

**REPUBLIC OF KENYA  
IN THE EMPLOYMENT AND LABOUR RELATIONS  
COURT AT NAIROBI  
CAUSE NO. E496 OF 2024  
CAROLYNE WANJIKU KARURU  
CLAIMANT  
v  
JARVIS PRODUCTS KENYA LTD  
RESPONDENT**

**JUDGMENT**

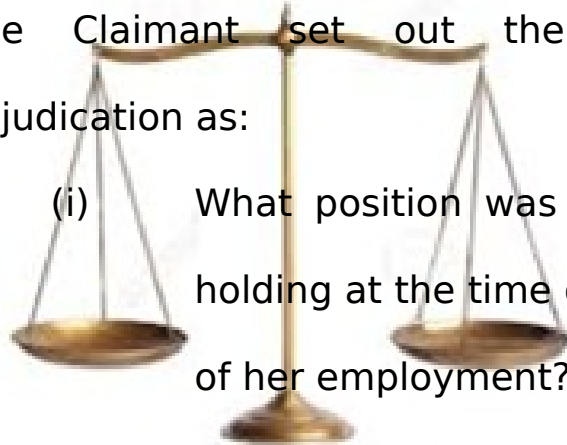
1. Jarvis Products Kenya Ltd (the Respondent) offered Carolyne Wanjiku Karuru (the Claimant) the position of Human Resources Manager through a letter dated 20 February 2023.
2. On 27 May 2024, the Respondent notified the Claimant of the termination of her contract on the ground of business reorganisation.
3. The Claimant felt the termination was unfair and sued the Respondent on 3 July 2024, asserting unfair termination of employment and breach of contract.
4. The Respondent filed a Response on 9 September 2024, prompting the Claimant to

file a Reply to the Response on 24 September 2024.

5. The Cause was heard on 18 June 2025 and 24 November 2025. The Claimant and a General Manager with the Respondent testified.

6. The Claimant filed her submissions on 17 December 2025, and the Respondent on 26 January 2026.

7. The Claimant set out the Issues for adjudication as:



(i) What position was the Claimant holding at the time of termination of her employment?

(ii) Whether the declaration of the Claimant as redundant was lawful and procedural.

(iii) Whether the Respondent was justified in withholding and deducting from the Claimant's benefits sums of Kshs. 78,754/=?

(iv) Whether the Claimant is entitled to the reliefs sought.

8. The Respondent outlined the Issues for adjudication as:

(i) Whether the Claimant held and maintained the position of Human Resource and Administration Manager and the position was declared redundant?

(ii) Whether the Claimant was lawfully terminated?

(iii) Whether the Claimant was paid all her terminal benefits following the redundancy?

9. The Court has considered the pleadings, evidence and submissions.

### **Claimant's designation/role**

10. The Claimant was offered the position of Human Resources Manager through a letter dated 20 February 2023, and accepted the role.

11. Before the Court, the Claimant contended that by the time of separation on 27 May 2024, she held the position of Office Manager, having been promoted to that position on 11 October 2023.

12. To support the contention, the Claimant relied on a Request for Wage Increase or new Hiring in which her then position was indicated as Administration Manager and the specified reason for seeking a salary increase stated as:  
Confirmation and added responsibilities in her role.



I have moved Carolyne to the Office Manager position. She has complete responsibilities for the inside.

13. The Form shows that the Request was approved by the Claimant's Local Supervisor and Local General Manager, but not the President of the Respondent's parent company, Jarvis Products Corporation.

14. The Claimant further testified that upon the change of roles or promotion, her salary was increased from Kshs 92,200/- to Kshs 184,400/-.

15. The Respondent denied that the Claimant was promoted to the role of Office Manager. Its witness testified that there was no change in the Claimant's designation and that the office management function was within the scope of the Claimant's role as Human Resources Manager, as outlined in the contract letter.

16. The witness acknowledged that the Claimant's salary was increased, but this was within the role of Human Resources Manager.

17. The Respondent did not issue to the Claimant any new contract offering her the position of Office Manager, but the Respondent's employment records show that a request to increase the Claimant's salary because of additional roles as Office Manager was approved.

18. The Respondent did not place before the Court any employment record, such as an expanded job description, upon which it could be inferred that the Claimant's salary increase was merely on account of new responsibilities and roles

19. There must have been discussions before the increase in salary and confirmation, and addition of the role of Office Manager.

20. The Claimant's Managers who approved the Request for Wage Increase were not called to testify to explain the circumstances under which approval was given for the movement of the Claimant to the Office Manager position.

21. Section 10(5) of the Employment Act, 2007, contemplates the process of altering a contract.

22. None of the parties produced in Court a record to reflect the alteration of terms of a contract

as contemplated by section 10(5) of the Employment Act, 2007.

