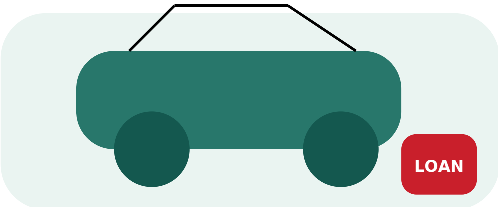
NEPAL

Document Checklist for Auto Loan

A practical, professional reference covering customer documents, vehicle papers, income verification, credit checks, approval, disbursement and post-loan requirements in Nepal.



30-SECTION GUIDE From eligibility and KYC to vehicle documents, EMI, CIB, insurance, disbursement and settlement.	IMPORTANT Requirements differ by bank/finance company, vehicle, loan size and customer profile. Confirm the latest official checklist before applying.

Informational guide only. Loan approval, pricing and document requirements are determined by the respective lender under its current policy and applicable rules.

01–04 — AUTO LOAN GUIDE

Customer-facing checklist • Nepal • Bold, easy-to-scan format

01 Auto loan eligibility

- ✓ Eligibility is assessed based on the bank/finance company, applicant profile, vehicle type, requested loan amount, income and repayment capacity.
- ✓ The lender may also consider age, employment/business stability, existing liabilities, CIB history, down payment, vehicle age and whether the vehicle is new or used.
- ✓ Additional documents may be requested during credit assessment.

02 Complete document checklist

- ✓ Applicant identification and KYC documents
- ✓ Income and employment/business verification
- ✓ Bank statements and tax/PAN/VAT documents
- ✓ Vehicle/dealer documents and valuation where applicable
- ✓ Guarantor/co-applicant documents
- ✓ Insurance, registration and hypothecation documents
- ✓ Loan application, approval and pre-disbursement documents

03 Documents for salaried applicants

- ✓ Citizenship certificate and recent passport-size photographs
- ✓ PAN/National ID, where required
- ✓ Employment/appointment letter or employment verification
- ✓ Recent salary certificate and salary slips
- ✓ Recent bank statements showing salary credits
- ✓ Income-tax documents, if requested
- ✓ Details/statements of existing loans and liabilities

04 Documents for self-employed/business applicants

- ✓ Citizenship, photographs and PAN
- ✓ Business/firm/company registration and latest renewal
- ✓ PAN/VAT registration, where applicable
- ✓ Audited financial statements and latest provisional statements
- ✓ Tax clearance/income-tax returns and VAT returns, where applicable
- ✓ Business and personal bank statements
- ✓ Business profile, project proposal and existing loan statements, if required

05–08 — AUTO LOAN GUIDE

Customer-facing checklist • Nepal • Bold, easy-to-scan format

05 Documents for companies/institutions

- ✓ Company/institution registration certificate
- ✓ MOA/AOA or governing documents, where applicable
- ✓ PAN/VAT certificate and latest renewal
- ✓ Board/authorized decision approving borrowing
- ✓ Authorized signatory and director/shareholder details
- ✓ Audited financial statements, tax documents and bank statements
- ✓ Relevant sector license/permit and institutional KYC documents

06 Documents for used vehicles

- ✓ Vehicle ownership/blue-book documents
- ✓ Seller and buyer identification documents
- ✓ Current registration and tax/renewal status
- ✓ Purchase/sale agreement or invoice
- ✓ Vehicle valuation/inspection, if required
- ✓ Existing finance/hypothecation clearance, if applicable
- ✓ Insurance and transfer-related documents

07 Documents for new vehicles

- ✓ Dealer quotation/proforma invoice
- ✓ Vehicle make, model, variant and price details
- ✓ Down-payment/margin evidence, if required
- ✓ Dealer invoice and payment details
- ✓ Insurance proposal/policy documents
- ✓ Registration and hypothecation documents after approval
- ✓ Any manufacturer/dealer documents requested by the lender

08 Documents required from guarantor/co-applicant

- ✓ Citizenship and passport-size photographs
- ✓ PAN/National ID, where applicable
- ✓ Income/employment or business documents
- ✓ Bank statements and existing liability details
- ✓ Relationship documents, if required
- ✓ Signed guarantee/co-applicant/KYC forms
- ✓ Additional net-worth or collateral documents if requested

