



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 FIREWORLD LIMITED
COMPANY APPLICATION NO. 02446 OF 2026
BRN – 80010001402446
ALEX KIJJAMBU.....APPLICANT
VERSUS
DUNCAN KAGWA.....RESPONDENT
RULING

Before: Daniel Nasasira - Assistant Registrar of Companies

A. Representation.

1. *Counsel George Arinaitwe from Kayambi, Arinaitwe & Co. Advocates represented the Applicant, whereas Counsel Mugote Ezra, Naomi Byabazaire and Victoria Ankunda from Ivory Advocates represented the Respondents.*

B. Introduction and Background.

2. The Applicant is a male adult Ugandan national of sound mind, a director and shareholder in Fireworld Limited
3. The Respondent is also a male adult Ugandan of sound mind, a director and currently majority shareholder in Fireworld Limited.
4. Fireworld Limited is a private Company limited by shares incorporated on the 03rd day of December 2012 under Registration Number 80010001402446. The Company was established to carry on the business of manufacturers and dealers in the entire range of fire extinguishing equipment and all activities incidental to this.

5. This application was brought under Regulation 20 of the Companies (Powers of the Registrar) Regulations SI No. 71 of 2016. The Applicant seeks rectification of the register to expunge illegally and wrongfully obtained documents on the company register that were procured using his fabricated signature and without following due procedure required for their passing under the Companies Act and the Companies (Powers of the Registrar) Regulations SI No. 71 of 2016.
6. Specifically, as a background to this matter, the Applicant, Alex Kijjambu, deposed that he is a director and 50% shareholder of Fireworld Ltd and that he and the Respondent, Duncan Kagwa, incorporated the company in 2012 with equal shareholding of 50 shares each, both serving as the only directors. He stated that all key decisions affecting the company had historically been made jointly in accordance with the Companies Act and the Company's Memorandum and Articles of Association. He further averred that in January 2026, upon making inquiries at the company registry, he discovered that from July 2024, the Respondent had unilaterally altered the company structure without his knowledge by passing resolutions to open dollar, euro, and corporate accounts at I&M Bank with himself as the sole signatory, and by appointing a one Hillary Nathanael Mukasa as a director through a resolution bearing what the Applicant described as his forged signature. He maintained that he was never invited to any meeting where such resolutions were passed, never consented to them, and that the resolutions were passed without the required quorum, contrary to the Companies Act and the Company's Articles of Association. He therefore sought orders expunging the impugned resolutions from the register, restoring the company to its original structure with both parties as equal shareholders and sole directors, and awarding him costs of the application.
7. The Respondent, Duncan Kagwa, on the other hand, stated that he and the Applicant, Alex Kijjambu, co-founded Fireworld Limited as equal shareholders

and had agreed that shareholding would be based on active participation, or “sweat equity.” He claimed that, while he had been responsible for managing and investing in the company, the Applicant had remained inactive, sought only dividends, and engaged in competing businesses. Kagwa further indicated that all major decisions—such as raising additional capital, transferring shares, appointing new directors, and amending company documents—were made lawfully, with the Applicant’s full knowledge and consent, and that the Applicant was compensated for his transferred shares. He denied any allegations of forgery and explained that the Applicant’s complaints only arose after the company received payments and were motivated by profit, even though the business was still burdened by significant debts. Accordingly, Kagwa requested that the application be dismissed with costs and that all 2024 share transfer forms, amended company documents, and resolutions remain on the company register.

C. Applicant’s case.

8. In his sworn statutory declaration, the Applicant, Alex Kijjambu, stated that he was an adult Ugandan of sound mind, a director and shareholder of Fireworld Limited, and the Applicant in the matter. He further stated that the Respondent, Duncan Kagwa, was his co-shareholder and co-director in the same company.
9. He averred under paragraph three of his statutory declaration that on 3rd December 2012, he and the Respondent jointly incorporated Fireworld Limited with a share capital of 100 shares, each of them subscribing for and being allotted 50 shares. He stated that at the time of incorporation, he and the Respondent were the only directors of the company, as reflected in the Company’s Memorandum and Articles of Association and Form 20 filed at incorporation.
10. He further stated that from the time of incorporation, all key decisions affecting the company were made jointly by the two directors and shareholders in

accordance with the Companies Act and the Company's Memorandum and Articles of Association. According to him, no major corporate action could lawfully be undertaken without the participation, knowledge, and consent of both directors, since the required quorum for board decisions was two directors.

