

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

**[2025] SGHC 115**

Originating Summons (Bankruptcy) No 36 of 2024 (Registrar's Appeal No 56  
of 2025 and Summons 1187 of 2025)

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

And

In the matter of Part 14 of the Insolvency, Restructuring and Dissolution Act  
2018

Between

Nagarani d/o Karuppiah

*... Claimant*

And

- (1) Maybank Singapore Limited
- (2) United Overseas Bank Limited
- (3) Overseas Chinese Banking  
Corporation Limited

*... Non-parties*

Originating Summons (Bankruptcy) No 37 of 2024 (Registrar's Appeal No 57  
of 2025 and Summons 1188 of 2025)

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

And

In the matter of Part 14 of the Insolvency, Restructuring and Dissolution Act  
2018

Between

Chinnakaruppan Kalaiyarasan

*... Claimant*

And

- (1) Maybank Singapore Limited
- (2) United Overseas Bank Limited
- (3) Overseas Chinese Banking  
Corporation Limited

*... Non-parties*

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## GROUNDS OF DECISION

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[Insolvency Law — Bankruptcy — Individual applying for extension of interim order — Whether extension should be granted — Sections 276(4), 280(4) and 280(5) Insolvency, Restructuring and Dissolution Act 2018 (2020 Rev Ed)]

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***Re Nagarani d/o Karuppiah (Maybank Singapore Ltd and others, non-parties) and another matter***

**[2025] SGHC 115**

General Division of the High Court — Originating Summons (Bankruptcy)  
No 36 of 2024 (Registrar's Appeal No 56 of 2025 and Summons 1187 of 2025), Originating Summons (Bankruptcy) No 37 of 2024 (Registrar's Appeal No 57 of 2025 and Summons 1188 of 2025)  
Philip Jeyaretnam J  
5 May 2025

27 June 2025

**Philip Jeyaretnam J:**

**Introduction**

1 HC/RA 56/2025 and HC/RA 57/2025 were the appeals of Nagarani d/o Karuppiah (“Mdm Nagarani”) and Chinnakaruppan Kalaiyarasan (“Mr Arasu”) respectively against the whole of the decisions of the learned AR on 11 March 2025 in HC/SUM 534/2025 (“SUM 534”) and HC/SUM 533/2025 (“SUM 533”) respectively. SUM 534 and SUM 533 were the claimants’ applications for a further 3-month extension of their personal moratoria until 23 May 2025.

2 The learned AR had dismissed both applications because (a) the basis for seeking the extension of time (“EOT”) had fallen away, and (b) any proposal was very unlikely to be viable.<sup>1</sup>

3 HC/SUM 1187/2025 (“SUM 1187”) and HC/SUM 1188/2025 (“SUM 1188”) were the claimants’ applications to adduce fresh affidavits affirmed on 2 May 2025 enclosing (a) their nominees’ report for their individual voluntary arrangement (“IVA”) proposals dated 30 April 2025; and (b) copies of an application by CKR Paints & Coating Specialists Pte Ltd (“CKR Paints”) to convene a creditors’ meeting, that was filed on 2 May 2025.

4 The applications both for an EOT and to adduce fresh evidence were opposed by Maybank Singapore Limited (“Maybank”) and United Overseas Bank Limited (“UOB”), non-parties to the matter. According to Maybank, as at 31 January 2025, the claimants owed it \$70,561,119.96 in debt jointly and severally.<sup>2</sup> This made Maybank the claimants’ biggest creditor, holding about 67.5% of Mdm Nagarani’s debt and about 64.7% of Mr Arasu’s debt.<sup>3</sup> According to UOB, it held a total debt size of about \$15,055,679.91 as at 18 February 2025, which was about 14% of Mdm Nagarani’s debt and about 13% of Mr Arasu’s debt value.<sup>4</sup>

5 Counsel for the Overseas Chinese Banking Corporation Limited (“OCBC”) attended on a watching brief and took no position on the applications.

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<sup>1</sup> Transcript of hearing on 11 March 2025 (“11 Mar Transcript”) p 6 lns 27–32.

<sup>2</sup> Chan Wing See’s 1st Affidavit filed 24 Feb 2025 (“CWS1”) para 10.

<sup>3</sup> CWS1 para 12.

