



THE REPUBLIC OF UGANDA  
IN THE MATTER OF THE COMPANIES ACT CAP. 106  
AND  
IN THE MATTER OF THE COMPANIES (POWERS OF THE REGISTRAR)  
REGULATIONS SI NO. 71 OF 2016  
AND  
IN THE MATTER OF LAMBA ENTERPRISES LIMITED.  
COMPANY APPLICATION NO. 44179 OF 2025  
BRN: 80010000244179

ASIIMWE CHARITY RUTH:.....APPLICANT

VERSUS

1. ALLEN KICONCO
2. YASHABA GERALD
3. LAMBA ENTERPRISES LIMITED:.....RESPONDENTS

**RULING**

*Before: Daniel Nasasira - Assistant Registrar of Companies*

**A. Representation.**

1. Counsel Sadam Solomon Byoruganda from Ortus Advocates represented the Applicant, whereas Counsel Twalhat Ssebumpenje and Counsel Babumba John Kennedy from OSH Advocates represented the Respondents.

**B. Introduction and Background**

2. The Applicant is a female adult of sound mind, the widow and one of the beneficiaries of the will of the late Christopher Obey.
3. The first Respondent is a female adult Ugandan of sound mind, member and director of Lamba Enterprises Limited.
4. The second Respondent is a male adult Ugandan of sound mind, member and a director of Lamba Enterprises Limited.

5. The third Respondent is a limited liability Company duly incorporated under the laws of Uganda on 6<sup>th</sup> February, 1992 (hereinafter referred to as 'the Company')
6. The Late Christopher Obey passed away on 2<sup>nd</sup> July 2021, and at the time of his death, he was the majority shareholder in Lamba Enterprises Limited with 400 shares out of a total of 1000 shares. The first Respondent was the second shareholder of the Company with 100 shares, and together they had 500 shares of the Company, leaving the other 500 unallotted.
7. The Applicant contends that the current Directors of the Company, who are the first and second Respondents, are running the Company in a manner detrimental to the Company and the estate of the Late Christopher Obey.

*C. Applicant's Case*

8. The Applicant narrated in paragraphs 2, 3, and 4 of her Statutory Declaration in support of the Application that the late Christopher Obey passed away on 2<sup>nd</sup> July 2021 and that at the time of his death, he was the majority shareholder in Lamba Enterprises Limited (the third Respondent Company) with 400 shares. The Applicant stated that in his will, the Late bequeathed all his property to his widow (the Applicant) and their children.
9. The Applicant contended that the shares of the late Christopher Obey in the Respondent Company formed part of his estate and that, as beneficiaries, they were entitled to all rights and interests arising from the said shares.
10. The Applicant under paragraph 5 of her Statutory Declaration averred that the other shareholder in the Company, Allen Kiconco (the first Respondent), and her co-director, Yashaba Gerald (the second Respondent), had failed and refused to give the beneficiaries an account of the affairs of the Company and to allow them to participate in the affairs of the Company.
11. She further asserted that, through her lawyers, the beneficiaries requested the Company to transfer the shares of the late Christopher Obey to a Company

owned by the beneficiaries; however, the first and second Respondents refused and never replied to the request despite several reminders.

12. The Applicant, in paragraphs 7 and 8 of her Statutory Declaration supporting the Application, stated that they have since learnt that the first and second Respondents are disposing of Company properties to the detriment of the Company and the estate of the late Christopher Obey. She enunciated that as beneficiaries, they were not informed of the disposal of the Company properties despite being stakeholders in the Company.
13. The Applicant stated that in order to facilitate their illegalities and fraud, on 11<sup>th</sup> March 2024, the first and second Respondents allotted to themselves 300 shares and 200 shares in the Company, respectively. Furthermore, that although Form 10 (Return of Allotment) indicates that the first and second Respondents paid for the shares, no money was paid to the Company for the shares allotted.
14. The Applicant contended that the actions of the first and second Respondents were not only illegal and fraudulent but were to the detriment of the estate of the late Christopher Obey. She prayed that the Registrar of Companies restrain the first and second Respondents from undertaking further actions.

