

IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

[1986] SGHC 2

Suit 5968/1985

Between

Team 108 Technical Services

... Appellant

And

Hujong Enterprises (Pte) Ltd

... Respondent

GROUND OF DECISION

Civil Procedure — Summary judgment; Commercial Transactions — Sale of goods — Breach of contract

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Team 108 Technical Services v Hujong Enterprises (Pte) Ltd

[1986] SGHC 2

Suit 5968/1985
T S Sinnathuray J
03 January 1986

1 On an appeal by the plaintiffs, in an O 14 application, where the defendants were given unconditional leave to defend the action, I allowed the appeal and gave judgment for the plaintiffs as claimed and costs. The defendants now appeal.

2 The claim of the plaintiffs is for the sum of \$217,398.50 being the balance of the price for goods sold and delivered and services rendered to the defendants by the plaintiffs at the defendants' their servants' or agents' request. After the issue and service of the writ of summons, the defendants made part payment of \$1,800 leaving a balance of \$215,598.50 still due and owing.

3 The defendants admit that they have from time to time made payments to the plaintiffs in respect of the supply and installation of certain sound and lighting equipment, but they contend that all such payments were made for and on behalf of a third party, a company, Entlink Sdn Bhd (Entlink). In support of their contention, the defendants rely on a letter from the general manager of Entlink written about three weeks before the issue of the writ of summons which reads as follows:

30 May 1985

To:

The Manager,

Team 108 Technical Services,

19, Marigold Drive,

Singapore 2057

Dear Sir,

RE : Outstanding Amount: Sin \$215,598.50

This serves to confirm that the above amount is due to you by Entlink Sdn Bhd of No 4, Lorong Yap Kwan Seng, Off Jalan Yap Kwan Seng, Kuala Lumpur.

Yours sincerely,

For and On Behalf of

ENTLINK SDN BHD

Sgd (Illegible) General Manager

4 To meet the defendants' contention, the managing partner of the plaintiffs made an affidavit in which he has succinctly summarized the following facts:

(a) The agreement to supply and install the said equipment was made between the defendants and the plaintiffs. At all material times it was expressly and/or impliedly made known to the plaintiffs that the defendants were the principal contracting party and that they will be solely liable for the contracted sum.

(b) The defendants pursuant to the said agreement paid a deposit of \$50,000 and took delivery of the said equipment themselves.

(c) Between the periods 25 October 1984 to 9 February 1985 when the plaintiffs' invoices were rendered to the defendants they have made progressive payments without any dispute whatsoever.

(d) On or before 21 April 1985 they have even requested a statement of the outstanding sum due to the plaintiffs.

(e) At all times prior to the plaintiffs' solicitors' letter of demand on them they have evinced an unreserved intention to pay the outstanding balance of \$217,398.50 due to the plaintiffs.

5 At the hearing of the appeal, Mr Seah for the plaintiffs submitted that these facts clearly show that the defendants were the purchasers of the goods, and therefore, they were personally liable under the contract. He strongly relied on the case of ***Pernas Trading v Persatuan Peladang Bakti Melaka*** [1979] 2 MLJ 124 . This Malaysian case was very much to the point. In this case, the plaintiffs sued the defendants for the balance of the price of goods sold and delivered to the defendants. In their defence, the defendants denied liability and sought to show that the goods were ordered for a third party. The plaintiffs' application for leave to sign final judgment was dismissed by the registrar and the decision was upheld by the learned High Court judge. The Federal Court, however, allowed the appeal. The court held that as the sales invoice and the delivery note plainly showed that the defendants were the purchasers and the receivers of the goods, even if they were agents for a third party, they were still liable because they were contracting in such form as to make them personally liable.

6 After hearing both counsel, on the facts before me, I concluded that the plaintiffs in the present case had a stronger case than the plaintiffs in the abovementioned case. On the affidavit evidence, I found that the quotations, the invoices and the payment vouchers, all made it clear that the contract for the supply and installation of the sound and lighting equipment was between the defendants and the plaintiffs. I also found that there was no evidence that the plaintiffs knew at the time of the contract that the defendants were acting as agents for Entlink. Indeed, there is no reference to this company in any of the documents exhibited to the affidavits in these proceedings. As for the letter from Entlink written after notice of demand had been made by the plaintiffs'

solicitors in my opinion, it was not worth the paper written on. It is enough to say that there was no privity of contract between the plaintiffs and Entlink to sustain that letter. For these reasons, I allowed the appeal with costs. The plaintiffs were entitled to enter judgment as claimed in the writ of summons.

7 ***Appeal allowed***

T S Sinnathuray J

David Seah (David Seah & Co) for the appellant
Robert Wong (Khattar Wong & Co) for the respondent
