(1994) 04 NCDRC CK 0011

In the National Consumer Disputes Redressal Commission

H.P. MANTRI APPELLANT

Vs

CITY BANK RESPONDENT

Date of Decision : 27-04-1994

Acts Referred:

Citation : 1994 3 CPJ 93 : 1994 3 CPR 666 : 1995 1 CPC 145

Hon'ble Judges : Jyotirmoyee Nag , Sunil Kanti Kar , S.Dutta J.

Advocate : Amitabha Dutta

Judgement

1. THE complainant No. 1 is one of the Trustees of Mantri Charity Trust which has got a Current Account bearing No, 121233002 with the O.P.

2. THAT originally the said Bank account was used to be operated by joint signature of the trustees and subsequently the system of operation of the account was changed to be operated by single trustee as alleged by the complainant. Accordingly, one cheque bearing No. 755489 dated 14.12.1991 issued by solitary signature of a trustee was dishonoured by the respondent/ Bank and secondly the requisition made by the complainant by signature of a single trustee for return of 1600 shares was also refused by the respondent/Bank on the ground that there were no joint signatures of two trustees in both the cases of issuance of the cheque dated 14.12.1991 as well as requisition made for return of the shares.

Accordingly, the complainant sought for compensation of Rs. 9,50,000/- on account of loss of profits or gain for non-return of the shares and for loss of goodwill and reputation for return of cheque and for mental agony, harassment, torture and suffered by the complainant No. 1.

3. THE respondent/Bank by its written objection inter alia contended that the respondent/Bank had no latches and/or negligence and /or deficiency in service by refusing to honour the cheque and/or return of 1600 shares to thecomplainant No. 1 without joint signatures of two trustees. The respondent/ Bank contended that the said Mantri Charity Trust submitted an irrevocable

power of attorney duly authenticated and certified by Notary Public and the said power of attorney reveals that trust account to be operated jointly.

4. ACCORDINGLY the respondent/Bank pointed out and raised a dispute about the endorsement of the cheque as well as the requisition made for return of the shares by single signature of a trustee and could not honour the cheque issued by single signature of a trustee and also could not return 1600 shares for the same reason. It is contended by the complainants/ petitioners that by a resolution dated 5.6.1985 it was resolved that the account in the name of the trust to be opened with the City Bank, 9 Brabourne Road, Calcutta-1 and Sri Hari Prosad Mantri, Trustee, Smt. Sabitri Devi Mantri, Trustee, and Smt. Srilekha Mahto Trustees are authorised singly and severally to operate the account and sign the necessary forms and documents thereof. Therefore, it is contended on behalf of the Complainants/Petitioners that issuance of cheque and requisition made for return of the shares by single signature of a trustee was quite proper and legal.

5. IN support of its contention, the Complainants/Petitioners submitted a statement showing with the cheques issued in between 20.9.1991 to 14.12.1991 singly by H.P. Mantri were duly encashed by the respondent/Bank and thereafter he operation of the Bank account was stopped. The last cheque No. 755499 for Rs. 792.50 was dishonoured by the respondent/Bank on the ground of issuing the said cheque by single signature of a trustee and also refused to honour the requisition made for return of the 1600 shares which were pledged with the respondent/Bank as colateral security for overdraft facilities granted by the respondent/Bank in this regard.

6. IT is also the case of the Complainants/ Petitioners that to process for return of the 1600 shares as per requisition made by the single signature of a trustee, it took Rs. 100/- as service charges by debiting the account of the trust. In the premises aforesaid the Complainants/Petitioners alleged that dishonour of the cheque and refusal to return the shares amounts to deficiency in service on the part of the respondent/Bank but we do not agree to the said allegation of the Complainants/Petitioners for the reasons stated hereinafter.

It appears from the record that although by resolution dated 5.6.1985 it was resolved that any of the trustees mentioned in the resolution can operate the Bank account lying with the respondent/Bank but subsequent to the said resolution by an irrevocable power of attorney executed on 15.10.1986 duly authenticated by the Notary Public, it was directed by the trust that all future activities of the Bank to be operated by joint signatures of two trustees.

7. SO, if by mistake some cheques drawn by single signature of a trustee duly honoured by the Bank it does not immune the trust to operate the Bank account by single signature of a trustee when by irrevocable power of attorney, it was the direction to transact all future activities of the Bank by joint signatures of joint trustee. The trust cannot escape such direction when it was pointed out by the

respondent/Bank. Similarly, by debiting of Rs. 100/- as process fees for return of 1600 shares as per requisition made by the single signature of a trustee due to inadvertance does not empower the respondent/Bank to waive the mandatory direction for joint signatures for any operation with the Bank given by the account holder.

8. THE amount of Rs. 100/- debited from the account of the trust could be further credited when it was found impossible to honour the requisition made by single signature of a trustee. It further appears that there is a Civil Suit pending before the Hon''ble High Court and it is not known to us the full texure of the said title suit pending before the Hon''ble High Court and it is not also understood to us why the Complainant/Petitioner did not raise this point before the Hon''ble High Court, to cancel the power of attorney for joint signatures of joint trustees for transaction the banking activities with the respondent-Bank. It was easy for the Complainants/Petitioners to solve the problem with the respondent/Bank instantly by issuing the cheque for Rs. 792.50 and putting a fresh requisition for return of the shares by double signatures of joint trustees as required by the respondent-Bank; but without going through the said easy process the Complainant/Petitioners have restored to such evil design by making a complaint before this Commission demanding an absurd amount of Rs. 9,50,000/- as compensation as if Consumer Redressal Forum is there to provide the Complainants/Petitioners such illegal and wrongful gain.

9. IN view of the aforesaid discussion the complaint/petition rejected on contest without any cost. Complaint dismissed.