***D. Respondents' Case***

15. The first Respondent swore a Statutory Declaration in Reply on behalf of the Respondents and under paragraph 4 deposed that the late Christopher Obey died testate and letters of probate were granted to his estate on the 9<sup>th</sup> day of November 2021 to Kebikomi Phiona and Abaasa Pitson. That the late Christopher Obey's estate has a number of beneficiaries who have at all material times acted through the executors of his estate to access information about the affairs of the third Respondent Company, Lamba Enterprises Limited.
16. The first Respondent asserted that the Applicant, as a beneficiary of the estate, had at all times been updated about the affairs of the company by the executors

of the estate, and that the Applicant had no authority to directly participate in the affairs of the Company since she was neither a shareholder nor a director of the third Respondent without going through the executors/Legal Representatives of the late Christopher Obey.

17. The first Respondent stated that she and the second Respondent have time and again engaged with the late Christopher Obey's executors on behalf of the beneficiaries to discuss the operations pertaining to the third Respondent. Further, among the engagements, the first and second Respondents invited the beneficiaries of the estate of the late Christopher Obey through their executors in a letter dated 15<sup>th</sup> April 2024 for a meeting scheduled on 3<sup>rd</sup> May 2024 at Hotel Africana Kampala to update the estate on the affairs of the third Respondent Company but that unfortunately, the beneficiaries including the Applicant with no justifiable reason declined to attend this meeting as had been scheduled.
18. The first Respondent asserted that, among other deliberations, the Respondents updated the executors of the affairs of the third Respondent and addressed any concerns raised by the executors regarding the third Respondent.
19. The first Respondent gave a background, noting that criminal charges were brought against the late Christopher Obey, wherein the High Court gave orders restraining the transfer and disposal of all properties of the late Christopher Obey until the disposal of the pending criminal charges against him. The first Respondent averred that the restrained properties included shares he held in all companies, such as the third Respondent and many more.
20. That subsequently, the late Christopher Obey and his co-accused were convicted in the High Court Anti-Corruption criminal session case No. 9 of 2015, and among other orders, were ordered to refund UGX 50,000,000,000 (Uganda shillings fifty billion) to the Government of the Republic of Uganda. The first Respondent further opined that the late Obey negotiated a settlement with the Office of the Director of Public Prosecutions (ODPP), which settlement

is yet to be fulfilled before the court order can be vacated and the shares of the late Obey can be transferred to his estate.

21. The first Respondent averred that the shares of the late Christopher Obey in Lamba Enterprises Ltd. had to date remained intact in compliance with the court order, awaiting final resolution of the dispute with the office of the Director of Public Prosecutions.
22. Regarding the Applicant's assertion that the first and second Respondents were disposing of Company properties to the detriment of the Company and the estate of the late Christopher Obey, the first Respondent in paragraph 6 of her Statutory Declaration narrated that during the period when the late Christopher Obey was incarcerated for several years, she and the second Respondent, her co-director diligently managed the company affairs including settling the company's liabilities, which necessitated sale of some of the properties. She further contended that the properties sold during this time were sold with the advice of the late Christopher Obey and that it was misleading for the Applicant to claim that the sale of company properties began after the demise of the late in 2021.
23. The first Respondent noted that Lamba Enterprises had a number of facilities with Equity Bank during its normal operations before the incarceration of the late Christopher Obey, and that the above facilities were duly being serviced until the company got into a position of default and indebtedness with the Bank, warranting the Bank to commence recovery against the company. That it was during this time that the company also faced a number of challenges with the Uganda Revenue Authority, which also sought huge taxes from the third Respondent Company.
24. That, owing to the above, during the incarceration of the late Christopher Obey in 2017, the Company, with his authorization and knowledge, made a decision to dispose of its property in Bugolobi-Kampala and utilized the proceeds to reduce its indebtedness with Equity Bank.

