

(Encl. 19)

**DALAM MAHKAMAH TINGGI MALAYA DI KUALA LUMPUR**

**(BAHAGIAN DAGANG)**

**GUAMAN SIVIL NO : D1-22-1525-2006**

ANTARA

PECD CONSTRUCTION SDN BHD  
(NO. SYARIKAT: 151505-T)

... PLAINTIF

DAN

FREEHOLD POINT SDN BHD  
(NO. SYARIKAT: 331140-V)

... DEFENDAN

**ALASAN RINGKAS**

The Defendant's claim is for the balance purchase price on goods delivered to New MK Marble and Granite Sdn Bhd ('New MK Marble'), the order of, and payment for which was expressly agreed to be made by the Plaintiff. To be noted is that PEDC is formerly known as Peremba Construction.

There were only three issues raised by the Plaintiff, namely: (a) quality; and (b) shortfall of the goods supplied to and received by New MK Marble; (c) allegation of fraud against the Defendant since the recipient of the goods was one Charles Lee Chye Hin ('Charles') who was the husband of the Defendant's directors/shareholders named Madam Shu Yoke Mui.

**Re (a) quality and (b) shortfall.**

Considering that the Plaintiffs had not at any time raised any complaint to the Defendant concerning the quality or shortfall of the goods concerned they should not now be heard to raise this issue. It is this court's observation that the letter of complaint dated 9<sup>th</sup> March 2006 adduced by the Plaintiff as exhibit 'A-5' was in fact a letter from New MK. Marble & Granite Sdn Bhd which was addressed to Peremba Trading Sdn Bhd. This 9<sup>th</sup> March 2006 letter was indeed acknowledged and initialled as received by the latter at 3.00 p.m. on 24<sup>th</sup> May 2006 – with their rubber stamp bearing the words (similar to exhibit 'SYM-1' of Encl.7) 'PH05 Peremba Construction ...'. It is trite

law that in cases of goods sold and delivered, if evidence shows that a party had accepted the goods but fail to make any complaints in terms of quality or shortfall within a reasonable time he is deemed to have accepted the goods unconditionally. This court would have to take note that the Plaintiffs had not, within a reasonable time, complained about the goods received by New MK Marble.

**Re (c) allegation of fraud.**

It is common ground that Charles had acknowledged receipt of the goods and that at the material time he was an employee and Project Manager of New MK Marble. But, a factor which I hold in favour of the Defendant is that even at the time of his application for the a job in New MK Marble he had stated that Mdm Shu Yoke Mooi was his spouse (see Exh 'A-6' of Encl 3). Furthermore, Charles was the only person charged with the duty of liaising with the Plaintiff and he had done so on a regular basis as the Defendant had no sales personnel. I do not see how could there be any fraud committed by the Defendant, as the Plaintiff

must have been ware of this relationship between Charles and Madam Shu Yoke Mui, and had acquiesced to this state of affairs. Furthermore, the Plaintiffs had not complained or raised any objection in this regard until the Defendant started to pursue this claim for the goods sold and delivered.

**(d) Re any acknowledgement of Debt.**

The Defendant's case is that they have written to the Plaintiff a letter dated 24 March 2006 (rubberstamped as received on 25<sup>th</sup> March 2006 by 'PHOS, Peremba Construction ...') which, inter alia, stated that the Plaintiff had agreed to release to the Defendants payment of the balance of RM133,640.00 (see Exh 'SYM-1' Encl. 7). The letter states as follows:

"FREEHOLD POINT SDN. BHD. (331140-V)

24<sup>th</sup> March 2006

PEREMBA CONSTRUCTION SDN BHD  
BLOCK ... PEREMBA SQUARE,  
SAUJANA RESORT, SEKSYEN U2  
41050 SHAH ALAM  
SELANGOR DARUL EHSAN

ATTN: PUAN RADZILLAH MAHMOOD

Dear Puan,

Re: P.O.No PHOS/po/01808

D/O No. 0025/06, dated 10 February 2006

D/O No. 0026 & 0027/06 dated 22 February 2006

Invoice No. T/0028/06

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The above P.O, d/o and Invoice refers.

As per your instruction the goods ordered by you been delivered to your sub-contractor M/S New MK' Marble & Cranite Sdn Bhd factory in Semenyih since 22<sup>nd</sup> February 2006. We are please to inform you that they are in the process of cutting to sizes and will be release and send to your project site for installation soon.