<sup>4</sup> UOB’s Skeletal Written Submissions dated 28 April 2025 (“UOB WS”) para 18(1).

6 On 5 May 2025, I heard and dismissed both sets of summonses and registrar’s appeals. The claimants have since appealed. I therefore provide the grounds of my decision.

### **Background facts**

7 The claimants are the founders, directors and shareholders of CKR Contract Services Pte Ltd (“CKR Contract”), CKR Paints, and certain other companies (collectively, the “CKR Group”).<sup>5</sup>

### ***The CKR Group restructuring efforts***

8 Since August 2023, the CKR Group had been in discussions with its creditors concerning the proposed restructuring of the CKR Group.<sup>6</sup>

9 CKR Paints and CKR Contract (amongst the other CKR Group companies) filed for scheme moratoria under s 64 of the Insolvency, Restructuring and Dissolution Act 2018 (2020 Rev Ed) (“IRDA”) on 19 October 2023. The court granted 3-month moratoria on 17 November 2023, and granted extensions of the moratoria on 1 March, 7 May, 15 July and 26 August 2024, with the last extension lasting up till 26 September 2024.<sup>7</sup>

10 On 25 September 2024, CKR Paints and CKR Contract applied for a fifth extension of the moratoria, and also applied under s 210(1) of the Companies Act 1967 (2020 Rev Ed) to convene a meeting of creditors.<sup>8</sup> On

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<sup>5</sup> Nagarani d/o Karuppiyah’s 1st Affidavit filed 11 April 2024 (“NK1”) paras 5–6; Chinnakaruppan Kalaiyarasan’s 1st Affidavit filed 11 April 2024 (“CK1”) paras 5–6.

<sup>6</sup> NK1 para 17.

<sup>7</sup> NK1 para 10; Peter Lim Kim Yong’s 1st Affidavit filed 18 February 2025 (“PLKY1”) para 11(3).

<sup>8</sup> PLKY1 para 11(4).

28 October 2024, CKR Paints and CKR Contract withdrew those applications in light of creditor opposition to the proposed schemes of arrangement.<sup>9</sup>

11 The CKR Paints and CKR Contract again filed applications for scheme moratoria in HC/OA 54/2025 (“OA 54”) and HC/OA 124/2025 (“OA 124”) on 20 January and 6 February 2025 respectively.<sup>10</sup> These applications were dismissed on 10 March 2025, and CKR Contract was wound up the same day in HC/CWU 153/2023.<sup>11</sup>

***The claimants’ bankruptcy proceedings***

12 On 15 February 2024, OCBC filed bankruptcy applications in HC/B 581/2024 against Mr Arasu and in HC/B 584/2024 against Mdm Nagarani.<sup>12</sup> The great majority of the claimants’ debts were owed by reason of personal guarantees signed by them for the CKR Group companies.<sup>13</sup> Had the restructuring plans proposed by CKR Group been successful, this class of debts would have been extinguished.<sup>14</sup>

13 On 11 April 2024, the claimants filed HC/OSB 36/2024 and HC/OSB 37/2024 for interim orders under s 276 of the IRDA. By the claimants’ own acknowledgement, the success of their proposed IVAs was heavily contingent on the proposed schemes of arrangement for the CKR Group

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<sup>9</sup> PLKY1 para 11(5) and p 29.

<sup>10</sup> PLKY para 12.

<sup>11</sup> UOB WS para 7(1)(b).

<sup>12</sup> UOB WS para 7(2).

<sup>13</sup> NK1 paras 14–15; CK1 paras 14–15.

<sup>14</sup> NK1 para 22; CK1 para 22.

companies.<sup>15</sup> The court granted the interim orders on 23 April 2024, and ordered that they were to cease to have effect on 23 July 2024.<sup>16</sup> The court subsequently granted multiple extensions up to 23 February 2025, when the interim orders lapsed and ceased to have effect.<sup>17</sup> On 18 February 2025, the claimants applied for yet another extension of the interim orders, which were heard and dismissed on 25 February 2025.<sup>18</sup>

14 On 27 February 2025, the claimants filed SUM 533 and SUM 534 for a further extension of the interim orders up to 23 May 2025. The learned AR dismissed these summonses, which were the subject of the present appeal.

### Issues

15 I first address the applications to adduce fresh evidence before turning to the applications for an extension of the interim orders.

