

**IN THE GENERAL DIVISION OF
THE HIGH COURT OF THE REPUBLIC OF SINGAPORE**

[2024] SGHC 205

Companies Winding Up No 114 of 2024 (Summonses Nos 1351 and 1460 of 2024)

Between

Zanelle Lim Jinn Tonn

... Claimant

And

Royal Amulet Pte Ltd

... Defendant

JUDGMENT

[Civil Procedure — Striking out — Affidavit and other documents]

TABLE OF CONTENTS

THE FACTS	2
THE ISSUES.....	3
SUM 1460: WHETHER THE APPOINTMENT OF MGC AS THE COMPANY’S SOLICITORS WAS VALID	3
THE APPOINTMENT FAILED TO COMPLY WITH THE COMPANY’S MEMORANDUM AND ARTICLES OF ASSOCIATION	4
THERE WAS NO EXPRESS OR IMPLIED ACTUAL AUTHORITY	8
THERE WAS NO WAIVER OR ESTOPPEL	14
POWER TO STRIKE OUT	15
CONCLUSION ON SUM 1460	16
SUM 1351: STRIKING OUT OF THE CLAIMANT’S 1ST AFFIDAVIT.....	16

This judgment is subject to final editorial corrections approved by the court and/or redaction pursuant to the publisher's duty in compliance with the law, for publication in LawNet and/or the Singapore Law Reports.

Lim Jinn Tonn Zanelle

v

Royal Amulet Pte Ltd

[2024] SGHC 205

General Division of the High Court — Companies Winding Up No 114 of 2024 (Summonses Nos 1351 and 1460 of 2024)

Aedit Abdullah J

19 July 2024

13 August 2024

Judgment reserved.

Aedit Abdullah J:

1 This decision arises out of the claimant director's attempt to wind up the defendant company on just and equitable grounds due to the breakdown of a relationship of trust and confidence between the two directors of the company. The claimant disputes the validity of the appointment of the company's solicitors in HC/SUM 1460/2024 ("SUM 1460"), whilst the company has applied to strike out parts of the claimant's affidavit, filed in support of the winding up, for being scandalous, irrelevant or oppressive, in HC/SUM 1351/2024 ("SUM 1351").

2 This is a brief judgment conveying my decision on the applications in SUM 1460 and SUM 1351, with full grounds being issued if necessary.

The facts

3 The claimant and Ms Chua Sim Bian (“Ms Chua”) are the two directors and shareholders of the defendant company, Royal Amulet Pte Ltd (“the Company”).¹ On 30 April 2024, the claimant applied for the winding up of the Company under s 125(1)(i) of the Insolvency, Restructuring and Dissolution Act 2018 (2020 Rev Ed) (the “IRDA”) on the basis that it is “just and equitable that the company be wound up”.² According to the claimant, as the relationship of trust and confidence between herself and Ms Chua had broken down, it was “unjust, inequitable and impractical” for their partnership in the Company to persist.³

4 On 13 May 2024, Mahmood Gaznavi Chambers LLC (“MGC”) filed a Notice of Appointment of Solicitor in the main winding up action HC/CWU 114/2024 (“CWU 114”), stating that MGC had been appointed to act as the Company’s solicitors (the “Notice of Appointment”).

5 On 16 May 2024, the Company applied in SUM 1351 for various portions of the claimant’s affidavit to be struck out pursuant to r 21 of the Insolvency, Restructuring and Dissolution (Corporate Insolvency and Restructuring) Rules 2020 (“CIR Rules”) for being scandalous, irrelevant or oppressive material.⁴ MGC filed the summons on the Company’s behalf. At the

¹ Claimant’s Written Submissions for HC/SUM 1351/2024 and HC/SUM 1460/2024 dated 12 July 2024 (“CWS”) at para 2; Defendant’s Written Submissions for HC/SUM 1351/2024 and HC/SUM 1460/2024 dated 12 July 2024 (“DWS”) at para 6.