23. The Request for Wage Increase provided a tell-tale sign of such a process, but in the Court's view, it was not sufficient to infer that the Claimant was promoted to a higher position as an Office Manager.

24. The Court finds that the Claimant held the position of Human Resources Manager at the time of separation.

### **Unfair termination of employment**

25. The Claimant challenged the fairness of the termination of his employment on the grounds that there was no reorganisation or valid reasons for the same, notice of intended redundancy was not given, no consultations were conducted, no selection criteria were used and that the Respondent backdated the notice to the Labour Officer.

26. The Respondent contended that the termination of the Claimant's employment

was fair because it had strategic reasons for the reorganisation, proper notices were issued, the Claimant's skill sets were considered, there was only one position of Human Resources Manager, consultations were held with the Claimant and she was aware of the reorganisation and that the Claimant was paid all lawful dues.

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27. Section 40 of the Employment Act, 2007, outlines the redundancy processes.

28. These include a written notice of at least 30 days to the employee (and/or trade union if applicable) and the Ministry of Labour.

29. The Respondent gave the Claimant notice of intended redundancy through a letter dated 6 May 2024. The letter referred to earlier discussions.

30. On 23 May 2024, the Respondent notified the Ministry of Labour of the redundancy of the position of Human Resource Manager.

31. The Respondent followed the notice to the Claimant with a termination letter dated 27 May 2024. The letter set out the Claimant's entitlements, including 30 days' pay in lieu of notice.

32. The Respondent gave notice of intended redundancy on 6 May 2024. The redundancy letter came on 27 May 2024. This was less than the contemplated 30-days even if equivalent pay in lieu is paid.

33. The notice of intended redundancy to the Ministry of Labour also fell below the envisaged 30-day notice.

34. The Respondent produced copies of its financial statements (Annual Financial Statement for 2023, Income Statement for January to April 2024 and Profit and Loss Statement for January to May 2024) to demonstrate that it was facing financial hardships.

35. The Statements were not disputed by the Claimant, and they support the Respondent's contention of financial stress.

36. The Court, therefore, concludes that although the Respondent had genuine operational reasons to reorganise, it did not give the Claimant and Ministry of Labour the requisite 30-days' notice.

37. On that narrow ground, the Court finds unfair termination of employment.

### **Compensation**

38. The Court has concluded that the Respondent failed the procedural fairness test by not giving sufficient notice of intended redundancy to the Claimant and the Ministry of Labour.

39. The Respondent paid the Claimant all other dues contemplated on redundancy.

40. The award of compensation is discretionary, and considering the above factors, the Court is of the view that the equivalent of 1 month's

salary as compensation would be appropriate (monthly salary was Kshs 184,400/-).

### **Breach of contract/statute**

#### **Severance pay**

41. The Claimant alleged an underpayment of Kshs 78,754/- in *severance pay*.

42. The Respondent calculated the Claimant's *severance pay* as Kshs 115,250/- and asserted that it used the formula of 15 days' pay for each year of service and that the due *severance pay* was Kshs 92,200/-, and thus it overpaid the Claimant.

43. The formula for calculating *severance pay* is set out at section 40(1)(g) of the Employment Act, 2007.

44. A cursory computation using the formula leaves no doubt that the Claimant was not underpaid. She was overpaid.

#### **Salary in lieu of notice**

45. The Respondent offered, and the Claimant accepted the equivalent of 1-month salary in

lieu of notice, and nothing turns on this head of the claim.

### **Service pay**

46. The Claimant sought to be awarded Kshs 92,200/- on account of *service pay*.

47. The Claimant's contract did not provide for a contractual *service pay*. The statutory *service pay* provided for in section 35(5) & (6) of the Employment Act, 2007, is subject to exemptions.

48. The Claimant's payslips produced in Court indicate that she was contributing to the National Social Security Fund, and thus she is not eligible for the *service pay*.

### **Certificate of Service NAIROBI**

49. A Certificate of Service is a statutory entitlement, and the Respondent should issue one to the Claimant if it was not issued.

50. The delivery of this judgment has been brought forward with notice to the parties.

### **Conclusion and Orders**

51. The Court finds that the termination of the Claimant's employment on account of redundancy was procedurally unfair and awards her:

(i) Compensation Kshs

184,400/-.

52. The award to attract interest at court rates from the date of judgment until payment in full.

53. The Respondent is ordered to issue a Certificate of Service to the Claimant within 21 days if one was not issued.

54. The other reliefs are declined.

55. The Claimant to have costs.

**Delivered virtually, dated and signed in Nairobi on this 27<sup>th</sup> day of January 2026.**

**Radido Stephen, MCI Arb**

**Judge**

**Appearances**

For Claimant

Makambo

Makabila & Co.

Advocates

For Respondent

Watako Kirui &

Co. Advocates

Court Assistant

Wangu

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**NAIROBI**