



**Registered Trustees of Ilkareshe Manyatta Self Help Group v African Dream Collection Limited
(Environment and Land Case E032 of 2025) [2026] KEELC 2559 (KLR) (29 April 2026) (Ruling)**

Neutral citation: [2026] KEELC 2559 (KLR)

**REPUBLIC OF KENYA
IN THE ENVIRONMENT AND LAND COURT AT KILGORIS
ENVIRONMENT AND LAND CASE E032 OF 2025
MN MWANYALE, J
APRIL 29, 2026**

BETWEEN

**THE REGISTERED TRUSTEES OF ILKARESHE MANYATTA SELF HELP
GROUP PLAINTIFF**

AND

THE AFRICAN DREAM COLLECTION LIMITED DEFENDANT

RULING

1. This Ruling is in respect of the Notice of Motion application dated 30.01.2026 which seeks the following orders;
 - a. The Plaintiff's suit herein be and is hereby struck out in its entirety for being vexatious, frivolous and an abuse of the court process for want of jurisdiction and for failure to comply with the doctrine of exhaustion.
 - b. That this Honourable court be pleased to find and hold that the parties herein are bound by a valid and subsisting Agreement dated 21st April 2017 which contains a mandatory Arbitration and Alternative Dispute Resolution clause under clause 3(a) thereby ousting the court's jurisdiction at this stage.
2. In support of the application were grounds inter alia;
 - i. That the trustees of the Plaintiff/Respondent and the director of the Defendant/Applicant entered into a binding Agreement dated 21st of April 2017 which governs their contractual relationship in respect of the subject matter of his suit; which Agreement provides under clause 3(a) for disputes to be resolved through arbitration and/or Alternative Dispute Resolution Mechanisms.



- ii. That the cause of action pleaded by the Plaintiff emanates from the Agreement on rights, obligations and undertakings therefrom, and Plaintiff has not invoked, initiated, pursued or exhausted the agreed dispute resolution forum rendering the suit prematurely filed thus incompetent and fatally defective.
3. In further support of the application is a supporting affidavit deponed by the counsel for the Defendant/Applicant Messrs. Winnie Maureen Mireri who reiterates the grounds in support of the application in her depositions and has annexed a copy of the said Agreement dated 21st April 2017; in the form of lease between the Applicant and Respondent.
 - i. The application is opposed by the Replying affidavit of Ben Letuat Longisa, one of trustees on the Plaintiff/Respondents, who deposes that the lease agreement dated 21st April 2017 between the parties be terminated due to a material breach.
 - ii. The Respondent to pay rent arrears of Kshs.2,000,000/=, an order for compensation for loss of revenue.
 - iii. Eviction order
 4. That the Applicant has made it impossible for the dispute to be settled through Alternative Dispute Resolution as the Applicant and Respondent relationship has irretrievably broken down.
 5. That Section 6 of the *Arbitration Act* empowers the court to stay the proceedings and refer parties to Arbitration.
 6. That the court has unlimited jurisdiction to hear the dispute since it relates to environment and use and occupation of, and title to land.
 7. That the applicant has not acted in good faith and present application is calculated to frustrate, delay and obstruct course of justice.
 8. The Application was argued orally, Ms. Mireri Learned Counsel submitted for the Applicants.
 9. That the suit ought to be struck out as it was frivolous vexatious and non-compliance with the doctrine of exhaustion. In support of her submissions, she placed reliance on the decisions in the cases of Mala Vs. A.G and 6 Others eKLR 2015 William Odhiambo Ramogi Vs. Attorney General, as well as United Millers Ltd Vs. Kenya Bureau of Standards.
 10. She submitted that the lease agreement provided for an Arbitration clause, hence the same ousted the court's jurisdiction.
 11. On his part Mr. Maito Learned counsel for the Respondent placed reliance on the Replying Affidavit and submitted that the court has jurisdiction under Article 162 of *the Constitution*. It was his further submissions that the Plaintiff and Defendant have no communication and that arbitration required parties to be in talking terms.
 12. He submitted that the suit ought to be referred for Arbitration and placed reliance on the decision in the case of John Wangungu Vs. Sustainable Group Limited, as well as Mutiso Vs. Commissioner of Domestic Taxes Cherangany Hills Vs. John Structures Limited 2025.
 13. He urged the court to dismiss the application but instead stay the same.
 14. In a brief Rejoinder Ms. Mireri submitted that jurisdiction under Article 162 was not absolute and he placed reliance in the decision in Heinmann Vs. Mbogo and Another.



15. Further submitted that no party had made any application to refer the matter for arbitration hence urged the court to allow the application

Issues for Determination

16. Having heard the submissions of the parties, considered the application and the affidavits, as well as the authorities cited by the parties and the applicable law, the court frames the following as issues for determination
- i. Whether or not the court has jurisdiction to hear and determine the suit?
 - ii. Whether the application is merited?
 - iii. What reliefs ought to issue?
 - iv. Who bears the costs of the application?

Analysis and Determination

17. Although the numbering of the clause is not clear, there exists on internal dispute settlement mechanisms in the lease Agreement dated 21.04.2017 (annexture 'WMM I' between the parties herein, which requires appointment of 3 arbitrators by the chairman of the chartered Institute of Arbitrators Kenya Branch.
18. That clause is therefore an arbitration Agreement in terms of Section 4(1) of the Arbitration Act which by its very existence brings into play the provisions of Section 6 of the Arbitration Act which requires the court to stay the proceedings and refer the matter for arbitration.
19. The court would have stayed the matter and referred it to arbitration save that the dispute herein from the pleading paragraph 3 of the Plaint, involves a lease between the parties, hence creating the relationship between the parties that of a landlord and tenant and the first port of call for such disputes is the Business Premises Rent Tribunal, and not the ELC, thus since the court lacks jurisdiction in the first place, it would equally lack jurisdiction to order for stay of proceedings pending arbitration.
20. Having found that the dispute ought to have been referred to arbitration in the first instance and further that the nature of the dispute confers jurisdiction to the Business Premises Rent Tribunal the court thus lacks jurisdiction and hereby strikes out the suit with no orders as to costs.

DATED AT KILGORIS THIS 29TH DAY OF APRIL 2026

HON. M.N MWANYALE

JUDGE

In the presence of

CA Sylvia/Clara

Ms. Mireri for Defendant/Applicant

Mr. Maito for Plaintiff/Respondent