### Applications to adduce fresh evidence

16 The applicable principles for the adduction of fresh evidence were not disputed. Order 18 r 8(6) of the Rules of Court 2021 (“ROC 2021”) empowers the appellate court to receive further evidence by affidavit, but no such further evidence (other than evidence relating to matters occurring after the date of the decision appealed against) may be given except on “special grounds”. This is generally taken to refer to the three conditions in *Ladd v Marshall* [1954] 1 WLR 1489 at 1491:

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<sup>15</sup> NK1 para 31; CK1 para 31.

<sup>16</sup> UOB WS para 7(4).

<sup>17</sup> UOB WS para 7(5).

<sup>18</sup> UOB WS para 7(6)–(8).

... first, it must be shown that the evidence could not have been obtained with reasonable diligence for use at the trial; secondly, the evidence must be such that, if given, it would probably have an important influence on the result of the case, though it need not be decisive; thirdly, the evidence must be such as is presumably to be believed, or in other words, it must be apparently credible, though it need not be incontrovertible.

17 In applying *Ladd v Marshall*, the court should consider the nature of the proceeding below. As the Court of Appeal explained in *Anan Group (Singapore) Pte Ltd v VTB Bank (Public Joint Stock Co)* [2019] 2 SLR 341 at [35]:

... the cases should be analysed as lying on a spectrum. On one end of the spectrum, where it is clear that the appeal is against a judgment after a trial or a hearing having the full characteristics of a trial (*ie*, which involves extensive taking of evidence and particularly oral evidence), then it is clear that *Ladd v Marshall* should be generally applied in its full rigour. On the other end of the spectrum, where the hearing was not upon the merits at all, such as in the case of interlocutory appeals, then *Ladd v Marshall* serves as a guideline which the court is entitled but not obliged to refer to in the exercise of its unfettered discretion. For all other cases falling in the middle of the spectrum, which would include appeals against a judgment after a hearing of the merits but which did not bear the characteristics of a trial, then it is for the court to determine the extent to which the first condition of *Ladd v Marshall ie*, criterion of non-availability should be applied strictly, having regard to the nature of the proceedings below. In this regard, relevant (non-exhaustive) factors would include (a) the extent to which evidence, both documentary and oral, was adduced for the purposes of the hearing; (b) the extent to which parties had the opportunities to revisit and refine their cases before the hearing; and (c) the finality of the proceedings in disposing of the dispute between the parties.

18 The present case fell in the middle of the spectrum. It did not involve the extensive taking of evidence as in a trial, but the parties had had opportunities to refine their cases and a dismissal of the applications would dispose of the interim orders.

19 Counsel for the claimants submitted that the evidence in the two affidavits was not previously available, as it related to matters that had not taken place at the time of the hearing on 11 March 2025.<sup>19</sup>

20 He also submitted that it was in the interests of the creditors to consider the proposed plan fully, because they would obtain repayment of about 5% of the debts as opposed to about 0% if the claimants were made bankrupt.<sup>20</sup> He submitted that the purpose of the interim order regime under s 276 of the IRDA was for the nominees to have a direct link with the creditors through a meeting, and that the creditors could be persuaded to change their position with the concrete details now available.<sup>21</sup>

21 Counsel for Maybank submitted that:<sup>22</sup>

(a) The nominees should have provided the further information earlier.

(b) The fresh evidence was not relevant to the appeals, because the applications for an EOT were originally premised on pending moratoria for CKR Contract and CKR Paints in OA 54 and OA 124, which had been dismissed on 10 March 2025. In any event, the proposals were doomed to fail because Maybank – as a creditor holding more than 60% of the total debt – opposed them.

(c) The fresh evidence was unreliable as the nominees’ report was filled with inaccuracies.

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<sup>19</sup> Minutes of hearing on 5 May 2025 (“5 May Minutes”) p 1.

<sup>20</sup> 5 May Minutes p 1.

<sup>21</sup> 5 May Minutes p 2.

<sup>22</sup> 5 May Minutes p 2.

22 Counsel for UOB submitted that:<sup>23</sup>

(a) The fresh evidence could have been obtained earlier with reasonable diligence. For the preparation of the nominees’ report, the claimants only provided their statement of affairs to the nominees on 30 April 2025.<sup>24</sup> In respect of CKR Paints’ scheme application, the claimants could as directors have obtained the relevant documents earlier. As for the transfer of shares in Arasu Restaurant Pte Ltd (“Arasu Restaurant”),<sup>25</sup> that took place in November 2024, and the claimants had had more than five months to offer an explanation.

