**IN THE GENERAL DIVISION OF**
**THE HIGH COURT OF THE REPUBLIC OF SINGAPORE**

**[2026] SGHCR 14**

Originating Claim No 1062 of 2025 (Summons No 701 of 2026)

Between

Seng Hock Chye Daniel

… *Claimant*

And

Denso International Asia Pte Ltd

… *Defendant*

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# GROUNDS OF DECISION

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[Civil Procedure — Striking out]
[Employment Law — Termination]

## TABLE OF CONTENTS

# Seng Hock Chye Daniel
# v
# Denso International Asia Pte Ltd

**[2026] SGHCR 14**

General Division of the High Court — Originating Claim No 1062 of 2025
(Summons No 701 of 2026)
AR Ramu Miyapan
16 April 2026

11 May 2026

**AR Ramu Miyapan:**

## Introduction

1 This is the defendant's application under O 9 rr 16(1)(a) and (c) of the Rules of Court 2021 ("ROC 2021") to strike out the claimant's statement of claim in HC/OC 1062/2025 in its entirety. The application is made on the grounds that the statement of claim discloses no reasonable cause of action and that it is in the interests of justice to strike out the claim.

2 The claimant was formerly employed by the defendant pursuant to an employment contract entered into on or around May 2005.[1] His employment was terminated on 1 October 2024 after approximately 19 years, 4 months and

[1] Statement of Claim dated 30 December 2025 ("SOC") at [4]. Defendant's Written Submissions dated 9 April 2026 ("DWS") at [4].

7 days of service, and he was paid salary in lieu of notice.[2] The claimant has brought a claim for wrongful dismissal, alleging that the termination was carried out in bad faith as a disguised retrenchment to deprive him of retrenchment benefits, and seeking damages including for psychiatric harm, distress, humiliation and loss of reputation.[3]

3 The defendant filed the 1st Affidavit of Toshihira Katsu on 5 March 2026 in support of this application. The claimant filed the 1st Affidavit of Daniel Seng Hock Chye on 19 March 2026 in response. Both parties filed comprehensive written submissions dated 9 April 2026, and the matter was heard on 16 April 2026.

4 Having considered the parties' submissions, I granted the defendant's striking out application and ordered that the statement of claim be struck out in its entirety. I now set out my full written grounds of decision.

## The Applicable Law

### *General principles on striking out*

5 Under O 9 r 16(1) of the ROC 2021, the court may strike out pleadings on the grounds that they:

(a) disclose no reasonable cause of action or defence;

(b) are an abuse of process of the court; or

(c) if it is in the interests of justice to do so.

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2 SOC at [5]–[6]. Defence dated 5 February 2026 ("Defence") at [4] and [6].

3 SOC at [8], [12] and [15].

6 The bar for striking out is deliberately set high and should be exercised sparingly, only in very exceptional cases. As emphasised in *Envy Asset Management Pte Ltd (in liquidation) v Lau Lee Sheng* [2024] SGHC 38 ("*Envy Asset Management*") at [17], citing *Leong Quee Ching Karen v Lim Soon Huat* [2023] 4 SLR 1133 at [25]–[26], the applicant bears the burden of proving that the claim is "obviously unsustainable, the pleadings [are] unarguably bad and it must be impossible, not just improbable, for the claim to succeed before the court will strike it out".

7 The test for striking out under limb (a) is well-established. As stated in *Gabriel Peter & Partners (suing as a firm) v Wee Chong Jin* [1997] 3 SLR(R) 649 ("*Gabriel Peter*") at [21], citing Lord Pearson in *Drummond-Jackson v British Medical Association* [1970] 1 All ER 1094, a reasonable cause of action connotes one which "has some chance of success when only the allegations in the pleading are considered". As long as the statement of claim discloses some cause of action or raises some question fit to be decided at trial, the mere fact that the case is weak and not likely to succeed is no ground for striking it out.

8 In assessing the viability of an action under limb (a), the court will presume the pleaded facts to be true in favour of the claimant and this is properly a question of law: *Tan Eng Khiam v Ultra Realty Pte Ltd* [1991] 1 SLR(R) 844 at [29].