25. The first Respondent stated that since the death of Mr. Obey in July 2021, the Company has handed over and disposed of two properties, to wit;
- a. A house in Kibuli, which was handed over in collaboration with executors of the estate, to one of the beneficiaries, Mr. Mugabi Joshua.
  - b. Two other properties located in Bugolobi and Lumumba Avenue were sold to raise funds to meet company obligations, specifically to settle an outstanding loan facility with Equity Bank.
26. The first Respondent contended that the proceeds deposited with the Bank arising out of these sales saved the third Respondent Company from foreclosure proceedings from the bank, further reinstating the company back into a position where it was duly servicing the existing facilities without default. She further intimated that all the above sales and proceedings were duly carried out in consultation with the executors of the estate of the late Christopher Obey, and an account was duly given to them.
27. Regarding the Applicant's allegations of fraud and illegality against the first and second Respondents in relation to the allotment of company shares, the first Respondent asserted in paragraph 7 of her Statutory Declaration in reply that the allegations were unfounded, and the Applicant would be put to strict proof thereof. She deposed that the third Respondent Company at all times had two shareholders who were the late Christopher Obey and the first Respondent until his passing in 2021. Further, that during this time, the Company had a total of 1000 shares, with the late Christopher Obey having 400 shares and the first Respondent having 100 shares, leaving the third Respondent Company with 500 unallotted shares until their allotment to the first and second Respondent, which the first Respondent argued was done as per their mandate as Directors of the Company in accordance with the Company's Memorandum and Articles of Association that give Directors control of the shares and powers to allot or otherwise dispose of them to such persons and on such conditions as they deem fit.

28. The first Respondent, under paragraphs 8 and 9, contended that the Applicant's complaint that the actions of the company directors were detrimental to the interests of the beneficiaries of the estate of the late Christopher Obey was without merit and made in bad faith. She further indicated that the beneficiaries would have to wait for the resolution of an ongoing matter with the Office of the Director of Public Prosecutions before any transmission of the late Christopher Obey's shares could be effected upon the executors of the estate. The said executors would have the authority to determine the management of the shares in accordance with the ascertainable wishes and interests of the beneficiaries.

*E. Rejoinder*

29. The Applicant, in her rejoinder under paragraph 3, stated that it was not true that she and other beneficiaries of the estate of the late Christopher Obey had at all material times acted through the executors to access information about the affairs of the third Respondent Company. That their attempts as beneficiaries to get information about the affairs of the Respondent Company have been futile. The Applicant averred that they have on several occasions requested the first and second Respondents for information about the third Respondent Company, but that they have refused to provide the same or respond to their requests as beneficiaries.

30. The Applicant asserted that the Beneficiaries also sought information about the Company from the executors but the same was not availed. She noted that during the hearing, her lawyer informed the Registrar about the information required and the purpose of the same, and the first and second Respondents and their lawyers undertook to provide the same by 22<sup>nd</sup> May, 2025, to enable the Applicant to rejoin to the issues raised in the reply.

31. The Applicant deposed that the Respondents did not provide the information and documents as undertaken, and further that on 23<sup>rd</sup> May 2025, through a

letter, the Respondents stated that the information and documents requested for were not in issue and that they could not provide the same.

32. The Applicant's lawyer responded to the Respondents letter emphasizing the purpose of the documents and information but to date the Respondents had failed to avail the information and documents of which the Applicant argued that this amounted to proof that the Respondents did not want her to know about the affairs of the Company and that they were running the Company in a manner that was detrimental to the interests of the estate.
33. Regarding the Respondents' assertion that they invited the beneficiaries, including the Applicant, for a meeting scheduled on the 3<sup>rd</sup> of May 2024 at Hotel Africana, to which they declined to attend with no justifiable reason, the Applicant, in paragraph 3(i) of her rejoinder, stated that as beneficiaries of the estate of the late Christopher Obey, they notified the first and second Respondents that they could not attend the meeting without receiving documents and information but the first and second Respondents refused to provide them with the information and documents.
34. The Applicant also noted that the court order referred to by the Respondents inhibiting the transfer of the late Obey's property (including his shares in the Respondent Company) until the fulfillment of the settlement with the Office of the Director of Public Prosecutions, was no longer valid as the same was valid for six months or until disposal of the criminal proceedings or whichever was earlier. She further stated that the criminal proceedings were disposed of and the six months had lapsed. In addition, she stated that she was aware of the issues with the Directorate of Public Prosecution, but that this matter was not connected to the same.
35. In rejoinder to paragraph 6 of the first Respondent's Statutory Declaration in reply, the Applicant emphasized in paragraph 4 of her rejoinder that her complaint was not in respect of the actions undertaken before Christopher Obey passed away, but rather actions undertaken by the first and second

Respondents after his death. She referred to the properties located in Bugolobi and Lumumba Avenue that she claimed were sold without the knowledge or consent of the beneficiaries of the estate, and that the first and second Respondents failed and refused to provide the documentation and information regarding the sale of the properties and how the proceeds of the sale were utilized.

