IN THE DUBAI INTERNATIONAL FINANCIAL CENTRE COURTS

In the name of His Highness Sheikh Mohammad Bin Rashid Al Maktoum, Ruler of Dubai

IN THE COURT OF APPEAL

BEFORE H.E. DEPUTY CHIEF JUSTICE ALI AL MADHANI, H.E. JUSTICE PATRICK ANTHONY KEANE AND H.E. JUSTICE LIM THIAM SUAN

BETWEEN

GANESAN MUTHIAH

Claimant/Respondent

and

ABDUL RAHMAN MOHAMMAD

Defendant/Appellant

Hearing : **22 June 2026**

Counsel : Mr Patrick Dillon - Malone instructed by Clyde & Co LLP, for the Appellant
Mr Quentin Tannock, instructed by Hamdan Al Shamsi Lawyers & Legal Consultants LLC, for the Respondent

Judgment : **14 July 2026**

JUDGMENT OF THE COURT OF APPEAL

UPON the Part 7 Claim Form dated 9 June 2025 (the "Claim")

AND UPON the Order of H.E. Justice Shamlan Al Sawalehi dated 20 October 2025 (the "20 October Order")

AND UPON the Reasons of H.E. Justice Shamlan Al Sawalehi for the 20 October Order dated 13 January 2026 (the "13 January Order")

AND UPON the Order of H.E. Justice Shamlan Al Sawalehi dated 21 January 2026 refusing permission to appeal the 20 October Order (the "21 January Order")

AND UPON the Order of H.E. Justice Shamlan Al Sawalehi dated 29 January 2026 ordering that costs be paid by the Applicant to the Respondent (the "29 January Order")

AND UPON the Defendants' renewed Appeal Notice dated 6 February 2026 seeking permission to appeal the 20 October Order, the 21 January Order and the 29 January Order (the "Renewed Permission to Appeal")

AND UPON the Order of H.E. Chief Justice Wayne Martin dated 26 March 2026 granting the Renewed Permission to Appeal on all grounds (other than those relating to the stay of the costs orders pending determination of the appeal) (the "26 March Order")

AND UPON hearing Counsel for the Appellant and Counsel for the Respondent at the hearing before H.E. Deputy Chief Justice Ali Al Madhani, H.E. Justice Patrick Anthony Keane and H.E. Justice Lim Thiam Suan (the "Appeal Hearing")

AND PURSUANT TO the Rules of the DIFC Courts ("RDC")

IT IS HEREBY ORDERED THAT:

1. The Appeal is allowed.

2. The orders made in the 20 October Order are set aside.

3. The costs order in the application to the CFI for permission to appeal made on 21 January 2026 is set aside.

4. The Respondent shall pay the Appellant's costs of the Appeal fixed in the amount of AED 200,000.

5. The Respondent shall pay the Appellant's costs of the application to the Chief Justice for permission to appeal on the standard basis to be assessed if not agreed

Issued by:
Delvin Sumo
Assistant Registrar
Date of issue: 14 July 2026
At: 8am

SCHEDULE OF REASONS

1. Central to this appeal is the operation of Dubai Decree No. (29) of 2024 (the "Decree"). The Decree addresses the problems which arise where there is a conflict of jurisdiction between the DIFC Courts and any of the Judicial Entities being the Courts of Greater Dubai. The relevant provisions of the Decree are Articles (4) and (9). They are in the following terms:

"FUNCTIONS OF THE JUDICIAL COMMITTEE

ARTICLE (4)

The Judicial Committee will have the duties and powers to:

(a) determine the competent Judicial Entity having jurisdiction over any claim or application in respect of which a conflict of jurisdiction arises between the DIFC Courts and any of the Judicial Entities;

(b) determine the enforceable judgment in the event of delivery of conflicting judgments by the DIFC Courts and any Judicial Entity in respect of claims that involve the same litigants and subject matter; and

(c) exercise any other duties or powers assigned to it by the Ruler or the Chairman.

ISSUANCE AND LEGAL EFFECT OF JUDICIAL COMMITTEE'S DECISIONS

Article (9)

(a) The Judicial Committee will issue its decisions in the name of the Ruler.

(b) The decisions issued by the Judicial Committee determining a competent judicial entity or an enforceable judgment will be final and not subject to any form of appeal.

(c) The rules of law established by the Judicial Committee in the decisions issued pursuant to this Decree will be deemed judicial precedents. All judicial entities at all levels, including the DIFC Courts, will be bound by these precedents. Any conflict of a subsequent judicial ruling with any of these rules will provide grounds for challenging that ruling through any legally prescribed means of appeal".

