

# Al Baraka Carsaaz(Auto Finance) FAQs

## **1. What is Al Baraka CARSAAZ**

Al Baraka has designed a dedicated financing program for its customers to facilitate the purchase of vehicles for their personal use. The financing mode used in the program is Diminishing Musharaka, wherein both the bank and the customer pool in funds for the purchase of required vehicle and later the bank allows the customer to use the vehicle under a rental agreement. The customer is allowed to gradually increase its share in the vehicle in installments till such time the vehicle is totally owned by the customer. The rentals are adjusted accordingly as per the sharing ratio.

## **2. What is the minimum and maximum financing limit available for Al Baraka Carsaaz?**

Minimum Rs.300,000/-  
Maximum Rs.10,000,000/-

## **3. What types of Cars can be financed through Al Baraka Carsaaz?**

- a) Brand New Locally Assembled / Manufactured Vehicles (Motor Car / LTV / SUVs)
- b) Used Cars ( Motor Car / LTV / SUVs)
- c) Imported/Reconditioned Cars (Motor Car / LTV / SUVs)

### **Note:**

Used/Imported Reconditioned cars of last 9 years from the date of manufacturing can be financed, however, cars older than five (5) years and up to nine (9) years can only be financed subject to the condition that age of the car should not exceed the age limit of 12 years at finance maturity.

## **4. Who can apply for Al Baraka Carsaaz facility?**

- a) Salaried Individuals
- b) Self Employed Businessmen
- c) Self Employed Professional

## **5. What is the minimum and maximum Age Criteria for Auto Finance?**

- a. 22-60 years - Salaried
- b. 22-65 Self Employed Businessmen/Professional

## **6. When are the processing charges applied?**

Processing Fee is required to be serviced upon approval of the application for CARSAAZ.

7. What is the current Pricing mechanism for Al Baraka Carsaaz?  
Variable rate with annual re-pricing

12 Month KIBOR	+	Bank Spread	=	Profit Rate
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8. Minimum Income Criteria for eligibility of Al Baraka CARSAAZ is

Minimum Net Monthly Income of Rs.30,000/-

9. What is the relationship of customer and ABPL during the financing?

Customer and ABPL(Bank) become Partners

10. What is the Minimum Customer's contribution is required of Car price?

	Used Vehicle	Imported Vehicle
Min: 20%	Min: 25%; of the market value assessed	Min: 25%; of the market value assessed
Max: 80%	Max: 80%	Max: 80%

11. What is the Minimum and Maximum financing tenure?

Minimum 1 Year  
Maximum 7 Years