IN THE HIGH COURT OF THE UNITED REPUBLIC OF TANZANIA (IN THE DISTRICT REGISTRY OF ARUSHA)

AT ARUSHA

MISC CIVIL APPLICATION NO. 113 OF 2019 IN THE MATTER OF COMPANIES ACT, CAP 212 R.E. 2002

AND

IN THE MATTER OF THE HIGH COURT SEEKING LEAVE TO INSTITUTE PROCEEDINGS AGAINST THE RESPONDENT UNDER MISCELLANEOUS CIVIL CAUSE NO. 5 OF 2018

BETWEEN

ALLEN LANDEY......APPLICANT

VERSUS

FREDERICK SHADRACK RINGO as administrator of Kijenge Animal Products Limited......RESPONDENT

RULING

Last order.....29/04/2020 Ruling delivered.9/06/2020

GWAE, J

This is a ruling emanating from an application for leave to institute a labour dispute. The applicant, **Allen Landey** has brought this application under section 250 (3) (d) of the Companies Act, Cap 212 Revised Edition, 2002 (Act).

The applicant's application is accompanied by his affidavit which is to the effect that, the applicant was employed by Kijenge Animal Products Limited from 18th January 2013 and he was terminated 27th August 2018 and that the said Kijenge Animal Products Limited was placed under

administratorship of **Fredrick Shadrack Ringo** as interim administrator vide this court order dated 15th March 2018 and subsequent to the court order the applicant was issued with the respondent a letter of change of contractual status which according to the applicant the change rendered his employment rights into jeopardy. Hence this application.

At the hearing of this application, **Miss Suzani Michael** appeared representing the applicant. The respondent defaulted appearance despite the evidence of proof of service.

Miss Suzan arguing for the application that, in the previous employment contract, the applicant was given a permanent employment in which he was entitled to certain labour rights as opposed to the latter employment contract between the applicant and respondent. She thus sought an indulgence of the court to grant leave so that the applicant can be able to institute labour dispute before the Commission for Mediation and Arbitration, known by its acronym as "CMA" against the respondent

I have carefully looked at the applicant's affidavit and oral submission of his learned advocate and observed that, the applicant is seriously ambitious to pursue a labour dispute against the respondent which, according to him, is maintainable only after leave is sought and obtained. That being the position, perhaps it is now apposite if the provisions of section 250 of the Companies Act (supra) are reproduced herein under;

250 (I) on the making of an administration

(a) Any petition for the winding up of the company shall be dismissed, and

- (b) Any administrative receiver of the company shall vacate office.
- (2) Where an administration order has been made, any receiver of part of the company's property shall vacate office on being required do so by the administrator.
- (3) During the period for which an administration order is in force: -
 - (a) No resolution may be passed or order made for the winding up of the company;
 - (b) No administrative receiver of the company may be appointed;
 - (c) No other steps may be taken to enforce any security over the company's property, or to repossess goods in the company's possession under any hire-purchase agreement, except with the consent of the administrator or the leave of the court and subject (where the court gives leave) to such terms as the court may impose; and
 - (d) No other proceedings and no execution or other legal process may be commenced or continued, and no distress may be levied, against the company or its property except with the consent of the administrator or the leave of the court and subject (where the court gives leave) to such terms as aforesaid.

As it is evidently clear that the respondent has been duly appointed as administrator of the said Kijenge Animal Products Limited and since according to section 250 (3) (d) of the Act, it is clearly envisaged that no

proceedings of any kind shall be instituted after the administration order without the consent of either the administrator or court. Due to the express intention of the applicant to institute a labour dispute in order to have his labour contractual rights contained in the previous contract heard and determined. It follows therefore there no justifications in declining granting this application.

Consequently, the applicant's application for leave is hereby granted, the applicant has to file his intended dispute before the Commission for Mediation Arbitration within **thirty (30**) days from the date of delivery of this ruling. Costs of this application shall abide the results of the main dispute.

Order accordingly.

M. R.Gwae Judge

09/06/2020