

AUTO LOAN AGREEMENT

Agreement Date: January 16, 2026

Agreement Location: Gurugram, Haryana, India

1. PARTIES TO THE AGREEMENT

LENDER: Prime Financing Solutions Private Limited

Address: 123 Finance Tower, DLF Cyber City, Gurugram, Haryana 122001, India

Company Registration: CIN U65999HR2015PTC057834

Contact: +91-124-4001234 | loans@primefinancing.com

BORROWER: Rajesh Kumar Sharma

Address: B-206, Emerald Heights Apartments, Sector 48, Gurugram, Haryana 122001, India

PAN: ABJPS1234K

Mobile: +91-9876543210

Email: rajesh.sharma@email.com

CO-BORROWER: Priya Sharma (Spouse)

Address: B-206, Emerald Heights Apartments, Sector 48, Gurugram, Haryana 122001, India

PAN: BGJPR5678M

Mobile: +91-9876543211

2. VEHICLE DETAILS

Make: Hyundai

Model: Creta

Year: 2026

Body Type: Sport Utility Vehicle (SUV)

Color: Polar White

Vehicle Identification Number (VIN): KMHEC4A47EU123456

Engine Number: G2CHA123456

Registration Number: DL 01 AB 1234 (to be registered)

Mileage/Odometer: 0 km (new vehicle)

Accessories Included:

- Roof rails
- Alloy wheels
- Advanced driver assistance system
- Panoramic sunroof

3. LOAN PARTICULARS

3.1 Loan Amount and Vehicle Pricing

Particulars	Amount (₹)
Vehicle Showroom Price	13,50,000
Registration & Insurance	75,000
Accessories (Additional)	45,000
Total Vehicle Cost	14,70,000
Down Payment (by Borrower)	(3,00,000)
Trade-In Adjustment	(0)
Total Amount Financed	11,70,000

Total Loan Amount: ₹11,70,000 (Rupees Eleven Lakh Seventy Thousand only)

3.2 Loan Terms

Particulars	Details
Loan Tenure	60 months
Rate of Interest	8.5% per annum (fixed)
Monthly EMI	₹23,648
Total Amount Payable	₹14,18,880
Total Interest Charged	₹2,48,880
First EMI Date	February 16, 2026
Last EMI Date	January 16, 2031
Mode of Payment	Electronic Clearing Service (ECS) / Standing Instruction
Payment Due Date	16th of every month

3.3 Processing and Charges

Particulars	Amount (₹)
Loan Processing Fee	12,870 (1.1% of loan amount)
Credit Report Fee	500
Vehicle Inspection Fee	2,500
Hypothecation Charges	1,200
Total Pre-Disbursal Charges	17,070

Note: Processing charges shall be deducted from the loan disbursement or collected upfront as decided by the Lender.

4. DISBURSEMENT DETAILS

Loan Disbursement Method: Direct transfer to vehicle dealer or authorized service center

Loan Disbursement Date: January 20, 2026

Beneficiary Bank Details (Dealer Account):

- Bank Name: HDFC Bank Limited
- Account Number: 50100034567890
- IFSC Code: HDFC0000001
- Account Holder: Prime Motors Private Limited

Documents Required for Disbursement:

- Proof of completion of vehicle booking
- Vehicle delivery document
- Registration certificate (RC) with hypothecation clause
- Insurance policy certificate
- Signed agreement by Borrower

5. PAYMENT SCHEDULE

First 12 months payment schedule (remaining as per pattern):

Mon th	Due Date	EMI (₹)	Principa l (₹)	Interes t (₹)	Outstanding Balance (₹)
1	16-Feb-2026	23,648	15,581	8,067	11,54,419
2	16-Mar-2026	23,648	15,677	7,971	11,38,742
3	16-Apr-2026	23,648	15,774	7,874	11,22,968
4	16-May-2026	23,648	15,872	7,776	11,07,096
5	16-Jun-2026	23,648	15,970	7,678	10,91,126
6	16-Jul-2026	23,648	16,069	7,579	10,75,057
7	16-Aug-2026	23,648	16,169	7,479	10,58,888
8	16-Sep-2026	23,648	16,269	7,379	10,42,619
9	16-Oct-2026	23,648	16,370	7,278	10,26,249
10	16-Nov-2026	23,648	16,472	7,176	10,09,777
11	16-Dec-2026	23,648	16,574	7,074	9,93,203
12	16-Jan-2027	23,648	16,677	6,971	9,76,526

Complete amortization schedule for 60 months available upon request

6. INTEREST RATE AND CALCULATION

6.1 Interest Calculation Method

Interest shall be calculated on a daily reducing balance basis at the fixed rate of **8.5% per annum** (fixed throughout the loan period unless modified by RBI guidelines).