11. The Applicant stated that in January 2026, upon making inquiries at the company registry regarding the status of Fireworld Limited, he discovered, to his shock and surprise, that the company structure had been altered from July 2024 onwards without his knowledge or consent. He stated that he discovered several resolutions had been filed and registered unilaterally by the Respondent, purporting to alter the management and operations of the company.
12. In particular, he averred that by a board resolution dated 15th August 2024, the Respondent caused the opening of Dollar, Euro, and Corporate accounts at I&M Bank Ltd, with the Respondent designated as the sole signatory to those accounts. He maintained that he had never been invited to any meeting at which such resolutions were discussed or passed, nor had he consented to the same. He contended that the resolutions were passed unilaterally, without the required quorum of two directors, in clear breach of the Companies Act and the Company's Memorandum and Articles of Association.
13. The Applicant further stated that by a resolution dated 30th August 2024, the Respondent filed another resolution purporting to appoint a one Hillary Nathanael Mukasa as a director of the company. He asserted that the resolution contained a forged signature purporting to be his and that he neither attended any meeting authorizing such appointment nor signed the impugned resolution. According to him, the Respondent's intention in illegally appointing a third director was to completely alienate him from the management of the company and to continue perpetuating unlawful acts without the need to forge his signature as had allegedly been done before.

14. He contended that all the impugned filings were made without duly convened meetings, contained forged signatures purporting to be his, and violated both the Companies Act and the Company's Memorandum and Articles of Association. He averred that the documents were misleading, inaccurate, issued in error, contained endorsements made in error, and were illegally or wrongfully obtained within the meaning of Regulation 8 of the Companies (Powers of the Registrar) Regulations, SI. No. 71 of 2016.
15. Consequently, he prayed that the Registrar invokes the powers under Regulations 8 and 32 of the Companies (Powers of the Registrar) Regulations, 2016 to expunge and remove from the register the impugned documents, namely the board resolution dated 15th August 2024 registered on the same date authorizing the opening of an account at I&M Bank Ltd with the Respondent as sole signatory, and the ordinary resolution dated 26th August 2024 registered on 30th August 2024 appointing Kafuuka Hillary Nathanael Mukasa as a director.
16. He further sought an order restoring the company to its status prior to the filing of the impugned documents, with the Applicant and the Respondent remaining the only shareholders holding 50 shares each and the only directors of Fireworld Ltd. He also prayed for costs of the Application.

D. Respondent's case.

17. The Respondent, Duncan Kagwa, deposed a statutory declaration wherein he stated that he was an adult Ugandan citizen of sound mind, a shareholder and director of Fireworld Limited, and the Respondent in this matter.
18. He averred that he and the Applicant jointly incorporated Fireworld Limited with 100 shares, each subscribing for and being allotted 50 shares. He further stated that at the time of incorporation, they entered into a shareholders' agreement under which it was agreed that the shares in the company would be earned through sweat equity, namely through active work and contribution to the business.

19. According to the Respondent, from the date of incorporation to the present, the Applicant had never actively worked for the company and had voluntarily maintained a dormant and hands-off role, limiting his involvement to receiving dividends and signing documents. He stated that, by contrast, he had been actively involved in the operations of the company since incorporation and was fully aware of all its affairs, having earned his equity through investment and continuous work.
20. He contended that the Applicant had not earned his sweat equity and had effectively abandoned the company, leaving it burdened with debts and liabilities for which he had shown no concern. He further alleged that the Applicant had acted in breach of the shareholders' agreement by becoming heavily involved in a competing business that frequently outbid Fireworld Limited whenever proposals were submitted.
21. The Respondent further stated that the Applicant did not have the best interests of the company at heart and only appeared when the company received payments, demanding his share without regard to loan obligations and operational costs. He maintained that despite the Applicant's passive role, he had always ensured that the Applicant was kept fully informed of all developments and affairs of the company through email, WhatsApp, and telephone discussions.
22. He stated that the Applicant was aware that the company was experiencing serious financial difficulties and that properties which he, the Respondent, had provided as security to Mercantile Credit Bank were at risk of being sold to recover outstanding debts. Following meetings with Mercantile Credit Bank, an extraordinary meeting was convened between the two shareholders, during which several resolutions were discussed and passed concerning raising capital for the company, issuance of shares, appointment of a director, and appointment of signatories to the company's bank accounts.

