VENUS INDIA

Asset Finance Pvt. Ltd.

KEY FACT STATEMENT (KFS)

Proposal Number: [Insert]

KEY FACT STATEMENTS

INTRODUCTION

Venus India Asset Finance Private Limited "The Company/Venus" provides a Key Fact Statement (KFS) to all prospective borrowers to help them take an informed view before executing the facility documents, as per the standardised format given in the Annexure A.

Each Borrower/Intending Borrower is expected to comprehend the points/contents enumerated hereinafter, which have universal applicability and shall bind each Borrower, Guarantor and/or Mortgagor/Security Provider. The present Key Fact Statement shall be considered as supplementary to the terms, conditions and covenants, as envisaged in the "Facility/Finance Documents", that are/shall be expressly executed in respect of each loan, sanctioned and disbursed by the Company.

OBJECTIVE

The objective of KFS is to:

- Ensure standardised, transparent and timely disclosure of key loan terms to borrowers
- Enable borrowers to take informed financial decisions
- Ensure compliance with RBI Responsible Business Conduct Directions, 2025
- Establish internal controls to ensure no undisclosed charges are levied

SCOPE AND APPLICABILITY

KFS shall apply to:

- All loan products offered by the Company
- All prospective and existing borrowers

The Policy is applicable to all loans and advances extended by the Company.

DEFINITIONS

- **KFS (Key Fact Statement):** A standardized document containing key financial and non-financial terms of a loan.
- **APR (Annual Percentage Rate):** Effective annualized cost of borrowing calculated using IRR on net disbursed amount.
- **Penal Charges:** Charges levied for non-compliance of material terms such as delayed payments.
- **SMA / NPA:** Asset classification categories as per RBI prudential norms.

I. PENAL CHARGES

The Company will mention and communicate the quantum and reasons for penal charges charged by the company in bold in the Sanction letter and Facility/Finance documents. Any penal charges being levied on the customers will be based on the outstanding amount of the loan and the rate of such penal charges will be disclosed directly on an annualized basis to the customer in the Facility/Finance documents executed between the parties, thereby standardising the rate of such penal charges being levied.

II. SMA AND NPA NORMS

Special Mention Accounts (SMA) - These are those assets/accounts that show symptoms of sub-standard asset/account in the first 30 days itself or before it's being identified as NPA. The classification of Special Mention Accounts (SMA) was introduced by the RBI in 2014, to identify those accounts that have the potential to become an NPA/Stressed Asset.

Venus shall recognize incipient stress in loan accounts, immediately on default, by classifying such assets as special mention accounts (SMA) as per the categories specified below:

SMA Subcategories	Basis for classification- Principal or interest payment or any other amount wholly or partly overdue
SMA-0	Upto 30 days
SMA-1	More than 30 days and upto 60 days
SMA-2	More than 60 days and upto 90 days

The period of SMA-2 shall be adjusted as per the above SMA-Table. The above instructions on SMA classification of borrower accounts are applicable to all loans, including retail loans, irrespective of size of exposure of the lending institution.

Non-performing asset (NPA)- NPA is a debt instrument where the borrower has not made any previously agreed upon interest and principal repayments to the designated lender for an extended period of time which is 90 days. The non-performing asset is, therefore, not yielding any income to the lender in the form of interest payments.

ILLUSTRATION:

If due date of a loan account is March 31, 2026, and full dues are not received before the lending institution runs the day end process for this date, the date of overdue shall be March 31, 2026. If it continues to remain overdue, then this account shall get tagged as SMA-1 upon running day-end process on April 30, 2026 i.e. upon completion of 30 days of being continuously overdue. Accordingly, the date of SMA-1 classification for that account shall be April 30, 2026.

Similarly, if the account continues to remain overdue, it shall get tagged as SMA-2 upon running day-end process on May 31st, 2026 and if continues to remain overdue further, it shall get classified as NPA upon running day-end process on June 29th , 2026.

