has recently mandated **all Regulated Entities (REs)**, including **NBFCs (Non-Banking Finance Companies)**, to provide the 'Key Fact Statement' (KFS) to borrowers.

- The RBI also proposed introducing **offline functionality in CBDC-Retail (CBDC-R)** to facilitate transactions in areas with **poor or limited internet connectivity**.



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About the recent move:

- It will help borrowers of **all retail and MSME (Micro, Small and Medium Enterprises) loans** due to enhanced **transparency** and **clarity** on loan pricing and charges.

About the Key Fact Statement (KFS):

- The **KFS** is a document that details **lending terms and conditions**, including the **all-in-cost of the loan**, in a **simple and easy-to-understand format**.
- It aimed at providing greater transparency and detail on the pricing of **loans** and other charges for **retail and MSME customers**.