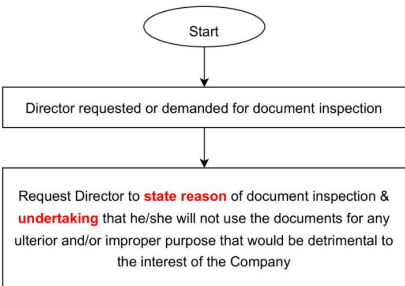


8 days Journey - S 245 (4) Companies Act 2016

# Day 8

## Flowchart : When can Refuse Director's Inspection



**The Law: S 245 (1) & (4) CA2016: Accounts to be kept**

(1) A company, the directors and managers of a company shall –  
 (a) cause to be kept the accounting and other records to sufficiently explain the transactions and financial position of the company and enable true and fair profit and loss accounts and balance sheets and any documents required to be attached thereto to be prepared; and  
 (b) cause the accounting and other records to be kept in a manner as to enable the accounting and other records to be conveniently and properly audited.  
 (4) The records referred to in subsection (1) shall be kept at the registered office of the company or at such other place as the directors think fit, and shall at all times be open for inspection by the directors.

**Interpretation**

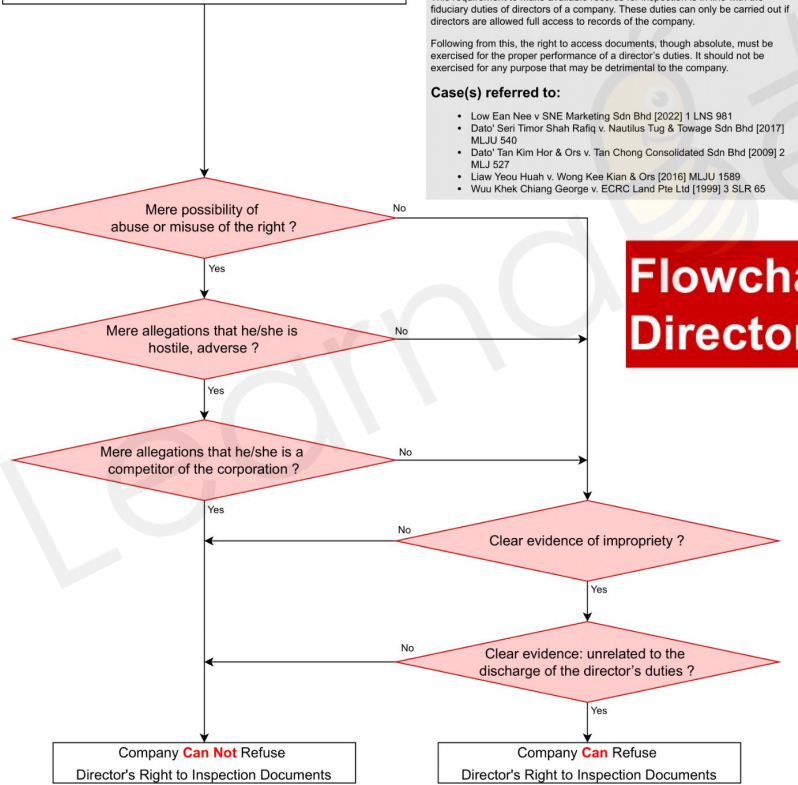
S 245(4) CA 2016 imposes a mandatory requirement on a company to ensure that accounting and other records of the company are available for inspection by its directors.

This requirement to make available records for inspection is in line with the fiduciary duties of directors of a company. These duties can only be carried out if directors are allowed full access to records of the company.

Following from this, the right to access documents, though absolute, must be exercised for the proper performance of a director's duties. It should not be exercised for any purpose that may be detrimental to the company.

**Case(s) referred to:**

- Low Ean Nee v SNE Marketing Sdn Bhd [2022] 1 LNS 981
- Dato' Seri Timor Shah Rafiq v. Nautilus Tug & Towage Sdn Bhd [2017] MLJU 540
- Dato' Tan Kim Hor & Ors v. Tan Chong Consolidated Sdn Bhd [2009] 2 MLJ 527
- Liew Yeou Huah v. Wong Kee Kian & Ors [2016] MLJU 1599
- Wu Khok Chiang George v. ECRCLand Pte Ltd [1999] 3 SLR 65



**Flowchart: S 245(4) Right to Inspect Documents by Directors**

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**(Thu) 08 Dec 2022**

**11am - 12:30pm** Webinar Starts (FREE and Open to Public)

👉 [Click here to register \(FREE and Open to Public\)](#)

**(Thu) 15 Dec 2022**

**9am - 10:30am** Webinar Starts (FREE and Open to Public)

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