IN THE HIGH COURT OF FIJI AT SUVA COMPANIES JURISDICTION

Winding Up Action No. HBE 32 of 2024

IN THE MATTER of a Statutory Demand dated 22nd April 2024 taken out by GAMESPOT PTE LIMITED ("the Respondent") against OCEANIA BUSINESS & CONSULTANCY SERVICE PTE LIMITED ("the Applicant") and served on the Applicant on 14th June 2024

<u>AND</u>

IN THE MATTER of an application by the Applicant for an Order setting aside the Statutory Demand pursuant to Section 516 of the Companies Act.

BETWEEN:

OCEANIA BUSINESS & CONSULTANCY SERVICE PTE LIMITED a limited liability company having its registered office at Malolelei House, Nukuwatu, Lami Suva in Fiji.

<u>APPLICANT</u>

AND:

GAMESPOT PTE LIMITED a limited liability company having its registered office at Temwaikau Village, South Tarawa in the Republic of Kiribati.

RESPONDENT

Representation:

<u>Applicant</u> – Ms. Fa and Ms. Toga (Law Solutions)

Respondent- No appearance.

Ruling

- [1] On 5th July 2024 the Applicant filed an application to set aside statutory demand. It was accompanied by an affidavit of Joseph Rodan, the Managing Director of the Applicant company.
- [2] On 30th August 2024 when it was first called the lawyers for the Applicant sought orders in terms. I sought it be served on the registered office of the Respondent company. I also sought that the Applicant lawyers check which company was the Respondent. In the affidavit Slim Price Trading PTE Limited was referred to as the Respondent.
- [3] On 3rd October 2024 an amended Application and an amended affidavit was filed. An affidavit of service was filed. The Applicant has filed written submissions.

- [4] On or about 14th June 2024 the Applicant was served a notice of demand and intention to wind up the plaintiff company.
- [5] Section 516 of the Companies Act 2015 provides that:
 - "(1) A company may apply to the court for an order setting aside a statutory demand served on the company.
 - (2) An application may only be made within 21 days after the demand is so served.
 - (3) An application is made in accordance with this section only if, within those 21 days
 - a. An affidavit supporting the application is filed with the court; and
 - b. a copy of the application, and a copy of the supporting affidavit, are served on the person who served the demand on the company."
- [6] Section 517 of the Companies Act 2015 provides:
 - "(1) This section applies where, on an application to set aside a statutory demand, the court is satisfied of either or both of the following
 - a. That there is a genuine dispute between the company and the respondent about the existence or amount of a debt to which the demand relates;
 - b. That the company has an offsetting claim.
 - (2) The court must calculate the substantiated amount of the demand.
 - (3) If the substantiated amount is less than the statutory minimum amount for a statutory demand, the court must, by order, set aside the demand.
 - (4) If the substantiated amount is at least as great as the statutory minimum amount for a statutory demand, the court may make an order
 - a. Varying the demand as specified in the order; and
 - b. Declaring the demand to have had effect, as so varied, as from when the demand was served on the company.
 - (5) The Court may also order that a demand be set aside if it is satisfied that
 - a) Because of a defect in the demand, substantial injustice will be caused unless the demand is set aside; or
 - b) There is some other reason why the demand should be set aside"
- [7] I note that the setting aside application has been made within 21 days of the service of the demand notice and intention to wind up. The Applicant has complied with Section 516 of the Companies Act 2015.
- [8] For the Applicant to have the Statutory Demand Set aside in terms of section 517 (1) of the Companies Act 2015, it should satisfy the court either or both of the following:
 - (a) That there is a genuine dispute between the Applicant and the Respondent about the existence or amount of a debt to which the demand relates;

(b) That the Applicant has an offsetting claim.

Sub section (2) of Section 517 empowers the court to calculate the substantial amount of the statutory demand and if it finds that the substantiated amount is less than the statutory minimum amount for a statutory demand to be set aside as per sub section (3) thereof. If the substantiated amount found to be at least as great as the statutory minimum amount for a statutory demand court may make orders as per subsection (4) (a) and (b).

- [9] Sub section (5) of Section 517 also empowers the court to set aside the Statutory Demand, if it is satisfied;
 - (a) Because of a defect in the demand, substantial injustice will be caused unless the demand is set aside; or
 - (b) That there is some other reason why the demand should be set aside.
- [10] For the court to engage in calculation of the substantiated amount as per section 517 (2) of the Companies Act 2015 and to make appropriate orders under subsections (3) or (4) (a) and (b), it has to be satisfied (a) that there is a genuine dispute between the company and the respondent about the existence or amount of a debt to which the demand relates; (b) that the company has an offsetting claim.
- [11] The Applicant is not complaining of any defect in the Statutory Demand or that there is some other reason that causes substantial injustice to warrant the setting aside of the demand, the necessity for this court to consider sub section (5) will not arise.
- [12] The main task before the court is to ascertain whether there is a genuine dispute as to the existence or amount of a debt to which the demand relates? And/or whether the company has an offsetting claim?
- [13] I do not find that there is a genuine dispute as to the existence or amount of debt to which the demand relates. I note the affidavit in support and amended affidavit of Joseph Rodan. From these affidavits I do not find any reference that that there is a genuine dispute as to the existence or amount of debt (\$222,497.85) to which the demand relates. The affidavit does not dispute the sum demanded by the Respondent. Neither does the Applicant have an offsetting claim.

[14] The application to set aside the statutory demand is dismissed. No other party was involved. So, there will be no orders as to costs.

