



**REPUBLIC OF KENYA**  
**IN THE HIGH COURT OF KENYA AT NAIROBI**  
**MILIMANI LAW COURTS**  
**COMMERCIAL & ADMIRALTY DIVISION**  
**WINDING UP CAUSE NO. 31 OF 1984**  
**IN THE MATTER OF RURAL URBAN CREDIT FINANCE LIMITED**  
**AND**  
**IN THE MATTER OF THE COMPANIES ACT**

**R U L I N G**

1. The **Notice of Motion** before the court is dated **27th July 2015**, filed by the official receiver seeking to secure the following orders:-
  1. *That the Honourable court do discharge the Official Receiver from its official duties as provisional liquidator of Rural Urban Credit Finance Limited.*
  2. *That the accounts be declared a true reflection of the affairs of the company.*
  3. *That the Honourable Court do issue the official Receiver with a certificate of release and an order for dissolution of the company.*
  4. *That the costs of this application be provided for.*
2. The application is premised on the grounds set out there and is supported by the affidavit of **Patrick Thoithi Kanyuira** sworn on **27th July 2015**.
3. In the said affidavit Mr. Kanyuira depones that the High Court at Nairobi issued a Winding Up order against Rural Urban Credit Finance Limited on 3rd December 1984 and the Official Receiver was appointed provisional liquidator thereof. The Official Receiver gazetted the said order and called for the 1st Creditors meeting. In accordance to Section 232 of the companies, Act, the Official Receiver as provisional liquidator called upon the directors to furnish the Official Receiver with the statement of affairs of the aforementioned company which statement was duly filed. At the time the winding up order was issued there were about 153 creditors or thereabouts. The Official Receiver then held several creditors meetings where several resolutions were agreed upon to ascertain how the assets would be disposed to the benefit of the creditors. Among one of the resolutions made resulted in the Official Receiver declaring dividend and paying all of the creditors. The Applicant annexed and marked **PTK-3** a list of the creditors and the dividends paid. The Official Receiver collected some of the moneys owed to the company less expenses and the Official Receiver's fees as per the attached statement of accounts (**PTK-4**). The Applicant states that the money and/or property was collected and dividends declared to the creditors and contributors of the company. In view of the above, it is the Applicant's honest, sincere and professional opinion that the work of the Official Receiver is finalised as there is not more money or property to be collected on behalf of the creditors and neither is there a balance to declare any

dividend. The Applicant's case is that it has since concluded the liquidation process of Rural Urban Credit Finance Limited and wishes to be discharged from its duty as provisional liquidator. The Applicant states that it has complied with the provisions of the Companies Act by putting up a notice to the creditors and contributors of the said company of his intention to apply to the court for release as provisional liquidator, and to enable all creditors and contributors to inspect the summary of all the statements of accounts. The Applicant's case is that it has carried out its duties diligently and in accordance to the law and that nothing more can be done, and that the Official Receiver should be discharged from any liability of any act done or default when carrying out the duties of the company or otherwise in relation to the conduct of the Official Receiver in the said discharge of the duties. The Applicant now requires the court to cause a report on his accounts to be prepared and to grant the Official Receiver a Certificate of Release as there is nothing more to be realised, dividend has been declared to the creditors and all of them paid and the rights of the contributories have been adjusted. The Applicant's case is that the company is now a mere shell that is incapable of transacting any business, and hence it is only fair and in the interest of justice that the same be dissolved.

4. The application is not opposed. In his submissions, M/s Osicho for the Official Receiver/Applicant relied on the supporting affidavit and prays for the orders sought.
5. I have carefully considered the application on its merits and the supporting affidavit. I am satisfied that the Official Receiver has made a case for the grant of the orders as prayed, and that the application is not opposed. However, I am also aware that they are pending proceedings in HCCC No. 2459 of 1997 [**JUMA MUCHEMI – VS – WILLIAMS & KENNEDY LIMITED AND OFFICIAL RECEIVER AND PROVISIONAL LIQUIDATOR RURAL URBAN CREDIT FINANCE LIMITED (In Liquidation)**], where the Official Receiver has today been allowed to join the proceeding as an Interested Party. Since the above matter is still pending, the current application by the Official Receiver is premature. The same is not allowed. Costs shall be in the cause.

Orders accordingly.

**READ, DELIVERED AND DATED AT NAIROBI THIS 24TH DAY OF NOVEMBER 2015**

**E. K. O. OGOLA**

**JUDGE**

**PRESENT:**

**M/s Osido for Official Receiver**

**No appearance for the Company, Creditors, Interested Parties.**

**Teresia – Court Clerk**