

Companies (Amendment) Bill

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Bill No: 11/1974

Read the first time: 14th March 1974

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Expenditure of Public Money

Companies (Amendment) Bill

Bill No. 11/1974

Read the first time on 14th March 1974.

An Act to amend the Companies Act (Chapter 185 of the Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows: —

Short title and commencement

1. This Act may be cited as the Companies (Amendment) Act, 1974, and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

Amendment of section 4

2. Section 4 of the Companies Act (hereinafter in this Act referred to as “the principal Act”) is hereby amended by deleting the words “or documents” appearing in the second and third lines of the definition of “accounts” therein and substituting therefor the

expression “(other than auditors’ reports or directors’ reports)”.

Amendment of section 6A

3. Section 6A of the principal Act is hereby amended by inserting immediately after the word “sections” appearing in the second line of subsection (1) thereof the expression “133A”.

New section 19A

4. The principal Act is hereby amended by inserting immediately after section 19 thereof the following section: —

“Power of company to provide for employees on cessation of business

19A.—(1) The powers of the company shall, if they would not otherwise do so, be deemed to include power to make provision, in connection with any cessation of the whole or any part of the business carried on by the company or any subsidiary of the company, for the benefit of persons employed or formerly employed by the company or its subsidiary.

(2) Subsection (1) of this section relates only to the capacity of a company as a body corporate and is without prejudice to any provision in a company’s memorandum or articles requiring any exercise of the power mentioned in that subsection to be approved by the company in general meeting or otherwise prescribing the manner in which that power is to be exercised.”.

Amendment of section 28

5. Subsection (5) of section 28 of the principal Act is hereby amended by deleting the word “ten” wherever it appears in paragraphs (a) and (b) thereof and substituting therefor in each case the word “five”.

Amendment of section 35

6. Section 35 of the principal Act is hereby amended —

- (a) by deleting subsections (3), (3A) and (3B) thereof; and
- (b) by deleting the marginal note thereto and substituting therefor the following: —

“Ratification by company of contracts made before incorporation.”.

Amendment of section 65

7. Section 65 of the principal Act is hereby amended by deleting the word “ten”

appearing in the eleventh line of subsection (1) thereof and substituting therefor the word “five”.

Amendment of section 67

8. Section 67 of the principal Act is hereby amended —

- (a) by inserting immediately after the word “company” appearing in the seventh and in the ninth lines of paragraph (b) of subsection (2) thereof in each case the words “or a subsidiary of the company”;
- (b) by inserting immediately after the word “company” appearing in the sixth line of paragraph (c) of subsection (2) thereof the words “or its holding company”; and
- (c) by inserting immediately after the word “dollars” appearing at the end of subsection (3) thereof the expression “and any transfer or allotment of shares pursuant to a purchase or dealing prohibited by subsection (1) of this section shall be void”.

Amendment of section 69C

9. Section 69C of the principal Act is hereby amended —

- (a) by deleting the words “one-tenth” appearing in the seventh line of subsection (1) thereof and substituting therefor the words “five per cent”;
- (b) by deleting the words “one-tenth” appearing in the ninth line of subsection (2) thereof and substituting therefor the words “five per cent”; and
- (c) by inserting immediately after subsection (3) thereof the following subsection: —

“(4) Every person who, at the time this subsection comes into operation —

- (a) has an interest or interests in one or more voting shares in a company; or
- (b) in the case of a company the share capital of which is divided into two or more classes of shares, has an interest or interests in one or more voting shares included in one of those classes,

and the nominal value of that share or the aggregate of the nominal amount of those shares is equal to five per cent or more but less than ten per cent of the aggregate of the nominal amount of all the voting shares in the company has a substantial shareholding in the company and is a substantial shareholder of that company and shall be under

an obligation to give notice in writing to the company stating full particulars of the voting shares in the company in which he has an interest or interests and the full particulars of each such interest and of the circumstances by reason of which he has that interest.

(5) The provisions of this Division shall apply to a substantial shareholder under subsection (4) of this section.”.

Amendment of section 69E

10. Section 69E of the principal Act is hereby amended by deleting the word “fourteen” appearing in subsection (2) thereof and substituting therefor the word “seven”.

Amendment of section 69F

11. Section 69F of the principal Act is hereby amended by deleting the word “fourteen” appearing in subsection (2) thereof and substituting therefor the word “seven”.

New section 69N

12. The principal Act is hereby amended by inserting immediately after section 69M thereof the following section: —

“Power of company to require disclosure of beneficial interests in its voting shares

69N.—(1) Any company all of the shares in which are listed for quotation on the official list of a Stock Exchange (as defined in the Securities Industry Act, 1973 (Act 17 of 1973)) may by notice in writing require any member of the company within such reasonable time as is specified in the notice —

- (a) to inform it whether he holds any voting shares in the company as beneficial owner or as trustee; and
- (b) if he holds them as trustee, to indicate so far as he can the persons for whom he holds them (either by name or by other particulars sufficient to enable those persons to be identified) and the nature of their interest.

(2) Where a company is informed in pursuance of a notice given to any person under subsection (1) of this section or under this subsection that any other person has an interest in any of the voting shares in a company, the company may by notice in writing require that other person within such reasonable time as is specified in the notice —