Status	DPD	Illustration 1	Illustration 2	Illustration 3	Illustration 4 (Leap year)
*Due date/ Overdue (if not paid)	1 day	31-03-2026	03-06-2026	15-01-2025	15-01-2028
SMA-1	31 days	01-05-2026	04-07-2026	15-02-2025	15-02-2028
SMA-2	61days	31-05-2026	03-08-2026	17-03-2025	16-03-2028
#Non-Performing Asset	90 days	29-06-2026	01-09-2026	15-04-2025	14-04-2028

** Any amount due to the lender under any credit facility is 'overdue' if it is not paid on the due date fixed by the Lender. If there is any overdue in an account, the default/ non-repayment is reported with the credit bureau companies like CIBIL etc. And the CIBIL report of the customer will reflect defaults and its classification status.*
 # Once an account is classified as NPAs then it shall be upgraded as 'standard' asset only if entire arrears of interest and principal are paid by the borrower.

III. Annual Percentage Rate (APR)

The Annual Percentage Rate (APR) is a crucial figure that represents the total cost of borrowing over the course of a year, expressed as a percentage. It includes not only the nominal interest rate (the cost of borrowing) but also takes into account any additional fees or charges associated with the credit. This allows borrowers to fully understand the total expense they will incur when using a credit facility, providing a clearer picture of their financial commitment.

In the case of Venus, the APR is determined by two different methodologies: **Rate of Interest (ROI)** and **Internal Rate of Return (IRR)**. Each of these methods accounts for different aspects of the borrowing arrangement and may result in varying APR values.

1. APR Based on the Rate of Interest (ROI)

- The base interest rate is **13%**[1]. This is the fundamental cost of borrowing, which is the primary rate charged on the loan amount.

[1] The ROI is determined in accordance with the prevailing terms, and is subject to annual revision based on the credit lines provided by the banks.

- In addition to this, there is an extra **5% to 11%** added to the rate, depending on specific terms or conditions associated with the credit. This additional charge could vary based on factors like loan amount, repayment schedule, or borrower risk profile.

2. **APR Based on the Internal Rate of Return (IRR)**

The IRR method is often used for more sophisticated financial assessment. This is a slightly higher starting point compared to the ROI-based APR.

The ROI and IRR calculations aim to give the borrower a full picture of the cost of borrowing, with the specific methodology chosen depending on the type of credit being offered and the level of financial complexity involved.

For a more detailed breakdown and specific examples of how the APR is calculated, please refer to **Annexure B**, which provides comprehensive illustrations and the computation sheet of the various factors and their impact on the APR.

The KFS shall also include the Repayment Schedule of the loan granted/sanctioned as more particularly detailed in Annexure C.

IV. RELEASE OF PROPERTY PAPERS

Release of Movable / Immovable Property Documents

- Venus shall release all the original movable / immovable property documents and remove charges registered with any registry within a period of 30 days after full repayment/ settlement of the loan account.

- Venus shall give the borrower an option of collecting the original movable / immovable property documents either from its registered office address or any other office where the documents are available, as per her / his preference.

In order to address the contingent event of demise of the sole borrower or joint borrowers, Venus has a well laid out procedure for return of original movable / immovable property documents to the legal heirs.

Release of Movable / Immovable Property Documents in case demise of borrower

The following procedure will be followed by Venus under the below-mentioned conditions:

A. Demise of the Sole Borrower in a loan account provided by Venus, or
B. Demise of all Borrowers/Co-Borrowers in a loan account provided by Venus.

This procedure shall be initiated only after the full repayment of outstanding dues of the loan(s) provided by Venus to the deceased Borrower(s) is received by Venus.

Procedure for return of original movable/immovable property documents to the Legal heirs in the event of demise of the sole borrower or co-borrowers shall be done as per procedure defined below:

Process for release of Original Property documents of the deceased borrower(s) to the legal heirs	
1.	Copy of Death Certificate- To be verified with the Original Death Certificate.
2.	Identify Nominee from the Nomination form or In case Nomination not available, documents to be released to legal heir.
3.	Notarized Legal Heir Affidavit to be taken from all the legal heirs of the deceased Property Owner
4.	KYC Documents of Nominee/all legal heirs- To be verified with the Originals
5.	Authority Letter / POA executed by other legal heirs in favour of one of the legal heir/Nominee to collect the original property papers.
6.	Consent Letter given by all other Co-Borrower/s to handover the original property papers to Nominee/ legal heir of the deceased Property Owner.
7.	Acknowledgement should be taken on the List of Documents handed over to the Nominee/ legal heir of the deceased Property Owner confirming the collection of original property papers.