6.2 Interest Calculation Formula

Interest = (Outstanding Principal Balance × Annual Rate of Interest × Number of Days) / 365

Example for Month 1:

- Outstanding Balance: ₹11,70,000
- Daily Rate: (8.5% / 365) = 0.02329%
- Number of Days: 31 days (January to February)
- Interest: ₹11,70,000 × 0.02329% × 31 = ₹8,067

6.3 Rate Variation Clause

The interest rate is fixed for the entire loan tenure. Any changes mandated by regulatory authorities (RBI, NHB) shall be applicable with 30 days' notice to the Borrower.

7. SECURITY AND HYPOTHECATION

7.1 Collateral

The Borrower hereby pledges the vehicle described in Section 2 as primary security for the loan repayment. The vehicle shall remain the property of the Borrower but shall be held as collateral with the Lender.

7.2 Hypothecation Clause

The Borrower agrees to create a first-position hypothecation in favor of Prime Financing Solutions Private Limited on the vehicle. The hypothecation shall be:

- Registered with the Regional Transport Authority (RTA)
- Endorsed on the Registration Certificate
- Maintained until full repayment of the loan

7.3 Insurance

The Borrower agrees to:

- Maintain a valid Comprehensive Motor Insurance policy covering both third-party and own-damage liabilities
- Keep the vehicle insured with a minimum coverage of ₹11,70,000 (loan amount)
- Add Lender's interest clause with the insurance company
- Provide annual renewal proof before expiry
- Add accidental death cover of ₹5,00,000 (optional but recommended)

Insurance Requirement: New India Assurance Company Limited (Policy Number: NIA/2026/1234567)

8. BORROWER'S OBLIGATIONS

The Borrower agrees to:

8.1 Timely Payment

- Make EMI payments on or before the 16th of each month without any default or delay
- Pay through ECS/Standing Instruction from the registered bank account
- Maintain sufficient balance in the account to enable automatic debit

8.2 Vehicle Maintenance

- Keep the vehicle in good mechanical and physical condition
- Perform regular maintenance as per manufacturer's specifications
- Service the vehicle every 10,000 km or 6 months, whichever comes first
- Retain all service records for inspection

8.3 Vehicle Registration

- Register the vehicle with the RTA within 14 days of purchase
- Ensure hypothecation is duly noted on the Registration Certificate
- Renew vehicle registration annually before expiry
- Maintain valid pollution under control (PUC) certificate

8.4 Vehicle Usage

- Use the vehicle for personal purposes only (not commercial)
- Not undertake long-distance journeys exceeding 5,000 km per month without prior written approval
- Not rent, lease, or pledge the vehicle to any third party
- Not modify the vehicle structure or engine without Lender's written consent

8.5 Notification Obligations

- Notify the Lender within 48 hours of:
 - Any accident or damage to the vehicle
 - Any change in address or contact details
 - Loss of Registration Certificate or insurance documents
 - Legal proceedings or claims against the vehicle

8.6 Financial Disclosure

- Inform the Lender immediately of any material adverse change in financial condition
 - Disclose any additional loans or liabilities undertaken during the loan tenure
 - Provide proof of income and tax returns as requested
-

9. LENDER'S RIGHTS

9.1 Default Management

If the Borrower defaults on EMI payment by:

- **7-14 days:** Written reminder and penal interest of 1% per annum on overdue amount
- **15-29 days:** Legal notice and penal interest of 2% per annum; additional cost recovery fees
- **30+ days:** Right to repossess the vehicle and recover through sale; black listing with credit bureaus; legal action for dues

9.2 Vehicle Repossession

Upon default exceeding 30 days, the Lender has the right to:

- Repossess the vehicle without notice
- De-register the vehicle from Lender's possession records
- Auction the vehicle and recover dues from the sale proceeds
- Claim deficit amount from the Borrower with interest and costs

9.3 Inspection Rights

The Lender reserves the right to:

- Inspect the vehicle at any time without prior notice
- Verify maintenance records and vehicle condition
- Obtain photographs and technical inspection reports
- Conduct audit of vehicle usage and registration status

10. LATE PAYMENT AND PENALTIES

Scenario	Charges
EMI delayed by 7-14 days	1% penal interest per annum on overdue amount
EMI delayed by 15-29 days	2% penal interest per annum + ₹500 reminder cost
EMI delayed by 30+ days	3% penal interest per annum + ₹1,000 legal notice cost
Cheque dishonor/ECS failure	₹250 per incident + penal interest as applicable
Late renewal of insurance	₹1,500 + auto-renewal cost recovery
Non-submission of vehicle documents	₹100 per day (maximum ₹5,000 per calendar year)

Note: Penal interest shall be calculated on the overdue EMI amount until full clearance.