36. In addition, the Applicant claimed under paragraph 5 of her rejoinder that the first and second Respondents had refused to disclose information regarding the Company's indebtedness and whether the money from the sale of the Company's properties was used to pay the loans as alleged.
37. In reply to the first Respondent's argument that she and the second Respondent possessed the authority as Directors to allot themselves shares in accordance with the Company's Articles of Association, the Applicant argued that the first and second Respondents had no right and powers to allot shares to themselves and that the allotment of the shares was illegal and aimed at diluting the interest of the estate in the Company. Furthermore, that the first and second Respondents never gave the estate a chance to exercise their preemptive right over the unallotted shares and that the first and second Respondents direct allotment to themselves amounted to a conflict of interest and dilution of the estate's interest in the Company.
38. The Applicant also deposed that the first and second Respondents filed a form stating that they had fully paid for the shares they allotted to themselves, but they failed/refused to provide the proof of payment of the shares.
39. The Applicant contended that the issues raised in the complaint have merit, and the failure/refusal of the first and second Respondents to disclose information and documents relating to affairs of the company confirms the issues raised and the fact that their actions were illegal and to the detriment of the interests of the estate and the Company.

40. The Applicant prayed that the Registrar of Companies restrain the Respondents from undertaking further actions on the company file and rectify the register to expunge illegally filed resolutions and forms. The Applicant further prayed that the Registrar of Companies orders the first and second Respondents to provide her with;

- a. Copies of the sale agreements for the Company properties disposed of.*
- b. Certified bank statement of the Company bank accounts.*
- c. Financial statements of the Company.*
- d. Proof of payment of shares allotted.*
- e. A list of tenants and rent collected from the Company properties, including Conrad Plaza.*
- f. A report on the Company properties.*

**F. Schedules**

41. At closure of the hearing of this matter, I instructed both counsel to present written submissions and issued schedules as follows;

- a) A Joint Scheduling Memorandum was to be filed and served by the 27<sup>th</sup> of February 2026.*
- b) Written submissions from the Applicant were to be filed and served by the 6<sup>th</sup> day of March, 2026.*
- c) Written submissions from the Respondent were to be filed and served by the 20<sup>th</sup> day of March 2026.*
- d) Any submissions in rejoinder were to be filed and served by the 27<sup>th</sup> day of March 2026.*

42. I informed the parties that the ruling would be issued on notice.

**G. Issues**

43. The Applicant contends that the current Directors of the Company, who are the first and second Respondents, are managing the affairs of the third Respondent Company in a manner detrimental to the Company and to the estate of the late Christopher Obey, who, at the time of his death on 2<sup>nd</sup> July 2021, was a majority

shareholder holding 400 out of the 500 allotted shares in the Respondent Company, leaving 500 shares unallotted. The Applicant avers that following his demise, the first and second Respondents have misappropriated Company funds, sold off company property, failed to render an account to the estate regarding the Company's affairs, and unlawfully allotted shares to themselves without regard to the estate's interest.