2. The principal question in the appeal to this Court concerns the effect of the determination of the Judicial Committee for Resolving Conflicts of Jurisdiction between the Dubai International Financial Centre Courts and Judicial Entities in the Emirate of Dubai (now referred to as the Conflicts of Jurisdiction Tribunal ("CJT")) upon prior judicial rulings of the DIFC Court. The determination of the CJT was that the DIFC Courts shall cease hearing Claim No. CFI-055-2025. That determination prompted a decision by the Court of First Instance ("CFI") of the DIFC Court that orders previously made by the DIFC Court were vacated on the basis that the jurisdictional authority of the DIFC Courts to hear and determine the issues dealt with in those orders had been withdrawn - retrospectively it would seem - by the determination of the CJT.

3. The question before this Court has involved consideration of three issues: first, whether the Decree contemplates that the CJT may by a determination under Article 4 effect such a withdrawal of jurisdiction from a court which has already exercised it; secondly, whether the CJT purported to make such a determination in this case; and thirdly, whether the decision of the CFI that the CJT had made such determination was vitiated by reason of the CFI's failure to accord the Appellant procedural fairness in coming to that decision.

4. For the reasons that follow, the second of these issues should be decided in favour of the Appellant. This Court should, in deference to the CJT, refrain from deciding the first of these issues because it is not necessary to do so in order to decide the appeal. The Judge of the CFI erred in concluding that the CJT's determination deprived the earlier orders of the DFIC Court of their effect. The appeal must, therefore, be allowed. And so, it is unnecessary to address the third issue. Before turning to explain these conclusions, it is necessary to set out the history of these proceedings,

The Procedural Background

5. The Appellant and Respondent are shareholders in the company Gulf IT Network Distribution - Freezone - LLC ("Gulf IT") which is located in Dubai International City. The Appellant and Respondent are in dispute in relation to issues arising in relation to the dissolution and liquidation of Gulf IT. The substantive issues involved in that dispute do not fall for consideration in this appeal. It suffices to say that in June 2025, the Respondent commenced proceedings in the DIFC Court in Claim No. CFI-055-2025, and obtained a default judgement against the Appellant. The Respondent also obtained an ex parte World Wide Freezing Order ("WFO") in relation to the Appellant's assets.

6. On 19 August 2025, the CFI made orders (the "August Orders") which among other things:

(a) Set aside the default judgement;

(b) Discharged the WFO;

(c) Declared that the service of the claim on the Appellant was defective;

(d) Dismissed the Respondent's application of a continuance of the WFO;

(e) Ordered that the Respondent pay the Appellant's costs of the proceedings assessed in the amount AED 1,059,592; and

(f) Declared that the Court had no jurisdiction or should not have exercised its jurisdiction to grant the default judgment and struck out the Respondent's claim as an abuse of process.

7. Subsequently, the Appellant applied for the appointment of a receiver over the Respondent's shares in Gulf IT for the purpose of enforcing the costs order in the Appellant's favour.

8. On 29 September 2025, the CFI, of its own motion, set aside its assessment of the quantum of the Appellant's costs, and ordered that those costs, if not agreed, be assessed on the standard basis. In the meantime, the Appellant had applied to the CJT seeking a determination that the Dubai Courts, rather than the DIFC Courts, were the competent forum to hear and determine the dispute between the parties. In the CJT, the Respondent did not oppose the making of a determination that the Dubai Courts should hear and determine the dispute between the parties. Indeed, the Respondent commenced Case No. 1000 of 2025 (Commercial Major) in the Dubai Courts against the Appellant and sought an order from the CJT confirming the jurisdiction of the Dubai Courts and a declaration that the DIFC Courts were divested of jurisdiction. He also sought an order that the CJT suspend all proceedings in Claim No. CFI-055-2025 including any related applications or appeals.

9. On 13 October 2025, the CJT issued its determination. The CJT noted that both parties contested the jurisdiction of the DIFC Courts and that the Respondent sought an order from the CJT suspending all proceedings in this matter in the DIFC Courts. The CJT concluded that in the interests of the proper administration of justice, and to avoid conflicting or inconsistent judgments, only one Court should remain seized of the case. Because the Courts of Greater Dubai enjoyed general jurisdiction, it was determined that the Dubai Courts should be the competent authority to adjudicate the dispute between the parties. The CJT's determination was in the following terms:

"1. The Application is allowed.

2. The Dubai Courts shall have jurisdiction to hear Case No. 1000/2025

3. The DIFC Courts shall cease hearing case No. CFI-055-2025."

10. It is noteworthy that the CJT did not purport to divest the DIFC Courts of jurisdiction. Importantly, the CJT did not purport to make any determination vacating the August Orders of the DIFC Court. Nor did it suggest that the DIFC Court had no jurisdiction to make those orders.

