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 H.E. JUSTICE MAHA AL MHEIRI**

BETWEEN

MATAN

Claimant

and

MUTHIL

Defendant

Hearing : **1 August 2022**
Judgment : **10 August 2022**

JUDGMENT OF H.E. JUSTICE MAHA AL MHEIRI

UPON this Claim being filed on 13 April 2022

AND UPON a hearing having been listed before H.E. Justice Maha Al Mheiri on 1 August 2022 at which the Claimant's and Defendant's representatives were in attendance

AND UPON reading the submissions and evidence filed and recorded on the Court file

IT IS HEREBY ORDERED THAT:

1. The Defendant shall pay the Claimant the total sum of AED 114,698.56.

2. The Defendant shall pay the Claimant the Court fee in the sum of AED 5,738.84.

Issued by:
Hayley Norton
SCT Judge
Date of issue: 10 August 2022
At: 2pm

THE REASONS

The Parties

1. The Claimant is Mathan (hereafter "the Claimant"), a construction equipment rental company registered in Sharjah, UAE.

2. The Defendant is Muthil (hereafter "the Defendant"), a construction company located in Abu Dhabi, UAE.

Background and the Preceding History

3. The underlying dispute arises over alleged unpaid invoices pursuant to a purchase order signed by the Claimant and the Defendant (the "Agreement"), following which the Defendant failed to pay the Claimant the sums due under the Agreement.

4. On 13 April 2022, the Claimant filed a claim in the DIFC Courts' Small Claims Tribunal (the "SCT") seeking payment of the amount of AED 114,698.56 and the Court fees applicable to the filing of this Claim.

5. On 21 April 2022 the Defendant acknowledged service of the Claim setting out its intention to defend all of the Claim

6. On 6 July 2022, a consultation was listed before SCT Judge Ayman Mahmoud Saey, at which the parties failed to reach an agreement.

7. On 1 August 2022, a hearing was listed before me, at which the Claimant's and Defendant's representatives were in attendance.

The Claim

8. The Claimant's case is that it has signed an Agreement with the Defendant to deliver a temporary structure for the Defendant in one of the pavilions in Expo 2020, the structure that was delivered was a temporary structure as everything in Expo 2020 was to be temporary. The Claimant

successfully delivered the structure and there were no comments made by the Defendant at the time of delivery.

9. The Claimant submits that, despite constant follow-up on payment, it has not received any payment for all hire invoices amounting to AED 114,698.56.

10. In reply, the Defendant submits that it was working on the pavilion project for a third party which rejected the structure that was submitted by the Claimant in addition to other works that were a product of other sub-contractors. The Defendant also stated that the third party terminated the contract between it and the Defendant, which lead to the Defendant suffering a loss of AED 1,000,000. The Defendant proposed a settlement amount which was rejected by the Claimant.

Discussion

11. First and foremost, the relevant Agreement falls under the DIFC Courts' jurisdiction as the Agreement states under Article 14 of the Agreement:

> "14. JURISDICTION AND DISPUTE RESOLUTION: This Purchase Order shall be subject to the laws of Dubai and the United Arab Emirates in the event of any dispute, the Parties will in first instance attempt to resolve the dispute through bona fide negotiations Falling resolution through bona fide negotiations within 10 working days, such dispute, including any question regarding the Purchase Order's existence, validity or termination, shall be subject to exclusive jurisdiction of the Courts of the Dubai International Financial Centre."

12. Pursuant to the evidence before me, the Claimant has met its burden of proof by providing the Agreement and the invoices which were signed by the Defendant's representative.

13. The Claimant also filed a Statement of Account which reflects the sums owed to the Claimant by the Defendant, in the sum of AED 114,698.56.

14. It is noted that the Agreement was signed between the Claimant and Defendant, any other contracts signed between the Defendant and a third party should not affect or interfere with the Agreement. As soon as the structure was delivered the payment amount was due by the Defendant.

15. The Defendant failed to provide any substantive evidence against the invoices other than stating that its business is facing financial difficulty. The Defendant also failed to raise any concerns at the time of delivery of the Claimant's works, and raised two concerns at the time of filing the Claim without supporting these allegations with evidence. Therefore, the Court rejects these baseless concerns and orders that the Defendant fulfills its obligations towards the Claimant henceforth.

Conclusion

16. In light of the aforementioned, I find that the Defendant is liable to pay the Claimant the total sum of AED 114,698.56 being the payments owed for the invoices.

17. The Defendants shall pay the Claimant the Court fee in the sum of AED 5,738.84.