



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 AFRICAN QUEEN NO. 1 DISTRIBUTOR- SMC LIMITED
COMPANY APPLICATION No. 14280 OF 2026
BRN.80010000914280

ADLEGAL INTERNATIONAL LIMITED:.....APPLICANT

VERUS

AFRICAN QUEEN NO.1

DISTRIBUTOR-SMC LIMITED:.....RESPONDENT

RULING

Before: Daniel Nasasira - Assistant Registrar of Companies

A. Representation.

1. *The Applicant Company was represented by its legal officer, Luke Kamoga together with Counsel Nicholas Mulere from Magna Advocates, whereas Elly Matwampa from African Queen No.1 Distributor – SMC Limited legal department represented the Respondent.*

B. Introduction and Background.

2. The Applicant, Adlegal International Limited is a company limited by guarantee and incorporated on 1st November 2024 under Registration No. 80034811360703 to promote consumer protection, transparent business practices, fair competition, combat consumer fraud and deceptive advertising through legal means (hereinafter referred to as 'the Applicant').

3. The Respondent, African Queen No.1 Distributor Limited is a Company limited by shares incorporated on the 21st day of September 2015 under Registration Number 80010000914280 (hereinafter referred to as 'the Respondent').
4. The Applicant contended that they discovered that the Respondent's name was erroneously registered as African Queen No.1 Distributors-SMC Ltd. The Applicant contended that the phrase "No.1" conveyed an impression of superiority and suggested that the company was the leading or best distributor in its industry, thereby potentially misleading the public into thinking the company was officially recognised and endorsed in that regard. Consequently, the Applicant sought a declaration that the phrase "No. 1" was improper and prayed that the Registrar direct the Respondent to remove the phrase "No.1" from its company name.
5. The Respondent contended that the application was misconceived, devoid of any legal basis and failed to meet the requisite threshold to warrant the intervention of the Registrar. The Respondent further contended that the phrase "No.1" constituted a common descriptive expression widely used in marketing and commercial trade and that the allegations of consumer deception were merely speculative. The Respondent further contended that its company name was duly examined, approved, and registered by the Uganda Registration Services Bureau in accordance with the applicable provisions governing company registration and name reservation. It was argued that the approval of the name by the Registrar was evidence that the name had satisfied the statutory test of desirability and was not considered misleading, undesirable, or deceptively similar to any existing registered entity at the time of incorporation. The Respondent therefore maintained that its registration was lawful and regular, and that no sufficient legal basis had been established to warrant interference with the Registrar's decision or

to justify the grant of the orders sought by the Applicant. Consequently, the Respondent prayed that the application be dismissed with costs.

C. Applicant's case

6. The Applicant's case was presented by its Executive Director, Kitaka Aziz, who contended under paragraphs 2, 3 and 4 of his statutory declaration that the Applicant is a duly incorporated company limited by guarantee, with the mandate of promoting fair competition and combating consumer fraud and deceptive advertising through lawful means. He further contended that he is a lawyer by profession and was well conversant with the laws, regulations, guidelines, standards and principles governing the registrability of business and company names by the Uganda Registration Services Bureau. He contended that the Applicant sought to challenge the registration of the name "African Queen No.1 Distributors-SMC Limited".
7. He further contended under paragraphs 5-7 of his statutory declaration that he was aware that the Respondent's company name "African Queen No.1 Distributors-SMC Limited" was registered on 21st September 2015 under registration number 80010000914280. He averred that the phrase "No.1" as used in the Respondent's company name conveyed an impression of superiority and implied that the company was the leading or best distributor within its industry, thereby creating the likelihood of misleading the public into believing that the company occupied an officially recognised position. He contended that such representation amounted to unfair competition and consumer deception. He contended that a business or company name must not be misleading or contrary to the law or public policy to qualify for registration by the Uganda Registration Services Bureau.
8. Mr. Kitaka further asserted under paragraphs 8-10 of his statutory declaration that a legally recognizable business name must comprise three essential elements,

namely: a distinctive element, a descriptive element and a legal element. He contended that the Respondent's company name improperly incorporated the phrase "No.1" into its descriptive element "Distributors" thereby transforming what ought to have been a neutral identifier into a promotional and marketing claim.

