

N8.9B Deposit: More Troubles for Bank PHB

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A Federal High Court sitting in Abuja has issued a Notice of Consequence of Disobedience of Court Order (Form 48) against Platinum Habib Bank (Bank PHB) over the bank's refusal to transfer the sum of N8.9 billion belonging to a contractor which the bank allegedly tampered with.

Form 48 has been issued for service on Kelechi Nzewuhie, the Internal Managing Director of the bank's Regional Office situated at M.K.O. Abiola Building, Central Business District, Abuja.

The Form 48 read in part… ``Take Notice that unless you obey the directions contained in this order you will be guilty of contempt of court and will be liable to be committed to prison"

The Court presided over by Justice Mohammed Garba had on July 28 directed Bank PHB to remit over N8.9 billion to an interest yielding account domiciled with Afribank within one week following a complaint by the contractor, Mathan Nigeria Ltd, that the bank tampered with the fund.

The order was granted sequel to an application brought before the court wherein he sought for the transfer of the money out of Bank PHB on the allegation the bank tampered with the money in the name of deductions and charges.

Bank PHB had issued a Contract Performance Bond in favour of Mathan with Account number 1040286318 which expired on January 18, 2008.

The Bond was for a contract won by Mathan, for the construction of a comprehensive health centre in each of the 774 Local Government Council at the twilight of former President Olusegun Obasanjo's administration.

One of the conditions for the bond reads: ``Upon expiration, it shall become null and void whether or not returned to the surety for cancellation and any claim for settlement received after its expiration shall be ineffective."

The Contractor, Athan Nneji-Achonu, however, told the court that after the expiration of the bond, Bank PHB continued to overcharge the account and wrongfully debited it.

``The conduct of the respondent was a breach of faith, breach of banking code of conduct," the contractor told the court.

He further stated that he reported the case to the Central Bank of Nigeria (CBN), which consequently, investigated the allegation and found Bank PHB culpable.

``The CBN found that Bank PHB wrongfully debited the plaintiff with a sum of N185.9 million and duly directed that the respondent bank refund the money to the plaintiff,"

Counsel to Bank PHB, Faruk Asekhome had tried to persuade the Court from granting the order on the claims that Bank PHB cannot mop up such amount from the bank's operations within one week and that the money is part of the working capital of the bank.