



RBI new rules on loans

- 01 | RBI's new loan regulations to be in effect from **Dec 31st 2023**
- 02 | Applicable to both **existing** and **new borrowers**
- 03 | Borrower to have option to choose whether to **change tenure or EMI in case of change in interest rate**
- 04 | Banks to now provide borrowers the opportunity to **switch to fixed rate loans during the interest rate reset phase**
- 05 | Loan sanction letters to clearly mention the cost associated for shifting from **floating rate to fixed interest rate in the future**
- 06 | Lenders to evaluate borrowers repayment capability at a rate higher than the prevailing one (instead of at prevailing interest rate)

Finsafe Tips:



Choose wisely whether to opt for higher tenure or higher EMI in case of increase in interest rates

