

**GUIDELINES ON  
APPLICATIONS FOR  
STRIKING-OFF OF A  
COMPANY UNDER SECTION  
344 OF THE COMPANIES  
ACT, CAP 50.**

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## INTRODUCTION

Section 344 of the Companies Act empowers the Registrar of Companies and Businesses to strike a company off the Register if the Registrar has reasonable cause to believe that a company is not carrying on business or is not in operation.

## REQUIREMENTS

The Registrar will strike a company off the Register only if the company can meet the following criteria:

- (a) the company has ceased operations;
- (b) the company is not and will not be involved in any court proceedings, whether in or outside Singapore;
- (c) the company has no contingent assets and liabilities (i.e. assets/liabilities that may arise in the future);
- (d) the director(s) have obtained the written consent of the majority of shareholders to strike the name of the company off the register;
- (e) the company officers have no outstanding summonses or composition fines issued by RCB or warrant of assets issued by the Court;
- (f) the company has no outstanding penalties or offers of composition owing to the Registry of Companies and Businesses ("RCB");
- (g) the company is not indebted to other government departments;
- (h) the company has no outstanding tax liabilities owing to the Inland Revenue Authority of Singapore ("IRAS"); and
- (i) the company has no outstanding charges in its charge register e.g. no mortgages etc.

These requirements are put in place to ensure that no other person or party will be adversely affected by the striking-off of a company from the Register.

## REQUIREMENTS IN DETAIL

- (a) The company must have ceased operations. This means that the company is no longer trading or engaging in any form of business activity with a view to making profits.
- (b) The company must not be involved in any court proceedings, whether inside or outside Singapore. If a company is aware that there is an impending action against the company, it should also not make any application for striking-off.
- (c) The company must have no assets and liabilities when the application is made. RCB will examine the balance sheet of the latest audited accounts enclosed in the application to ensure that this requirement is satisfied. The company's charge register must also be



clear. If there are any outstanding charges (e.g. a mortgage) lodged with the Registry against the company, these charges must also be removed before an application is made.

- (d) If the company is an exempt private company and its last audited accounts show no assets or liabilities, it is not required to submit the latest set of audited accounts with its application. Instead, it should submit a copy of its certificate of exempt private company found in the last Annual Return lodged with the Registry. However, if there are assets or liabilities shown in the last audited accounts, the company must enclose this last set of audited accounts in its application and the directors must explain in their applications how these assets or liabilities are disposed off. Documentary evidence of the disposal or settlement must also be enclosed.
- (e) If the company has not carried on any business since its incorporation and has not lodged any audited accounts with the Registry, it is not required to submit any audited accounts with its application. However if the company has opened a bank account, it should close the account and provide a copy of the bank statement as evidence that the account is closed. If audited accounts have been previously lodged with the Registry it should then submit a copy of the latest audited accounts with its application.
- (f) The company must not have any outstanding penalties or offers of composition owing to the Registry. The company must ensure that all such liabilities are settled before making an application.
- (g) The company must not have any outstanding tax liabilities with IRAS. If there are such liabilities, the company must settle them before making an application.
- (h) The company must not be indebted to other government departments. If there are any debts outstanding, the company must settle them before making the application.
- (i) All of the officers (e.g. directors and company secretary) of the company must not have any outstanding RCB summonses against any of them. If there are outstanding summonses against any one of them, RCB will not approve the application. The only exception would be when the officer cannot be contacted at all and there is a warrant of arrest against him. This exception must be specifically stated in the application of the directors.
- (j) The particulars of the officers must be the same as in RCB's Records. If there are any differences or changes, the company must first ensure that our Records are updated before making the application.

## **PROCEDURE**

The application is required to be submitted online via Bizfile. RCB will take between seven to 14 working days to process the application.

### **Application is approved**

If the application is approved:



- (a) A "striking-off notice" will be sent to the company at its registered office address, its officers (directors and company secretary) at their residential address and IRAS.
- (b) A period of one month is given in the "striking-off notice" to anyone that may wish to raise any objection to application.
- (c) After the one month period has expired, a notification of the intention to strike the company off the Register three months later will be made in the Government Gazette. Any interested person can still raise an objection to the application during this three months.
- (d) After the three months have expired, a final notification will be made stating that the company has been struck off the Register. The date that the company is struck off will also be stated in the final notification.

The entire striking-off process will therefore take about five months.

### **Application is NOT approved**

If the application is not approved, for example, the documents submitted are incomplete or there are still outstanding assets and liabilities etc, an email will be send to the applicant to inform the applicant the application was rejected. The application can then be re-submitted for RCB's consideration again.

### **What must the shareholders do?**

- (a) All the shareholders, failing which, the shareholders holding the majority of the shares in the company must consent to the striking-off of the company.
- (b) The company must submit a letter of consent from each individual shareholder (the letters must be signed, dated and must bear the signature and name of the shareholder) in support of the application.
- (c) If the company is a wholly owned subsidiary, a letter of consent by the holding company can be submitted. This letter of consent must be signed by a director of the holding company and must be made using the holding company's letterhead.

### **What if a director or shareholder is not contactable?**

If a director or shareholder is not contactable but the company is desirous of making an application to strike itself off the Register, the following must be carried out before an application can be made:

- (a) The other directors must have attempted to contact this "missing" director or shareholder by writing to him at his residential address indicated in the Records. These attempts must be made in writing and must be made by way of registered post. The intention to apply for the company to be struck off must also be stated in the letter and the consent of this director or shareholder must be sought. The director or shareholder must be given at least four weeks from the date of the letter to revert.



- (b) Reference of such attempts must be stated in the application of the directors and evidential proof of such attempts must also be enclosed therein (e.g. a copy of the receipt issued by the postal agency should be enclosed). Although the letters sent to the "missing" director or shareholder need not be enclosed in the application, a brief description of the contents of the letter must be stated in the application.
- (c) In the case of a "missing" shareholder, if the company is still able to convene a general meeting and the resolution to strike off the company can be validly passed at this general meeting, this must still be done.
- (d) The application of the remaining directors must set out clearly these attempts made and their outcome.

### **OBJECTIONS TO THE STRIKING-OFF**

If the Registry receives any objection after approval of the application has been granted but before the company has been struck off the Register, the Registrar will inform the company of the objection and give the company a period of two months to resolve the objection. If the company is unable to resolve the objection, the striking-off process will be terminated. The company will have to make a new application again thereafter.

