

**THE REPUBLIC OF UGANDA**  
**IN THE HIGH COURT OF UGANDA; AT KAMPALA**  
**(LAND DIVISION)**

**MISC. APPLICATION No. 1184 OF 2014**  
*(Arising from Civil Suit No. 354 of 2010)*

**FRED KIRENGA..... APPLICANT**

*VERSUS*

**KANG LI MANUFACTURING LTD..... RESPONDENT**

**BEFORE: - THE HON. MR. JUSTICE ALFONSE CHIGAMOY OWINY –  
DOLLO**

**RULING**

The Applicant has brought this application seeking an order of this Court dismissing the head suit herein with costs; and a consequential order for the removal of the caveat lodged on the suit land. The grounds for the application, which are also set out more fully in the affidavit sworn in support of the application, are that: –

1. The Respondent had no locus standi to institute the head suit.
2. The head suit is tainted with illegalities.
3. The dismissal of the head suit shall occasion no injustice to the Respondent.

In the affidavit, which the Applicant swore in support of the application, he set out the claim that the shareholders of the Respondent who had died are alleged to have transferred their shares to one of their own after their death. This, the Applicant contends is illegal as the deceased shareholders could not in death transact business of the company. In effect then, all the business the company has purportedly

transacted, including the filing of the head suit herein, are null and void for having been done without lawful authority.

However, for the Respondent, one Mrs. Ye Miao Huaxian deponed in her affidavit in reply to that of the Applicant, that true other shareholders of the Respondent, who were her family members perished in an accident. Subsequent to this, she obtained letters of administration for her late husband's estate; and thereby acquired the authority to act in his name in addition to her own right as a shareholder in the company, to pass company resolutions. When the matter came up for hearing, the Applicant intimated his desire to swear an affidavit in rejoinder. He however failed to do so; and the parties were then directed by Court to file written submissions, which however only Counsel for the Applicant complied with.

I think the matter for determination here is quite simple. The Respondent is a limited liability company; in law, quite distinct from its members. The head suit has been filed by the company itself; and not its member or director. The company has not been wound up as the Applicant himself deponed that his search at the Company Registry shows that the company indeed exists. I do not understand how a company, which exists can be said to lack the locus standi to do business; including the filing of an action in Court. In any case, a director of the company has clearly explained the relevant happenings in the company following the demise of some of its members. In the absence of evidence to controvert this position, I think it stands that the company is lawfully in existence and is being properly managed.

If there is any question regarding the management of the company, which the Applicant considers touches on the issues in controversy between the parties to the head suit, it should properly be raised at the hearing of the head suit for

determination. It follows from this that the application is entirely without merit; and for which reason, I dismiss it with costs to the Respondent.

A handwritten signature in black ink, appearing to read 'Alfonse Chigamoy Owiny - Dollo'. The signature is fluid and cursive, with a large, sweeping initial 'A'.

Alfonse Chigamoy Owiny – Dollo  
**JUDGE**

**08 – 02 – 2016**