<u>Compensation for delay in release of movable/immovable property documents</u>:

In case of delay in releasing of original movable/immovable property documents or failing to file charge satisfaction form with relevant registry beyond 30 days after full repayment (including tax liability like TDS) / settlement of loan, Venus shall communicate to the borrower reasons for such delay. Only in case where the delay is attributable to Venus, it shall compensate the borrower as per the RBI norms.

In case of loss/damage to original movable/immovable property documents, either in part or in full, Venus shall assist the borrower in obtaining duplicate/certified copies of the movable/immovable property documents and shall bear the associated costs, in addition to paying compensation. However, in such cases, an additional time of 30 days will be available to complete this procedure, and the delayed period penalty will be calculated thereafter (i.e., after a total period of 60 days).

V. LEGAL ENTITY IDENTIFIER FOR BORROWER

As per RBI Circular bearing reference RBI/DOR/2025-26/350 DOR.CRE.REC.No.269/07-02-008/2025-26 dated November 28, 2025, all Non-Individual Borrowers, having an "Exposure" of Rs.5.00 Crores and above "shall" be required to obtain "Legal Entity Identifier [LEI]" codes.

"Exposure" means and includes all fund based and non-fund based (credit as well as investment) availed by such Borrowers, from Banks/Financial Institutions. "shall" be required to obtain "Legal Entity Identifier [LEI]" codes.

Borrowers who do not have LEI codes will not to be sanctioned any new exposure including renewal or enhancement of credit facilities by our Company.

VI. MISCELLANEOUS

- Venus shall not charge any fees, charges, etc. which are not mentioned in the KFS, by the borrower at any stage during the term of the loan, without explicit consent of the borrower.

I/We hereby confirm that we have read and understood the contents of the present key fact statement (KFS) and shall remain bound by the same.

For [Name of the company]

Authorised Signatory

Annexure A

Key Facts Statement

Part 1 (Interest rate and fees/charges)

1	**Loan proposal/ account No.**		**Type of Loan**	
2	**Sanctioned Loan amount (in Rupees)**			
3	**Disbursal schedule** (i) Disbursement in stages or 100% upfront. (ii) If it is stage wise, mention the clause of loanagreement having relevant details			
4	**Loan term (year/months/days)**			
5	**Instalment details**			

Type of instalments	Number of EPIs	EPI (₹)	Commencement of repayment, post sanction

6	**Interest rate (%) and type (fixed or floating or hybrid)**	
7	**Additional Information in case of Floating rate of interest**	

Reference Benchmark	Benchmark rate (%) (B)	Spread (%) (S)	Final rate (%) R = (B) + (S)	Reset periodicity (Months)		Impact of change in the referencebenchmark (for 25 bps change in 'R', change in:)	
				B	S	EPI (₹)	No. of EPIs

8	**Fee/ Charges**				
		Payable to the NBFC (A)		Payable to a third party through the NBFC (B)	
		One-time/ Recurring	Amount (in ₹) or Percentage (%) as Applicable (Mention frequency, where recurring)	One-time/Recurring	Amount (in ₹) or Percentage (%) as applicable (Mention frequency, where recurring)
(i)	Processing fees				
(ii)	Insurance charges				

(iii)	Valuation fees				
(iv)	Any other (please specify)				
9	**Annual Percentage Rate (APR) (%)** (Please refer to the illustration in Annexure- B)				
10	**Details of Contingent Charges (in ₹ or %, as applicable)**				
(i)	Penal charges, if any, in case of delayed payment				
(ii)	Other penal charges, if any				
(iii)	Foreclosure charges, if applicable				
(iv)	Charges for switching of loans from floating to fixed rate and vice versa				
(v)	Any other charges (please specify)				