11. Nevertheless, on 20 October 2025, the Judge of the CFI made the following orders (the "October Orders"):

"1. The DIFC Courts lack jurisdiction to hear and determine Claim No. CFI- 0055-2025, and the Claim is therefore dismissed pursuant to the CJT's decision.

2. The proceedings in this claim are hereby vacated in their entirety, and all prior orders or directions made in this matter shall cease to have effect;

3. Any and all outstanding applications in these proceedings, including any applications relating to enforcement, inquiry as to damages, variation, continuation or ancillary relief, are dismissed.

4. There shall be no further order as to costs."

12. The October Orders were not made on the application of either party; rather they were made on the Judge's own motion. Indeed, the parties had not made any application or been invited to make submissions, in relation to the orders which should be made by the CFI as a result of the determination of the CJT.

13. The Judge's reasons for the October Orders were issued on 13 January 2026. The Judge explained that by vacating all prior orders and dismissing all outstanding applications made to the DIFC Court, the DIFC Court was exercising its discretion in respect of costs and "formally implementing" the CJT decision as a matter of "constitutional and statutory delegation" to decline jurisdiction and to cease hearing the claim altogether.

14. On 10 November 2025, the Appellant sought permission from the Judge to appeal to this Court. On 21 January 2025, that application (the "Initial Application") was refused; and costs were ordered against the Appellant. On a subsequent application to the Chief Justice, permission to appeal was granted to the Appellant.

The Arguments on the Appeal

15. The Appellant argues that when Article (9)c refers to a conflict between a decision of the CJT and a subsequent judicial ruling, it is distinctly not referring to a previous judicial ruling. Secondly, the Appellant argues that the decision of the CJT did not purport to nullify orders made by the DIFC prior to its determination, and that the Judge of the DIFC fell into error in acting upon the contrary view. Thirdly, the Appellant argues that the October Orders of the DIFC were made without according the Appellant a fair opportunity to be heard in opposition.

16. As to the second argument, the Appellant points out that the CJT made no determination which could be understood as vacating previous orders made by the DIFC much less retrospectively annihilating the jurisdiction to make such orders. The Appellant's submissions also note that the learned Judge's approach was internally inconsistent in that the Judge exercised a jurisdiction to give effect to a peremptory direction to cease exercising jurisdiction.

17. The Appellant also argues that the power of the DIFC Court to revisit its prior orders could arise, under DIFC law, only from Articles 24 (D) (6) and 24 (E) (4) of the DIFC Courts Law and RDC 4.7, and that the exercise of that power is available only exceptionally. The Appellant refers

in this regard to Five Holding Limited & Anor v Orient Unb Takaful PJSC (2021) DIFC CFI 027 (28 March 2024) and Ivaen v Ivit (2016) DIFC CFI 013 (7 November 2018). As to this last argument, it may be said immediately that the Judge of the CFI did not purport to exercise a power to vary the August Orders: in the reasons he gave on 21 January 2026, he explained that "the setting aside of prior costs orders was not an exercise of discretion adverse to the (Appellant), nor a reconsideration of the merits of those orders. It was the necessary consequence of the DIFC Courts being deprived of jurisdiction over the proceedings in their entirety by a binding authority". The error of the Judge of the CFI lay not in a misapplication of the discretionary power of variation conferred by RDC 4.7, but in regarding the CJT's determination as supplying the necessary cause to vacate the August Orders when the CJT's determination did not in truth do so. The error of the CFI lay in attributing to the CJT a determination having retrospective operation which it did not make.

18. The Respondent in his submissions emphasises that the CJT directed that "the DIFC Courts shall cease hearing" the case. He asserts that this direction encompasses all aspects of the case including recognising as valid, or giving effect to, orders previously made by the DIFC Courts. In the course of oral argument, the Respondent sought to distance himself from the reasoning of the Judge of the CFI which treated the determination of the CJT as retrospectively withdrawing from the DIFC Court all authority to make the August Orders. The Respondent argues that the effect of the CJT's determination was effectively to impose a stay upon the August Orders pending the resolution of the issues remaining to be determined in the proceedings. But that is simply not what the CJT said.

19. It is clear that the CJT did not purport to vacate the orders that had been made by the DIFC Court. It is also clear that it said nothing at all to suggest that the DIFC Court had no jurisdiction to make the orders it had already made. To direct that the DIFC Courts "cease hearing" the case is to recognise that the DIFC Courts have been hearing the case and determining those aspects of the case that the parties had tendered for decision. Even if one were to assume that Articles 24(D) (6) and 24 E(4) of the DIFC Courts law and RDC 4.7 conferred on the CFI a power to revoke the August Orders, the basis for the October Orders was the Judge's understanding that the CJT's determination retrospectively deprived the DIFC Court of the power to make those orders in the first place. The terms of the CJT's determination are entirely consistent with the premise that the August Orders were lawfully made within jurisdiction rather than destructive of that premise.