23. According to the Respondent, during that meeting, the Applicant stated that he was unable to raise any capital, and it was agreed that the Respondent would raise the required capital and, as a result, obtain additional shares in the company. He further stated that at the same meeting, the Applicant agreed to sell his shares to him because he was unwilling to remain liable for the company's debts to the extent of his 50% shareholding.
24. The Respondent averred that following this agreement, they proceeded to prepare the necessary resolutions and share transfer documents, all of which were signed by the Applicant, and payment was made to him for the said shares. He maintained that the transfer was conducted in accordance with the Companies Act and the company's Memorandum and Articles of Association.
25. He further stated that, in line with the discussions and resolutions made at the said meeting, resolutions were extracted and registered authorizing the company to open accounts in Equity Bank, appointing Hillary Nathanael Kafuuka as a director, and appointing the said Hillary Nathanael Kafuuka as a signatory to the company's bank accounts.
26. The Respondent also stated that following the resolutions made at the meeting, the company approached Mr. Charles Ernest Hamya for a loan, which was granted on condition that he be appointed as a signatory to the company's Absa Bank account, being the account into which the loan funds were deposited. He stated that this condition was agreed upon by the shareholders during an electronic meeting, following which a resolution was duly passed, extracted, and registered.
27. He asserted that the Applicant signed all the resolutions, transfer forms, amended Memorandum and Articles of Association, and that any allegation that the Applicant's signature had been forged was malicious, false, and intended to mislead the Registrar of Companies. He contended that the Applicant was not being truthful and was deliberately attempting to mislead

by alleging lack of knowledge of transactions carried out in relation to the company.

28. The Respondent further stated that the Applicant was an educated person who fully understood the financial challenges facing the company and the reasons behind the meetings and resolutions passed, which were intended to improve the company's financial position. He noted that the Applicant did not raise any objection at the time and had not objected to any of the transactions for the last two years because he was fully aware of them.
29. He contended that the Applicant was only raising these issues now under the mistaken belief that the company had recovered from its financial difficulties and was profitable, which he stated was false since the company remained burdened with significant liabilities. He further alleged that the Applicant was unwilling to be liable for the company's debts and was only interested in receiving dividends while disregarding the company's liabilities, which was inconsistent with the conduct expected of a responsible shareholder.
30. The Respondent maintained that all the transactions were carried out lawfully and that the Applicant's allegations were baseless. Consequently, he prayed that the Applicant's application be dismissed with costs and that the transfer forms, amended Memorandum and Articles of Association, and all resolutions passed and filed in 2024 be maintained on the company register.

E. Rejoinder

31. The Applicant, Alex Kijjambu, in rejoinder, admitted the contents of paragraphs relating to the identity of the parties and incorporation of Fireworld Limited, but denied that there was ever any shareholders' agreement governing the company based on "sweat equity" or payment according to work done. He maintained that the company relationship was based purely on equal equity shareholding, with 50 shares each held by the Applicant and the Respondent, and that any suggestion of a work-based equity structure was false and unproven.

32. The Applicant explained that around 2012 he had brought the Respondent into the company because of the Respondent's youth and energy, while the Applicant, being older, was less energetic. He stated that their arrangement was informal, with the Respondent handling day-to-day technical operations and the Applicant undertaking supervision and client sourcing while remaining actively involved in management. He emphasized that there was never any written or implied agreement that shareholding or ownership depended on "sweat equity," and challenged the Respondent to prove otherwise.
33. He further denied that he had ever been dormant in the company or only received dividends, stating that he had never received any dividends at all and challenged the Respondent to prove such payments. He also stated that although he had at some point stopped signing company documents, this was due to his discovery of unlawful acts by the Respondent, and he alleged that any documents signed thereafter purporting to bear his signature were forgeries. He added that at the commencement of operations, the directors had agreed not to receive formal salaries but instead receive allowances for sustenance.
34. The Applicant admitted that the Respondent was involved in the company's operations but denied that such involvement was exclusive or independent, insisting that both parties worked jointly. He further alleged that the Respondent frequently presented blank cheques for him to sign without proper explanation.
35. He denied allegations that he was involved in competing businesses or that he had ever outbid the company, and put the Respondent to strict proof of those claims. He also denied having any loan obligations with or on behalf of the company and denied ever demanding payments from the company. He alleged instead that he was not fully informed of company affairs and that the Respondent only involved him when signatures or cheques were required.

