

Woman keeps house that bank tried to seize

Court of Appeal rules signature on relevant deed not hers; ticks off bank for its conduct

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A woman will get to keep her matrimonial home after the Court of Appeal ruled the signature on the relevant deed was not hers, following evidence from a handwriting expert. It also criticised a bank for not doing more to inform her of the liabilities that her husband's failed business had put her under.

The terraced house in Eng Kong Road, jointly owned by Mrs Sudha Natrajan and her husband Rajan Natrajan, was set to be seized as it had been pledged as collateral for sums owed by Mr Rajan's company Technomic Processors to the Bank of East Asia.

A formal deed had been drawn up to that effect based on an agreement between Mr Rajan and the bank that he, his wife and Technomic jointly pay all sums that Technomic owed. In return, the bank agreed not to sue over Technomic's default of banking facilities granted earlier.

But there was no evidence to suggest Mrs Natrajan was party to any of the talks between her husband and the bank that led to the agreement. The bank also did not appear to have communicated with Mrs Natrajan before it received copies of the deed on Jan 10, 2014. Technomic was placed in compulsory liq-

uidation the same day and Mr Rajan made bankrupt in June that year.

The bank sued Mrs Natrajan for US\$1,789,398.56 in the High Court and won its case last December.

Mrs Natrajan – through lawyers Tang Hang Wu, Ng Lip Chih and Tan Jieying – appealed, insisting that her signature was forged.

Crucial to the case was the testimony of two witnesses.

Mr Yap Bei Sing, a consultant forensic scientist with the Health Sciences Authority testified it was “unlikely” that Mrs Natrajan had signed the documents when he compared them with 10 other exhibits of her signature. But the signing was supposed to have been witnessed by lawyer Johnny Cheo when Mr Natrajan came in the morning and Mrs Natrajan, according to him, turned up separately in the afternoon to sign the deeds.

It then emerged there was a call report drawn up by Mr Christopher Sim, Mr Rajan's relationship manager, which covered the events that transpired on Jan 3 and 10, 2014.

The appeals court found this report was a critical piece of evidence which may have shed light on the time and circumstances in which the deed was given to the bank.

“Mrs Natrajan's defence had always been that her signature on the deed had been forged and the original copies and the circumstances

surrounding its rejection by the bank are therefore vital issues on which all relevant evidence ought to have been disclosed,” said the court.

“Despite all this, no reason was proffered as to why the call report was not produced,” it added, making clear the bank's failure to produce the call report “invites a reassessment of Mr Cheo's evidence”.

It held the weight attributed to his evidence to be much diminished, and gave more weight to the handwriting expert's evidence which was not undermined in the course of cross-examination.

“The hypothesis that the deed was not signed by (Mrs Natrajan) was far more probable than the opposite hypothesis...” wrote Chief Justice Sundaresh Menon in judgment grounds issued on Tuesday.

The court, which included Judges of Appeal Judith Prakash and Tay Yong Kwang, found the evidence did not support the finding that Mrs Natrajan had signed the deed. It also criticised the bank's “reprehensible” conduct in failing to ensure she was properly briefed on the contents which she purportedly signed.

The court noted that industry norms as indicated in the Association of Banks in Singapore's Code of Consumer Banking Practice had not been adhered to by the bank. For instance, no written advice was given to her on her liabilities under the deed and she was not told to get independent legal advice.

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