*Fixed reset, other than on account of changes in credit profile

Part 2 (Other qualitative information)

1	Clause of Loan agreement relating to engagement of recovery agents	
2	Clause of Loan agreement which details grievance redressal mechanism	
3	Phone number and email id of the nodal grievance redressal officer (	
4	Whether the loan is, or in future maybe, subject to transfer to other REs or securitisation (Yes/ No)	
5	In case of lending under collaborative lending arrangements (e.g., co-lending/ outsourcing), following additional details may be furnished:	

Name of the originating RE, along with its funding proportion	Name of the partner RE along with its proportion of funding	Blended rate of interest

6	In case of digital loans, following specific disclosures may be furnished:	
(i)	Cooling off/look-up period, in terms of RE's board approved policy, during which borrower shall not be charged any penalty on prepayment of loan	
(ii)	Details of LSP acting as recovery agent and authorized to approach the borrower	

Annexure B

Illustration for computation of APR for Retail and MSME loans

Sr. No.	Parameter	Details
1	Sanctioned Loan amount (in Rupees)	20,000
2	Loan Term (in years/ months/ days)	
a)	No. of instalments for payment of principal, in case of non-equated periodic loans	-
b)	Type of EPI Amount of each EPI (in Rupees) and nos. of EPIs (e.g., no. of EMIs in case of monthly instalments)	Monthly 970 24
c)	No. of instalments for payment of capitalised interest, if any	-
d)	Commencement of repayments, post sanction	30 days
3	Interest rate type (fixed or floating or hybrid)	Fixed
4	Rate of Interest	15 %
5	Total Interest Amount to be charged during the entire tenor of the loan as per the rate prevailing on sanction date (in Rupees)	3,274
6	Fee/ Charges payable[8] (in Rupees)	400
A	Payable to the RE (Sl No.8A of the KFS template-Part 1)	240
B	Payable to third-party routed through RE (Sl No.8B of the KFS template — Part 1)	160
7	Net disbursed amount (1-6) (in Rupees)	19,600
8	Total amount to be paid by the borrower (sum of 1 and 5) (in Rupees)	23,274[9]
9	Annual Percentage rate- Effective annualized interest rate (in percentage)[10]	17.07%
10	Schedule of disbursement as per terms and conditions	Detailed schedule to be provided
11	Due date of payment of instalment and interest	DDMMYYYY

[8] Where such charges cannot be determined prior to sanction, REs may indicate an upper ceiling

[9] The difference in repayment amount calculated from the total of instalments given under the detailed repayment schedule i.e., ₹23,280 (=970*24) vis-à-vis the amount of ₹23,274 (₹20,000 (loan amount) + ₹3,274 (Interest charges) mentioned under (8) is due to rounding off the instalment amount of ₹969.73 to ₹970 under the detailed repayment schedule

[10] Computed on net disbursed amount using IRR approach and reducing balance method.

Computation Sheet

Sr. No.	Parameter	Details
1	Sanctioned Loan amount (in Rupees)	
2	Loan Term (in years/ months/ days)	
a)	No. of instalments for payment of principal, in case of non-equated periodic loans	
b)	Type of EMI Amount of each EMI (in Rupees) and nos. of EMIs (e.g., no. of EMIs in case of monthly instalments)	
c)	No. of instalments for payment of capitalised interest, if any	
d)	Commencement of repayments, post sanction	
3	Interest rate type (fixed or floating or hybrid)	
4	Rate of Interest	
5	Total Interest Amount to be charged during the entire tenor of the loan as per the rate prevailing on sanction date (in Rupees)	
6	Fee/ Charges payable (in Rupees)	
A	Payable to the RE	
B	Payable to third-party routed through RE	
7	Net disbursed amount (1-6) (in Rupees)	
8	Total amount to be paid by the borrower (sum of 1 and 5) (in Rupees)	
9	Annual Percentage rate- Effective annualized interest rate (in percentage)[10]	
10	Schedule of disbursement as per terms and conditions	
11	Due date of payment of instalment and interest	

Annexure C

Repayment Schedule

[To be inserted]