36. In relation to the alleged loan from Mercantile Credit Bank, the Applicant stated that it was obtained around 2016 for the purpose of acquiring land in Kawuku and constructing a commercial building for the company. He alleged that the Respondent, without his knowledge or consent, instead used the company land to construct a personal residential house in which he currently resides, thereby frustrating the intended purpose of the loan and negating any liability on the Applicant.
37. The Applicant denied the existence of the alleged meetings and resolutions referred to by the Respondent, stating that they never occurred and that any documents arising from them were forged and unlawfully filed with the Registrar of Companies. He further stated that the company bank account was jointly operated with only two signatories, himself and the Respondent, and that he had no knowledge of any subsequent resolutions relating to issuance of shares, appointment of directors, or changes in bank signatories.
38. He also denied entirely the allegations relating to transfer of shares, appointment of additional directors, or appointment of bank signatories, stating that he never sold or transferred any shares and never authorized any such transactions. He challenged the Respondent to strictly prove any alleged meetings, minutes, payments, or agreements relating to the purported share transfer.
39. The Applicant further denied knowledge of the removal of his mandate as a signatory to company accounts and rejected any alleged dealings involving Mr. Charles Ernest Hamya or any loan arrangements said to have been approved on his behalf. He described such allegations as fraudulent, illegal, and untrue.
40. He maintained that the company's financial difficulties were caused by the Respondent's dishonest conduct and that he was unaware of the transactions that led to those difficulties, and therefore could not have objected to them. He reiterated that he had never received dividends and therefore could not be said to have demanded any.

41. Finally, the Applicant stated that the Respondent's claims were contradictory, particularly where they alleged both transfer of shares and continued shareholder obligations, and he characterized the Respondent's narrative as dishonest. He prayed that his application be granted as sought.

F. Schedules

42. Considering that both parties had submitted their respective pleadings, including the statutory declarations pursuant to Section 286 of the Companies Act Cap 106, I directed counsel for the Applicant to submit a rejoinder to the statutory declaration filed by the Respondent and issued schedules for written submissions as outlined below;

- a) A rejoinder from the Applicant by way of a statutory declaration was to be filed and served by the 24th day of April 2026.*
- b) Written submissions from the Applicant were to be filed and served by the 30th day of April, 2026.*
- c) Written submissions from the Respondent were to be filed and served by the 08th day of May 2026.*
- d) Any submissions in rejoinder were to be filed and served by the 13th day of May 2026.*

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

G. Issues

44. The following issues were agreed upon with the legal representatives of the parties as sufficient to determine this dispute;

- a) Whether the Registrar of Companies has jurisdiction to determine this matter?*
- b) Whether the contested documents were validly filed?*
- c) What remedies are available to the parties?*

H. Determination

a) Whether the Registrar of Companies has jurisdiction to determine this matter?

45. It is trite that jurisdiction is a creature of statute and no Court or tribunal can confer upon itself jurisdiction and 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*). The learned Justice Musa Ssekaana in Company Cause No.13 of 2020 *Bryan Xsabo Strategy Consultants (Uganda) Limited & 2 Ors V Great Lakes Energy Company N.V* 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.'* It follows from this authority that the Registrar of Companies possesses jurisdiction to entertain and adjudicate over questions of both fact and law.

46. The Registrar of Companies statutory jurisdiction 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 all pursuant to Regulation 8 of the Companies (Powers of the Registrar) Regulations SI No 71 of 2016.
47. 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.'*
48. The Applicant is a member, director, and shareholder of Fireworld Limited and therefore has the requisite legal standing (*locus standi*) to bring an Application before the Registrar of Companies under Regulation 20 of the Companies (Powers of the Registrar) Regulations, 2016. However, the mere existence of *locus standi* does not, in itself, resolve the dispute. The central question that

arises for determination is whether the nature of the allegations raised by the Applicant in relation to the contested filings—namely alleged forgery of signatures, disputed share transfers, and impugned corporate resolutions passed without adhering to procedural requirements under the Companies Act, Cap 106 and the Company’s Articles of Association—fall within the jurisdictional competence of the Registrar of Companies, or whether they properly require determination by a court of competent jurisdiction.

