

REPUBLIC OF KENYA
IN THE HIGH COURT OF KENYA
AT NAIROBI (MILIMANI COMMERCIAL COURTS)

Bankruptcy Cause 31 of 2005

RE: FAITH MWANGI- DEBTOR

RULING

1. The petitioner applied to be adjudged bankrupt and a receiving order was issued on 10th May 2005 placing her estate upon the Official Receiver for management. The matter came up for public examination of the petitioner. She gave evidence regarding her financial circumstances and how she fell into debts. The petitioner is aged 56 years old. She testified that she is a single mother of three children aged 28 years, 22 and 20 years respectively she said she is also unemployed except to occasional casual work that she does in the farms.

2. The petitioner further testified that two of her children completed secondary education but they are unemployed. Her third born son dropped out of school due to lack of school fees. The petitioner stated that she incurred the debts when she was sued in Kerugoya SRMC No 134 of 2000 and judgment was entered against her for Ksh.205,287.20. She told the court that she used to manage a motor vehicle which caused the accident for her brother and that is how she was sued. At the moment she only works on casual basis as a casual worker in people's farm. She lives in her father's house with her children. After the vehicle was involved in the accident she claims the owner sold it.

3. After examining the petitioner I am of the view that she should be given an opportunity to provide a scheme of how she intends to settle the debts by the creditor. The petitioner claims the vehicle that caused the accident belonged to her brother and it was sold. The petitioner did not provide the names of the brother who owned the motor vehicle registration. Or even the particulars of the vehicle or any documents to support the fact that it was sold. Accordingly I make the following orders.

- a) **The petitioner submits to the official receiver within 14 days a proposal of how she intends to satisfy the debt as provided for under section 18 of the Act.**
- b) **The Official Receiver shall give 30 days. Prepare a composition and arrange a meeting with the debtor and the creditor for the consideration of the proposal.**
- c) **The Official Receiver shall thereafter make the necessary application for confirmation of the composition or enter a concurrence on whether the petitioner should be adjudged bankrupt.**
- d) **The receiving order shall remain in force.**

RULING READ AND SIGNED ON 25TH JUNE 2010 AT NAIROBI.

M.K. KOOME
JUDGE