² CWS at para 3; 1st Affidavit of Zanelle Lim Jinn Tonn dated 30 April 2024 (“Lim’s 1st Affidavit”) at para 4.1; 1st Affidavit of Chua Sim Bian dated 16 May 2024 (“Chua’s 1st Affidavit”) at para 5.

³ CWS at paras 3.3 and 3.5.

⁴ HC/SUM 1351/2024 Summons for striking out affidavit or other documents; DWS at para 84.

first hearing of CWU 114 before Justice Goh Yihan, the parties informed the court of the Company's striking out application. However, at this juncture, no other issues were raised to the court's attention.

6 Subsequently, the claimant took issue with the validity of the appointment of MGC as the Company's solicitors, and filed SUM 1460 on 31 May 2024, applying for the summons in SUM 1351, the 1st affidavit of Ms Chua (dated 16 May 2024) filed in relation to SUM 1351 and the Notice of Appointment to be struck out.⁵

The issues

7 Both SUM 1460 and SUM 1351 are before me. The issues for determination are as follows:

- (a) whether the appointment of MGC as the Company's solicitors was valid; and
- (b) whether the complained of portions of the claimant's affidavit ought to be struck off for being scandalous, irrelevant or oppressive.

SUM 1460: Whether the appointment of MGC as the Company's solicitors was valid

8 It is undisputed that Ms Chua had appointed MGC to act for the Company. The issue is whether Ms Chua had the authority to do so. The claimant takes the position that Ms Chua had no such authority, and thus, the appointment was invalid and MGC lacked the requisite *locus standi* to file the

⁵ HC/SUM 1460/2024 Summons for striking out affidavit or other documents.

Notice of Appointment and SUM 1351 on the Company's behalf.⁶ The Company disagrees, submitting that the validity of MGC's appointment is made out on various bases: (a) Ms Chua's express authority to act for the Company; (b) Ms Chua's implied authority to act for the Company; and (c) the claimant's waiver of her right to challenge Ms Chua's authority.

9 In my view, the Company failed to properly appoint MGC as its solicitors. The alleged appointment of MGC failed to comply with the requirements of the Company's memorandum and articles of association. The other bases relied on by the Company, such as Ms Chua's implied authority or a waiver on the claimant's part, also do not hold water. Therefore, I order for the Notice of Appointment, the summons in SUM 1351 and Ms Chua's affidavit in SUM 1351 to be struck out.

The appointment failed to comply with the Company's memorandum and articles of association

10 In determining whether there was a valid appointment of MGC, the starting point must be the Company's memorandum and articles of association. It is clear that there was non-compliance.

11 Article 73 of the Company's articles of association states that:⁷

73. *The business of the Company shall be managed by the Directors who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not, by the Act or these Regulations, required to be exercised by the Company in general meeting, subject, nevertheless, to any of these Regulations ...*

[Emphasis added]

⁶ CWS at para 11.

⁷ 2nd Affidavit of Chua Sim Bian dated 21 June 2024 ("Chua's 2nd Affidavit") at p 240.

12 The phrase “the business of the company” can be interpreted to include the appointment of solicitors on the company’s behalf, in so far as such appointment is “incidental to the management of the company’s business” (*Credit Development Pte Ltd v IMO Pte Ltd* [1993] 1 SLR(R) 68 (“*Credit Development*”) at [20]–[21]).⁸ In so far as Art 73 requires “the business of the company” to be managed by the “Directors”, the agreement and/or involvement of both directors would be required for the appointment of solicitors for the Company.

13 Under Art 90, a validly passed directors’ resolution must have the signatures of both directors of the Company (*ie*, both Ms Chua and the claimant). Article 90 provides that: “[a] resolution in writing, *signed by all the Directors* for the time being entitled to receive notice of a meeting of the Directors, shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held” [emphasis added].⁹

14 None of the required stipulated steps were taken in the appointment of MGC. The claimant submits that she had never agreed to appoint MGC as the Company’s solicitors in CWU 114;¹⁰ and that there was no directors’ or shareholders’ meetings tabling for consideration MGC’s appointment.¹¹ The Company points to the “Directors’ Resolution in Writing Pursuant to the Company’s Constitution” dated 12 May 2024 (the “12 May Directors’ Resolution”) as allegedly authorising the appointment of MGC as the

⁸ CWS at para 12.