(b) The fresh evidence was not relevant as the creditors would still object to the proposed IVA.

(c) The fresh evidence was not credible. It was incredible that an investor would put money in the companies, and the explanatory statement lacked analysis.

23 In my judgment, it was not appropriate to admit the further affidavits. In essence, they were an attempt to put forward new proposals. As such, they were not strictly relevant to the decisions below, which were based on earlier proposals for different schemes of arrangement. More importantly, the fresh proposals were doomed to fail, as I explain at [49]–[50] below. Therefore, the adduction of the further affidavits would not have materially influenced the result.

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<sup>23</sup> 5 May Minutes p 2.

<sup>24</sup> Nagarani d/o Karuppiah’s 3rd Affidavit (“NK3”) p 6; Chinnakaruppan Kalaiyarasan’s 3rd Affidavit filed 2 May 2025 (“CK3”) p 6.

<sup>25</sup> See NK3 para 4; CK3 para 4.

24 I also accepted that the claimants had not acted with sufficient diligence in finding their nominees and furnishing their proposals and nominees' reports. I elaborate further at [52] below.

### **Applications for extension of personal moratorium**

#### ***Preliminary issue – the applicable provision***

25 As a preliminary matter, I note that Mdm Nagarani had applied for an extension of her interim order pursuant to s 276(4) of the IRDA, whereas Mr Arasu had applied for an extension of his interim order pursuant to s 280(4) of the IRDA.

26 Counsel for Maybank submitted that the proper provision to be relied on should have been s 280(4) of the IRDA, and that the nominees should have made the application, not the claimants.<sup>26</sup>

27 Section 276(4) of the IRDA states:

An interim order ceases to have effect 42 days after the making of that interim order unless the Court otherwise directs.

28 By contrast, s 280(4) of the IRDA states:

The Court may, on the application of the nominee, extend the period for which the interim order has effect so as to allow the nominee to have more time to prepare the report mentioned in subsection (1).

29 The report mentioned in s 280(1) is the nominee's report on the debtor's proposed voluntary arrangement.

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<sup>26</sup> Maybank's Written Submissions dated 28 Feb 2025 ("Maybank WS") para 21.

30 In *Re Aathar Ah Kong Andrew* [2019] 3 SLR 1242 (“*Re Aathar*”) at [25]–[50], Ang Cheng Hock J considered at some length the court’s role and powers in relation to the grant of interim orders, and the extension of time for such orders under s 45(4) of the Bankruptcy Act (Cap 20, 2009 Rev Ed) (“BA”), which is *in pari materia* with s 276(4) of the IRDA. Ang J did not accept that the provision was a general one which allows the court to extend the effect of an interim order at any stage (at [49]). Instead, Ang J held at [48] that:

... the power of the court under s 45(4) to direct that the interim order continues in effect beyond the default of 42 days arises *only when the court grants the interim order at the first instance*. The purpose of the court granting a longer duration for the interim order is to permit the nominee to have more time for the preparation of his report to the court. ... after the nominee’s report is submitted to the court, the two subsequent occasions where there is a possible need to extend the interim order so as to continue the moratorium are governed by specific provisions in the Act: s 49(5), which is for a creditors’ meeting to be called to consider the proposal for the voluntary arrangement, and s 54(5), which is for a further creditors’ meeting to be called after the court’s revocation of the creditors’ approval obtained at the first meeting.

31 Sections 49(5) and 54(5) of the BA are now ss 280(5) and 285(5) of the IRDA respectively.

32 In the present case, I agree that s 280(4) would have been the applicable provision at the time SUM 533 and SUM 534 were filed. Indeed, both of the supporting affidavits filed by one of the claimants’ nominees make clear that the reason for seeking an extension was for the nominees to have more time to prepare their report, and cite s 280(4) as the basis for seeking the extension.<sup>27</sup>

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<sup>27</sup> Yessica Budiman’s 1st Affidavit in HC/OSB 36/2025 filed 27 February 2025 (“YB1 (OSB 36)”) at para 5; Yessica Budiman’s 1st Affidavit in HC/OSB 37/2025 filed 27 February 2025 (“YB1 (OSB 37)”) at para 5.