9. He further contended that under a proper business name structure, the descriptive element ought to neutrally describe the nature of the business activities, such as "Distributors." He maintained that in the present case, the addition of the phrase "No.1" unfairly elevated the Respondent's market perception without any factual verification.
10. He further argued under paragraphs 11-14 of his statutory declaration that the phrase "No.1" was promotional in nature rather than uniquely identifying the Respondent Company and that it failed to provide any clear or verifiable distinction capable of justifying its inclusion in a company name. He further asserted that permitting the incorporation of such promotional or marketing terminology in a company name would set an undesirable precedent for other companies to adopt similarly deceptive claims, thereby fostering an environment characterised by exaggerated and misleading representations.
11. He further asserted that a company's legal name constitutes a fundamental aspect of its corporate identity and ought to serve as an accurate descriptor rather than a marketing slogan. He contended that the inclusion of the phrase "No.1" transformed the Respondent's company name from a neutral identifier into an advertising tool. He further maintained that by incorporating the phrase "No.1" in its company name, the Respondent portrayed itself as the leading distributor and thereby obtained an unfair marketing advantage over competitors who could not lawfully make similar claims without proof, as required under the advertising

standards of the Uganda Communications Commission. In support of this assertion, he attached an extract of the said advertising standards.

12. Under paragraphs 15-20 of his statutory declaration, Kitaka Aziz asserted that the Respondent extensively utilised its registered name containing the phrase “No.1” as a branding and marketing tool on its distribution vehicles and promotional materials including billboards, flyers, and related advertising media thereby presenting the phrase as a marketing expression rather than merely a business name. He argued that by using the registered name on branded promotional materials, the Respondent caused the name to operate simultaneously as both a corporate identifier and a marketing slogan, thereby creating an unfair competitive advantage and misleading the public into associating the Respondent with a dominant position in the market.
13. He further argued that assuming that the Respondent was a leading distributor at the time of registration, market positions are inherently subject to change owing to competition, economic fluctuations, and consumer preferences all of which may alter a company’s standing within the market, thereby rendering the claim “No.1” unreliable and unsustainable. He also contended that the impugned name had the potential to discourage fair competition by attracting clients based on an unverified and an undated claim, consequently diverting business from other legitimate competitors. He maintained that manufacturers seeking distribution companies were likely to assume that the “No.1” ranking contained in the Respondent’s name had been verified or endorsed by competent authorities, thereby occasioning deceptive business practices. He added that whereas the phrase “*African Queen*” was distinctive in character, the phrase “No.1” did not add any unique character to the name as it is a common phrase.
14. He further averred under paragraphs 21 to 25 of his statutory declaration that the Respondent Company name “*African Queen No.1 Distributor-SMC Limited*” was

contrary to the law and public policy. He argued that the Registrar of Companies is vested with powers under sections 36 and 37 of the Companies Act, Cap 106, to direct a company to change its name where such a name is misleading. He contended that permitting the inclusion of the phrase “No.1” in a company name was inconsistent with the principles of fairness, consumer protection, and market integrity. He accordingly maintained that it would be in the interest of the law and public policy for the Respondent to be directed to change its name by removing the phrase “No.1”.