⁹ Chua’s 2nd Affidavit at p 242.

¹⁰ CWS at para 12.1; 2nd Affidavit of Zanelle Lim Jinn Tonn dated 6 June 2024 (“Lim’s 2nd Affidavit”) at paras 9.1–9.3.

¹¹ Lim’s 2nd Affidavit at para 7.

Company's solicitors in CWU 114 and all matters arising therefrom.¹² However, the claimant's signature is notably absent from this directors' resolution. It cannot be said that all the directors of the Company had consented to the appointment of MGC as the Company's solicitors in CWU 114. There is therefore no convincing evidence before me that MGC's appointment was in accordance with the Company's articles of association.

15 The Company argued alternatively that Ms Chua had the requisite authority as she was the managing director of the Company.¹³ Article 93 of the Company's articles of association provides that the directors may confer upon the managing director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit.¹⁴ This could conceivably include the management of the business of the company, including the appointment of solicitors for the Company.

16 This argument, however, fails as there is insufficient evidence that Ms Chua was a managing director. There is no evidence that the required steps under the Company's articles of association were taken to appoint Ms Chua as such. Article 91 states that: "[t]he Directors may from time to time appoint one or more of their body to the office of managing Director ...".¹⁵ This shows that there must be the joint appointment of the Company's managing director. No evidence of a directors' resolution, signed by both the claimant and Ms Chua, of Ms Chua's appointment as a managing director has been adduced. The defendant is only able to put forth: (a) the 12 May Directors' Resolution in

¹² Chua's 2nd Affidavit at p 296.

¹³ DWS at para 62.

¹⁴ Chua's 2nd Affidavit at p 242; Lim's 2nd Affidavit at p 34.

¹⁵ Chua's 2nd Affidavit at p 242.

which Ms Chua signed off as the managing director;¹⁶ (b) MGC’s letter to the claimant’s solicitors dated 30 May 2024 asserting that “Ms Chua is the managing director of [the Company]” and that she has the full authority to appoint solicitors to act for the Company;¹⁷ and (c) WhatsApp correspondence which purportedly evidences Ms Lim accepting Ms Chua’s managing directorship.¹⁸ None of these are convincing.

17 Absent any evidence of a directors’ resolution, with both directors’ signatures, appointing Ms Chua as the managing director, the 12 May Directors’ Resolution and MGC’s letter go no further than to assert Ms Chua’s managing directorship, without more. They do not prove the veracity of such an appointment and cannot be evidence of such.

18 The WhatsApp correspondence also does not prove the claimant’s acknowledgement that Ms Chua was the managing director. The WhatsApp message shows one Shirley explaining the reasons for the extra working hours indicated in her payslip invoice:¹⁹

Hi bosses just to highlight on the extra hours was to do ready sets and also i [sic] created new pastel wasp series based on balance stocks, so i [sic] prepared 10 sets of pastel wasp series and also time spent after and before work to do repairs of amulets.

19 On the image of the payslip invoice which accompanied the message, Ms Chua had signed off in the capacity of a “Managing Director”.²⁰ The

¹⁶ Chua’s 2nd Affidavit at p 296.

¹⁷ Lim’s 2nd Affidavit at p 27 para 3.2.

¹⁸ DWS at para 62; CWS at para 17; Chua’s 2nd Affidavit at p 300.

¹⁹ Chua’s 2nd Affidavit at p 300.

²⁰ Chua’s 2nd Affidavit at p 298.

Company alleges that the claimant’s response of a “thumbs-up” sign on Shirley’s message indicates her confirmation that Ms Chua was a managing director.²¹ I disagree. In the circumstances, Shirley’s explanation for her extra working hours was the focal point of the message and the claimant’s response should be interpreted as a response to this. Ms Chua’s title as “Managing Director” is indicated in a small font in the corner of Shirley’s payslip invoice, and it can hardly be said that the claimant was cognisant of this title.