49. This application is brought under Regulation 8 of the Companies (Powers of the Registrar) Regulations, S.I. No. 71 of 2016. The said Regulation empowers the Registrar to rectify the companies 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, or documents that are illegally or wrongfully obtained. It is well established that where a document is shown to have been procured through the use of a fabricated signature, such a document cannot be regarded as having been legally or properly obtained. A signature is a fundamental element of authenticity and consent in corporate decision-making, and where it is contested, the resultant document is rendered incapable of constituting a valid legal act or enforceable corporate endorsement.

50. Similarly, where the procedural requirements governing corporate decision-making are not complied with—such as failure to issue proper notice, absence of duly convened meetings, lack of minutes, or absence of attendance records—the validity of any resolutions purportedly arising therefrom is seriously undermined. Unless the Company’s Articles of Association expressly permit decision-making by written/circular resolutions or other alternative procedure, strict compliance with prescribed corporate formalities remains mandatory. In such circumstances, documents arising from procedurally defective processes cannot be said to have been properly or lawfully obtained, nor can they be treated as valid expressions of a party’s will.

51. The jurisdiction of the Registrar under Regulation 8 of the Companies (Powers of the Registrar) Regulations SI No. 71 of 2016, applies where the dispute relates to the propriety of filings on the register and turns on documentary compliance and *prima facie* irregularities apparent on the face of the register. In the present case, the Applicant alleges that the contested documents were filed with his fabricated signature and without complying with the procedural requirements under the Companies Act and the Company's Articles of Association. These allegations directly implicate the integrity and accuracy of the register and fall within the ambit of rectification powers under Regulation 8.

52. Accordingly, I find that the Registrar has jurisdiction to entertain the application to the extent that it seeks rectification of the register to expunge documents purportedly illegally or wrongfully obtained and that allegedly constitute illegal endorsements.

b. Whether the contested documents were validly filed?

53. The Applicant's core contention is that the resolutions and filings in question—including the appointment of a new director, unauthorized transfer of his shares and changes to company bank accounts—were made without his knowledge or consent, without the required quorum, and bear his forged signature. He maintains that there were no validly convened meetings nor any joint decision-making as required by the Memorandum and Articles of Association, which set the quorum for board meetings at two directors. The Respondent, conversely, insists that all steps were duly approved, that the Applicant was kept informed, that all documents were signed by the Applicant, and that any suggestion of forgery is false and malicious. He further argued that the Applicant's inactivity and willingness to sell his shares led to the restructuring.

54. Section 136 of the Companies Act Cap 106 is to the effect that such meetings shall be called by a twenty-one (21) days' notice in writing. The same position is indicated under Article 49 of the company's Articles of Association which

stipulates verbatim that, *'All General meetings shall be called by at least twenty one days notice in writing...'* Upon perusal of the evidence, there is no indication that notice was issued for the purported meetings or at least served on the Applicant prior to the passing of the contested resolutions.

55. It was the Applicant's position that the meetings from which the contested resolutions were derived did not actually occur and that his signature was merely affixed on the resolutions by the Respondent or his agents. The Respondent did not provide any evidence to prove that notice had been issued/served to the designated parties as required under the Company's Articles of Association. In the absence of any evidence to the contrary establishing that notice for the meeting was issued and the same served upon the Applicant, I find that no such notice was given as required under Article 49 of the Company's Articles of Association. Justice David Wangutusi, in *Fang Min v Uganda Hui Neng Mining Limited & 5 Others, HCCS No. 318 of 2016*, while re-echoing the words of the learned Justice Geoffrey Kiryabwire in *Seremba Mark v Isanga Emmanuel & 3 Others (In the Matter of Greenvine College Ltd, Companies Cause No. 27 of 2004)*, held that *'resolutions passed by persons without the authority to do so, and meetings held without notifying the relevant members, are null and void. Consequently, such meetings render their outcomes worthless'*.