33 Nevertheless, by the time the appeals came before me, the nominees' reports had been prepared. Indeed, the claimants were seeking to adduce those reports. Therefore, the basis for requesting an extension could no longer have been to prepare the reports. Instead, if Ang J's analysis was correct, the applicable provision would appear to be s 280(5) of the IRDA, which states:

If the Court is satisfied on receiving the nominee's report that a meeting of the debtor's creditors should be summoned to consider the debtor's proposal, the Court must direct that the period for which the interim order has effect is extended for such further period as the Court thinks fit, for the purposes of enabling the debtor's proposal to be considered by the debtor's creditors, and the nominee to report to the Court the results of the meeting of the debtor's creditors, in accordance with sections 281 to 283.

34 Assuming nonetheless that s 276(4) can be properly invoked at this stage, the relevant principles for the exercise of my discretion would remain the same. Parties' arguments before me also focused on the merits of the applications. It is to this that I now turn.

### ***The applicable principles***

35 The interim order is intended to function as a *temporary* moratorium. Its purpose is to allow the creditors some time to consider and, if thought fit, to approve the debtor's proposal. It is intended to operate only for a limited period to achieve this purpose. This is because the effect of an interim order is a serious incursion into the rights of creditors to proceed against a debtor to recover what is owed. The process is intended to be expeditious and closely supervised by the court. See *Re Aathar* at [41]–[42].

36 The principles for the initial grant of an interim order under s 276(1) of the IRDA are well-established, and may be summarised as follows.

37 First, the court must be satisfied that the “gateway conditions” in s 279(1) of the IRDA are fulfilled (*Re Sifan Triyono* [2021] 4 SLR 656 (“*Re Sifan*”) at [26]). These are that:

- (a) the debtor intends to make a proposal for a voluntary arrangement;
- (b) no previous application for an interim order has been made by or in respect of the debtor during the period of 12 months immediately before the date of the application; and
- (c) the nominee appointed by the debtor’s proposal is qualified and willing to act in relation to the proposal.

38 It was not contended in this case that any of these conditions were unsatisfied.

39 If the “gateway conditions” are satisfied, then the court has the discretion to make an interim order if it thinks “it would be appropriate to do so for the purpose of facilitating the consideration and implementation of the debtor’s proposal” (s 279(2) of the IRDA). In assessing the propriety of an interim order, the court will generally consider whether the debtor’s proposal is “serious and viable” (*Re Sifan* at [29]; *Re Yap Shiaw Wei (RHB Bank Bhd and others, non-parties)* [2024] SGHC 232 (“*Yap Shiaw Wei*”) at [32]).

(a) A serious proposal is one that contains “sufficient specifics to warrant its serious consideration by creditors”, with the details having “depth and verifiable accuracy” (*Yap Shiaw Wei* at [34]). A serious proposal must also be a transparent one that provides full and frank disclosure of material facts (*Yap Shiaw Wei* at [35]).

(b) A viable proposal is “realistic and capable of being implemented” (*Yap Shiaw Wei* at [36]). It must “align with practical constraints such as available resources and timeframes”, and be

“grounded in reality and avoid setting unattainable goals” (*Yap Shiaw Wei* at [36]).

(c) In determining viability, the court need not be satisfied that the proposal will in fact be approved or survive any challenge to its approval, but cannot be blind to evidence suggesting that there is no realistic prospect of the proposal, or similar variants thereof, being approved (*Yap Shiaw Wei* at [37]). A voluntary arrangement that is bound to be rejected by a majority of creditors is simply not viable (*Yap Shiaw Wei* at [54]).

(d) While the court should not rubber stamp everything the debtor says, the court should not pre-empt the creditors’ decision as to whether an offer is adequate, whether in financial terms or for other reasons (*Yap Shiaw Wei* at [38]).

(e) The court’s role is to filter out proposals which are not serious and viable, so as to avoid unnecessary and wasteful convening of creditors’ meetings. If the evidence suggests that a proposal is neither serious nor viable, the court should ensure the interests of creditors are properly served by the making of a bankruptcy order which would allow for a full investigation of the debtor’s affairs in a way that has the highest prospect of preserving as much of the assets as possible for the creditors. Otherwise, an interim order would simply become a means of postponing the making of bankruptcy orders. See *Yap Shiaw Wei* at [40]; *Re Sifan* at [34(b)] and [34(d)].