09–12 — AUTO LOAN GUIDE

Customer-facing checklist • Nepal • Bold, easy-to-scan format

09 Vehicle/dealer documents

- ✓ Quotation or proforma invoice
- ✓ Vehicle specifications and purchase price
- ✓ Dealer/company registration details, where requested
- ✓ Invoice and payment receipt
- ✓ Insurance-related documents
- ✓ Registration/hypothecation paperwork
- ✓ Used-vehicle ownership and transfer documents, where applicable

10 Income verification requirements

- ✓ Salary certificate/slips for salaried applicants
- ✓ Employment verification where requested
- ✓ Business financial statements for self-employed applicants
- ✓ Tax returns and other income evidence
- ✓ Rental, remittance or other documented income where accepted
- ✓ Income should generally be consistent with the proposed repayment obligation

11 Bank statement requirements

- ✓ Recent personal bank statements for the required period
- ✓ Salary credits should be identifiable for salaried applicants
- ✓ Business applicants may need business and personal statements
- ✓ Statements should clearly show regular income and major liabilities
- ✓ Existing loan repayment statements may be requested

12 Tax/PAN/VAT requirements

- ✓ PAN certificate of applicant/business where applicable
- ✓ VAT registration and returns for VAT-registered businesses
- ✓ Income-tax returns and tax clearance where requested
- ✓ Business registration and tax records should be current
- ✓ Additional tax documents may be requested based on loan size and applicant type

13–16 — AUTO LOAN GUIDE

Customer-facing checklist • Nepal • Bold, easy-to-scan format

13 Collateral requirements

- ✓ Some auto loans may rely primarily on the vehicle as security; other facilities may require additional collateral.
- ✓ If additional property is offered, provide ownership certificate, tax receipts, Char Killa, valuation and owner KYC.
- ✓ Property owner consent/guarantee may be required when the collateral owner differs from the borrower.
- ✓ Existing mortgage or encumbrance details must be disclosed.

14 Down payment/margin

- ✓ Applicant must generally arrange the required margin/down payment before disbursement.
- ✓ Required margin can vary by lender, vehicle type, new/used status, valuation and regulatory requirements.
- ✓ Keep evidence of the applicant’s contribution where requested.

15 Loan-to-value (LTV)

- ✓ LTV is the relationship between the financed amount and the lender-accepted vehicle value/purchase price.
- ✓ The applicable LTV can vary by lender, vehicle type, age and regulatory or internal policy.
- ✓ Check whether the lender uses invoice price, valuation or another eligible value as the basis.

16 Loan tenure

- ✓ Tenure depends on lender policy, vehicle type, applicant profile and loan amount.
- ✓ Used vehicles may have different maximum tenure than new vehicles.
- ✓ Longer tenure can reduce monthly EMI but may increase total interest cost.

17–20 — AUTO LOAN GUIDE

Customer-facing checklist • Nepal • Bold, easy-to-scan format

17 Interest rate and fees

- ✓ Confirm applicable interest rate, base/premium structure and whether it is fixed or variable.
- ✓ Ask for processing fee, valuation/inspection fee, documentation charges and insurance-related costs.
- ✓ Check late-payment, prepayment/early-settlement and other applicable charges.

18 EMI calculation

- ✓ EMI depends on principal, interest rate and tenure.
- ✓ Before signing, obtain the lender’s repayment schedule showing principal and interest components.
- ✓ Compare EMI with verified monthly income and existing debt obligations.

19 Credit/CIB requirements

- ✓ Lenders may review the applicant’s credit information and repayment history.
- ✓ Existing overdue loans, high liabilities or adverse credit information can affect approval.
- ✓ Provide accurate consent/KYC details and disclose existing facilities.

20 Insurance requirements

- ✓ Comprehensive vehicle insurance is commonly required for financed vehicles.
- ✓ The lender may require its interest to be noted in the insurance documentation.
- ✓ Keep policy, renewal and claim-related records available as required.

21–24 — AUTO LOAN GUIDE

Customer-facing checklist • Nepal • Bold, easy-to-scan format

21 Loan processing procedure

- ✓ Submit application and initial KYC/income documents.
- ✓ Lender performs credit, CIB, income and document assessment.
- ✓ Vehicle/dealer verification and valuation/inspection are completed where required.
- ✓ Approval/sanction is issued subject to conditions.
- ✓ Applicant completes documentation and pre-disbursement requirements.

