THE REPUBLIC OF UGANDA

IN THE HIGH COURT OF UGANDA AT JINJA

CIVIL SUIT NO. 004 OF 2022

UGANDA PULP & PAPER MILLS LTD :::::::::::::::::::::::::: PLAINTIFF

VERSUS

1. **KATON MANUFACTURES LTD**
2. **KAGORO EPIMAC**
3. **DR. N. VENKATA KRISHAN :::::::::::::::::::::::::::::::: DEFENDANTS**

BEFORE: HON. LADY JUSTICE FARIDAH SHAMILAH BUKIRWA

RULING

The Plaintiff instituted this summary suit against the Defendants for recovery of USD 60,933.96 (Unites States Dollars Sixty Thousand Nine Hundred Thirty-Three dollars and Ninety-Six Cents) plus interest and costs of the suit. Before the matter was fixed for hearing, both counsel informed court that they had discussed and agreed that the matter be settled because the defendants had admitted liability. Counsel for the Defendants confirmed that they had agreed in principle about the settlement and just needed to agree on the amount involved. The parties were given up to 6th of August 2023 to conclude the settlement of this matter.

When the matter came up for mention on 16th August 2023, Counsel for the Plaintiff informed court that no negotiations had taken place between the parties since the previous court appearance. In her reply, Counsel for the Defendants stated that she had just been informed that morning that Mr. Vijay Bhasker is the authorized officer to conclude the settlement.

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Counsel for the Plaintiff stated that the Defendants had clearly made a payment of USD 2000, which meant that they don't dispute the Plaintiff's claim. He prayed that court enters judgment on admission of the claim in favor of the Plaintiffs under Order 13 Rule 6 of the Civil Procedure Rules S1 71-1, and costs of the suit. He further prayed that this matter be instantly determined under Order 17 Rule 4 of the CPR. In response, Counsel for the Defendants denied being indebted to the Plaintiff. She stated that the USD 2000 paid the previous day by the Defendants to the Plaintiff was in respect of the amount that the Defendants should pay which she did not specify. She added that the 3rd Defendant denies being a director and is only an employee of the 1st Defendant while the Plaintiff admitted that he only dealt with the 1st Defendant and not the 2nd or 3rd Defendants as individuals. Be that as it may, upon inquiry by court, the 1st Defendant's Accountant stated that the debt owed to the Plaintiff was USD 60,090.96. The Plaintiff's Counsel did not dispute this amount owed to the Plaintiff as stated by the Defendant's Accountant.

In rejoinder, Counsel for the Plaintiff contended that since the Defendants had already paid USD 2000, they are estopped from denying liability. That the Plaintiff has a right to sue any person especially since they are directors through whom the 1st Defendant operates. On the issue of hearing the matter on merit, Counsel argued that it's the Defendants who had failed to file their trial bundles as directed by court which according to him meant that they are not interested in being heard. He reiterated his earlier submission that judgment be entered on admission, costs and the matter be instantly heard under Order 17 Rule 4 of the CPR.

Having heard from the parties, this court entered judgment on admission be entered against the Defendants with costs. Court reserved its reasons and hereby delivers the same.

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Consideration of Court

Under Order 13 Rule 6, a judgment on admission may be based on an admission made by any party at any stage of a suit where an admission of facts has been made either on the pleadings or otherwise without waiting for the determination of any other question between the parties. It provides that:

> "Any party may at any stage of a suit, where an admission of facts has been made, either on the pleadings or otherwise, apply to the court for such Judgment or order as upon the admission he or she may be entitled to, without waiting for the determination of any other question between the parties and the court may upon the application make such order, or give such judgment as the court may think just."

The intent of this provision is to enable a party to obtain speedy judgment in accordance with the admission of the other party, and also to prevent frivolous defenses from standing in the plaintiff's way of obtaining expeditious judgment. Much depends on the language used. Once this is the position, such admission could even override a denial in the pleadings, including what was initially an issue in the case, since the use of the word "otherwise" in Order 13 Rule 6 infers that such admission of fact can be deduced from outside the pleadings. The circumstances must be such that if, upon a purposeful interpretation of admissions of fact, the case is plain and obvious that there is no room for discretion to let the matter go for trial, then nothing is to be gained by having a trial. (See ***Nevia Company Ltd vs Biersdorf AG CACA No. 172 of 2014***).

In the instant case, the Defendants admitted on record that they were indebted to the Plaintiff. The question that remained pending was the extent of such indebtedness. When the parties appeared before this court on 16th August 2023, the parties

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informed court that USD 2000 had been paid by the Defendants to the Plaintiff on 15th August 2023. Further, the 1st Defendant's Accountant confirmed to this court in very clear and unambiguous terms that the 1st Defendant owed the Plaintiff USD 60,090.96. He clearly stated that:

"It is 60,090.96 dollars which is the debt owed to the Plaintiff."

In my considered view, this language is unequivocal, certain, precise and unambiguous. In ***Choitram vs Nazari [1976-19851 EA 53*** the Court of Appeal of Kenya held that a plain and obvious case, even if established after substantial argument or analysis of documents, entitles a plaintiff to judgment on admission. Further, the Court of Appeal of Uganda, in ***Brian Kaggwa vs Peter Muramira CACA Appeal No. 26 of 2009***, cited with approval the case of ***Juliet Kalema vs William Kalema CACA No. 95 of 2003*** observed that the object of Order 13 Rule 6:

> *"...is to enable a party to obtain judgment speedily at least to the extent of the admissions. Such admissions can be made on the pleadings or verbally because of the use of the word 'otherwise' in the rule. The rule is for the benefit of both parties. However, before the court can act under the rule to enter judgment, the admission of the claim must be clear and unambiguous. In a case involving complicated questions, which cannot be disposed of conveniently, the court should decline to exercise its discretion against the party who is seeking judgment on admission..."*

In the instant case, I do not find any complicated questions that would require this court to decline to exercise its discretion to enter default judgment. As highlighted in the case of ***Nevia Company Ltd vs Biersdorf (supra)*** and Order 13 Rule 6, the admission need not be contained in the pleadings but rather can be verbal in the course of the trial, like in this case. Accordingly, I am satisfied that the admission of

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the claim by the 1st Defendant's Accountant is obvious, clear, unambiguous and unequivocal. Once an admission of facts is made, like in this case, this court is clothed with the discretion to make such order or enter such judgment on the application of the Plaintiff. The Plaintiff did not dispute the amount of USD 60,090.96 as stated by the Defendant's Accountant as being owed to the Plaintiff.

Accordingly, judgment on admission is entered against the Defendants to a tune of USD 60,090.96, with costs. Court has observed that the 1st Defendant paid USD 2000 on 15th August 2023 to the Plaintiff and as such, judgment on admission is entered to the tune of USD 58,090.96 following the deduction of USD 2000 paid by the Defendant

I so order.

FARIDAH SHAMILAH BUKIRWA

JUDGE

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