D. Respondent's case

15. Under paragraphs 1-4 of the Respondent's response to the complaint, the Respondent's representative denied that the company name was misleading, undesirable or contrary to the law within the meaning of sections 36 and 37 of the Companies Act, Cap 106 as cited by the Applicant. He asserted that the complaint was misconceived, devoid of any legal basis and failed to satisfy the statutory threshold necessary to warrant the intervention of the Registrar.
16. He argued that under section 36(2) of the Companies Act, Cap 106, a company name may only be objected to where it is identical to an existing name and is likely to cause confusion or is otherwise undesirable in a manner recognised by law. He also contended that pursuant to section 37(1) of the Companies Act, Cap 106, the Registrar's power to direct a change of name arises only where the name has been improperly or inadvertently registered or is otherwise undesirable. He maintained that the Applicant had failed to demonstrate that the Respondent's company name fell within any of the statutory prohibitions contemplated under the Act.
17. He further contended under paragraphs 6-11 of his response that the phrase “No.1” is a common, non-exclusive and widely utilised marketing expression in trade and commerce. He maintained that the Respondent's use of the phrase neither conferred legal superiority nor implied official endorsement by any

regulatory authority nor did it amount to misrepresentation in law. He further averred that the Applicant had failed to adduce evidence demonstrating that the public had been misled by the Respondent's company name. He added that the Respondent's name was neither identical to nor confusingly similar to that of the Applicant or any other entity.

18. He added that the Applicant had failed to establish any proprietary interest in the phrase "No.1", any goodwill alleged to have been infringed or any likelihood of confusion within the marketplace. He accordingly argued that the allegations of consumer deception were speculative, unsubstantiated and unsupported by evidence.
19. Under paragraphs 12-16 of the response, the company representative asserted that the use of descriptive or promotional language in a company name does not in itself constitute unfair competition since Ugandan law does not prohibit the inclusion of laudatory or promotional expressions in company names, provided that such expressions are neither fraudulent nor deceptive. He further stated that the Respondent's company name was duly examined and approved by the Uganda Registration Services Bureau at the time of incorporation in 2015 and that the Applicant had failed to demonstrate any error, illegality or procedural impropriety in the registration process.
20. He further asserted that the Respondent's company name had been in continuous use since 2015 yet the Applicant had offered no explanation for the inordinate delay in lodging the complaint. He argued that the delay amounted to acquiescence and that it would be unjust to require the Respondent to change its company name after such prolonged use.
21. Under paragraphs 19-21 of the response, the Respondent's representative asserted that the Respondent Company has over the years developed substantial goodwill, brand identity and commercial recognition under its registered name. He argued

that an order directing the Respondent to change its company name would occasion financial loss, disrupt its business operations and unjustly prejudice the Respondent. He further asserted that the complaint failed to disclose any legal basis under the Companies Act capable of warranting the orders sought by the Applicant. He maintained that the Applicant had failed to establish that the Respondent's company name was misleading in law, undesirable within the meaning of the law or improperly registered.

22. He accordingly prayed that the complaint be dismissed, that a declaration be issued affirming that the Respondent's company name was lawfully and properly registered and that costs of the complaint be awarded to the Respondent.

E. Issues

23. Upon consideration of the pleadings presented by the parties, I found that the following issues were sufficient to determine the matter before me;

- a) *Whether the forum for instituting the instant complaint/application is irregular and/or incompetent?*
- b) *Whether the Applicant has locus standi to bring this complaint/application?*
- c) *What remedies are available to the parties?*

F. Determination

- a) *Whether the forum for instituting the instant complaint/application is irregular and/or incompetent?*

24. It is trite that jurisdiction is a creature of statute and no court or tribunal can confer upon itself jurisdiction. Where a court that has no jurisdiction entertains a matter, any proceedings arising therefrom are a nullity. (*See Baku Raphael & Anor V AG SCCA No.1 of 2005 cited with approval in National Medical Stores V Penguins Ltd HCCS No. 29 of 2010*).

25. The office of the Registrar of Companies performs both administrative and quasi-judicial functions under the Companies Act, Cap. 106 and its supporting

regulations. Whereas these functions are exercised by the same office within the Uganda Registration Services Bureau, they are legally distinct in nature, procedure and consequence.

