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

### [2024] SGHC 158

Companies Winding Up No 86 of 2024

In the matter of Section 246 of the Insolvency, Restructuring and Dissolution Act 2018

And

In the matter of Majlis Pusat Singapura

Between

Siti Hasmah binte Adam

... Claimant

And

Majlis Pusat Singapura

... Defendant

### **GROUNDS OF DECISION**

[Insolvency Law —Winding up — Societies registered under the Societies Act 1966 (2020 Rev Ed)]
[Insolvency Law —Winding up — Unregistered companies]

Version No 1: 21 Jun 2024 (15:24 hrs)

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## Siti Hasmah bte Adam v Majlis Pusat Singapura

### [2024] SGHC 158

General Division of the High Court — Companies Winding Up No 86 of 2024 Chua Lee Ming J 20 May 2024

21 June 2024

#### **Chua Lee Ming J:**

- The defendant, Majlis Pusat Singapura, is a society registered under the Societies Act 1966 (2020 Rev Ed) ("Societies Act"). In HC/CWU 86/2024 ("CWU 86"), the claimant, Siti Hasmah binte Adam, applied for a winding up order to be made against the defendant.
- The claimant is an early childhood educator. On 18 June 2021, the claimant commenced arbitration against the defendant under the auspices of the Singapore International Arbitration Centre. On 12 September 2023, the arbitral tribunal issued a final award in favour of the claimant (the "Award").
- The claimant served a statutory demand dated 13 September 2023 (the "SD") on the defendant. The SD demanded payment of \$393,207.91, being the amount due to the claimant as of the date of the SD, pursuant to the Award. The defendant did not make any payment to the claimant. On 22 March 2024, the

claimant filed CWU 86. The claimant sought to wind up the defendant pursuant to ss 246(1)(c)(ii) and/or (iii) of the Insolvency, Restructuring and Dissolution Act 2018 (2020 Rev Ed) ("IRDA").

- Under s 246(1)(c)(ii) of IRDA, "any unregistered company" may be wound up if it is unable to pay its debts and under s 246(1)(c)(iii) it may be wound up if the Court is of opinion that it is just and equitable to do so. Under s 246(2)(a) of IRDA, an unregistered company is deemed to be unable to pay its debts if for three weeks after the service of a statutory demand, it neglected to pay the sum demanded or to secure or compound for it to the satisfaction of the creditor.
- 5 Section 245(1) of IRDA defines "unregistered company" as follows:

#### **Preliminary**

- 245.—(1) For the purposes of this Division, "unregistered company" includes a foreign company and any partnership, association, club or company but does not include a company incorporated under the Companies Act 1967 or under any corresponding previous written law.
- In its ordinary meaning, the term "association" refers to "a body of persons who have combined to execute a common purpose or advance a common cause; the whole organisation which they form to effect their purpose": Oxford English Dictionary vol 1 (Clarendon Press, 2nd Ed, 1989) at p 718. A society registered under the Societies Act has to have a purpose; s 4A of the Societies Act requires a declaration as to the "object, purpose or activity" of the society. In the defendant's case, its website described the defendant as a not-for-profit voluntary organisation committed to building cultural and socioeconomic bridges. It could scarcely be disputed that the defendant fell within the ordinary meaning of the term "association" in s 245(1) of IRDA.

- Further, there is authority that a society registered under the Societies Act is an association and falls within the meaning of the term "unregistered company" in s 245(1) of IRDA: see *Public Prosecutor v Wong Hong Toy and anor* [1985–1986] SLR(R) 126 at [66]–[69]. In that case, the court considered ss 314(1) and 315(1)(c) of the Companies Act (Cap 185, 1970 Rev Ed), which were similar to ss 245(1) and 246(1)((c) of IRDA respectively.
- It was clear therefore that the defendant could be wound up under s 246(1) if any of the circumstances in (c) were met.
- Before me, the defendant (which was represented by counsel) did not contest the winding up application. There was therefore no dispute that the defendant was unable to pay its debts or that it was just and equitable to wind it up. Accordingly, I granted the claimant's application in CWU 86 and ordered the defendant to be wound up.

Chua Lee Ming Judge of the High Court

> Cumara Kamalacumar (Selvam LLC) for the claimant; Anil Murkoth Changaroth (RHTLaw Asia LLP) for the defendant; Kwang Jia Min for the Official Receiver.

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