



1. PARTIES

CLYDE & CO LLP CLAIMANT

- Well-known global law firm
- Headquartered in London
- Operates a Middle East Regional Office (MERO) in Dubai
- Sought an ASI to restrain Dubai Labour Court proceedings



MR ABHIMANYU JALAN DEFENDANT

- Corporate lawyer employed at MERO, Dubai
- Signed MOHRE employment contracts in Dubai (UAE)
- Claimed outstanding basic salary and bonus from Clyde
- Filed proceedings in the Dubai Labour Court

5. ARGUMENTS HEAD TO HEAD

CLYDE & CO (Claimant)

- There exists a valid and binding English arbitration agreement
- Arbitration agreement is governed by English law and must be enforced by English courts
- Foreign law cannot invalidate English arbitration
- MOHRE contracts are mere compliance forms
- Dubai proceedings were commenced in breach of the arbitration agreement

MR JALAN (Defendant)

- There is no valid or operative arbitration agreement governing the dispute
- UAE Labour Law mandates that employment disputes be resolved in the Dubai Labour Court
- UAE Labour Law voids arbitration in employment
- MOHRE contracts form an integral part of the employment contract
- The court should refuse injunction on grounds of fairness and justice

2. THE EMPLOYMENT CONTRACT— 5 KEY DOCUMENTS

- Terms Letter**
 - Sets employment terms
 - Contains cl.12 arbitration
 - UAE Labour Law applicable to the employment contract
 - Governed by UAE Law
- Annex**
 - Mirrors partner terms
 - Has own English law arbitration clause
 - Governed by the law of England and Wales
- Remuneration Letter**
 - Bonus calculation
 - Links to Senior Equity Partner lockstep
 - No arbitration clause
- Partner Equivalent Letter**
 - Treats Jalan as partner equivalent
 - Profit sharing units
 - Interest free loan
- MOHRE Contracts**
 - UAE mandatory filing
 - Registered with MOHRE
 - UAE Labour Law applies
 - Arbitration=VOID

3. THE DISPUTE

What happened?	Where Jalan filed	Why it conflicted
Jalan alleged that Clyde had failed to pay outstanding salary and bonus amounts due under the employment contract. Jalan and Clyde had signed MOHRE contracts in Dubai from time to time, governed under UAE labour protections.	Dubai Labour Court Jalan commenced proceedings in the Dubai Labour Court, relying on UAE mandatory labour law rights which he argued could not be displaced by a private arbitration agreement.	Forum conflict The employment contract contained a London arbitration clause. Clyde argued this clause was binding and required disputes to go to London arbitration — creating a direct clash between two jurisdictions.

4. THE ISSUES

(1) Is there a sufficiently high probability of there being a valid and enforceable English arbitration agreement covering the dispute in question?

(2) If so, is there a high probability that that dispute is arbitrable?

(3) Further and in any event, would it be just and convenient to grant the ASI?

6. COURT'S DECISION AND REASONING

NO

Inconsistency between the arbitration clause of Terms Letter, the Annex and the MOHRE contracts creates doubt about the parties' true intention. The MOHRE contracts form an integral part of the contractual relationship and indicate that disputes should be resolved under UAE law. The repeated execution of MOHRE contracts over time, without reaffirming arbitration, suggests the clause may have become inoperative. Overall, the Court could not conclude with sufficient certainty that a binding arbitration agreement exists. (Para 64-76)

YES

Arbitrability is determined by English law, which does not generally exclude employment disputes from arbitration. Foreign legal restrictions, such as UAE law prohibiting arbitration of employment disputes, do not affect arbitrability under English law. The Court emphasised that foreign public policy is not decisive in this context. Therefore, if a valid arbitration agreement existed, the dispute would likely be considered arbitrable. (Para 80-84)

NO

Mr Jalan reasonably believed, based on long-standing practice and contractual documents, that UAE law governed disputes and that proceedings should be brought in Dubai. Granting an ASI would impose unfair expense, and inconvenience on him while he was simply complying with local law while bringing his claim in his place of business. Additionally, the employer's conduct and the obligation to protect employees made it unjust to grant the injunction. Therefore, ASI has been refused in this case. (Para 85-99)

7. KEY TAKEAWAYS

- Under UAE law, employment disputes related complaints must be submitted to MOHRE first. [Para 41, 53(4)]
- Employment disputes are non-arbitrable and must be resolved by the Dubai Labour Court. [Para 53(8), 82]
- MOHRE contracts are NOT mere formalities — courts treat them as substantive, integral contract documents. [Para 30,64-66]
- Inconsistency between governing law and dispute resolution clause in the same contract creates serious enforceability issues. [Para 16,20,76]
- Granting ASI is the discretionary power of Court which can be refused if granting the relief is not "just and convenient". [Para 57-59,85-86]
- A high degree of probability that a valid and binding arbitration agreement exists must be established before an anti-suit injunction can be granted.[Para 58(f),59,77]