IN THE DUBAI INTERNATIONAL FINANCIAL CENTRE COURTS

IN THE COURT OF FIRST INSTANCE

BETWEEN

FIVE HOLDING LIMITED (DIFC)

Claimant

and

BRIJ DHIRUBHAI PATEL

Defendant

ORDER WITH REASONS OF H.E. DEPUTY CHIEF JUSTICE ALI AL MADHANI

UPON the Claim Form being filed on 7 February 2025 (the "Claim")

AND UPON the Order with Reasons of H.E. Deputy Chief Justice Ali Al Madhani dated 3 February 2026, which rejected the Defendant's Jurisdictional Challenge (the "February Order")

AND UPON the Defendant's Appeal Notice dated 23 February 2026 seeking to appeal the February Order (the "PTA Application")

AND UPON the Claimant's submissions in opposition dated 12 March 2026

IT IS HEREBY ORDERED THAT:

1. The PTA Application is dismissed.

2. Costs are awarded to the Claimant on the standard basis, to be assessed by the Court. Parties are to submit their Statement of Costs within 5 working days from the date of issue of this Order.

Issued by:
Delvin Sumo
Assistant Registrar
Date of issue: 15 April 2026
At: 3pm

SCHEDULE OF REASONS

1. This Appeal Notice is brought by the Defendant (hence, "Applicant") seeking permission to appeal the Order with Reasons of H.E. Deputy Chief Justice Ali Al Madhani dated 3 February 2026 (the "PTA Application"), which rejected the Applicant's Jurisdictional Challenge (the "February Order").

2. The Applicant brings this PTA Application on 8 grounds of appeal. As some of the grounds are materially similar, they will be grouped in the discussion below.

3. As a matter of housekeeping, I would like to acknowledge the Applicant's procedural error in failing to serve a sealed Appellant's Notice on the Respondent as per Rule 44.34(a) of the DIFC Courts ("RDC") provide a skeleton argument pursuant to RDC 44.29(2) and 44.34(b), as well as failing to support their grounds of appeal with actual legal reasoning or relevant authorities. This undoubtedly damaged the strength of their PTA Application, though as permission to appeal will be denied due to lack of merit regardless, I will circumvent dismissing the PTA Application on procedural grounds only. Therefore, I will address exactly what has been submitted by the Applicant at the highest level the grounds could be argued.

4. As is it unnecessary at this point in proceedings and unrelated to the PTA Application, I will dispense with a reiteration of the facts, background and procedural history.

Applicable Law and Rules

5. Granting permission to appeal stems from the threshold established at RDC 44.19, which states that the appeal would have to have a "real prospect of success" or otherwise give some "other compelling reason" as to why the appeal should be heard.

6. It is well understood that a "real prospect of success" needs to be realistic rather than fanciful, and so requires a more than a merely arguable case. Where an error of law is alleged, it must be demonstrated that the alleged error was material to the outcome of proceedings; being, if the alternative was applied, the outcome would be different. On a similar thread, where an error of fact is alleged, considerable deference must be afforded to the decision of the trial judge who must be shown to have been plainly wrong in their interpretation (*Al Khorafi & Ors v Bank Sarasin-Alpen (ME) Limited & Ors* [2015] DIFC CA 003). If the alleged error is a mix of fact and law, it must be shown that the wrong legal principle was applied and irrelevant considerations were made which culminated in a plainly wrong conclusion (*Protiviti Member Firm (Middle*

East) Limited v Al-Mojil & Ors [2016] DIFC CA 003).

7. Further, in instances where it is alleged insufficient reasons were given, the practical and proper course of correction is to seek clarification first, with understanding that a judge is not required to deal expressly with all arguments advanced.

Grounds of Appeal

Grounds 1 and 2

8. The first and second grounds can be merged to submit that I erred in law by interpreting that Article 14(1) of Law No. 2 of 2025 automatically grants jurisdiction where at least one party is a DIFC entity, therefore dismissing the `good arguable case' threshold for the jurisdictional test.

9. The Applicant further submits that, even where a DIFC entity is a party, the Court is still obligated to evaluate whether the Applicant has advanced a good arguable case that the claim properly falls within the relevant statutory gateway and is not an abuse of process; in particular where the jurisdictional dispute is based on the characterisation of the cause of action and whether any duty arises to the other party from that cause of action.