56. Article 99 of the Companies Articles of Association stipulates that, *'the Board shall cause minutes to be made in books provided for the purpose of; all appointments of officers made by the Board, the names of the Directors present at each Board or Committee meeting and all resolutions and proceedings at all meetings of the Company and of the Board and of the Committees.'* Article 100 continues to impute an obligation on the Board to cause minutes to be properly maintained. Such minutes serve as evidence of proceedings.

57. Additionally, Section 148 of the Companies Act, Cap. 106 further states that;

(1) Every company shall cause minutes of all proceedings of general meetings and of

all proceedings at meetings of its directors to be entered in books kept for that purpose.

(2) Any minute referred to in subsection (1)...shall be evidence of the proceedings.

(3) Where minutes have been made in accordance with the proceedings at any general meeting of the company or meeting of directors then, until the contrary is proved, the meeting shall be taken to have been duly held and convened...

58. The interpretation of Section 148 of the Companies Act Cap 106 and Articles 99 and 100 of the Company's Articles of Association is that the Company is required to maintain accurate minutes of all proceedings at general meetings and directors' meetings, which serve as the official record of decisions and deliberations.

59. These minutes, when properly recorded, are considered *prima facie* evidence of the proceedings and create a legal presumption that the meetings were duly held and convened. This presumption protects the company and its decisions, placing the burden on anyone challenging a resolution to provide credible evidence to rebut it.

60. The Respondent did not produce minutes or other formal records from the alleged meetings held on 22nd July 2024, 02nd August 2024, 15th August 2024, and 26th August 2024, where the resolutions authorizing a transfer of the Applicants shares, appointing a new director and changes to bank accounts were made. In the absence of evidence such as notices, minutes, or attendance records confirming that the alleged meetings occurred as required under company law, I am convinced to accept the Applicant's argument that the purported meetings did not happen and that the signature of the Applicant was simply affixed without his knowledge or consent.

61. If indeed the Respondent's position was that the Applicant had failed to contribute the agreed "sweat equity" to the company, the law required that any alteration of the Applicant's shareholding or transfer of his shares be undertaken strictly in accordance with the Companies Act, the Companies

Memorandum and Articles of Association, and any valid shareholders' agreement governing such rights and obligations. A mere allegation of non-participation or failure to contribute labour cannot, in itself, operate to divest a shareholder of his proprietary interest in the company as shares constitute property under Section 81 of the Companies Act, Cap 106. Shareholding rights cannot be extinguished or diluted through unilateral action, nor can such allegations justify the affixing of a shareholder's signature without his knowledge or consent. Equally, they cannot be relied upon to sanitize documents that were otherwise irregularly or unlawfully filed at the Companies Registry.

62. If the Respondent genuinely believed that there existed a binding shareholders' agreement under which shares were to be earned through active work and contribution to the business, the proper course would have been to produce that agreement and pursue lawful remedies for its enforcement, whether through duly convened corporate resolutions, negotiated share transfer, or recourse to a court or other competent forum. Self-help and quick fix measures in the form of unilateral filings, illegally affixing a party's signature, or irregular resolutions cannot be a substitute for due process. In the present matter, no such shareholders' agreement was produced before the Registrar, nor was any cogent evidence adduced to prove the alleged terms of "sweat equity" or the Applicant's alleged failure to perform under it. In the absence of documentary proof or credible evidence establishing both the agreement and its breach, the Respondent's assertion remains unsubstantiated and cannot justify the impugned filings.

63. The Applicant has, on a balance of probabilities, demonstrated that the impugned company filings—particularly the resolutions and the alleged share transfer document—were not procured through lawful corporate processes. The absence of evidence of duly issued notices convening the purported meetings, coupled with the lack of minutes, attendance records, or any other

contemporaneous proof of deliberation and approval, substantially undermines the Respondent's assertion that valid meetings were held and lawful resolutions passed.