20 Therefore, there is no evidence that Ms Chua was a managing director with the authority to unilaterally appoint MGC as the Company’s solicitors pursuant to the Company’s articles of association.

There was no express or implied actual authority

21 In the face of clear requirements under the memorandum and articles of association of a company, the court should be cautious in finding other mechanisms authorising the appointment of solicitors, or other actions. It is perhaps conceivable that an appointment outside the mechanism under the memorandum and articles of association may be recognised as valid in some circumstances, but I find that what was relied upon by the Company here fell short.

22 Express actual authority is “given by express words” (*Hely-Hutchinson v Brayhead Ltd and another* [1968] 1 QB 549 (“*Hely-Hutchinson*”) at 583). It is generally established by statements in the company’s constitution, shareholders’ or board resolutions or contracts of appointment (see Hans Tjio, Pearlie Koh & Lee Pey Woan, *Corporate Law* (Academy Publishing, 2015)

²¹ DWS at para 62.

(“*Corporate Law*”) at para 07.063; *Hely-Hutchinson* at 583). Although the learned author in *Walter Woon on Company Law* (Tan Cheng Han SC gen ed) (Sweet & Maxwell, Revised 3rd Ed, 2009) (at para 3.8) states that express authority may be oral rather than written,²² it does not negate the fact that there must be an express authorising agreement that was made. On the other hand, implied authority is inferred from the conduct of the parties or the circumstances of the case (*Hely-Hutchinson* at 583). An agent’s authority may be implied by his status or position in the company (also known as “usual authority”) or by way of the company’s acquiescence in a course of dealing (*Corporate Law* at paras 07.065–07.066).

23 The Company relies on various facts to argue that Ms Chua had express actual authority. These are:

- (a) Ms Chua’s past appointment of MGC on the Company’s behalf in respect of a separate defamation matter.²³
- (b) An inquiry by the claimant’s counsel if MGC, whom the claimant knew was representing Ms Chua, had instructions to accept service of the Company’s winding up papers.²⁴
- (c) The claimant’s service of the Company’s winding up papers at Ms Chua’s personal residence, in addition to the Company’s premises.²⁵

²² DWS at para 33.

²³ DWS at paras 37.

²⁴ DWS at para 40.

²⁵ DWS at paras 41–43.

- (d) The lack of objection by the claimant to the appointment of MGC at either the “List of Parties Wishing to Attend the Hearing of the Application” filed on 13 May 2024 or the first hearing of the Company’s winding up on 24 May 2024.²⁶

24 None of these facts are sufficient to prove the existence of an express authority.

(a) With regards to Ms Chua’s past appointment of MGC for the Company’s defamation matter, it is unclear whether there was indeed an agreement between Ms Chua and the claimant that Ms Chua had the authority to handle all of the Company’s legal matters. The text messages between Ms Chua and the claimant show Ms Chua informing the claimant of her appointment of MGC and asking the claimant how much she hoped for in defamation fees.²⁷ This casts some doubt on Ms Chua’s level of autonomy in handling the Company’s legal affairs. In any event, any instructions in respect of the defamation matter are limited in scope and cannot amount to a general express authority to appoint solicitors for the Company in all other matters.

(b) As for the claimant’s inquiry on service, I do not see why it should indicate the acceptance of any express authority. Just because the claimant had asked if MGC had instructions to accept service of the Company’s winding up papers on behalf of Ms Chua, does not amount to an implicit recognition of Ms Chua’s authority to appoint solicitors for the Company. The issue of the claimant’s inquiry of service is more

²⁶ DWS at paras 45–46.

²⁷ Chua’s 2nd Affidavit at p 293.

appropriately an issue regarding waiver or estoppel, rather than establishing Ms Chua's express authority.