44. The Applicant further alleges that the Respondents have refused to transmit the shares of the deceased to his estate and seek, *inter alia*, an order halting all transactions on the Company register and file of Lamba Enterprises Ltd.
45. Whereas the Applicant raised several grievances, it is important to note that the jurisdiction of the Registrar of Companies is confined to two distinct statutory powers: first, the power to hear and determine complaints by an oppressed member under Section 243 of the Companies Act, Cap. 106; and second, the power to rectify and update the Companies register pursuant to Regulation 8 of the Companies (Powers of the Registrar) Regulations, S.I. No. 71 of 2016.
46. Accordingly, this Office shall confine its determination to matters falling within its mandate, specifically those relating to the rectification of the company register as alleged by the Applicant, including the allotment of the remaining shares in the Company by the first and second Respondents to themselves. I find that the following issues are sufficient to determine the dispute before the Registrar of Companies;
  - a. *Whether the allotment of the remaining shares in the Company by the first and second Respondents to themselves was lawful?*
  - b. *What remedies, if any, are available to the parties?*

#### **H. Determination**

- a. ***Whether the allotment of the remaining shares in the Company by the first and second Respondents to themselves was lawful?***
47. The Applicant asserted that the Late Christopher Obey passed away on 2<sup>nd</sup> July 2021 and, at the time of his death, he was the majority shareholder in Lamba

Enterprises Limited with 400 shares out of a total of 1,000 shares. The first Respondent held 100 shares, leaving 500 shares unallotted. The Applicant contended, under paragraph 8 of her Statutory Declaration supporting the Application, that the first and second Respondents thereafter illegally and fraudulently allotted to themselves 300 shares and 200 shares respectively. She argued that this direct allotment amounted to a conflict of interest and was a calculated move by the first and second Respondents to dilute the estate's interest in the Company.

48. In response, the Respondents, in paragraph 7 of the first Respondent's Statutory Declaration in reply, denied the allegations and put the Applicant to strict proof. She averred that prior to the death of the late Christopher Obey, the Company had two shareholders; namely, the late Christopher Obey and the first Respondent – Allen Kiconco, and that out of the 1,000 shares, 500 remained unallotted until they were subsequently allotted to the first and second Respondents. She contended that the allotment was undertaken pursuant to the powers conferred upon the Directors under the Company's Amended Memorandum and Articles of Association.
49. The Respondents attached a 2011 resolution of the Company amending the Memorandum and Articles of Association (annexure "N"), which introduced Article 4 providing that "*... shares shall be under the control of the directors who may allot or otherwise dispose of the same to such persons and on such terms and conditions as they think fit.*"
50. Following the death of the late Christopher Obey, the Company was left with two directors, the first and second Respondents. At that time, the first Respondent was also a shareholder with 100 shares, while the second Respondent was solely a director. The Respondents then allotted to themselves the remaining 500 unallotted shares, resulting in the first Respondent receiving an additional 300 shares, thereby bringing her shareholding to 400 shares, while the second Respondent received 200 shares. Consequently, the post-

allotment shareholding structure stood as follows: the estate of the late Christopher Obey with 400 shares, the first Respondent with 400 shares, and the second Respondent – Yashaba Gerald with 200 shares.

51. The Applicant, relying on Regulation 8 of the Companies (Powers of the Registrar) Regulations SI No. 71 of 2016, specifically contested and sought the expungement of two documents;

a) *A Board Resolution dated 23<sup>rd</sup> February 2024 and filed on 11<sup>th</sup> March 2024, allotting 300 shares to Allen Kiconco and 200 shares to Yashaba Gerald in Lamba Enterprises Limited.*

b) *A company Form 10 (Return of Allotment of Shares) filed on 11<sup>th</sup> March 2024, allotting 300 shares to Allen Kiconco and 200 shares to Yashaba Gerald in Lamba Enterprises Limited.*

52. The central question is whether the Directors validly exercised their powers under Article 4 of the Respondent Company's Articles of Association in allotting the remaining shares in the Company to themselves. Determining this question would necessarily require an inquiry into the rights/interests of the parties involved, particularly the rights/interests of the beneficiaries of the estate of the late Christopher Obey vis-à-vis the powers exercised by the Directors.

53. The Applicant argued that the direct allotment by the Directors amounted to a conflict of interest and was a calculated move intended to dilute the estate's interest in the Company. In essence, the Applicant asserts that the allotment was not undertaken in good faith and that the Directors breached their fiduciary duties in exercising their powers. Addressing such allegations would require an examination of the duties and conduct of the Directors, which falls outside the statutory mandate of the Registrar of Companies.