22 Pre-disbursement checklist

- ✓ Approved loan amount and terms confirmed
- ✓ Margin/down payment arranged
- ✓ Loan agreement and security documents signed
- ✓ Insurance completed as required
- ✓ Vehicle/dealer invoice and payment instructions verified
- ✓ All KYC, guarantor and collateral conditions satisfied

23 Disbursement process

- ✓ Disbursement generally follows completion of lender conditions.
- ✓ Funds may be paid directly to the dealer/seller or as specified in the sanction.
- ✓ Confirm the exact disbursement amount, beneficiary and payment documentation.
- ✓ Collect copies/receipts of final documents.

24 Documents after loan approval

- ✓ Signed loan agreement and repayment schedule
- ✓ Insurance policy/cover note
- ✓ Final vehicle invoice and payment proof
- ✓ Registration and hypothecation documents
- ✓ Promissory/security documents where applicable
- ✓ Any remaining KYC, guarantee or collateral documents

25–28 — AUTO LOAN GUIDE

Customer-facing checklist • Nepal • Bold, easy-to-scan format

25 Documents for vehicle registration/hypothecation

- ✓ Dealer invoice and vehicle details
- ✓ Insurance documents
- ✓ Applicant citizenship/KYC
- ✓ Loan/hypothecation letter or lender documentation
- ✓ Vehicle registration documents
- ✓ Any transport/registration-office forms required

26 Early settlement/prepayment

- ✓ Request a settlement statement from the lender.
- ✓ Confirm outstanding principal, accrued interest and applicable prepayment/settlement charges.
- ✓ Complete payment and obtain loan closure/settlement confirmation.
- ✓ Obtain release of hypothecation/security documents when applicable.

27 Common reasons for loan rejection

- ✓ Insufficient verified income or repayment capacity
- ✓ High existing liabilities or adverse CIB information
- ✓ Incomplete/inconsistent documents
- ✓ Unclear vehicle ownership or valuation
- ✓ Insufficient down payment/margin
- ✓ Unacceptable vehicle age/type or lender policy mismatch
- ✓ Unresolved tax, KYC, collateral or legal issues

28 Bank/finance-company-wise differences in Nepal

- ✓ Document lists, interest rates, fees, LTV, tenure and eligibility can differ between banks and finance companies.
- ✓ Some lenders may have separate products for salaried, self-employed, SME, EV, new or used vehicles.
- ✓ Always request the lender’s latest official checklist and product terms before applying.

29–30 — AUTO LOAN GUIDE

Customer-facing checklist • Nepal • Bold, easy-to-scan format

29 A complete one-page checklist for customers

- ✓ ☐ Applicant KYC and photographs
- ✓ ☐ PAN/National ID where required
- ✓ ☐ Income/employment/business documents
- ✓ ☐ Recent bank statements
- ✓ ☐ Tax/PAN/VAT documents where applicable
- ✓ ☐ Dealer quotation/invoice and vehicle documents
- ✓ ☐ Used-vehicle ownership/transfer papers, if applicable
- ✓ ☐ Guarantor/co-applicant documents, if applicable
- ✓ ☐ Insurance and registration/hypothecation documents
- ✓ ☐ Down payment/margin evidence
- ✓ ☐ Existing loan/CIB information
- ✓ ☐ Signed application and final loan documents

30 Bank staff's internal verification checklist

- ✓ Verify KYC identity, signatures and applicant consistency
- ✓ Verify income, employment/business and bank statements
- ✓ Check CIB/credit history and existing liabilities
- ✓ Verify vehicle quotation, valuation, age and ownership
- ✓ Check margin/down payment and LTV compliance
- ✓ Verify insurance and hypothecation requirements
- ✓ Confirm sanction conditions and pre-disbursement documents
- ✓ Ensure complete file before disbursement and post-disbursement follow-up

BANKING SANSAR
Plan Smart • Borrow Smart • Stay Informed

FINAL CHECK
Ask your selected bank/finance company for its latest auto-loan document checklist and current pricing/fees.