
(1997) 05 NCDRC CK 0096

In the National Consumer Disputes Redressal Commission

CHAIRMAN-CUM-MANAGING DIRECTOR, GOLDEN FOREST
INDIA LTD.

APPELLANT

Vs

Champa Devi

RESPONDENT

Date of Decision : 27-05-1997

Acts Referred:

Citation : 1997 2 CPJ 369 : 1998 1 CPC 185 : 1998 1 CPR 283

Hon'ble Judges : P.N.Nag , Krishana Tandon J.

Final Decision : Appeal dismissed

Judgement

1. THE challenge in this appeal is to the order of the learned District Forum, Mandi dated 6.12.1996. THE brief facts set out in the complaint are that the appellant-Chairman-cum-Managing Director of Golden Forests India Ltd. is the opposite party No. 1 in the complaint and is a financing Company and renders the services of financing. THERE is no dispute and stands established from the record that the respondent No. 4 - Shri Tej Singh - is the opposite party No. 3 who has deposited money with the respondent No. 3 General Manager, Golden Forests India Ltd. arrayed as opposite party No. 2 in the complaint. THE opposite party No. 2 has later on confirmed the receipt of money vide confirmation letter dated 22.12.1994 (Annexure C-1) This clearly shows that the complainants who have been arrayed as respondents No. 1 & 2 in the appeal have deposited the amount of Rs. 24,000/-with the appellant/opposite party No. 1 through its authorised agent-opposite party No. 3.

2. THE District Forum has directed the appellant/opposite party No. 1 to issue receipt of Rs. 20,000/-in favour of the complainant No. 1 and for Rs. 4,000/-in favour of the complainant No. 2 showing the dates of deposit to be the same on which the opposite party No. 3 received the aforesaid amounts of money from the two complainants and also burdened the appellant/ opposite party No. 1 with costs of Rs. 250/-payable each to the complainant Nos. 1 and 2. Mr. Durga Singh Thakur, learned Counsel for the appellant/opposite party No. 1 has very strenuously contended that Mr. Tej Singh, opposite party No. 3 might have

received the money and deposited the same with the opposite party No. 2-the General Manager, but both have conspired with each other with a view to deprive the depositors and that money has not been deposited by them with the appellant/opposite party No. 1-Managing Director, Golden Forests India Ltd. Such contention is devoid of force as there is nothing on the record to show that the opposite party Nos. 2 & 3 have conspired with each other and have not deposited the amount with the appellant/opposite party No. 1.

Mr. Durga Singh Thakur, learned Counsel for the appellant/opposite party No. 1 has very fairly stated that no doubt the opposite party No. 3-Tej Singh (respondent No. 4) and opposite party No. 2 (respondent No. 3) are the Agent and General Manager of the appellant Company but the stand of the learned Counsel is that the money which they have collected has not been deposited with the appellant/opposite party No. 1 and as such the appellant/opposite party No. 1 is not liable to pay this amount and to this extent the order of the District Forum is erroneous. Once it is accepted that the opposite party No. 3 is the Agent and opposite party No. 2 is the General Manager and act on behalf of the appellant/opposite party No. 1 and have received the money from the complainants in the course of employment of appellant/opposite party No. 1, their action binds them the appellant/opposite party No. 1. In this context a case State Bank of India v. Smt. Shayama Devi, AIR 1978 SC 1263 refers to. It has been held that a master is liable for his servant's fraud perpetrated in the course of master's business/whether the fraud was for the master's benefit or not, if it was committed by the servant in the course of his employment. There is no difference in the liability of a master for wrong whether for fraud or any other wrong committed by a servant in the course of his employment, and it is a question of fact in each case whether it was committed in the course of the employment.

3. IN the light of this decision/we have no hesitation to hold that the acts done by the Agent and the General Manager of receiving the money from the complainant during the course of employment of the appellant/opposite party No. 1, bind the appellant/opposite party No. 1. The learned Counsel for the appellant/opposite party No. 1 has relied upon a case Life Insurance Corporation of India and Another v. Consumer Education & Research Society and Others, III (1994) CPJ 32 (NC). It has been held by the National Commission that the respondent cannot be held liable for the illegal act of the agent for which he alone can be held liable. Agent's liability cannot be shifted to their master. In the present facts and circumstances of the case, it cannot be said that the money deposited by the opposite party No. 3 has not been received by the appellant. This authority is distinguishable as it was given in different set of facts of the case. In view of the foregoing, there is no force in this appeal and the appeal is accordingly dismissed with no orders as to costs. Appeal dismissed. _____