54. Regulation 8 of the Companies (Powers of the Registrar Regulations) SI No. 71 of 2016 titled "Rectification of the Register" reads as follows;

(1) *The registrar may rectify and update the register to ensure that the register is accurate.*

(2) *For the purposes of this regulation, the registrar may expunge from the register any information or document included in the register, which –*

*(a) is misleading;*

*(b) is inaccurate;*

*(c) is issued in error;*

*(d) contains an entry or endorsement made in error;*

*(e) contains an illegal endorsement;*

*(f) is illegally or wrongfully obtained; or*

*(g) which a court has ordered the registrar to expunge from the register.*

55. This provision establishes a clear but restrictive statutory jurisdictional mandate. Its primary purpose is to ensure that the Companies Register remains a true and accurate public record. It is not designed to transform the Registrar of Companies quasi-judicial mandate/fora into a court of law for the resolution of contested rights, but rather to empower the Registrar of Companies to correct defects that are easily recognizable, objective, and verifiable from the record itself. I will take this opportunity to provide an interpretation of Regulation 8 (2) and a careful examination of what circumstances properly fall within its ambit and the limits of the authority it confers upon the Registrar of Companies.

56. Where a document is *misleading*, the focus is on whether the information presented creates a false impression, even if not entirely false on its face. This includes situations where material facts are omitted or distorted for instance, listing a person as a director who has already resigned, or indicating that shares were issued for consideration when no such consideration was in fact paid.

57. Where a document is *inaccurate*, the defect lies in a factual or clerical error. Examples include incorrect figures, misspellings, wrong identification details,

or inconsistencies in shareholding. These are clerical defects that do not require an investigation into underlying rights and can be corrected administratively.

58. Where a document is issued in error or contains an entry or endorsement made in error for example a certificate of incorporation is issued to a company that possesses a similar name to one already existing on the Register, or where a Board resolution passed by Directors is signed off by members or where a filing records the appointment of a minor as a director of a company contrary to legal requirements.
59. Where there is an illegal endorsement, here the focus shifts to entries that are inherently unlawful on their face, such as filings that contravene express provisions of the Companies Act or the company's Articles of Association or any express provision of a statute for example, resolutions executed by persons without authority, or appointments made in violation of legal requirements. The illegality must be discernible from the document itself or from clear non-compliance with mandatory provisions of the law.
60. Where a document is illegally or wrongfully obtained, the concern here is with the manner in which the document came into existence. This includes claims relating to fabrication of signatures, impersonation, filings made without proper authorization or filings made without following procedural requirements under the Companies Act or Companies Articles of Association. This category may involve deeper inquiry and the Registrar's intervention is intended to safeguard the register from such illegal/wrongful entries and may require a quasi-judicial proceeding to properly conclude that a document was illegally or wrongfully obtained. Justice Musa Sekaana in *Luitingh Lafras & Anor Vs. Special Services Ltd Company Cause No. 11 of 2019* held that, "The effect of the decision of the Deputy registrar General was deprivation of property (shares), this required a comprehensive investigation and there was need to have the evidence of the parties by affidavit or viva voce. The powers of the registrar under the companies Act are quasi-judicial since it involves taking decisions as provided under the Act. The

*exercise of power by the registrar contemplates the adjudication of rival claims of the persons by an act of the mind or judgment upon the proposed cause of official action as to an object of the corporate power vested under the Companies Act. They decide both questions of fact as well as of law, and determine a variety of applications, claims, controversies and disputes. The learned Judge continued to find that, 'In addition, the consequences of the decision made in a summary manner without sufficient facts and evidence, had to be cautiously taken even though the registrar is vested with the power to take such a decision. The decision must be taken on cogence of evidence and not on assumptions and conjecture of the registrar. It may be true that the applicants had not filed necessary and relevant documents, which would not invalidate the transactions on the transfer of shares. The registrar had to interrogate the same upon evidence or testimony of the appellants but not to rely on her record alone in taking a decision.'* Consequently, for the Registrar to expunge a document from the company register on the basis of an illegal or wrongful entry, particularly in the presence of contested claims, a comprehensive investigation or inquiry is necessary prior to the Registrar exercising authority under Regulation 8 to rectify the register following the discovery of the illegal or wrongful entry.