26. The administrative role of the Registrar of Companies concerns the day-to-day regulation, registration and maintenance of corporate records and is purely regulatory and aims to ensure compliance. It includes the incorporation of companies, *reservation and approval of company names*, registration of charges, maintenance of the register of companies, filing of annual returns, certification of corporate documents and updating statutory records among other obligations. In exercising this mandate, the Registrar acts mainly as a statutory authority charged with ensuring compliance with disclosure requirements and corporate filings of companies.
27. Although the Registrar of Companies is vested with a range of discretionary administrative powers in the discharge of the office's statutory mandate—including the rejection of defective or non-compliant filings, striking off companies from the register, requiring rectification of documents, directing investigations, and enforcing compliance through requisitions for updated information—such powers are exercised strictly within the framework of the Companies Act and the broader regulatory regime governing the office. They are therefore administrative in nature and must be exercised in accordance with the applicable statutory safeguards, procedural fairness, and the principles of natural justice. In *Mayambala Michael v Uganda Registration Services Bureau (URSB) (Miscellaneous Cause No. 2 of 2022)*, Justice Boniface Wamala affirmed the Registrar's authority to refuse the filing or registration of documents where they fail to meet the prescribed legal requirements. The Court further underscored that such refusal must not be arbitrary; rather, the Registrar is under a duty to communicate the decision in writing to the affected party, clearly setting out the

reasons upon which the refusal is based. This reinforces the principle that even in the exercise of administrative discretion, the Registrar remains bound by the requirements of procedural fairness and transparency.

28. The mode of invoking the Registrar's administrative mandate in this context is through the issuance of correspondence such as letters addressed to the office of the Registrar of Companies, compliance requests or a court order rather than through the institution of adversarial proceedings which are characteristic of the Registrar's quasi-judicial jurisdiction.
29. The office of the Registrar of Companies is also vested with a quasi-judicial mandate to determine various company disputes. This mandate relates to the exercise of two distinct powers, firstly is the power to hear and determine complaints by an oppressed member under Section 243 of the Companies Act Cap 106, and secondly is the power to rectify a company's register and expunge documents that constitute an error, are misleading, inaccurate, issued in error, contain entries or endorsements made in error, contain an illegal endorsement, are illegally or wrongfully obtained or which a court has ordered the registrar to expunge from the register all pursuant to Regulation 8 of the Companies (Powers of the Registrar) Regulations SI No 71 of 2016.
30. In exercising the quasi-judicial mandate, the Registrar of Companies has the power to determine questions of fact and law. This position was buttressed by the learned Justice Musa Ssekaana in *Bryan Xsabo Strategy Consultants (Uganda) Limited & 2 Ors V Great Lakes Energy Company N.V Company Cause No.13 of 2020* where the learned Justice found that, *'the exercise of power by the Registrar of Companies contemplates the adjudication of rival claims... they decide both questions of fact as well as of law and determine a variety of applications, claims, controversies and disputes.'*
31. The modes of instituting claims before the office of the Registrar of Companies include the filing of a petition in matters relating to the oppression of members, as

provided for under section 243 of the Companies Act, Cap 106, and regulation 26 of the Companies (Powers of the Registrar) Regulations, S.I. No. 1 of 2016, which prescribes the procedure for instituting petitions before the Registrar. Another mode of commencing proceedings before the Registrar of Companies is by way of an application under regulation 20 of the Companies (Powers of the Registrar) Regulations, S.I. No. 71 of 2016. Such an application may relate to the rectification of the register for purposes of expunging documents that are misleading, contain illegal endorsements, or are shown to have been illegally or wrongfully obtained. Furthermore, section 286 of the Companies Act provides that evidence before the Registrar of Companies shall be adduced by way of a statutory declaration.