**During the site meeting with En Akmal of KLCC, your goodself had agreed to release the balance of the sum amounting to RM133,640.00 to us and that was weeks ago.**

**We looking forward to receive your cheque of RM133,640.00 soon.**

Thank you.

Yours faithfully

Sgd.

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Freehold Point Sdn Bhd" (Emphasis added)

The receipt of this letter was never denied by the plaintiffs in their affidavits nor was there any letter to dispute the debt. Thus, the Defendants' case is that because there was no oral or

written response to this letter they should be deemed to have admitted the said debt of RM133,640.00. On this point, I am inclined, and indeed bound to follow the decision of the Court of Appeal in, **David Wong Hon Leong** (1996) 1 AMR 7, where Gopal Sri Ram, JCA had this to say – which accords to good reasoning:

“On December 17, 1991, the respondent **wrote to the appellant confirming an agreement between them whereby the former was to receive an additional fee of RM100,000/-** if he assisted in resolving the problem regarding the access. It is the respondent’s case that he did in fact obtain the required access through his exertions. The appellant, however, denies any agreement to pay the additional fee. In respect of this sum, the learned Judge granted leave to defend. We would digress for a moment to say a few words about this latter order of the learned judge. During argument, we registered our surprise at the learned judge’s reluctance to enter judgment for his sum of RM100,000/-. After all, the appellant had failed to respond to the letter of December 17. If there had never been an agreement as alleged, it is reasonable to expect a prompt and vigorous denial. But, as we have pointed out, there was no response whatsoever from the appellant.

In this context, we recall to mind the following passage in the judgment of Edgar Joseph Jr J in **Tan Cheng Hock v Chan Thean Soo** [1987] 2 MLJ 479, 487:

‘In **Wiedemann v Walpole** (1891) 2 QB 534, 537 an action for breach of promise of marriage, it was held, that the mere fact that the defendant did not answer letters written to him by the plaintiff in which she stated that he had promised to marry her, was no evidence corroborating the plaintiff’s testimony in support of such promise.

Lord Esher MR, in his judgment, remarked.

'Here, we have only to see whether the *mere fact* of not answering the letters, *with nothing else* for us to consider is any evidence in corroboration of the promise.' (Emphasis added).

Earlier, in his judgment, he said.

*'Now there are cases – business and mercantile cases-in which the courts have taken notice that, in the ordinary course of business, if one man of business states in a letter to another that he has agreed to do certain things, the person who receives that letter must answer it if he means to dispute the fact that he did so agree.'* (The emphasis is ours)"

(See also my decision *Pembinaan Lian Keong Sdn Bhd v Yip Fook Thai* (2005) 6 CLJ 34).

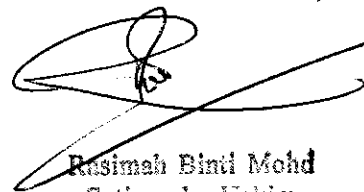
In the event, I find that the amount demanded in the said S. 218 notice is a debt clearly due and outstanding to the Defendants and the injunction now prayed for in Encl. 4 ought to be and is now dismissed with costs.

Dated this 18 day of January 2008.

Sgd.

DATO' VINCENT NG KIM KHOAY  
High Court Judge  
Kuala Lumpur

SALINAN DIAKUI SAH



Rasimah Binti Mohd  
Setiausaha Hakim  
Y.A. Dato' Vincent Ng Kim Khoay  
Mahkamah Rayuan Malaysia  
62506 PUTRAJAYA

COUNSEL FOR THE PLAINTIFF:

Mr. Sanjay Mohanasundram  
Ms. Joyce Lim Mei Ting

Solicitors

Tetuan Hishammuddin Allen & Gledhill  
Advocates and Solicitors  
Level 16 Menara Asia Life  
No. 189 Jalan Tun Razak  
50400 KUALA LUMPUR

COUNSEL FOR THE DEFENDANT:

Mr. Alex Chang Huey Wah

Solicitors

Tetuan Alex Chang & Co.  
Advocates and Solicitors  
C-3A-8 Megan Avenue I  
189 Jalan Tun Razak  
50400 KUALA LUMPUR

TD: D1-22-1525-2006 (PECD Construction v Freehold Point Sdn Bhd – Nota Ringkas)