64. In company law, compliance with procedural requirements is not a mere technicality but a safeguard of transparency, accountability, and shareholder participation. Where corporate actions such as appointment of directors, alteration of bank mandates, or transfer of shares are undertaken, the law requires clear evidence that such decisions were authorized through properly convened meetings or valid written/circular resolutions in accordance with the Companies Act and the Companies Memorandum and Articles of Association.
65. The Companies Register is intended to reflect accurate and lawful corporate records. It cannot be used as a repository for documents procured through irregular, misleading, or unlawful means. Once documents are shown to be tainted by illegality, forgery, or serious procedural impropriety, they lose the presumption of regularity and cannot be permitted to remain on the register as though they were valid expressions of corporate consent.
66. The Respondent's reliance on the alleged "sweat equity" arrangement does not displace the mandatory requirement for lawful corporate action. Even assuming such an arrangement existed, it could not override statutory procedures governing appointments, resolutions, and share transfers. Shareholding rights and directorships cannot be altered by informal assertions or unilateral conduct; they must be supported by genuine consent and proper legal process. Accordingly, the alleged sweat equity justification cannot cure or legitimize filings that were otherwise illegally procured. The integrity of company register depends on the authenticity of the documents filed with the Registrar of Companies. Where such records are shown to be founded on fabricated instruments, the law mandates the custodian of the register – the Registrar of Companies, to expunge such filings to preserve the sanctity of the register. In light of the foregoing finding, I hold that the impugned documents

were illegally and wrongfully obtained and all documents filed as a result of these impugned documents shall be expunged from the register pursuant to Regulation 8 of the Companies (Powers of the Registrar) Regulations SI No. 71 of 2016.

c. What remedies are available to the parties?

67. The Applicant seeks expungement of the impugned filings and restoration of the company structure. Given my findings that the integrity of the impugned filings is not sufficiently established, the appropriate remedy within the Registrar's jurisdiction is rectification of the register under Regulation 8 of the Companies (Powers of the Registrar) Regulations SI. No. 71 of 2016 to preserve the integrity and accuracy of the register. In this case, I find that it is just and equitable to order the expungement of the impugned resolutions and filings, and to restore the register to reflect the original positions of the Applicant and Respondent as equal shareholders and sole directors of Fireworld Limited.

68. Regulation 8 of the Companies (Powers of the Registrar) Regulations 2016 cited above provides that the registrar may rectify and update the register to ensure that the register is accurate. In light of the findings and resolutions in this matter as discussed above and pursuant to Regulation 32 of the Companies (Powers of the Registrar) Regulations, 2016, I make the following orders;

- a) *The special resolution dated 22nd July 2024, and registered on 29th July 2024 transferring 45 shares from the Applicant to the Respondent and authorizing the amendment of the Memorandum and Articles of Association be expunged for having been illegally/wrongfully obtained.*
- b) *The duplicated resolution executed on 22nd July 2024 and registered on 24th July 2024 with the same contents as in the resolution in (a) above be expunged for having been illegally/wrongfully obtained.*
- c) *The share transfer form and share certificate registered on 24th July 2024, transferring 45 shares from the Applicant to the Respondent be expunged for having been illegally/wrongfully obtained.*

- d) *The amended Memorandum and Articles of Association filed on 29th July 2024 be expunged for having been illegally/wrongfully obtained.*
- e) *The Board resolution dated 05th July 2024 and registered on 09th July 2024 adding Hilary Nathanael Mukasa as a signatory to the company account held in Absa Bank be expunged for having been illegally/wrongfully obtained.*
- f) *The Board resolution dated 08th July 2024, registered on 10th July 2024 adding Charles Earnest Hamya as a signatory to the Company account in Absa Bank Uganda Ltd be expunged for having been illegally/wrongfully obtained.*
- g) *The Board resolution dated 02nd August 2024 providing for opening a bank account in Equity Bank Ltd with the Respondent as a sole signatory be expunged for having been illegally/wrongfully obtained.*
- h) *The Board resolution dated 02nd August 2024 and registered on 12th August 2024, opening a USD account with Equity Bank Ltd with the Respondent as a sole signatory be expunged for having been illegally/wrongfully obtained.*
- i) *The Board resolution dated 15th August 2024 providing for opening an account with I&M Bank Ltd, with the Respondent as a sole signatory be expunged for having been illegally/wrongfully obtained.*
- j) *The ordinary resolution dated 26th August 2024 registered on 30th August 2024 appointing Kafuuka Hillary Nathanael Mukasa as a director be expunged for having been illegally/wrongfully obtained.*
- k) *The company form 20 filed and registered on 30th August 2024 be expunged for having been illegally/wrongfully obtained.*
- l) *I make no order as to costs.*

It is so ordered.

Given under my hand this 18th day of May 2026

Daniel Nasasira

Assistant Registrar of Companies