(c) Similarly, I am unable to see how the claimant's service of the winding up papers in CWU 114 at Ms Chua's personal residence amounts to an indication of Ms Chua's express authority to appoint solicitors for the Company. It would be extremely tenuous to say that the mere service of a company's winding up papers on a director of the company, without more, is sufficient to show that the director in receipt of such papers has express actual authority to act for the company. In any case, in so far as the winding up papers were served at both the Company's premises and Ms Chua's personal residence, the evidence is ambiguous. It can equally be said that the claimant had served the papers at both locations because she believed them to be distinct entities.²⁸ The fact that there might not be an express mandatory requirement under the CIR Rules requiring the claimant to do so does not necessarily mean that her service should be taken as acceptance of Ms Chua's authority to appoint solicitors on Royal Amulet's behalf.²⁹

(d) As for the claimant's failure to object to MGC's appointment prior to SUM 1460, I find that this does not prove the existence of Ms Chua's actual authority to appoint MGC to act for the Company. I accept the claimant's argument that in the event of a challenge of the appointment of the defendant's solicitors, the appropriate legal recourse is for it to make an application to strike out the relevant summons and/or

²⁸ CWS at para 30.

²⁹ See DWS at paras 42–44; CWS at para 31.

actions,³⁰ which the claimant has done. In any case, this point more appropriately goes towards an argument of waiver, which I will consider below.

25 The Company also seeks to assert that Ms Chua had implied actual authority by way of:

- (a) Ms Chua's residence in Singapore, resulting in her being better placed to handle the Company's legal issues as compared to the claimant who often commutes between Thailand and Singapore;³¹
- (b) Ms Chua's past appointment of solicitors for the Company in the defamation matter;³² and
- (c) Ms Chua's role as the Company's managing director.³³

26 None of these are satisfactory. Even if Ms Chua might be in a more advantageous or convenient position to handle the Company's legal affairs (and this assertion is of some doubt), this is not sufficient to show that she had the implied actual authority to unilaterally appoint solicitors for the Company. For the same reasons above at [24(a)] and [16]–[20], I reject the arguments of an implied authority on the basis of Ms Chua's past appointment of solicitors in a separate matter and Ms Chua's alleged role as the managing director, respectively.

³⁰ CWS at para 27.

³¹ DWS at para 55.

³² DWS at para 57.

³³ DWS at para 62.

27 I should note that *Re Goodwealth Trading Pte Ltd* [1990] 2 SLR(R) 691 (“*Re Goodwealth*”) is cited by the claimant for the proposition that a company’s right to legal representation is not an unqualified right where there is a dispute between the only two shareholders of the company, who have separate representation.³⁴ However, I find that on an examination of *Re Goodwealth*, the passage cited (at [11]) does not stand for such a proposition:

At the outset of the hearing, Miss Evelyn Chia for the petitioner raised a preliminary objection to the motion taken out by the company to strike out the petition. While conceding that the company, being a separate legal entity, had a right to separate legal representation, she contended that the appointment of ... the company’s solicitors ... was therefore invalid. The solicitors had no *locus standi*, and in fact no authority from the company to take out the motion. *In any event, the company’s right to separate legal representation could not be an unqualified right in a case such as this, which was essentially a dispute between the only two shareholders of the company, who were already separately represented.* ... No doubt without intending to do so, Mr Ng Kai Ming for the company and Mr Patrick Wee for Chua lent some force to Miss Chia’s contention with an almost identical argument; this was that the absence of a quorum at the invalid board meeting ... was a mere procedural irregularity which was cured by s 392(2) of the Companies Act ...

[emphasis added]

28 In *Re Goodwealth*, the petitioner challenged the defendant’s striking out application on the basis that the company’s solicitors were appointed at a board meeting with no quorum, and thus had no *locus standi* to take out the motion on behalf of the Company. The statement that “the company’s right to separate legal representation could not be an unqualified right in ... a dispute between the only two shareholders of the company” was a part of the court’s summary of the parties’ arguments. It was not meant to be a general proposition of law. The court’s ultimate reasoning was that the appointment of the solicitors was not valid as the board meeting lacked the requisite quorum and s 392 of the

³⁴ CWS at para 22.