9 Under limb (c), the "interests of justice" ground gives effect to the Court's inherent jurisdiction to prevent injustice which is engaged where a claim is plainly or obviously unsustainable – *Asian Eco Technology Pte Ltd v Deng Yiming* [2023] SGHC 260 ("*Asian Eco Technology*") at [16(b)], citing *The "Bunga Melati 5"* [2012] 4 SLR 546 ("*The "Bunga Melati 5"*") at [33]. A claim is legally unsustainable if "it is clear as matter of law at the outset that even if a

party were to succeed in proving all the facts that he offers to prove he will not be entitled to the remedy that he seeks" (*The "Bunga Melati 5"* at [38]). A claim is factually unsustainable if "it is possible to say with confidence before trial that the factual basis for the claim is fanciful because it is entirely without substance" (at [37]–[38]).

10 As further noted in *Asian Eco Technology* at [17], the "interests of justice" ground under O 9 r 16(1)(c) is "residuary in nature and is intended to empower the court to terminate [an] action or dismiss a defence or make any other appropriate order if this outcome is necessary to achieve the interests of justice". Importantly, under O 9 r 16(2) ROC 2021, no evidence is admissible on an application under paragraph (1)(a). This constraint is significant as it means the court must determine whether a reasonable cause of action is disclosed based solely on the pleadings themselves, without reference to extraneous evidence.

11 The claimant correctly emphasised this procedural constraint and argued that many of the defendant's contentions would require assessment of documentary evidence that cannot be considered at this stage.[4] However, in my view this constraint does not assist the claimant where the fundamental issue is the absence of any pleaded legal basis for the claims advanced.

**The Claimant's Pleaded Case**

12 Before analysing the statement of claim to determine for any potential legal deficiencies, it is necessary to understand what the claimant has pleaded.

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4 Claimant's Written Submissions dated 9 April 2026 ("CWS") at [10]–[12].

The gist of the claimant's allegations in the statement of claim can be summarised as follows:

(a) The termination was "a wrongful dismissal" and "in breach of the defendant's duties to the claimant without just cause or excuse";[5]

(b) The termination was carried out in bad faith and for an improper purpose, being a disguised retrenchment to deprive the claimant of "rightful retrenchment benefits";[6]

(c) The termination was "contrary to the Tripartite Guidelines on Wrongful Dismissal";[7]

(d) The defendant's post-termination allegations about the Claimant's performance are "false, baseless, and an *ex post facto* attempt to justify the wrongful dismissal";[8] and

(e) The claimant suffers from "[a]djustment [d]isorder with depressed mood" as a result of the termination.[9]

13 The claimant seeks various heads of damages including general damages for psychiatric injury, distress, humiliation and loss of reputation arising from the wrongful termination.[10]

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5 Statement of Claim ("SOC") at [7].

6 SOC at [8].

7 SOC at [8(c)].

8 SOC at [10].

9 SOC at [13].

10 SOC at [15]–[16].

## Analysis and decision

### *Issue 1: Does the statement of claim disclose no reasonable cause of action?*

14 The most fundamental defect in the claimant's statement of claim is that it fails to plead any recognisable legal basis for wrongful dismissal. This is not a case where the pleadings are merely inadequate in particulars – rather, there is a complete absence of any legal foundation for the claim.

*Claims for wrongful dismissal*

15 At paragraph 7 of the statement of claim, the claimant merely asserts in conclusory terms that the termination "was a wrongful dismissal" and "was in breach of the defendant's duties to the claimant without just cause or excuse". This bare assertion, without more, cannot constitute a reasonable cause of action.

16 Critically, the claimant has not alleged that the termination was carried out in a manner contrary to the terms of his employment contract, nor that it breached any express or implied contractual terms. The claimant has further failed to allege that the termination was carried out in breach of any statutory provision, or that the defendant owed any specific duties – whether contractual, tortious, or statutory – that were breached. The claimant's case is therefore conspicuously silent on the legal basis upon which the termination is said to be wrongful, and absent such pleaded foundations, the claim cannot be sustained.

17 The phrase "without just cause or excuse" appears to be borrowed from s 14(2) of the Employment Act 1968 (2020 Rev Ed), but the claimant has not pleaded that his claim is brought under this provision or any other statutory provision. Moreover, as will be discussed below, the Employment Act

framework operates through the Employment Claims Tribunal, not the civil courts.

18 This deficiency is so fatal that it cannot be cured by a request for particulars. As established in *Pinson v Lloyds* [1941] 2 KB 72 at 75, particulars can only be requested of facts, and it is not the function of particulars to take the place of necessary averments in the pleadings. The claimant's pleadings are so bereft of legal foundation that there are no facts to be particularised – the fundamental legal basis for the claim is simply absent.