40 The purpose of granting an extension of an interim order is to provide additional time to allow creditors to properly consider a proposed voluntary arrangement (see s 280(5) of the IRDA). It follows that the requirements for the

initial grant of an interim order apply, *a fortiori*, to the grant of an extension of such an order. Were those requirements not met, there would be no reason to provide additional time to consider a proposal. In the context of proposals for schemes of arrangement under s 64(1) of the IRDA, the courts have adopted a similar approach to the grant of an extension of a moratorium (see *Re Lemarc Agromond Pte Ltd* [2023] SGHC 236 (“*Re Lemarc*”) at [23]).

41 In *Re Lemarc*, Hri Kumar Nair J added (at [23]) that “such an application should in addition be supported with sufficient detail on what the applicant has done so far, how much longer it anticipates it will need and what it reasonably believes it can accomplish in the extended period”. This is a logical corollary of the requirement that the applicant have a serious and viable proposal. In the absence of reasonable progress since the granting of an interim order, or a realistic estimate of what can be accomplished with more time, the applicant would be hard pressed to justify an extension of the interim order. However, I would not view Nair J’s statement as establishing individual, freestanding requirements that apply in addition the other requirements, as counsel for Maybank appears to suggest.<sup>28</sup> The considerations identified by Nair J go toward a determination of whether the applicant still has a serious and viable proposal that deserves consideration, bearing in mind the applicant’s utilisation of the time he has already been granted.

### *Analysis*

42 I have outlined the submissions by counsel for the claimants explaining why they should be given a chance to meet the creditors at [20] above.

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<sup>28</sup> Maybank WS at paras 30–31.

43 Counsel for Maybank and UOB submitted that there was no serious or viable proposal because:

(a) The claimants' proposed voluntary arrangements were contingent on the success of the schemes of arrangements for the CKR Group companies, which had failed.<sup>29</sup>

(b) There was no prospect of the proposed voluntary arrangements being approved.<sup>30</sup>

(c) It was highly unlikely that the claimants could put forward any viable arrangements acceptable to the creditors, considering the disparity between the size of their debts and the value of their assets.<sup>31</sup>

(d) There was a lack of full and frank disclosure by the claimants regarding the transfer of their shares in Arasu Restaurant.<sup>32</sup> Further delays ran the risk of repeated disposals that would prejudice the creditors.<sup>33</sup>

44 Additionally, counsel for Maybank and UOB highlighted that the interim orders had been in place for a long time, and that the claimants had dallied in revising their proposed voluntary arrangement.<sup>34</sup> It was submitted that

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<sup>29</sup> Maybank WS at para 33; UOB WS at paras 15–16.

<sup>30</sup> Maybank WS at para 34; UOB WS at paras 17–20.

<sup>31</sup> Maybank WS at para 35.

<sup>32</sup> Maybank WS at para 36; UOB WS at para 24.

<sup>33</sup> UOB WS at paras 22–23.

<sup>34</sup> Maybank WS at paras 38–41; UOB WS at paras 26–27.

the claimants were abusing the interim order process to stave off bankruptcy, prejudicing creditors with additional costs and delays.<sup>35</sup>

45 In my judgment, the applicants had not advanced a serious or viable proposal that warranted an extension of the interim order.

46 First, I agreed with the non-parties and the learned AR that the basis of the original application for an extension of time in SUM 534 and SUM 533 had fallen away. Those applications were for an extension of time for the claimants' nominees to prepare a report on the claimants' proposal.<sup>36</sup> The proposed voluntary arrangements were predicated on the outcome of the applications for scheme moratoria by CKR Paints and CKR Contract in OA 54 and OA 124.<sup>37</sup> OA 54 and OA 124 were dismissed on 10 March 2025 and CKR Contract was wound up the same day.<sup>38</sup> It was therefore clear that the basis for the appellant's original proposed IVAs had collapsed.

47 Counsel for the claimants alluded to the possible sale of a property at Kaki Bukit for about \$60m, which would significantly reduce the debts owed by the claimants.<sup>39</sup> But this option had been considered by the claimants at least since their initial application for interim orders on 11 April 2024,<sup>40</sup> and had still not materialised. In any event, the lapsing of the interim orders would not preclude a subsequent sale. Such a sale could lead to the claimants' earlier

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<sup>35</sup> Maybank WS at paras 42–44.

