

Buying First Car - An Experience

Contributed by sandy

Friday, 01 May 2009

Last Updated Tuesday, 12 October 2010

Cars are something I was always passionate for from my very childhood. So when I finally got enough encouragement from my mother I started figuring out which car will fit my budget with maximum power under its hood. I was looking for a small but a powerful car to have the provision of speed on the highway when required with good mileage.

My initial concerns were moderate price, low maintainance, contemporary style and modern fuel efficient engine. So I shortlisted Maruti A-Star, Hyundai i10 and Chevy Spark. But I also considered Maruti Alto and Hyundai Santro because of their proven track record which has ensured that they not going out of production as par the manufacturers.

The comparision chart I have dislayed below has been done keeping in mind that I need a car with AC and power steering, as I came to conclusion that these two things are required bare minimum in Indian conditions. I kept music system out of the consideration as that can be fitted as per choice from other car music system manufactures then what the car manufacturer offering. Power window is another thing I thought not important incase you want to keep the price down. So below is the comparision chart. I have also focused on manufactures who have huge service network and provides cheaper accessories and car parts.

Chevrolet Spark 1.0 PS
Hyundai i10 1.1 iRDE D-lite
Maruti A-Star LXI

Hyundai Santro Xing GL
Maruti Alto LXi

Body Type
Hatchback
Hatchback
Hatchback
Hatchback
Hatchback

Price (Ex-showroom, Mumbai)
Rs. 3,46,119/-
Rs. 3,45,746/-
Rs. 3,58,995/-
Rs. 3,42,570/-
Rs. 2,86,346/-

Fuel Type
Petrol
Petrol
Petrol
Petrol

Petrol

Fuel Overall Economy

13.45 km/litre

13 km/litre

- N.A. -

13.12 km/litre

19.6 km/litre

Engine Displacement

995 cc

1086 cc

998 cc

1086 cc

796 cc

Engine Type

Inline SOHC

Inline SOHC

KB-Series

Inline SOHC

FC Inline

Seating Capacity

5 persons

5 persons

5 persons

5 persons

5 persons

Kerb Weight

840 kgs

800-952 kgs

860-880 kgs

854 kgs

735 kgs

Ground Clearance

170 mm

165 mm

170 mm

164 mm

160 mm

Minimum Turning Radius

4.6 Metres

4.75 Metres

4.5 Metres

4.4 Metres

4.6 Metres

Air Conditioning

Power Steering

Power Windows

Music System

Source :- Comming shortly ...

Additionally, another factor was the car loan which also had some role to play. I planned to take loan from a nationalised bank because I learnt that private banks are very aggressive when loan recovery matters. But now its applicable for all banks. Only thing I found significant was the rate of interest. I found SBI was offering minimum rate of interest which is approximately 11.75 %. Ideally, I wanted loan to be taken from a nationalised bank where the loan approval process goes through the standard process by which they judge the customer fits for the loan or not. Though banks like Axis and Hdfc also providing good rates and process is sometime smoother and faster then other nationalised banks. This time I found SBI also taken a very smooth and flexible loan approval process.

A car loan rate table will give a rough idea. But check with the bank for the current rates.

http://www.rupeetimes.com/compare/car_loans/car_loan_rates_results.php?type=0&sort=rate&category=Salaried&from=ex

{mosgoogle right}

As soon I got my loan approved I been asked to visit the loan processing officer of the bank. Though I missed few initial appointments due to office work. By then it was late when I received the delivery order from the bank, due to that I faced problem getting my metallic maruti a-star lxi. The variant of that car was out of stock and maruti stopped supplying car because they were in huge demand from abroad and they had started exporting them in huge numbers. I was been asked to wait for indefinite period because the dealer has no idea when they going to get next lot of cars. This was a precarious situation where I have made the full payment and the variant is out of stock and the dealer was insisting me to take a solid red maruti a-star which I had refused.