*Claims for disguised retrenchment and termination in bad faith*

19 A central plank of the claimant's case is his claim for retrenchment benefits, which he alleges he was wrongfully deprived of through a "disguised retrenchment".[11] However, this claim suffers from a fundamental legal flaw: the claimant has not pleaded any basis for entitlement to such benefits.

20 Even accepting *arguendo*, the claimant's factual allegation that his role was made redundant, this alone would not confer any legal entitlement to retrenchment benefits. Such entitlement must be founded either in contract or statute.

21 The claimant has not pleaded that he is entitled to retrenchment benefits under the terms of his employment contract, nor has he pleaded any statutory basis for such entitlement. Further, the claimant has not pleaded that the defendant is under any contractual or statutory obligation to provide retrenchment benefits. In the circumstances, the claimant's assertion that the termination was a "disguised retrenchment" to deprive him of "rightful

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[11] CWS at [8(a)].

retrenchment benefits" is unsupported by any pleaded basis and ought to be disregarded.

22 Without such a pleaded basis, the claim for retrenchment benefits is legally unsustainable. The mere fact that other employees may have received redundancy packages (even if proven) does not create a legal entitlement for the claimant absent a contractual or statutory foundation.

23 This deficiency goes to the heart of the claimant's case, as his primary allegation is that the termination was effected to deprive him of "rightful retrenchment benefits". In my view, if there is no legal basis for such benefits, then the entire theory of improper purpose collapses.

*The* Noor Mohamed *argument*

24 The claimant further seeks to rely on *Noor Mohamed bin Mumtaz Shah v Apollo Enterprises Ltd (trading as Apollo Hotel Singapore)* [2000] 1 SLR(R) 670 ("*Noor Mohamed*") to support his redundancy argument.[12] However, this case does not assist the claimant for several reasons.

25 *Noor Mohamed* dealt with the burden of proof where an employee claims wrongful dismissal in circumstances involving redundancy. The court held at [17] that where an employee is terminated in circumstances where redundancy results and the employee would be entitled to redundancy payments if retrenched, there is a presumption that the dismissal was on that ground, with the employer bearing the burden of proving otherwise.

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12 CWS at [28]–[30].

26 However, this principle is only relevant where there is an established legal entitlement to redundancy payments. The presumption operates to determine the true reason for dismissal where such entitlement exists. In the present case, the claimant has not pleaded any contractual or statutory basis for redundancy payments, rendering the *Noor Mohamed* principle inapplicable.

27 Moreover, *Noor Mohamed* was decided in the context of specific statutory provisions and contractual arrangements that provided for redundancy compensation. The mere fact that other employees may have received redundancy packages does not create a legal entitlement for the claimant absent a proper legal foundation.

28 I now turn to consider the claimant's submissions in support of his allegations of "bad faith" termination and "disguised retrenchment". In this regard, the claimant relies principally upon the recent decision in *Prashant Mudgal v SAP Asia Pte Ltd* [2026] SGHC 15 ("*Prashant Mudgal*"), contending that the defendant's conduct constitutes a breach of the implied term of mutual trust and confidence as formulated in that authority. This represents the claimant's most sophisticated legal argument and warrants detailed analysis.

29 Specifically, the claimant submits that the defendant's characterisation of the termination as a dismissal rather than a redundancy – notwithstanding the alleged subsequent redundancy of the role – amounts to deceptive conduct rising to the level of behaviour that is "intolerable or wholly unacceptable" within the meaning of *Prashant Mudgal*. In essence, the claimant's position is that the mere act of so characterising the termination is, without more, sufficient to establish a breach of the implied term.

30 Whilst the claimant submits on the potential breach of the implied term of mutual trust and confidence as formulated in *Prashant Mudgal*, interestingly, the claimant acknowledged that this was not pleaded in the Statement of Claim but argued that he should be permitted to amend given that *Prashant Mudgal* was decided after his statement of claim was filed on 31 December 2025.[13]

31 Given that the parties' submissions have largely centred on the application of *Prashant Mudgal*, it is apposite at this juncture to undertake a more detailed examination of that decision and to consider the extent to which it bears upon the facts and circumstances of the present case.

*The* Prashant Mudgal *argument*

(1) Analysis of *Prashant Mudgal*

32 Having heard parties, in my view, the claimant's reliance on *Prashant Mudgal* fundamentally misunderstands both the scope of the implied term as formulated in that case and the factual matrix that gave rise to the breach finding.

