



REPUBLIC OF KENYA



In re Application by Momoniat Limited and Paramount Bank Limited for Extension of Time to Register a Charge Out of Time (Miscellaneous Civil Application E074 of 2026) [2026] KEHC 1072 (KLR) (Commercial and Tax) (29 January 2026) (Ruling)

Neutral citation: [2026] KEHC 1072 (KLR)

**REPUBLIC OF KENYA
IN THE HIGH COURT AT NAIROBI (MILIMANI COMMERCIAL COURTS)
COMMERCIAL AND TAX
MISCELLANEOUS CIVIL APPLICATION E074 OF 2026**

MA OTIENO, J

JANUARY 29, 2026

IN THE MATTER OF THE COMPANIES ACT, NO. 17 OF 2015

AND

IN THE MATTER OF AN APPLICATION BY MOMONIAT LIMITED AND PARAMOUNT BANK LIMITED FOR EXTENSION OF TIME TO REGISTER A CHARGE OUT OF TIME

RULING

1. The Applicants, Momoniat Limited (“the 1st Applicant/Chargor”) and Paramount Bank Limited (“the 2nd Applicant/Chargee”), move this Court by Notice of Motion brought under sections 2 and 3 of the *Judicature Act* and sections 885(1)(a) and 888(a) & (b) of the *Companies Act*, 2015 seeking, in substance, an extension of time to register a charge dated 16 December 2025 outside the statutory period of thirty (30) days and an order deeming the instrument duly filed upon such registration. The Motion is accompanied by a Certificate of Urgency sworn by Counsel.
2. The impugned instrument is a legal charge over Land Title No. Nairobi/Block 106/1249 securing the sum of Kenya Shillings One Hundred Million (KShs. 100,000,000.00) advanced by the 2nd Applicant to the 1st Applicant. The Charge bears the date 16 December 2025 and, on the material presented, was registered at the Lands Registry on 16 January 2026 (Entry No. 18), after lodgment and processing on the Ardhisasa platform.
3. The Applicants aver that, although execution and stamp duty formalities were attended to timeously, completion of registration at the Lands Registry took longer than anticipated, thereby impeding the filing of particulars with the Companies Registry within the 30-day window prescribed by section 885(1)(a) of the *Companies Act*.
4. The Applicants contend that the delay was inadvertent, that no prejudice will be occasioned to the Chargor’s shareholders or creditors by an extension, and that the Chargee’s security would otherwise stand prejudiced.



Analysis and Determination

5. Having duly considered the application, supporting affidavit, and the annexed documents, the single issue for determination is whether the Court should extend time for registration of the charge and permit filing of its particulars at the Companies Registry out of time, and upon such registration, deem the instrument compliant with the Act.
6. Section 885(1)(a) of the *Companies Act*, 2015 prescribes that a company must deliver to the Registrar for registration the particulars of a registrable charge within thirty days after its creation. On the other hand, Section 888(a)–(b) empowers the Court, on being satisfied that it is just and equitable to do so, and that no prejudice will be caused to creditors or members, to extend the time for registration and to make such consequential orders as may be appropriate. (Statutory provisions invoked as pleaded.)
7. From the Supporting Affidavit of Stephen G. Mihang'o, the explanation for delay is that completion of the Lands Registry process, although initiated promptly on Ardhisasa, overshot expectations, frustrating compliance with the Companies Registry timetable.
8. The affidavit is clear that stamp duty and execution were in order and that the Lands registration was ultimately completed on 16 January 2026. In the circumstances, the impediment appears administrative rather than dilatory.
9. The Court's discretion under section 888 is equitable and aims to balance two safeguards:
 - i. preserving transparency and priority mechanisms in the register of charges, and
 - ii. avoiding disproportionate forfeiture of a lender's security where delay is satisfactorily explained and non-prejudicial.
10. On the record before me, there is no suggestion that any third-party creditor has altered position in reliance on the absence of registration at Companies Registry, nor is there evidence of bad faith by the Applicants. The secured sum (Kshs. 100,000,000.00) is considerable. Its protection by proper registration aligns with commercial certainty without undermining any demonstrated competing interest.
11. Consequently, I am therefore satisfied that the delay has been adequately explained, and that granting the extension sought will not prejudice the Chargor's members or creditors.
12. Accordingly, the Court makes the following orders:
 - i. Time is extended for the registration at the Companies Registry of the Charge dated 16 December 2025 created by Momoniati Limited in favour of Paramount Bank Limited over Land Title No. NAIROBI/BLOCK 106/1249, for a further period of thirty (30) days from the date of this Order.
 - ii. The Registrar of Companies is hereby directed to accept for registration out of time, the particulars of the said Charge within the extended period.
 - iii. Upon registration within the extended period, the said instrument shall be deemed to have been filed in full compliance with the *Companies Act*, 2015.
 - iv. There shall be no orders as to costs.
13. It is so ordered.

SIGNED, DATED, and DELIVERED IN VIRTUAL COURT THIS 29TH JANUARY 2026



ADO MOSES
JUDGE