Companies Act (Cap 50, 1988 Rev Ed) could not apply to cure the irregularity as it was only applicable to save proceedings at a meeting where the lack of a quorum was of little or no consequence and not where a shareholder's interests would be prejudiced by a decision at the meeting (*Re Goodwealth* at [12]). The court in *Re Goodwealth* therefore did not go so far as to set out a general proposition that a company has no right to legal representation where the dispute concerns the two shareholders of the company.

There was no waiver or estoppel

29 The Company also submits that the claimant waived her right to object to the appointment of MGC as the Company's solicitors,³⁵ by way of the situations summarised at [23(a)]–[23(d)] above.³⁶

30 In *Audi Construction Pte Ltd v Kian Hiap Construction Pte Ltd* [2018] 1 SLR 317 ("*Audi Construction*") (at [54]), the Court of Appeal clarified that a party has waived his right if he has a choice between two inconsistent rights but elects not to exercise one of those rights as this would amount to a clear and unequivocal representation to the other party. This is generally known as "waiver by election". The court distinguished this from "waiver by estoppel", which is strictly speaking, not a form of waiver (*Audi Construction* at [57]). This arises where a party has made a clear and unequivocal representation, and the other party relies on that representation such that it would be inequitable for the representor to go back on his representation (*Audi Construction* at [57]).

31 There was no waiver or estoppel on the facts. It cannot be said that there was a clear and unequivocal representation by the claimant that she was

³⁵ DWS at para 68.

³⁶ DWS at para 68.

accepting and/or would not be contesting the appointment of MGC as the Company’s solicitors. Her inquiry regarding service and actual service on Ms Chua are confined to the issue of service, and do not amount to a clear and unequivocal representation. The claimant’s prior lack of objection to the appointment of MGC also does not amount to a sufficiently clear and unequivocal representation. As explained above at [24(d)], the appropriate route for recourse was for the claimant to file a separate application regarding the specific issue of the validity of MGC’s appointment. It cannot be said that the claimant’s omission to raise the issue of MGC’s appointment, in these circumstances, amounts to an unequivocal representation of acceptance of MGC’s appointment.

Power to strike out

32 The claimant relies on the court’s power under O 9 r 16(4) of the Rules of Court 2021 (“ROC 2021”) or the court’s inherent jurisdiction to strike out the Notice of Appointment and SUM 1351.³⁷

33 Section 10(1) of the IRDA states that for any matter of practice or procedure for which no specific provision has been made by the IRDA, “the procedure and practice for the time being in use or in force in the Supreme Court must, as nearly as possible, be followed and adopted”. Such procedure is encapsulated in the ROC 2021, of which O 9 r 16(4) states:

16.—(4) The Court may order any affidavit or other document filed in Court to be struck out or redacted on the ground that

—
(a) the party had no right to file the affidavit or document;

(b) it is an abuse of the process of the Court; or

³⁷ CWS at paras 8–9.

(c) it is in the interests of justice to do so.

34 The claimant has not specified which ground under O 9 r 16(4) it seeks to rely on to strike out the relevant documents and application. This is unsatisfactory, in so far as the claimant bears the burden of proof in its application and should invoke the specific ground. There is also no equivalent provision to O 9 r 16(4) in the Rules of Court (2014 Rev Ed) (“ROC 2014”) (see *Singapore Rules of Court – A Practice Guide (2023 Edition)* (Chua Lee Ming editor-in-chief) (Academy Publishing, 2023) at para 09.051). There has yet to be a decision in relation to O 9 r 16(4)(a). In my view, as MGC lacked the requisite *locus standi* to file SUM 1351 and the Notice of Appointment on the Company’s behalf, O 9 r 16(4)(a) is applicable. In any event, the court also has the power to strike out the relevant documents and application by way of its inherent jurisdiction.

Conclusion on SUM 1460

35 As the Company’s purported appointment of MGC was invalid, and MGC lacks the requisite *locus standi* to act on the Company’s behalf, I grant the reliefs prayed for by the claimant in SUM 1460 for the Notice of Appointment and the summons and 1st affidavit of Chua Sim Bian filed in SUM 1351 on 16 May 2024 to be struck out.