In next 10 days time maruti declared price hike of A-star which was then more problem for me. Because they say the customer subject to pay the invoice price of the car at the time of delivery which is 10,000 rupees more than the proforma invoice which I received after the down payment and delivery order of the bank. This made me upset a lot. I kept on emailing the maruti company but they said the customer has to pay on the invoice price. I did call the bank as well. They were unable to do any help in this matter. Only suggestion, the customer can go for an agreement with the dealer by paying a healthy amount as advance with the dealer regarding the delivery dates so that these problems can be minimised.

Finally, after 2 months time after booking I got my car paying additional 10,000 rupees. Then comes the car receiving process which is another important thing one has to remember. Before taking the car one should ideally make a pre-delivery inspection of the car from the dealer's stockyard. It also depends on the dealer whether they will allow or not. Then comes the all important long waiting delivery date of your dream car. I did try inspecting the car from all possible aspects by the checklist I received for another forum.

Before Registration:

We recommend visiting the dealership's stockyard and checking your car prior to registration. Once it is registered in your name, there is little you can do. Check the car manufacturing month/year, especially when buying in the first quarter of any year. Fiat India was notorious for selling cars that have been manufactured up to 18 months earlier. Ascertain that the year of manufacturer is current. If the odometer is disconnected, in all probability, the allocated car has been used as a test-drive vehicle. Also check for any repair jobs / body damage; damage to some cars is inevitable in transit and most repair work is glaringly obvious.

IMPORTANT : Check the tax calculations on the dealership invoice. Overcharging for RTO / octroi / lifetime taxes is a popular scam at many Indian dealerships. Pay only the actual charges due to the authorities and not a rupee more.

Preparations:

1. Confirm: the date of delivery with your dealership. It is best to go there only after the car has been prepared and is ready. If you have a preference for a particular day / time (for auspicious reasons), inform the sales person.

2. Daylight: We recommend accepting delivery in broad daylight, since the dark can conceal a lot. You may also not get good service in the evening since dealership personnel are in a hurry to wrap the day up.

3. Documentation: Ascertain that you carry any required documentation with you. This may include forms, receipts etc.

4. Payments: If any payment formalities are to be completed, carry along the relevant PDC's / Cash / Credit Cards.

5. Third Person: It's always a good idea to take a relative / friend along for suggestions, observations and comments.

6. Memories: Take a camera along.

7. Music: Carry a CD / cassette if your car is equipped with a stereo.

8. Gift: Take a token gift along for the sales guy.

At the Showroom:

1. Be Courteous: Don't bully around. It's a nice happy moment and the sales staff is as excited as you are. Treat them with respect, and you will get better service.

2. Get a Demo - Part of the salesperson's job is to acquaint you with your new car's features and how each one operates. Ask him to demonstrate the car fully, and top to bottom, in order to understand how everything works on the vehicle.

3. Visit the Service Department: We recommend meeting the service manager and getting familiar with the service center facilities.

Final Inspection:

1. Check the car again: A lot could have happened between the pre-registration inspection and today. It's best to walk around the car and ascertain that the car is super clean! Look for any signs of repair work / damage such as paint difference, dents etc. Even the interiors should be squeaky clean.

2. Check that all lights and electric accessories are working fine.

3. Confirm that all the accessories you ordered are fitted on the car.

4. Check that the spare wheel is fresh. And that all related tools (spanner, jack etc.) are present. Are there wheel locks? If so, ensure that the lug key is there in the car.

5. Misc : Wipers, floor matting, first-aid kit & hazard sign.

6. What is the mileage on your car? It should not be more than a 100 km (or in the whereabouts) for most brands.

7. Ensure that there is enough fuel in the car. At least to get you to the nearest petrol pump.

8. Somehow, most new cars are delivered with over-inflated tyres by the showroom. Check the tyre pressure and make the necessary adjustments.

Documentation:

Read the paperwork! Don't take anybody's word for anything. Make sure all the blanks in the contract are filled in.

1. Invoice. (Check that the Chassis and Engine number of the car matches with the Invoice and / or Challan).

2. Sales certificate.

3. All payment receipts.

4. Registration book or temporary certificate (Some States). Is your name spelt correctly? Are the car chassis / engine number matching with the actual? Is the number plate made in accordance with the number on the registration book?