10. In summary, the Respondent rejects these grounds on the basis that Article 14(1) was correctly applied as per the principles in *Gulf Petrochem* and *Kahlon* referenced at paragraph 51 of the February Order, and arguments to the contrary improperly mix jurisdiction with merit by insisting that the Court should have assessed whether duties existed or were breached, which are issues for trial only as explained at paragraphs 48-51 of the February Order. Jurisdiction in this matter is obvious, and need not delve into a discussion on liability and merit, which the Court properly allocated to trial. Therefore, the Applicant failed to identify any legal error to show that the outcome would be different if an alternative correct assessment was made.

11. In my view, these grounds hold no merit.

12. The characterisation of a claim - being, the cause of action - is a separate issue to jurisdiction. Jurisdiction must be established first, and then the cause of action can be considered, which naturally evolves over long disputes. Jurisdiction is an objective, straightforward matter; it either exists or it doesn't, and is not affected by the nature of the claim. Whether a duty arises from the cause of action has no bearing on the competency of the present Court to determine that issue.

13. Jurisdiction is established by Article 14 of Law No. 2 of 2025. In my February Order, I relied on Article 14(1), which reads:

> "A. The DIFC Courts have **exclusive** jurisdiction to **hear and determine**:
>
> 1. Civil or commercial and employment **claims** and applications **by or against** the **DIFC Bodies or DIFC Establishments** and those to which DIFC Bodies or DIFC Establishments are **party." [emphasis added]**.

14. The Respondent is incorporated under the laws of the DIFC, and so is a "DIFC Establishment" as per the Article 2 Definitions of Law No. 2 of 2025 for the purpose of Article 14.

15. By virtue of a plain and ordinary reading of the above, the interpretation that jurisdiction automatically arises where a DIFC Establishment is a party to a claim is entirely correct and cannot be contested in this capacity. There is nothing else to say on this matter, and so as these grounds of appeal are plainly wrong, they are rejected.

Grounds 3, 4 and 5

16. Grounds 3, 4 and 5 can be combined to simultaneously submit that I erred in law by failing to properly characterise the Claim, therefore conflicting "cause of action" with "jurisdiction" and culminating in using an incorrect approach to the Respondent as a `group'.

17. The Respondent rejects these grounds on the basis that the Court correctly identified the dispute as a civil claim brought by a DIFC Establishment without conflating questions of merit or liability in the wider Claim. Further, it is argued that there was no disregard of the principle of corporate separateness or permit the Respondent to enforce obligations arising from another entity's employment relationship.

18. On ground 3, the Respondent submits that the Respondent's pleaded case was carefully analysed to the extent relevant to a Jurisdictional Challenge, including the Particulars of Claim and the relief sought, and concluded that the Claim was properly brought by a DIFC Establishment in its own name seeking damages for alleged misconduct. The Applicant's attempt to recharacterise the dispute as an employment matter falling outside the jurisdiction of the DIFC Courts was expressly rejected. That conclusion involved an evaluative assessment of the nature of the claim, to which this Court must afford considerable deference. The Applicant has failed to demonstrate that the Judge applied any incorrect legal principle or reached a conclusion outside the bounds of reasonable disagreement. Ground 3 therefore amounts to no more than an attempt to advance an alternative characterisation of the dispute and cannot justify appellate intervention.

19. The Respondent submits that ground 4 is similarly misconceived. Questions of jurisdiction were not conflated with questions of standing or substantive liability. On the contrary, it is submitted that I explicitly distinguished between the jurisdictional gateway under Article 14(1) and the merits of the Claim, and plainly held that where a DIFC Establishment brings a civil claim alleging loss caused by a defendant, jurisdiction is established, while questions as to whether duties were owed or breached fall to be determined at trial. That approach accords with established law. The Applicant's submissions improperly invite the Court to determine the viability of the Claim at the jurisdiction stage, thereby conflating jurisdiction with merits. Hence, no error is disclosed.

20. On ground 5, it is submitted that I did not disregard the principle of corporate separateness or permit the Respondent to enforce obligations arising from another entity's employment relationship. Rather, analysis was confined to the Respondent's pleaded case and concluded that it advanced a civil claim in its own name. The Judge made no determination as to the existence or enforceability of any alleged "group-level"

obligations, correctly holding that such matters go to the merits and are to be determined at trial. The Applicant's challenge once again rests on an impermissible conflation of jurisdiction and substantive liability.

21. In my view, these grounds are borne from an unfortunate misunderstanding of both the jurisdiction law and the February Order. Principally, I concur with the Respondent on this matter, with further reason below.

22. Determination of the contests of jurisdiction are restricted to just that; it would be inappropriate to consider matters for trial in an order on establishing jurisdiction. Whether the DIFC Courts has jurisdiction is defined in Article 14 as above, and since jurisdiction in this Claim automatically arises, there need be little investigation past Article 14(1).

