



**Monstera Cargo Limited v Registrar of Companies & another; Absa Bank Kenya Plc (Interested Party) (Miscellaneous Commercial Application E045 of 2026) [2026] KEHC 5289 (KLR) (3 April 2026) (Ruling)**

Neutral citation: [2026] KEHC 5289 (KLR)

**REPUBLIC OF KENYA  
IN THE HIGH COURT AT NAIROBI (MILIMANI COMMERCIAL COURTS)  
MISCELLANEOUS COMMERCIAL APPLICATION E045 OF 2026**

**MA OTIENO, J**

**APRIL 3, 2026**

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

**AND**

**IN THE MATTER OF AN APPLICATION UNDER  
SECTION 888 OF THE COMPANIES ACT, 2015**

**AND IN THE MATTER OF A SECOND FURTHER CHARGE DATED 23RD  
FEBRUARY 2026 OVER PROPERTY TITLE NUMBER LR 2259/783 (IR 143993)**

**BETWEEN**

**MONSTERA CARGO LIMITED ..... APPLICANT**

**AND**

**THE REGISTRAR OF COMPANIES ..... 1<sup>ST</sup> RESPONDENT**

**THE HONOURABLE ATTORNEY GENERAL ..... 2<sup>ND</sup> RESPONDENT**

**AND**

**ABSA BANK KENYA PLC ..... INTERESTED PARTY**

**RULING**

1. The Applicant, Monstera Cargo Limited, moved this Court by way of a Notice of Motion dated 31st March 2026. The Application seeks orders for the extension of time to register a Second Further Charge dated 23rd February 2026, which was created in favor of the Interested Party, ABSA Bank Kenya PLC, to secure a credit facility of Kshs. 26,000,000/-.



2. The Application is supported by the affidavit of Mjomba Henry Juma, a Director of the Applicant company. The Applicant's core contention is that the statutory 30-day window for registration under Section 885 of the *Companies Act*, 2015, lapsed on 25th March 2026.
3. According to the Applicant, the failure to register was attributed to "administrative inadvertence" and the mandatory sequential nature of perfecting securities, which requires the charge to be first perfected at the Lands Registry via the Ardhisasa platform before being presented to the Companies Registry. As of the filing date, the delay is a mere six (6) days.
4. The Applicant further argues that under Section 889 of the *Companies Act*, the charge is currently void against any liquidator or creditor, leaving the bank's interest unsecured. That the delay was accidental and de minimis.
5. It was asserted that the company remains solvent, and no third-party rights have intervened to date.

### **Analysis and Determination**

6. I have carefully considered the application together with the annexures. Section 888 of the *Companies Act*, 2015, provides that the Court may extend the time for registration if it is satisfied that the failure to register was "accidental or due to inadvertence" or that it is "just and equitable to grant relief".
7. In exercising this discretion, the Court is guided by the principle established in *National Bank of Kenya Ltd v Michael Ndungu* [2018] eKLR, which emphasizes that where a delay is explained, and no third-party interests are prejudiced, the Court should favor the perfection of substantive security interests over procedural technicalities.
8. The above statutory provision and legal principle align with Article 159(2)(d) of *the Constitution*, which mandates the administration of justice without undue regard to procedural technicalities.
9. From the record, the Court notes that the Applicant has provided a reasonable explanation for the six-day delay, citing the complexities of the digital sequential perfection process between the Lands and Companies Registries.
10. Given that the Interested Party has already disbursed the Kshs. 26,000,000/-, it is in the interest of commercial justice and the stability of the credit facility that the security be perfected.
11. There is no evidence that the extension would prejudice any existing creditors or members of the company. Accordingly, the application is merited, and the same is allowed as follows: -
  - i. The Application is certified as urgent and leave is granted for this Application to be heard and determined during the High Court Easter Vacation.
  - ii. Time for registration of the Second Further Charge dated 23rd February 2026 over LR 2259/783 (IR 143993) is hereby extended by thirty (30) days from the date of this ruling.
  - iii. The Registrar of Companies (1st Respondent) is hereby directed to accept and register the said Second Further Charge forthwith upon presentation of the formal Order of this Court.
  - iv. Upon such registration, the said Charge shall be deemed to have been duly registered within the statutory period prescribed under the *Companies Act*.
  - v. Costs of the Application shall be borne by the Applicant.
12. It is so ordered.

**DATED, SIGNED, AND DELIVERED AT NAIROBI THIS 3<sup>RD</sup> DAY OF APRIL 2026**



**HON. MR. JUSTICE MOSES ADO**  
**JUDGE OF THE HIGH COURT**

