

Place.....

Date.....

**The Manager  
Nainital Bank Ltd.**

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Dear Sir,

I/We hereby apply for the facility of loan/overdraft account with you for a limit of Rs..... at interest at the rate of.....%per annum with.....rest, for the purpose of.....

As security for the fluctuating balance from time to time of the loan/overdraft which you may grant to me/us, I/We will deposit with you the Term Deposit Receipt No.....dated..... favouring me/us for Rs. ....due from the Bank, so that you hold the said term deposit receipt as security for such fluctuating balance. The said term Deposit Receipt is to be treated as a continuing security even if the overdraft account is reduced, extinguished or runs into credit any time or from time to time.

If the loan/overdraft together with interest and banking charges payable by me/us is not paid before the due date of the term deposit receipt, the proceeds of the term deposit may be credited to the loan/overdraft account and the balance, if any, may be paid to me/us.

If the Bank recalls the loan/overdraft granted to me/us, the Bank in that event shall be entitled to adjust the loan/overdraft account by prepayment of deposit and in that case may allow such rate of interest as per the rules of the Bank in case of prepayment.

If the said term deposit is renewed by me/us for a further period, than until the loan/overdraft together with interest and banking charges is paid in full the renewed fixed deposit receipt will remain as security with you so that you may hold the same with proceeds thereof as security as aforesaid untill the loan/overdraft together with interest and banking charges is paid by me/us in full.

Yours faithfully,

**Address of Applicant**

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**Applicant**