11. PREPAYMENT AND FORECLOSURE

11.1 Prepayment Option

The Borrower may prepay the entire loan or make partial prepayments without any penalty. The Borrower must provide:

- 30 days' written notice for full prepayment
- Proof of funds availability
- Settled all dues including penal interest if any

11.2 Prepayment Amount Calculation

Full Prepayment Amount = Remaining Principal Balance + Accrued Interest + Outstanding Charges

Example: If Borrower opts for full prepayment after 24 months (Month 24):

- Remaining Outstanding Balance: ₹7,89,456
- Accrued Interest (if any): ₹2,150
- Total Prepayment Amount: ₹7,91,606

11.3 Loan Closure

Upon full repayment, the Lender shall:

- Issue a No Objection Certificate (NOC) within 7 business days
- Provide a clearance letter for RTA de-hypothecation
- Release all original documents (Registration Certificate, insurance, etc.)
- Provide a clearance statement for credit bureau reporting

12. DEFAULT AND REMEDIES

12.1 Default Definition

Default shall occur if:

- EMI remains unpaid for more than 15 days from due date
- Insurance lapses or coverage falls below required amount
- Vehicle is damaged beyond repair without proper disclosure
- Hypothecation is removed or violated
- Any material misrepresentation is discovered

12.2 Lender's Remedies (in order of escalation)

1. **Written Reminder** (7 days after default)
2. **Legal Notice** (15 days after default) - ₹1,000 cost
3. **Vehicle Repossession** (30 days after default)
4. **Vehicle Auction** and recovery from sale proceeds
5. **Legal Action** under Consumer Protection Act, 2019 and IPC
6. **Credit Bureau Reporting** - CIBIL negative reporting for 7 years
7. **Recovery through Debt Collector** and legal proceedings

12.3 Borrower's Remedies

The Borrower retains all rights under:

- Reserve Bank of India (RBI) guidelines on lending practices
- Consumer Protection Act, 2019
- Motor Vehicles Act, 1988
- Central Bureau of Investigation (CBI) complaints for fraud

13. FORCE MAJEURE

The Lender shall not be liable for delays or non-performance caused by:

- Natural disasters, floods, earthquakes, or acts of God
- War, terrorism, or civil unrest
- Pandemic or epidemic situations
- Government orders or regulatory changes
- Strikes or labor disputes

In such cases:

- EMI due date may be extended by 60-90 days with written notice
 - No penal interest shall apply during force majeure period
 - Normal interest shall continue to accrue
-

14. INSURANCE AND PROTECTION

14.1 Comprehensive Insurance

The Borrower must maintain comprehensive motor insurance covering:

- **Third-party liability:** Minimum as per Motor Vehicles Act, 1988
- **Own-damage:** Full vehicle value (₹14,70,000 minimum)
- **Personal accident cover:** ₹5,00,000 per person

Current Insurance:

- **Policy Number:** NIA/2026/1234567
- **Insurer:** New India Assurance Company Limited
- **Coverage:** ₹14,70,000 (comprehensive with own-damage)
- **Premium:** ₹18,375 per annum (paid for 1 year)
- **Expiry Date:** January 15, 2027
- **Renewal Responsibility:** Borrower must renew before expiry

14.2 Insurance Claim Process

In case of accident or damage:

1. Immediately notify Lender and Insurance company (within 24 hours)
2. Do not move the vehicle without police/insurer approval
3. Obtain police FIR for third-party damage claims
4. Provide original insurance policy and documents to insurer
5. Lender shall be kept informed of claim status
6. Settlement proceeds shall be applied toward vehicle repairs or loan repayment as decided by Lender

14.3 Loss Payee Clause

The insurance policy shall include a clause making "Prime Financing Solutions Private Limited" as loss payee for amounts exceeding ₹2,00,000.

15. CREDIT BUREAU REPORTING

15.1 Positive Reporting

Monthly EMI payment details shall be reported to credit bureaus:

- TransUnion CIBIL Limited
- Experian Credit Information Company Limited
- Equifax Credit Information Services (India) Private Limited

Timely payments will enhance the Borrower's credit score.