23. As stated prior, and in the February Order, issues relating to the cause of action, including the categorisation of the Claim and whether a duty or employment relationship, are irrelevant to determining jurisdiction. Establishing a contractual relationship and subsequent liability for a breach - which is what the cause of action is - is a matter for trial only. At paragraph 18 of the February Order, I stated:

> "As the Jurisdictional Challenge concerns the jurisdiction of the DIFC Courts only, the **merits of the substantive Claim will not be considered**, nor should any comment on the merits be taken to suggest a prediction of success or failure. Facts and legislation taken into consideration from the Claim will only be evaluated to the extent relevant to determine the jurisdiction." [emphasis added].
>
> Subsequently, at paragraphs 49 to 50, I stated:
>
> ".Simply, the plain and ordinary meaning of Article 14(1) is that DIFC Court **jurisdiction automatically arises** if one of the parties involved in the dispute is a DIFC entity or establishment. **No contractual relationship is required to exist** by the time the claim is filed if that gateway applies.
>
> 50. .That is the only context required in this instance to determine whether the DIFC Courts has jurisdiction. **Whether there is a proper cause of action** - something that can develop as proceedings commence - is a **separate issue** to be determined at a later stage. Currently, what is being decided is whether there is a sufficient enough link to the DIFC to allow the Claim across the threshold." [emphasis added].

Further, at paragraph 51:

> "The Gulf Petrochem "good arguable case" threshold, which is a low threshold, is **applicable only where there is ambiguity** as to which gateway is relevant to the claim."

There is no ambiguity as to the jurisdiction of this Claim. The Court need not look further than Article 14(1).

24. There is no merit in discussing these grounds further; they are dismissed for failing to reach the RDC 44.19 threshold.

Grounds 6 and 8

25. Read together, grounds 6 and 8 submit that I erred in fact and/or law in failing to engage with material evidence supporting onshore jurisdiction, and therefore gave inadequate reasons for addressing critical jurisdictional questions. The Applicant further argues that I did not give proportionate weight to the language of the Applicant's Employment Contract and the onshore Dubai Labour Court proceedings.

26. The Respondent rejects these grounds on a similar basis as to grounds 3, 4 and 5; grounds 6 and 8 are irrelevant and inapplicable as the February Order provides a complete answer to the Jurisdictional Challenge.

27. On ground 6, the Respondent submits that matters relating to the jurisdiction of the onshore courts, including the Applicant's employment relationship with another entity, do not undermine the central finding that the Respondent, a DIFC Establishment, brought a civil claim in its own name seeking damages allegedly caused by the Applicant's conduct, thereby satisfying the jurisdictional gateway under Article 14(1). A challenge to this finding constitutes no more than a disagreement with the assessment rather than a genuine finding of error. The Applicant has failed to demonstrate that the Judge misapprehended the evidence, applied an incorrect legal principle, or reached a conclusion outside the bounds of reasonable disagreement. Ground 6 therefore amounts to an impermissible attempt to re-argue matters already considered and rejected.

28. The Respondent considers ground 8 to be similarly without merit as the applicable jurisdictional gateway was clearly identified and explained, with further time dedicated to explaining why issues concerning the cause of action were part of the substantive claim and unsuitable for consideration within a Jurisdictional Challenge. No further detail was legally necessary.

29. In my view, the reasons for advancing grounds 6 and 8 are decidedly untrue. I concur with the Respondent on these grounds, however, in additional reiteration of what has already been established, at paragraph 47 of the February Order I stated:

> "While I accept that Five Hotel FZE is the Defendant's employer, and I recognise the jurisdiction of the Dubai Courts over the claim numbers 49/2024/2667 and 486/2024/663, this does not encroach on the Claimant's right to bring a claim against the Defendant in this Court."

Following, at paragraph 48, I concluded that:

> "Due the nature of this Claim - compensation for damages caused by conspiracy and collusion, among other issues - it is sufficient that the Claimant can show that it, as a DIFC entity, suffered damages caused by the Defendant to satisfy that there is automatic jurisdiction to hear the Claim in the DIFC Courts. Whether the Defendant legitimately owed a duty of care to the Claimant, which he subsequently breached, is a matter to be discussed and determined at trial."

30. The Dubai Courts handled cases 49/2024/2667 and 486/2024/663, which were brought by a different entity. I made clear that this dispute, being case number CFI-011-2025, was within the jurisdiction of the DIFC Courts given that a DIFC entity had brought the Claim, and it was sufficient to show that there was a Claim to be made. The merits of the Claim were, and are, immaterial at this stage of proceedings.