32. In the premises, the Applicant's claim before the Registrar of Companies neither relates to oppression of members nor concerns the rectification of the companies register in a manner capable of invoking the quasi-judicial jurisdiction of the Registrar of Companies. The complaint does not disclose any dispute pertaining to the internal affairs, management, or membership rights of the Respondent Company as contemplated under section 243 of the Companies Act, Cap 106. Equally, the Applicant has not alleged that any impugned documents were fraudulently procured, unlawfully filed, or improperly entered on the register so as to warrant rectification proceedings under Regulation 8 of the Companies (Powers of the Registrar) Regulations SI. No.1 of 2016.

33. Rather, the substance of the application is a request for administrative intervention by the Registrar directing the alteration of the Respondent Company's name, "*African Queen No.1 Distributors-SMC Limited*," specifically through the removal of the phrase "*No.1*". The Applicant's contention is that the use of the said phrase amounts to unfair competition and is likely to mislead or deceive consumers. The grievance, therefore, principally concerns the propriety and potential

deceptiveness of the company name as registered, as opposed to a matter requiring the exercise of the Registrar's adjudicatory or quasi-judicial powers.

34. The manner in which the Applicant's complaint was presented and filed before this office does not, for the reasons already set out above, justify the invocation of the Registrar of Companies' quasi-judicial mandate. The statutory framework clearly distinguishes between matters that properly engage the Registrar's adjudicatory powers and those that fall within the scope of administrative regulation and supervision of company records. Quasi-judicial authority is reserved for narrowly defined disputes, such as oppression proceedings or formal applications for rectification of the register, which require the determination of contested rights in accordance with prescribed procedures.

35. In the present case, the substance of the complaint, as instituted by the Applicant, does not meet the threshold for such adjudicatory intervention. Rather, it primarily concerns a request for regulatory or administrative action in relation to the Respondent Company's registered name. Accordingly, even if the Applicant's concerns were to be considered on their merits, the proper procedural avenue would have been an administrative application addressed to the Registrar in the exercise of administrative oversight functions, rather than the initiation of quasi-judicial proceedings as was done.

36. From the foregoing, I find that the Applicant's claim concerning the alteration of the Respondent's company name from the register by removing the phrase "No.1" was instituted through an improper procedure and presented before a wrong forum insofar as the quasi-judicial mandate of the Registrar is concerned.

b) Whether the Applicant has locus standi to bring this complaint/application?

37. I observe that the Applicant, a duly incorporated company whose objects include the promotion of fair competition and the prevention of consumer fraud and deceptive advertising through lawful means, instituted the present application

before the office of the Registrar of Companies with the intention of invoking the Registrar's quasi-judicial mandate. The Applicant prayed for orders directing the removal or alteration of the Respondent's company name. The Applicant contended that the Respondent's use of the phrase "No.1" in the name "*African Queen No.1 Distributors-SMC Limited*" conveyed an impression of superiority and implied that the company was the leading or best distributor within its industry, thereby creating a likelihood of misleading the public into believing that the Respondent occupied an officially recognised or dominant market position.

38. The Respondent contended that the complaint was misconceived, devoid of any legal basis and failed to satisfy the statutory threshold necessary to warrant the intervention of the Registrar. This consequently raised the question as to whether the Applicant possessed the requisite *locus standi* to institute the present application.

39. Court in *Law Society of Kenya vs. Commissioner of Lands and others, civil case no. 464 of 2000*, stated that, "*locus standi signifies a right to be heard, a person must have sufficiency of interest to sustain his standing to sue in court.*" Furthermore, Justice Stephen Mubiru in *Dima Enterprises Poro vs. Inyani Godfrey, Civil Appeal No. 17 of 2016*, described locus standi to mean "*...a place of standing. It means a right to appear in court, and conversely to say that a person has no locus standi means that he has no right to appear or be heard in a specified proceeding.*"