5. Insurance: Ensure that coverage is valid and active.

6. Original PUC certificate. This is valid for one year.

7. Owners Manual.

8. Duplicate Keys.

9. Original warranty with all relevant dealership stamps.

10. Extended Warranty (If opted for).

11. Warranty of third party items such as battery, tyres etc.

12. Roadside assistance Contact details.

13. Business cards of dealership and service personnel.

Source :- <http://www.team-bhp.com/forum/buying-car/20741-article-pre-delivery-inspection-check-list.html>

New car delivery checklist

What to look for

Yes

No

Not applicable

Inspect the vehicle

- Examine the exterior for scratches, scrapes, dings, and dents. Note any disfigurements carefully, and have the dealer repair them before you take possession; or get a written commitment, signed by an authorized manager, describing the work to be done and a date when it will be completed.

- Confirm that the vehicle is clean inside and out.

- Check to see that a proper state inspection sticker is affixed to the windshield.

- Make sure that headlights, tail lights, parking lights, and turn signals function properly.

- Alarm system works properly and can be armed and disarmed easily.

- The gas tank should be full.

- See that all standard accessories are included.

-

- Spare tire

-

- Jack and tire iron

-

- All hubcaps

-

- All body trim

-

- Gas tank cap

-

- Other: _____

- Ensure that all accessories purchased from the dealer have been added.

-

- Floor mats

-

- Trunk cargo net

-

- Mud flaps

-

- Pin-stripping

-

- Spoiler

-

- Custom radio or speakers

-

- Alarm or other security device

-

- Other: _____

- The odometer should register no more than a few nominal miles of use. If there are more than 100 miles showing, it is likely that the car was used as a demonstrator or by dealership personnel or family members for occasional errands. If that is the case, the price should be reduced to reflect the car's used status.

- Owner's manual is in glove compartment.

Take a test drive

- Power accessories should function flawlessly

-

- Windows

-

- Locks

-

- Seat positioning

-

- Radio/CD/tape/DVD player

-

- Antenna

-

- Side-view mirrors

-

- Heat/air-conditioner fan motor and settings

-

- Sunroof/moonroof

-

- Other: _____

- Steering should be fluid, quiet, and responsive.

- Transmission should shift smoothly at appropriate RPMs.

- Ride should be quiet, smooth, and free of rattles, whines, or excessive engine noise.

- Braking should be responsive and firm at all speeds. Try slamming on the brakes to test the anti-locking feature.

Check the paperwork

- Read every clause of the contract and question anything you don't understand.

- The Vehicle Identification Number (VIN) on the car should match VIN appearing on the:

-

- bill of sale,

-

- registration certificate/owner's card

-

- financing or lease agreement.

- Confirm that the engine size and transmission type are as ordered and that this information is correctly entered on the contract.

- Loan document should correctly state the:

-
- Purchase price you and the dealer negotiated (including any dealer-installed options)
-
- State sales tax computed at appropriate prevailing rate
-
- Trade-in allowance for your old car
-
- Total net payment due

-

- Down payment you have made

-

- Annual percentage rate of the loan

-

- Term of the loan (in months of payments due)

-

- Monthly payment

There should be no blank spaces

- Lease document should correctly state the:

-

- Capitalized cost (purchase price)

-

- Trade-in allowance for your old car

-

- Residual value at end of lease term

-

- Capitalized cost reduction

-

- Acquisition cost

-

- Initial payment

-

- Money factor

-

- Term of the lease (in months)

-

- Monthly payment

There should be no blank spaces

- Payment book with monthly coupons for loan reimbursement should accurately reflect the number of payments due.

- State registration should have your full name, correct address, and proper identification of the vehicle.

- Warranty certificate is included, all terms are clear, and is properly dated for the day you take delivery.

Source : http://www.consumerreports.org/content/news/wheeling/worksheets/pickup_car.pdf