33 *Prashant Mudgal* is indeed a significant development in Singapore employment law. The High Court held that there is an implied term of mutual trust and confidence in employment contracts, which includes a duty not to behave in an "intolerable or wholly unacceptable" way. This is an important decision given the renewed uncertainty that arose following the Appellate Division's comments in *Dong Wei v Shell Eastern Trading (Pte) Ltd* [2022] 1 SLR 1318, which at [82] had indicated that the law in this area may not be entirely settled.

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13 CWS at [21]–[26].

34 Crucially, the court in *Prashant Mudgal* was careful to distinguish between different types of employer conduct and their relationship to the implied term. The court explicitly rejected the argument that there was an implied term not to engage in a termination process that is arbitrary, capricious, perverse, irrational and/or in bad faith (at [97]–[100]).

35 At [97]–[100], the court noted that while contractual discretions are not wholly unfettered, this pertains to rights subsisting within the contours of the contract, not the right to bring a contract to an end. Different considerations apply to contract termination, with the key consideration being freedom of contract—the notion that parties should be free to enter into and exit contracts.

36 The court emphasised at [226] that "there was nothing inherently wrong in the defendant's decision to terminate the claimant's employment in accordance with the terms of the Employment Agreement. The defendant had every right to do so at any point in time". The problematic conduct was not the termination itself, but the employer's pre-termination behaviour.

37 The "intolerable or wholly unacceptable" conduct in *Prashant Mudgal* related specifically to the employer's pre-termination deceptive behaviour. The employer had placed the employee on a Performance Improvement Plan ("PIP") while having already decided to terminate him, thereby misleading and deceiving the employee about his prospects of improvement and continued employment.

38 At [188], the court found that if the claimant was "pre-judged in a sense that he was not given a genuine opportunity to improve and rectify his previous behavioural deficiencies, this would indeed contravene the duty not to behave in an intolerable or wholly unacceptable way".

39 At [226], the court concluded that "the fact that the claimant was pre-judged and put on the PIP while it had already been decided that his employment would be terminated, along with the abject shoddiness with which the PIP was handled, leads… to the conclusion that the claimant was treated in an intolerable and wholly unacceptable way. No employee should be expected to put up with being misled and deceived in such a manner".

(2) Application of *Prashant Mudgal* to the present case

40 The present case is factually and legally distinguishable from *Prashant Mudgal* in several material respects. First, the claimant has not pleaded any facts that would establish a deceptive pre-termination process analogous to the PIP charade that was determinative in *Prashant Mudgal*. Notably absent from the pleadings are any allegations that the defendant misled the claimant regarding opportunities for improvement or engaged in deceptive conduct concerning his employment prospects prior to termination.

41 Second, the pleaded facts disclose a straightforward contractual termination effected with proper notice, with salary paid in lieu thereof. This mode of termination falls squarely within the parameters of what *Prashant Mudgal* explicitly recognised as being within the employer's contractual rights and prerogatives.

42 Third, the nature and substance of the claimant's complaint differs fundamentally from the circumstances that gave rise to liability in *Prashant Mudgal*. The gravamen of the present claim concerns the characterisation of the termination as a dismissal rather than a redundancy, and the legal and practical consequences flowing from such characterisation. This stands in marked contrast to the pre-termination deceptive conduct that formed the central basis

for the finding of breach of the implied term of trust and confidence in *Prashant Mudgal*.

43 Given the above, I am of the view that the claimant's allegations of "bad faith" termination and "disguised retrenchment" do not constitute the type of pre-termination deceptive conduct that would breach the implied term of mutual trust and confidence as formulated in *Prashant Mudgal*. The mere fact that an employer chooses to characterize a termination as dismissal rather than redundancy, even if the role subsequently becomes redundant, does not without more constitute "intolerable or wholly unacceptable" behavior.

*Whether amendments would cure the defects*

44 In my view, even if the court were minded to permit amendment for the claimant to plead an implied term of mutual trust and confidence, such amendment would not cure the fundamental defects in the claimant's case.

45 As cautioned in *Envy Asset Management* at [34], amendments should not be allowed where the same legal deficiencies that defeat a striking out application would equally defeat the amended pleading. The court noted that once it concludes that the grounds in O 9 r 16(1) have not been established for striking out, it should generally follow that those same grounds are not established for amendment based on the same reasons.

46 Here, even with the benefit of *Prashant Mudgal*, the claimant cannot plead facts that would establish a breach of the implied term as it was actually formulated in that decision. The timing of *Prashant Mudgal*'s publication does not overcome the substantive legal reality that the claimant's case would remain legally unsustainable under the very precedent he seeks to rely upon.

