THE DUBAI INTERNATIONAL FINANCIAL CENTRE COURTS

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

IN THE SMALL CLAIMS TRIBUNAL OF DIFC COURTS
BEFORE SCT JUDGE AYESHA BIN KALBAN

BETWEEN

LUNA

Claimant

and

LINIE INTERNATIONAL LIMITED

Defendant

Hearing

: 8 March 2020

Judgment

: 15 March 2020

JUDGMENT OF SCT JUDGE AYESHA BIN KALBAN

UPON the Claim Form being filed on 20 January 2020

AND UPON a Consultation being held on 19 February 2020 before SCT Judge Delvin Sumo with the Claimant and the Defendant's representative attending

AND UPON the parties failing to reach a settlement at the Consultation

AND UPON a Hearing being held on 8 March 2020 before SCT Ayesha Bin Kalban

AND UPON reviewing all documents and evidence submitted on the Court file

IT IS HEREBY ORDERED THAT:

1. The Defendant shall pay the Claimant the sum of AED 28,799.94.

2. The Defendant shall pay the Claimant a portion of the Court fee in the sum of AED 575.99.

Issued by:

Hayley Norton

SCT Judge

Date of issue: 15 March 2020

At: 3pm

THE REASONS

The Parties

1. The Claimant is Luna (the "Claimant"), an individual filing a claim against the Defendant regarding her employment at the Defendant's company.

2. The Defendant is Linie International Limited (the "Defendant"), a company in the DIFC.

Background and the Preceding History

3. The underlying dispute arises over the employment of the Claimant by the Defendant pursuant to an Employment Contract dated 1 April 2019 (the "Employment Contract"). The Contract sets out the Claimant's joining date to be 1 April 2019.

4. The Claimant was terminated on 19 December 2019 by way of a letter, and she served her last working day on 18 January 2020.

5. On 20 January 2020, the Claimant filed a claim in the DIFC Courts Small Claims Tribunal (the "SCT") claiming her end of service entitlements in the sum of AED 53,000 as well as penalties accrued under Article 19 of the DIFC Employment Law, defined below.

6. The matter was called for a Consultation before SCT Judge Delvin Sumo on 19 February 2019, whereby the parties failed to reach a settlement. In accordance with the Rules and the procedures of the SCT, the matter was listed for a hearing before me on 8 March 2020 (the "Hearing") which was attended by both parties.

The Claim

7. The Claimant makes her claim on the allegation that she was terminated for not meeting the company's expectations. The Claimant further submits that she has not been paid her end of service entitlements and that the Defendant intended to make unlawful deductions from her salary, to which she did not agree.

8. The Claimant therefore filed a claim in the SCT seeking her unpaid salary of December and January, her accrued but untaken annual leave, unpaid days in lieu and penalties amounting to the sum of AED 53,000.

The Defence

9. In response to the Claim, the Defendant confirms that it does not oppose the claims made by the Claimant. However, the Defendant submits that it had made deductions to the Claimant's final payment, as set out below.

10. The Defendant has deducted the amount of AED 1,577.91 being 3 days' salary in relation to the warning letter issued by the Defendant to the Claimant for her actions, set out by the Defendant to be "negative behavioural acts towards her colleague, misusing her position, changing client bookings to particular staff without reasons and making staff demotivated".

11. In response to this deduction, the Claimant states that the warning letter had been provided to her on 14 January 2020, which was 2 days before her last working day with the Defendant. She refutes the allegations set out in the letter and therefore submits that the deduction made by the Defendant is unjust.

12. The Defendant also has deducted the amount of AED 2,901 being a variance charge for items that the Defendant had identified to be missing from its inventory. It is the Defendant's case that the Claimant should be responsible for misappropriated items in her capacity as Store Manager, as she would have had oversight of the premises during her tenure. The Defendant has therefore partially charged the Claimant for the amount of the misplaced inventory.

13. In response to this deduction, the Claimant confirms that she had reported a colleague to the Defendant's management team, as she had discovered that this individual had been responsible for stealing the items. The Claimant submits that the Defendant should have deducted the inventory variance charge from the individual responsible for misappropriating items, and states that the Defendant cannot hold her partially liable.

14. The third deduction made by the Defendant relates to a variance in the Defendant's cash float. The Defendant submits that the Claimant should be responsible for such expenses seeing as it had been unable to locate original receipts relating to them, and reiterates that these amounts were spent during the Claimant's management and with her approval. The Claimant submits that she had provided these receipts to the Defendant's finance team and therefore refutes the Defendant's claim for a deduction to be made to her final settlement in the sum of AED 340.74.

15. The Defendant alleges that it is company policy to deduct part of the amount of any missing inventory or variance charges from the Store Manager's salary, therefore it submits that the Claimant must be held responsible during her employment with the Defendant's company.

Discussion

Jurisdiction

16. The DIFC Courts and the SCT have jurisdiction over this case as it relates to a DIFC employment and the claim value in question is less than AED 500,000.

17. This dispute is governed by DIFC Law No. 2 of 2019 (the "DIFC Employment Law") in conjunction with the relevant Employment Contract.

Findings

18. At the Hearing and in review of the Court file, it appears that the Defendant has paid the Claimant's salary for days worked in December 2019, and the Claimant no longer claims this amount.

19. On 9 March 2020, the SCT Registry requested the Claimant to provide a final breakdown of the total outstanding claim amount. Subsequently, the Claimant provided the following breakdown of her end of service entitlements:

(a) Unpaid salary from 1 - 18 January 2020 in the sum of AED 9,600;

(b) 19 accrued but untaken annual leave days in the sum of AED 10,133;

(c) 2 unpaid days in lieu in the sum of AED 1,066; and

(d) Penalties under Article 19 of the DIFC Employment Law in the amount of AED 16,000.