31. Further, the Applicant submits that I failed to provide adequate reasons for the following questions:

(a) the legal basis for any direct duty owed to the DIFC holding company;

(b) whether and how the CoC creates enforceable obligations vis-�-vis the DIFC entity;

(c) why the claim is not in substance an employment claim; and

(d) why it is just and appropriate for DIFC Courts to exercise jurisdiction notwithstanding onshore proceedings and governing labour law indicators.

32. In addition to repeating paragraph 20 of this Order, the above questions are not material considerations to establish or contest jurisdiction. These are matters for trial, as it relates directly to the *cause of action*. There is no procedural or other irregularity in dismissing irrelevant submissions in a Jurisdictional Challenge, of which there were plenty, as acknowledged at paragraph 45 of the February Order:

"Much of the submission time and effort was taken to establish whether there was a sufficient employment, quasi-employment or civil relationship between the parties in order to raise a legitimate cause of action to be heard in the DIFC. This was discussed at depth during the Hearing, due to the construction of the Defendant's pleading of his Jurisdictional Challenge."

The only relevant question for discussion in a Jurisdictional Challenge is whether an Article 14 gateway applies or not. This was made clear in the February Order.

33. No error in fact or law was properly identified that had any real prospect of success on appeal. Therefore, these grounds are dismissed.

Ground 7

34. Finally, the Applicant submits that I failed to address the allegation that the Claim constitutes an abuse of process or impermissible forum shopping given that the dispute had already been heard in the Dubai Courts.

35. In objection, the Respondent states that considerations of the relevance of the onshore proceedings were made to the extend and scope that they were relevant to the Jurisdictional Challenge. The existence of related proceedings in other fora, including those involving different parties or subsidiary entities, does not preclude the Respondent from advancing its own claim before the DIFC Courts, nor does it render such a claim an abuse of process. This ground seeks only to relitigate a point that has already been rejected by the Court.

36. I concur with the Respondent. At paragraph 50, I explained that as the Respondent brought the Claim in its own name and own capacity due to alleged damages suffered by the Applicant, and as the DIFC Courts has automatic jurisdiction as per Article 14(1), that is sufficient to bring the Claim. In paragraph 51, I advanced this thread by stating that "the Claimant does not have any other forum within which to pursue this Claim. As per the Kahlon principle, the Court need not consider the merits of the Claim as the Claimant is a DIFC establishment.".

37. The Respondent cannot `forum shop' if there is only one available forum. The Respondent's conduct cannot amount to an `abuse of process' if this is its first Claim in its own name and capacity. Therefore, as no error has been properly identified, this ground is rejected.

Conclusion

38. Conclusively, I am satisfied that none of the 8 grounds of appeal advanced by the Applicant disclose any arguable error of law, fact, or mixed fact and law, nor do they give rise to any real prospect of success or alternative compelling reason within the meaning of RDC 44.19. 39. In substance, the Grounds amount to repeated attempts to recharacterise the Respondent's claim, to conflate issues of jurisdiction with the merits of the underlying dispute, and to re- argue matters which were fully considered and correctly determined in the February Order. The Applicant has failed to demonstrate that the Court misdirected itself as to the applicable legal principles, misapprehended the evidence, or reached conclusions that were plainly wrong.

40. I further note that the February Order clearly identified and applied the jurisdictional gateway under Article 14(1) of Law No. 2 of 2025. Once it was established that the Respondent, a DIFC Establishment, had brought a civil claim in its own name seeking damages allegedly caused by the Applicant, jurisdiction arose in clear and unambiguous terms. The remaining matters raised by the Applicant, including issues relating to duty, liability, employment characterisation, corporate structure, and prior proceedings, properly fall within the domain of the substantive merits and are to be determined at trial.

41. To the extent that the Applicant advances complaints as to evaluative findings or the weight attributed to particular matters, such challenges fall squarely within the category of determinations to which appellate courts must afford considerable deference. No basis has been established for this Court to interfere with those findings.

42. Nor has the Applicant demonstrated any procedural irregularity, inadequacy of reasons, or other compelling basis which would justify the grant of permission to appeal.

43. In those circumstances, the Court concludes that the PTA Application falls well short of the threshold required under RDC 44.19. There is neither a real prospect of success nor any other compelling reason why the appeal should be heard.

44. Accordingly, the PTA Application is refused. Costs of the PTA Application are to be granted to the Respondent on the standard basis, to be assessed by the Court. Parties are to submit their Statement of Costs within 5 working days from the date of issue of this Order.