15.2 Negative Reporting

In case of default exceeding 30 days:

- Default status shall be reported to all credit bureaus
- Negative mark shall remain on credit report for 7 years

- This shall impact future loan approvals and credit access
-

16. DATA PRIVACY AND CONFIDENTIALITY

16.1 Personal Data Handling

The Lender shall:

- Maintain confidentiality of all Borrower information
- Comply with Reserve Bank of India (RBI) data security guidelines
- Use data only for loan management and credit reporting purposes
- Not share information with third parties without written consent (except for credit bureaus and regulatory authorities)

16.2 Right to Information

The Borrower may request:

- Loan statement (free quarterly; monthly on paid basis at ₹100)
 - Duplicate copies of agreement (₹200 per copy)
 - Updated amortization schedule (free upon request)
-

17. AMENDMENTS AND MODIFICATIONS

17.1 Regulatory Changes

If RBI, NHB, or government guidelines change EMI calculation methods:

- Lender shall provide 30 days' written notice
- Modified terms shall apply prospectively only
- Borrower has the right to prepay without penalty if objecting to changes

17.2 Agreement Modification

Any changes to this agreement require:

- Written consent from both Lender and Borrower
 - Signatures from authorized representatives
 - Amendments shall be dated and countersigned
-

18. DISPUTE RESOLUTION

18.1 Escalation Procedure

In case of disputes:

Level 1: Contact Lender's Customer Service

- Phone: +91-124-4001234
- Email: disputes@primefinancing.com
- Timeline: Resolution within 7 days

Level 2: Escalate to Lender's Ombudsman

- Address: Prime Financing Solutions, Complaint Department, DLF Cyber City, Gurugram
- Timeline: Resolution within 30 days

Level 3: RBI Banking Ombudsman (if RBI-regulated)

- Applicable if Lender is RBI-regulated entity
- Filing fee: Nominal as per RBI guidelines

Level 4: District Consumer Disputes Redressal Commission

- Applicable under Consumer Protection Act, 2019
- Jurisdiction: Gurugram District, Haryana

18.2 Arbitration

If both parties agree, disputes shall be resolved through:

- **Arbitrator:** Single arbitrator mutually agreed upon
- **Venue:** Gurugram, Haryana
- **Arbitration Cost:** Equally shared
- **Award:** Final and binding

19. GOVERNING LAW AND JURISDICTION

19.1 Applicable Laws

This agreement shall be governed by:

- Indian Contract Act, 1872
- Motor Vehicles Act, 1988
- Reserve Bank of India Regulations (if applicable)
- Consumer Protection Act, 2019
- State-specific lending regulations

19.2 Jurisdiction

Both parties irrevocably submit to the jurisdiction of:

- District Courts of Gurugram, Haryana, India
- All proceedings shall be conducted in English/Hindi language

20. SIGNATURES AND ACKNOWLEDGMENT

Borrower's Signature Section

I/We hereby acknowledge that I/we have carefully read, understood, and voluntarily agree to all the terms and conditions mentioned in this Auto Loan Agreement. I/We confirm that all information provided is true and accurate to the best of my/our knowledge.

Borrower:

Signature: _____
Name: Rajesh Kumar Sharma
PAN: ABJPS1234K
Date: January 16, 2026

Co-Borrower:

Signature: _____
Name: Priya Sharma
PAN: BGJPR5678M
Date: January 16, 2026

Lender's Authorization Section

I/We, on behalf of Prime Financing Solutions Private Limited, hereby authorize the disbursement of the loan and confirm acceptance of the terms.

Authorized Officer:

Signature: _____
Name: Vikram Singh
Designation: Loan Authorization Officer
Employee ID: EMP/2024/0567
Date: January 16, 2026

Approved By (Loan Manager):

Signature: _____
Name: Deepika Verma
Designation: Senior Loan Manager
Employee ID: EMP/2023/0234
Date: January 16, 2026

Official Stamp of Lender:

[OFFICIAL SEAL OF PRIME FINANCING SOLUTIONS PRIVATE LIMITED]

21. ANNEXURES AND SUPPORTING DOCUMENTS

Annexure A: Complete Amortization Schedule (60 Months)

Full payment schedule available as separate Excel attachment

Annexure B: Insurance Certificate

- Policy Number: NIA/2026/1234567
- Insurer: New India Assurance
- Effective Date: January 16, 2026
- Expiry Date: January 15, 2027

Annexure C: Vehicle Registration Document

- RC Number: [To be provided after registration]
- Engine Number: G2CHA123456
- Chassis Number: KMHEC4A47EU123456
- Hypothecation Endorsement: Yes

Annexure D: KYC Documents Submitted

- Aadhaar Card (verified)
- PAN Card (verified)
- Address Proof (utility bill dated December 2025)
- Income Proof (latest salary slips of 3 months)
- Employment Letter

Annexure E: Loan Sanction Letter

- Loan Approved by: Deepika Verma, Senior Loan Manager
- Approval Date: January 10, 2026
- Approval Reference: PFS/2026/LAP/1234
- Validity: 30 days (valid until February 10, 2026)

Total Pages: 16 pages (including all annexures)

Document Generated: January 16, 2026

Loan Commencement Date: January 20, 2026

First EMI Due: February 16, 2026

END OF AGREEMENT

This is a legally binding contract. In case of any discrepancies or clarifications, contact Prime Financing Solutions at +91-124-4001234 or loans@primefinancing.com