47 Moreover, the court in *Ching Mun Fong (executrix of the estate of Tan Geok Tee, deceased) v Liu Cho Chit* [2000] 1 SLR(R) 53 at [12] noted that the court's preference for amendment over striking out applies where "the deficiency or defect therein... could be cured by an amendment". Where the defects are fundamental and incurable, striking out remains the appropriate remedy.

48 I shall now turn to whether the claimant's termination was contrary to the Tripartite Guidelines on Wrongful Dismissal.

*Whether the termination was contrary to the Tripartite Guidelines on Wrongful Dismissal*

49 In my assessment, the claimant's reliance upon the alleged contravention of the Tripartite Guidelines as a basis for his claim is flawed and demonstrates a fundamental misapprehension of the legal nature, status and proper function of such Guidelines.

(1) The reliance on the Tripartite Guidelines

50 The Tripartite Guidelines are administrative guidance documents, not binding law capable of creating civil causes of action. This is clear from their genesis and purpose as revealed by the Parliamentary Debates.

51 The Singapore Parliamentary Debates from 20 November 2018 (Official Report, vol. 94, Sitting No. 86) explain that the Tripartite Guidelines were introduced specifically to provide guidance to the Employment Claims Tribunal ("ECT"). The relevant passage states:

> The wrongful dismissal cases heard by MOM have not been published thus far as there was little need to do so. With the transfer of the adjudication function to the ECT, MOM will

> publish a set of Tripartite Guidelines on Wrongful Dismissal. These Tripartite Guidelines will contain illustrations of what constitutes wrongful dismissal and what does not. Under the Employment Claims Act (ECA), when the ECT adjudicates a case, it must take into account the principles and parameters contained in the Tripartite Guidelines.

52 This passage makes clear that the guidelines were created solely to assist the ECT in its adjudicatory function. Parliament did not state that the Guidelines would constitute law or create independent rights enforceable in civil courts.

53 The claimant has been unable to locate any statute or case law conferring statutory powers upon the Tripartite Guidelines or stipulating that breach of the Guidelines creates an independent cause of action in civil courts. This absence is telling and supports the conclusion that the Guidelines are purely administrative in nature.

(2) Judicial treatment of the Tripartite Guidelines

54 The cases cited by the defendant are instructive. In *Longitude 101 Pte Ltd v Navinea Kanapathy Pillai* [2025] SLR(StC) 403, the District Court held that while the Employment Act did not make specific reference to the applicability of the Tripartite Guidelines, the court could take them into account when dealing with claims under s 84(1)(*b*) of the Employment Act for consistency with ECT decisions. Crucially, this was in the context of applying a statutory provision, not treating the guidelines as creating a standalone cause of action.

55 Even more telling is *Cisilia Oktavia Lim v Reins International (Singapore) Pte Ltd* [2024] SGMC 68, where District Judge Teo Guan Siew explicitly questioned the applicability of the guidelines outside the ECT context. At [27]–[30], DJ Teo observed:

> Section 14(2) of the Employment Act provides that an employee who considers that he or she has been dismissed 'without just cause or excuse' may lodge a claim under s 13 of the Employment Claims Act for reinstatement or compensation, which would be heard by the ECT… However, s 14(2) expressly refers to such claims for dismissals 'without just cause or excuse' being brought before the ECT. As such, it is not immediately clear whether s 14(2), and the associated Tripartite Guidelines issued for interpretating what constitutes wrongful dismissal, are applicable to the present dispute.

56 As neither of these decisions stands for the proposition that the Tripartite Guidelines alone can create a standalone cause of action in our civil courts, such uncertainty in my view strongly suggests that the Guidelines are not to be exploited to create independent legal rights that would have applicability in civil proceedings. At most, they may be used as guidance for determining wrongful dismissal under relevant statutory provisions within their proper statutory framework.

57 Even if the Tripartite Guidelines could somehow create a cause of action (which they cannot), the claimant has failed to identify which specific guideline or principle he relies upon. This vague and general reference to the Guidelines cannot support a reasonable cause of action.

58 The claimant's attempt in his affidavit to supplement his case by referring to the Tripartite Guidelines on Mandatory Retrenchment Notifications only compounds the confusion.[14] These are separate guidelines dealing with notification requirements to the Ministry of Manpower, and any breach would result in administrative penalties, not civil liability.