40. In determining whether the Applicant has locus standi, it is pertinent to observe that the quasi-judicial jurisdiction of the Registrar of Companies is strictly circumscribed and may only be properly invoked in limited and clearly defined circumstances. As earlier discussed, such jurisdiction arises, first, through a petition in matters relating to oppression of members pursuant to section 243 of the Companies Act, Cap 106, read together with regulation 26 of the Companies (Powers of the Registrar) Regulations, SI No. 71 of 2016, which prescribes the

procedure for instituting such petitions before the Registrar. Secondly, it may be invoked by way of an application for rectification of the companies register under regulations 8 and 20 of the said Regulations, which govern the circumstances and procedure for correcting, removing, or altering entries on the register. Outside these statutory gateways, the Registrar is not properly seized of quasi-judicial authority, and any complaint falling outside these categories cannot competently found such jurisdiction.

41. The Applicant's claim does not fall within either of the two recognised modes through which the quasi-judicial jurisdiction of the Registrar may be invoked, as the Applicant is neither a member of the Respondent Company nor seeking the rectification of the Register through the expungement of documents. Rather, the Applicant seeks the alteration or removal of the phrase "No.1" from the Respondent's company name. While the Applicant may harbour legitimate concerns regarding fair competition and consumer protection, such objectives cannot be pursued through an improper procedure or by invoking the wrong forum.
42. Regulation 20 of the Companies (Powers of the Registrar) Regulations SI No. 71 of 2016 provides that, *'an application to the registrar may be made by, a promoter, member, personal representative of a deceased member, person authorized to act on behalf of a member, director, secretary, a regulatory body or agency of government, advocate acting on behalf of a party or any other interested party may make an application before a Registrar.'*
43. It is important to emphasize that Regulation 20 of the Companies (Powers of the Registrar) Regulations SI. No 71 of 2016, permits a wide category of persons to lodge an application for rectification of the register, including *"any other interested or aggrieved party."* Properly construed, this provision extends standing beyond shareholders and members to persons who can demonstrate a

legitimate concern in the integrity of the register or the entries contained therein. However, notwithstanding this broadened standing, an applicant is still required to show a direct, sufficient, and legally cognizable interest in the subject matter of the application, rather than a purely abstract, general, or policy-based concern. The principle of corporate autonomy would be significantly undermined if this office were to entertain abstract, generalized, or unparticularised claims lacking a demonstrable legal or factual nexus to the affairs of a company. Companies are distinct legal persons entitled to manage their internal affairs and commercial identity within the confines of the law, subject only to properly grounded statutory or regulatory intervention. To admit complaints founded merely on speculative, policy-driven, or theoretical grievances—without evidence of specific legal injury or infringement—would expose companies to unwarranted regulatory interference and disrupt the balance between regulatory oversight and commercial freedom.

44. In the present case, the Applicant is a company whose stated mandate is to promote fair competition and combat deceptive or unlawful commercial practices. It has advanced the present complaint on the basis of an alleged public interest in preserving fair competition in the market. However, the Applicant has not placed before this office any evidence demonstrating how any identifiable business or market participant has been materially affected by the use of the phrase “No.1” in the Respondent Company’s name. Equally, no material has been adduced to show that the Applicant itself has suffered any direct or particularised prejudice capable of grounding its interest in the affairs of the Respondent Company. In the absence of such evidence, the Applicant’s claim remains general in nature and insufficient to establish the requisite standing under Regulation 20.

45. In the premises, I find that the Applicant lacks *locus standi* to invoke the quasi-judicial mandate of the Registrar of Companies in the present matter as the

complaint and the prayers sought therein are purely administrative in nature and do not fall within the Registrar's quasi-judicial mandate as had been perceived by the Applicant.

c) *What remedies are available to the parties?*

46. Pursuant to the findings above, I find that the Applicant lacked the requisite *locus standi* to invoke the quasi-judicial mandate of the Registrar of Companies and that the matter was instituted before an improper forum. Accordingly, the complaint/application is hereby dismissed. I make no order as to costs.

I so order.

Given under my hand this 26th day of May 2026

Daniel Nasasira

Assistant Registrar of Companies