61. In the present case, there was no allegation of signature fabrication or impersonation; the directors were, in fact, authorized by the Articles of Association to sign documentation allotting the company unallotted shares and they admitted to signing the resolution and form 10 allotting the said shares to themselves. I therefore find that this is not a case in which the Registrar may expunge documents on the grounds that they were illegally or wrongfully obtained. This is a case that requires inquiry into whether the Directors exercised their duties in good faith by allotting the said shares to themselves in exclusion of the interests of the estate of the late Christopher Obey, which falls outside the statutory jurisdiction of the Registrar of Companies.

62. The last circumstance provided for under Regulation 8 (2) is rectification of the register in scenarios where *a court of law has ordered the expungement*, here the Registrar acts purely in an implementing capacity, giving effect to the orders and determinations of the court. If the Applicant, for example, files this matter in Court and the Court finds that the directors breached their fiduciary and statutory duties by allotting themselves shares and orders the Registrar of Companies to expunge the resolution and form 10, the Registrar of Companies is obligated to rectify the register to give effect to the Court's orders.
63. From the foregoing, a unifying principle emerges. Regulation 8 applies to defects on the register that are apparent and objective. The Registrar's role is to maintain the accuracy and integrity of the register. This distinction is critical. Where the issue can be resolved by examining the face of the document and comparing it with statutory requirements, the Registrar may intervene. However, where rectification of the register requires answering questions such as whether directors breached their fiduciary duties in filing contested documents, or where the claim involves derivative claims, the matter moves beyond the powers contemplated under Regulation 8 of the Companies (Powers of the Registrar) Regulations SI No. 71 of 2016 into the realm of substantive adjudication, which lies within the jurisdiction of High Court that has unlimited original jurisdiction in all company matters.
64. In relation to the register of members, Court under Section 121 of the Companies Act Cap 106 has powers to rectify the members register. Section 121 of the Companies Act Cap 106 provides that Court has power to rectify the register, the circumstances indicated thereunder include, *'where the name of any person is without sufficient cause entered in or omitted from the register of members of a company or default is made or unnecessary delay takes place in entering on the register the fact of any person having ceased to be a member, the person aggrieved or any member of the company or the company, may apply to the court for rectification of the register.'*

65. In the present case, the Directors filed a resolution and the accompanying Form 10 relying on powers conferred upon them under the Company's Articles of Association. The documents are, on their face, procedurally compliant within the Company's Articles of Association. The challenge raised by the Applicant is not that the documents are facially defective, misleading, or erroneous in the sense contemplated under Regulation 8. Rather, the Applicant challenges the propriety, motive, and legality of the Directors' exercise of their powers, including allegations alluding to bad faith, conflict of interest, and breach of fiduciary duty.
66. Determining such issues would require a detailed inquiry into the conduct of the Directors, the surrounding circumstances of the allotment, and the competing rights/interests of the estate and the Respondents. Accordingly, while Regulation 8 grants the Registrar the power to expunge documents, that power cannot be invoked in circumstances where doing so would necessitate the determination of contested rights and fiduciary obligations. To do otherwise would be to exceed the mandate of the Registrar and encroach upon the jurisdiction of the High Court.
67. The Applicant's Counsel, in written submissions, argued that for a board resolution to be valid, it must arise from a properly constituted board meeting, and there must be proof that such a meeting was duly convened. Counsel submitted that minutes of the meeting ought to be maintained to enable shareholders to ascertain the discussions held and the reasons underpinning the resolutions passed. He contended that no minutes were adduced in respect of the alleged meeting and that, during the hearing, the Respondents confirmed that no such minutes existed for the meeting leading to the contested Resolution and Return of Allotment. On that basis, Counsel argued that the shareholders, particularly the estate, could not verify whether the meeting was indeed held or understand the basis upon which the allotment was made.