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[14] 1st Affidavit of Daniel Seng Hock Chye dated 19 March 2026 ("DS-A") at [23].

*Claims on psychological harm suffered as a result of termination*

59 In my view, the claimant's claim for psychiatric harm suffers from fundamental defects in the pleadings that render it legally unsustainable.

60 The claimant pleads that he suffers from "[a]djustment [d]isorder with depressed mood" as a result of the termination but has failed to plead any recognised tort that would support such a claim. It is trite that claims for psychiatric injury must be pursued under established tort principles, either under the tort of negligence or under the rule in *Wilkinson v Downton* [1897] 2 QB 57 ("*Wilkinson v Downton*") for intentional infliction of harm.

61 In respect of a claim founded in negligence, the established legal framework as articulated in *Tiong Sze Yin Serene v Chan Herng Nieng* [2023] 3 SLR 361 at [43]–[44] requires the claimant to satisfy five essential elements.

62 First, the claimant must establish that a duty of care was owed by the defendant to the claimant in the relevant circumstances. Second, it must be demonstrated that the defendant breached the standard of care required by that duty. Third, the claimant must prove causation, establishing the requisite causal nexus between the defendant's breach of duty and the losses or psychiatric injury allegedly sustained. Fourth, the claimant must show that its losses are not too remote, and finally, the claimant must establish that compensable loss has arisen as a consequence of the psychiatric injury so caused – in other words, the losses must be able to be adequately proved and quantified.

63 These elements constitute the fundamental building blocks of any negligence claim and must each be established on the balance of probabilities for the claim to succeed.

64 In respect of a claim founded upon the principle established in *Wilkinson v Downton*, the requisite legal framework has been clarified and refined in *Li See Kit Lawrence v Debate Association (Singapore)* [2023] SGHC 154 at [27], which establishes that three distinct elements must be satisfied.

65 The first is the conduct element, which requires the establishment of words or conduct directed towards the claimant for which there exists no justification or reasonable excuse. This element focuses on the nature and target of the defendant's actions or statements and the absence of any legitimate basis for such conduct.

66 The second is the mental element, which necessitates proof of the defendant's intention to cause either physical harm or severe mental or emotional distress to the claimant. This subjective test requires demonstration of the defendant's specific intent to bring about such harmful consequences.

67 The third and final element is the consequence element, which mandates that the claimant must have actually suffered physical harm or a recognised psychiatric illness as a direct result of the defendant's conduct. Crucially, the harm sustained must not be too remote from the conduct complained of, thereby establishing the requisite causal connection between the defendant's actions and the claimant's injury.

68 None of these essential elements discussed above have been pleaded by the claimant. The mere assertion that he suffered psychiatric harm following termination, without pleading the legal framework under which such harm is actionable, cannot constitute a reasonable cause of action.

69 Even taking the case at its highest that a properly constituted tort had been pleaded, the claimant would nonetheless encounter substantial evidential and legal obstacles in establishing the requisite causal nexus and foreseeability of harm. The applicable legal principles governing the principles of remoteness in cases involving psychiatric injury in the employment context have been authoritatively established in *Prashant Mudgal* at [272]–[274], wherein the court adopted and applied the framework articulated in *Yapp v Foreign and Commonwealth Office* [2014] EWCA Civ 1512.

70 Under this established jurisprudence, psychiatric injury will not ordinarily be deemed reasonably foreseeable in the absence of specific indications of particular vulnerability on the part of the employee, of which the employer was or ought reasonably to have been aware. The law recognises that it would be exceptional for an apparently robust employee, possessing no antecedent history of psychiatric ill-health, to develop depressive illness even as a consequence of a serious workplace setback or adverse employment action.

71 However, the authorities acknowledge a limited exception to this general principle, whereby employer conduct of such an egregious nature might render psychiatric injury foreseeable even in respect of a person of ordinary psychological robustness (see *Prashant Mugdal* at [274]). This exception is confined to circumstances involving conduct so devastating in its nature and effect that it was reasonably foreseeable that even a person of normal fortitude might develop depressive illness, such as in cases involving gross and arbitrary injustice perpetrated by the employer.

72 Notwithstanding the above, the claimant has not pleaded any facts suggesting particular vulnerability or that the defendant's conduct was so

devastating as to make psychiatric harm foreseeable in an ordinarily robust employee.

*Claims for distress, humiliation and loss of reputation*

73 In relation to the claimant's claims for general damages for distress, humiliation and loss of reputation, it is trite that such head of claims are not recoverable under our laws in the context of wrongful dismissal.