SUM 1351: Striking out of the claimant’s 1st affidavit

36 As I have found that SUM 1351 should be struck out, strictly speaking, I need not decide on SUM 1351. Nonetheless, because the parties have argued the matter before me, I canvass my views on the application for completeness.

37 Rule 21 of the CIR Rules specifies that any matter which is scandalous, irrelevant or otherwise oppressive may be struck out:

21. The Court may order to be struck out from any affidavit any matter which is scandalous, irrelevant or otherwise oppressive, and may order the costs of any application to strike out such matter to be paid as between solicitor and client.

38 In *Re X Diamond Capital Pte Ltd (Metech International Ltd, non-party)* [2024] 3 SLR 913 (“*Re X Diamond*”) (at [11]), the court held that the principles relating to O 41 r 6 of the ROC 2014 are applicable in the interpretation of r 21. I accept this proposition. A court should only expunge parts of an affidavit on the ground that it is scandalous, irrelevant or otherwise oppressive “if it can be shown that the impugned materials are *clearly irrelevant* or relate to *unsustainable allegations*” [emphasis added] (*Re X Diamond* at [14]). It has also been held that “assertions of dishonesty or impropriety are not scandalous if they are relevant to the issues at trial” (*Rockline Ltd and others v Anil Thadani and others* [2009] SGHC 209 at [2]).

39 Relevance is therefore a dominant consideration in the inquiry. The claimant’s 1st affidavit was filed in support of her application for winding up the Company on just and equitable grounds. The concept of “just and equitable” has been acknowledged to be dynamic, and includes a wide range of factual circumstances such as a loss of substratum, loss of mutual trust and confidence or management deadlock (see for example, *Chow Kwok Chuen v Chow Kwok Chi and another* [2008] 4 SLR(R) 362 at [14]–[17] where the Court of Appeal emphasised that the grounds for “just and equitable” winding up were not a closed list; *Sim Yong Kim v Evenstar Investments Pte Ltd* [2006] 3 SLR(R) 827 at [31]). The determination of whether a company should be wound up on just and equitable grounds would involve an objective consideration of all the relevant facts and circumstances which subsists at the time the order is made (see for example, *Summit Co (S) Pte Ltd v Pacific Biosciences Pte Ltd* [2007] 1 SLR(R) 46 at [5]–[6]). In this context, if the party relying on the affidavit is able

to put forward a plausible argument on relevance, the court will be slow to strike out the impugned portions.

40 In my view, the complained of passages of the claimant’s 1st affidavit relate broadly to:

- (a) The possibility of a conflict of interest having arisen by way of the occupancy of one “SJ Leonard” in the Company’s premises and the negative impact on the Company and its employees in items 1, 7, 8 and 10.³⁸
- (b) Ms Chua’s treatment of the Company’s employees as one of the causes of the claimant and Ms Chua’s breakdown of relationship, as evidenced in item 9.³⁹
- (c) The conflict of interest regarding Ms Chua’s other businesses, as per items 3 and 4.⁴⁰
- (d) Ms Chua’s lack of attention paid to the business of the Company, as in items 2, 5 and 11.⁴¹
- (e) The degree of animosity or breakdown of relationship between Ms Chua and the claimant, evidenced in item 6.⁴²

³⁸ DWS at pp 27, 29 and 30.

³⁹ DWS at p 30.

⁴⁰ DWS at p 28.

⁴¹ DWS at pp 27–28 and 31.

⁴² DWS at pp 28–29.

41 All these points are relevant and go to the dispute between the parties. I therefore also dismiss SUM 1351.

Aedit Abdullah
Judge of the High Court

Khoo Boo Teck Randolph, Chin Wan Tong Phyllis and Candice Li
Jin Jie (Drew & Napier LLC) for the claimant;
Mahmood Gaznavi s/o Bashir Muhammad and Rezza Gaznavi
(Mahmood Gaznavi Chambers LLC) for the defendant.
