(1997) 04 NCDRC CK 0042

In the National Consumer Disputes Redressal Commission

RATHINAVATHI — APPELLANT

Vs

MANAGER, ANDHRA BANK, CHENNAI — RESPONDENT

Date of Decision : 16-04-1997

Acts Referred:

Citation : 1997 3 CPJ 23

Hon'ble Judges : E.J.Bellie , V.S.Kandasamy , Angel Arulraj J.

Final Decision : Appeal dismissed

Judgement

1. THE unsuccessful complainant is the appellant. She received a loan of Rs. 5,00,000/ from the Andhra Bank, Mowbrays Road Branch, of which the Opposite Party is the Manager, in the 1st week of July, 1990 on the security of production of title deeds. THE complainant cleared the entire loan on 26.7.93. Her case is that he asked the Opposite Party to return the title deeds but they would not with some untenable excuses. On these grounds the complaint has been filed for directing the Opposite Party to return the title deeds and also to pay a sum of Rs. 25,000/ as damages.

2. THE Opposite Party contended that M/s. Coastal Leather Crafts Pvt. Ltd., T. Nagar Branch obtained a loan from the Opposite Party, and the complainant, as a Director therein, executed a general form of guarantee Ex. B 1 dated 7.11.89. THE amount borrowed by the Company has not been discharged yet. By virtue of lien under Ex. Blover the security of the title deeds given by the complainant in respect of his individual loan, when the complainant asked for return of the title deeds, they were not returned. Thus there was no deficiency in service on the part of the Opposite Party. The District Forum accepted the case of the Opposite Party and dismissed the complaint.

A reading of Ex. B 1, the relevant portion of which has been extracted by the District Forum in its order, would clearly show that the Opposite Party Bank will have the lien over the securities of the complainant with them in respect of loan obtained by the said Company M/s. Coastal Leather Crafts Pvt. Ltd., The learned Counsel appearing for the appellant/Opposite Party would contend that since the individual loan has been discharged fully, the title deeds given by the complainant are no longer security for the loan and that being the case there is no question of the Opposite Party Bank having a lien over the documents as security. We find no merit in this contention at all. The title deeds were given to the Opposite Party as security for the individual loan. Now that the individual has been discharged under Ex. B1 the Opposite Party has a right to have the said title deeds as security for the Company''s loan.

3. IN these circumstances, the appeal is dismissed. There will be no order as to costs. Appeal dismissed.