20. It should also be noted that the CJT did not make a determination staying enforcement of the August Orders. In this regard, it is important to appreciate that Article (7)2 of the Decree expressly provides that establishing the CJT's authority over an application will result in a "stay of enforcement procedures pending the issuance of the Judicial Committee's decision determining the enforceable judgment." This provision of the Decree is relevant in two respects. First, it confirms that the focus of the CJT was directed to preventing or resolving an actual conflict of judicial decisions. And secondly, it confirms that the automatic stay of enforcement proceedings which arises upon the CJT becoming seized of an application, does not continue after the issuance of the CJT's decision determining the enforceable judgement. Here there is, of course, no judgment of the Dubai Courts in conflict with the August Orders, and so there was no occasion for the CJT to determine that the August Orders should not be "the enforceable judgment" of the matters decided by those orders.

21. Looking at the question more broadly, the conclusion apparent from the words actually used by the CJT is reinforced by a consideration of the context in which its determination was made. It is readily understandable that the CJT did not seek by its decision to deprive the August Orders of their effect. Those orders resolved particular issues that had arisen earlier between the parties. There was no reason for the CJT to suppose that these issues might be agitated again between the parties as the proceedings went forward. The controversies resolved by those orders were no longer in dispute: they had been "quelled" by the August Orders. There was thus no real prospect apparent to the CJT of any subsequent judicial ruling that might conflict with the earlier resolution of issues decided by the August Orders. It is also fair to observe that it would be surprising if the CJT had it in mind to deprive the Appellant of the benefit of the August Orders. In that regard, the CJT had no reason at all to think that the August Orders did other than provide a just resolution to the particular controversies which they had resolved. Finally, and importantly, the attention of the CJT was necessarily focussed by the express terms of Article (9)c of the Decree upon preventing subsequent judicial rulings and not with undoing rulings made previously.

22. That the CJT's focus was entirely prospective is confirmed by paragraph 5 of its determination where, having referred to the circumstance that the "two cases relate to the same facts, the same parties, and the same legal disputes," the CJT observed that "proceeding concurrently would likely result in conflicting judgments, which constitute a positive conflict of jurisdiction (emphasis in original) falling within the Tribunal's competence ." .There was not in prospect before the CJT any likelihood of a judgment of the Dubai Courts which would conflict with the August Orders. Rather, the CJT was focussed on preventing "conflicting judgments" going forward.

23. It is sufficient then to decide the appeal to this Court on the basis that the CJT simply did not purport to vacate the August Orders or deny their effect. The Judge of the CFI erred in thinking otherwise. It is unnecessary to deal with the Appellant's first and third arguments. In relation to the first of the Appellant's arguments, this Court should be mindful of the CJT's place in the constitutional scheme, and should refrain from engaging in gratuitous instruction to the CJT as to the scope of its powers under the Decree or as to how it should exercise those powers.

Conclusion

24. The appeal is allowed and:

(a) The October Orders are set aside.

(b) The costs order in the Initial Application in favour of the Respondent is set aside.

25. There should also be an order in the Appellant's favour in respect of the costs of the appeal to this Court. In that regard, there is no reason why costs should not follow the event. Accordingly, the Respondent must pay the Appellant's costs of the appeal including his costs of his successful application or permission to appeal. The Appellant has filed a Statement of Costs in relation to the appeal in which the total amount claimed is AED 215,633.25.

26. The Respondent made only one submission in opposition to the amount of the Appellant's claim for costs of the appeal. That submission was that, while the Statement of Costs claimed six hours attendance for the Appellant's Senior Counsel at the hearing of the appeal, the time actually occupied was approximately two hours. The hourly rates claimed for the various practitioners involved in the case, particularly in relation to the

senior practitioners engaged on behalf of the Appellant, were somewhat more generous than the rates identified in the Registrar's Practice Direction No. 1 of 2023. But the differences were not such as to draw any adverse submission from Counsel for the Respondent. Nor was there any submission that the times claimed in the Statement were unreasonable. In these circumstances, and giving effect to the submission made by the Respondent, the costs of the appeal claimed by the Appellant will be allowed in the sum of AED 200,000.

27. Finally, the costs of the application to the Chief Justice for permission to appeal were reserved to this Court. It is appropriate that there be an order that the Respondent pay the Appellant's costs of that application on the standard basis to be assessed if not agreed.