<sup>36</sup> YB1 (OSB 36) at para 5; YB1 (OSB 37) at para 5.

<sup>37</sup> YB1 (OSB 36) at para 13; YB1 (OSB 37) at para 13.

<sup>38</sup> Maybank WS at para 15; UOB WS at para 7(1).

<sup>39</sup> 5 May Minutes p 2.

<sup>40</sup> NK1 para 18.

release from bankruptcy. But in the absence of a viable voluntary arrangement, it was not a reason to prolong the interim orders.

48 I recognised that before me, the claimants sought to introduce a fresh proposal that unlike the initial proposals did not depend on this sale, but on an injection of capital by a third-party investor. However, this last-ditch attempt still faced the difficulty of significant creditor opposition, to which I now turn.

49 The fundamental difficulty with the claimants' proposals was that they faced staunch opposition from the majority creditors. The proposals required a special resolution to pass (s 282(1) of the IRDA). That meant that they needed the support of 75% of the creditors by value to pass. However, Maybank and UOB, which collectively held more than 80% of Mdm Nagarani's debt value and more than 70% of Mr Arasu's debt value, were strongly opposed.

50 While I appreciated the efforts of counsel for the claimants in forcefully advocating for another chance to convince the creditors, I found his argument that they might change their minds to be hopeful conjecture. It had been more than a year since the claimants filed for interim orders on 11 April 2024. It had been even longer – about a year and a half – since CKR Contract and CKR Paints had filed for scheme moratoria on 19 October 2023. During this time, the claimants and their companies had consistently failed to put forward a proposal that would satisfy the creditors, despite multiple attempts. Maybank and UOB were clear that the claimants' new proposal had not caused them to change their position.<sup>41</sup> It was unclear how a further extension would allow the claimants to advance a successful proposal, or bring about a sudden change in the creditors' minds.

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<sup>41</sup> 5 May Minutes p 2.

51 The non-parties had also voiced various concerns concerning the lack of full and frank disclosure, the risk of disposal of assets, and the abuse of process by the claimants. There was insufficient evidence before me to establish concealment on the part of the claimants, although there was at the minimum an omission to explain the transfer of shares in Arasu Restaurant. Neither was there sufficient evidence to establish a significant risk of dissipation. The non-parties also did not seriously press their claim of abuse of process before me, even though they had pursued it before the learned AR.<sup>42</sup> In that respect, I followed the learned AR in declining to make any finding of abuse of process.<sup>43</sup>

52 Nevertheless, I noted that the claimants' efforts had been less than expeditious. For instance, by 17 October 2024, the claimants' last nominee had decided to relinquish his role.<sup>44</sup> While the claimants claimed to have made efforts to find a replacement nominee,<sup>45</sup> they only appeared to appreciate the urgency of the matter after their last application for an extension was dismissed on 25 February 2025 because they did not have a nominee in place. They then contacted their replacement nominees and secured those nominees' appointment the very next day, on 26 February 2025.<sup>46</sup> Having failed to properly utilise the many extensions that had been granted, it was bold for the claimants' to ask for yet more time. The claimants' dilatory conduct supported the conclusion that they were merely prolonging the inevitable without any realistic prospect of a viable voluntary arrangement.

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<sup>42</sup> 11 Mar Transcript p 3 lns 17–24.

<sup>43</sup> 11 Mar Transcript p 6 lns 12–13.

<sup>44</sup> Yiong Kok Kong's 2nd Affidavit filed 17 October 2024 para 14.

<sup>45</sup> Nagarani d/o Karuppiah's 2nd Affidavit filed 18 February 2025 paras 4–10.

<sup>46</sup> YB1 (OSB 36) paras 7, 9–10; Notes of Evidence of hearing on 21 January 2025.

**Conclusion**

53 For the above reasons, I dismissed SUM 1187, SUM 1188, RA 56 and RA 57.

54 The non-parties have reserved their right to claim costs separately under the banking documentation by way of proof in the bankruptcies.

Philip Jeyaretnam  
Judge of the High Court

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Ng Huan Yong (Advent Law Corporation) for the third non-party  
(Overseas Chinese Banking Corporation Limited) (watching brief).

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