68. Counsel relied on Section 148 of the Companies Act, Cap. 106, which requires companies to maintain accurate minutes of proceedings at general meetings and meetings of directors. Such minutes constitute the official record of the deliberations and decisions of the company and, when properly kept, serve as *prima facie* evidence that the meetings were duly convened and held. However, upon perusal of the Respondent Company's Articles of Association, Article 41 provides that "*a resolution determined on without any meeting of Directors and evidenced by writing under the hands of all the Directors shall be as valid and effectual as a resolution duly passed at a meeting of the Directors.*" In effect, this provision recognizes the validity of a written resolution signed by all directors in place of a formal meeting. Therefore, the absence of formal meeting requirements such as notice and minutes does not necessarily invalidate the resolution where the directors have executed a written resolution in accordance with the Articles of Association of the Company.

69. In addition, the contested documents in this case were not illegally or wrongfully obtained, as there is no allegation regarding fabrication of signatures or procedural irregularities. The resolution satisfied the criteria for circular/written resolutions under Article 41 of the Company's Articles of Association and therefore the Registrar of Companies has no statutory authority to expunge the said resolution or allotment form unless ordered by a court of law upon the Applicant proving bad faith on the part of the directors in allotting themselves shares without considering the interests of the late Christopher Obey's estate.

70. In the circumstances, it appears that the Respondents acted within the powers conferred upon them by the Company's Articles of Association. The critical question raised by the Applicant, however, is whether those powers were exercised honestly and in good faith, which would require a substantive examination of their motives, conduct, and the broader corporate context in which the allotment was undertaken as already stated above. Such an inquiry

involves the adjudication of complex questions concerning directors' duties and the competing rights and interests of the parties which power the Registrar of Companies does not possess.

71. Accordingly, I find that the Registrar of Companies lacks jurisdiction to determine the legality of the impugned allotment or to expunge the contested documents on the basis alleged by the Applicant.

*b. What remedies, if any, are available to the parties?*

72. As already stated before, the jurisdiction of the Registrar of Companies is statutory in nature and encompasses the exercise of two distinct powers: first, the power to hear and determine complaints by an oppressed member under Section 243 of the Companies Act, Cap. 106; and second, the power to rectify and update a company's register pursuant to Regulation 8 of the Companies (Powers of the Registrar) Regulations, S.I. No. 71 of 2016.

73. In the present case, and in my considered view, although the Registrar of Companies possesses the power under Regulation 8 to expunge documents from the register, as discussed in the preceding issue, the exercise of that power in the circumstances herein would require the determination of matters that fall outside the Registrar's jurisdiction. These include questions relating to the propriety of the Directors' conduct, alleged breaches of fiduciary duties, and the competing rights/interests of the parties. Such matters are more appropriately determined by the High Court of Uganda, which is vested with unlimited original jurisdiction to adjudicate upon all civil disputes.

74. In addition, the Applicant alleged that the actions of the first and second Respondents were detrimental not only to the estate of the late Christopher Obey but also to the Company as a whole. Beyond the impugned documents, the Applicant raised allegations of misappropriation of funds, lack of accountability and transparency, disposal of company assets, and general mismanagement. These complaints relate to conduct that is prejudicial to the interests of members collectively and to the Company itself.

75. Section 244 of the Companies Act, Cap. 106 provides for relief in cases of unfairly prejudicial conduct affecting the interests of members or the Company. Such matters fall within the jurisdiction of the High Court, which has unlimited original jurisdiction in all matters. In *Olive Kigongo v. Mosa Courts Apartments, High Court Company Cause No. 01 of 2015*, the Court emphasized that ‘..matters relating to oppression are meant to be dealt with by the Registrar of Companies under Section 247 (now 243) of the Companies Act. Court should restrict itself to matters that fall under Section 248 (now 244) relating to unfair prejudice which affects interests of members.’ Accordingly, the Applicant, in her capacity as administrator of the estate of the late Christopher Obey, is at liberty to pursue appropriate remedies arising from the alleged mismanagement, misappropriation, or prejudicial conduct before the High Court of Uganda under Section 244 of the Companies Act, Cap. 106.

76. In the premises, and pursuant to Regulation 32 of the Companies (Powers of the Registrar) Regulations, S.I. No. 71 of 2016, this Application is hereby dismissed for want of jurisdiction, with no order as to costs.

*I so Order.*

Given under my hand this 31<sup>st</sup> day of March 2026

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*Daniel Nasasira*

*Assistant Registrar of Companies*