74 The *Addis* principle derives from the House of Lords decision in *Addis v Gramophone Co Ltd* [1909] AC 488, which held that damages for breach of employment contract are confined to loss of contractual benefits and do not extend to compensation for the manner of dismissal, including injury to reputation or feelings.

75 It is well-established in Singapore law that damages for distress, humiliation and loss of reputation are not recoverable for breach of employment contracts. In *Arul Chandran v Gartshore* [2000] 1 SLR(R) 436 at [15], the High Court cited *Chitty on Contracts*, Volume 1 General Principles (28th Ed, 1999):

> Normally, no damages in contract will be awarded for injury to the claimant's feelings, or for his mental distress, anguish annoyance, loss of reputation or social discredit by the breach of contract; as where an employee is wrongfully dismissed in a humiliating manner.

76 The limited exception recognized in *Malik v Bank of Credit and Commerce International SA* [1998] AC 20 ("*Malik*") allows recovery of financial loss for loss of reputation where a breach of contract damages one's reputation, which in turn causes foreseeable financial loss. However, in my view, this exception is narrow and does not apply to the present case.

77 In *Malik*, damages were awarded to employees who were rendered "handicapped on the labour market" due to stigma arising from association with their employer's corrupt business practices. Crucially, the loss of reputation did not arise from the manner of dismissal but from the employer's conduct in carrying on its business, which breached the implied term of trust and confidence.

78 The present case is plainly distinguishable. The claimant's complaint is that his reputation was damaged by the manner of his dismissal, which falls squarely within the *Addis* principle and does not benefit from the *Malik* exception.

79 In any event, the claimant has not pleaded the legal basis for these claims – whether they are founded in contract or tort, and if the latter, which specific torts are relied upon. As mentioned above, there is no standalone cause of action for distress, humiliation and loss of reputation in Singapore law and therefore the claimant's claims are clearly non-starters.

*Whether there are any other triable issues in the claimant's case*

80 The claimant contends that various "triable issues" subsist which necessitate determination at trial. However, upon careful legal analysis, it becomes apparent that these purported issues are either irrelevant to the case as pleaded or legally immaterial in light of the absence of any sustainable cause of action upon which relief may be granted.

81 The alleged triable issues encompass whether the termination was effected in accordance with contractual and statutory provisions, whether the termination was conducted in bad faith or for an improper purpose, whether the

claimant was entitled to retrenchment benefits, whether the claimant's role was genuinely made redundant, and whether other employees received differential treatment in comparable circumstances.[15]

82 Notwithstanding the claimant's assertions, these purported issues suffer from fundamental defects. Certain matters, such as the allegation of differential treatment, have not been properly pleaded and therefore cannot constitute triable issues. More fundamentally, the remaining issues are legally irrelevant given the absence of any sustainable legal foundation upon which the claims may be maintained. Even if we take the claimant's case at its highest – that all these factual issues were to be resolved entirely in the claimant's favour, he would nonetheless remain disentitled to any remedy by reason of the fundamental legal deficiencies that pervade his case.

83 The applicable test, as established in *Gabriel Peter* at [21], requires that the pleadings demonstrate "some chance of success" or "raise some question fit to be decided at trial". Where it is manifest that even if all pleaded facts were proven to the requisite standard, no legal remedy would be available to the claimant, there exists no triable issue worthy of judicial determination. The present case falls squarely within this category, rendering the striking out of the statement of claim the appropriate disposition.

***Issue 2: Should the statement of claim be struck out in the interests of justice?***

84 Having carefully considered parties' submissions – applying the test from *The "Bunga Melati 5"* (see [9] above), I found that the claimant's case is both legally and factually unsustainable.

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15 DS-A at [5].

*Legal unsustainability*

85 The case is legally unsustainable because it is clear as a matter of law at the outset that even if the claimant were to succeed in proving all the facts that he offers to prove, he will not be entitled to the remedy that he seeks.

86 Even accepting all the claimant's factual allegations in their entirety – that he was made redundant, that his duties were absorbed by another employee, that other employees received redundancy packages, and that he suffered psychiatric harm – he would still not be entitled to any of the reliefs sought because no legal basis for wrongful dismissal has been pleaded, no contractual or statutory entitlement to retrenchment benefits has been established, no proper tort supporting psychiatric harm claims has been pleaded, and claims for distress and humiliation are not recoverable in law.

87 The fundamental defects in the claimant's pleadings are not matters of inadequate particulars but rather the complete absence of any sustainable legal foundation. Where the pleadings fail to disclose any recognisable cause of action, even the most favourable interpretation of the factual allegations cannot remedy the legal vacuum at the heart of the claim.

88 This legal unsustainability is not dependent upon disputed questions of fact but arises as a matter of law from the face of the pleadings themselves. The claimant's case suffers from what may be characterised as a fundamental conceptual flaw: it seeks legal remedies without establishing the legal basis upon which such remedies might be granted.

89 Accordingly, even if every factual assertion made by the claimant were proven to the requisite standard at trial, the absence of any viable legal theory means that the action would inevitably fail. This renders the continuation of

proceedings an exercise in futility and justifies the striking out of the claim in its entirety.

*Factual unsustainability*

90 The case is also factually unsustainable in several respects. The claimant's failure to disclose the alleged medical report despite being required to do so under O 6 r 5(2) raises serious questions about the existence and content of such evidence.

91 Moreover, the claimant's allegations of loss of reputation are difficult to sustain given that any performance-related discussions occurred only in confidential mediation and solicitor correspondence, and the defendant even provided testimonials after termination.

92 Under O 9 r 16(1)(c), the court must consider whether it is in the interests of justice to strike out the claim. Several factors strongly support striking out in this case: the claim lacks any sustainable legal foundation and cannot succeed even if all factual allegations were proven; allowing the claim to proceed would waste court time and the defendant's resources defending an unmeritorious action; the claim is based on fundamental misunderstandings of legal principles, including the status of administrative guidelines and the scope of implied contractual terms; and the defects are so fundamental that amendment cannot cure them.

**Concluding Observations**

93 This case serves as a reminder of the importance of proper pleading in civil litigation. Claims must be founded on recognisable legal principles and supported by adequate factual allegations. The mere assertion that conduct is

"wrongful" or contrary to administrative guidelines, without more, cannot sustain a civil action.

94 The decision in *Prashant Mudgal*, while significant in establishing an implied term of mutual trust and confidence in employment contracts, operates within carefully defined parameters. It does not create a general duty of good faith in exercising termination rights or permit challenges to lawful terminations based solely on disagreement with the employer's characterization of the reasons.

95 Employment relationships are governed by contract and statute. While the law provides important protections for employees, these must be properly invoked through appropriate legal channels with adequate legal foundations. Administrative guidelines, however well-intentioned, cannot create civil causes of action in the absence of statutory authority.

96 The court's striking out jurisdiction, while exercised sparingly, serves an important function in preventing the waste of judicial resources on legally unsustainable claims and maintaining the integrity of the civil justice system. Where claims are fundamentally misconceived and incapable of cure by amendment, striking out remains the appropriate remedy.

**Conclusion**

97 I made the following specific determinations in respect of each component of the claimant's claim.

98 First, as regards the wrongful dismissal claim, no recognisable legal foundation has been pleaded, whether contractual, tortious, or statutory, rendering this claim legally untenable.

99 Second, concerning the claim for retrenchment benefits, no contractual or statutory basis for entitlement has been established or particularised, making this claim legally unsustainable.

100 Third, with respect to the allegation of bad faith termination, no implied obligation of good faith exists in the exercise of contractual termination rights, and the decision in *Prashant Mudgal* provides no assistance on the present facts given the absence of pre-termination deceptive conduct.

101 Additionally, regarding the claim for psychiatric harm, no recognised tortious cause of action has been pleaded (whether in negligence or under the *Wilkinson v Downton* principle) and essential elements such as duty of care, foreseeability, and causation are absent, rendering this claim legally unsustainable.

102 As to the claims for distress, humiliation and loss of reputation, such damages are expressly not recoverable under Singapore law in wrongful dismissal cases pursuant to the *Addis* principle, making these claims legally unsustainable.

103 Finally, concerning the alleged breach of Tripartite Guidelines, these administrative guidance documents do not give rise to civil causes of action in ordinary civil proceedings, rendering this aspect of the claim legally unsustainable.

104 For the reasons set out above, I decided to allow the defendant's application to strike out the claimant's claim in its entirety as both grounds relied upon by the defendant under O 9 rr 16(1)(a) and 16(1)(c) have been satisfied.

105 I shall hear parties separately on costs.

Ramu Miyapan
Assistant Registrar

Mohamed Arshad bin Tahir (Fernandez LLC) for the claimant;
Christine Chiam (Focus Law Asia LLC) for the defendant.