



REPUBLIC OF KENYA



**Juma v Marsyetu Limited (Cause E824 of 2024)
[2026] KEELRC 657 (KLR) (10 March 2026) (Judgment)**

Neutral citation: [2026] KEELRC 657 (KLR)

**REPUBLIC OF KENYA
IN THE EMPLOYMENT AND LABOUR RELATIONS COURT AT NAIROBI
CAUSE E824 OF 2024
BOM MANANI, J
MARCH 10, 2026**

BETWEEN

NAVROZ NIZAR JUMA CLAIMANT

AND

MARSYETU LIMITED RESPONDENT

JUDGMENT

plaintiff

1. The Claimant filed this suit to challenge the validity of the Respondent's decision to terminate his contract of service. He contends that the Respondent hired his services as a Warehouse Manager on 9th January 2023 but unlawfully terminated the contract between them on 9th May 2024.
2. The Claimant avers that on the aforesaid date, one of the Respondent's officers summoned him for a meeting during which the said officer informed him that his employment had been terminated with immediate effect. He avers that he was informed not to report to work the following day.
3. The Claimant contends that the Respondent did not give reasons for the decision. He further avers that he was not afforded an opportunity to be heard before the decision was made. As such, he avers that the decision was unlawful.
4. The Claimant avers that he wrote to the Respondent on 10th May 2024 to request for payment of his salary for April 2024 and his terminal benefits but the Respondent did not respond to the request. He further avers that the Respondent did not pay him house allowance during the life of the contract of service between them. He also contends that the Respondent did not compensate him for work done during public holidays or for overtime work.
5. The record shows that after the Respondent was served with Summons to Enter Appearance in the cause, it entered appearance through a Firm of Lawyers. However, it did not file a Statement of Defense.



6. The record further shows that although the Respondent was notified of the trial which was scheduled for 25th February 2026 through its advocates, it did not attend court to defend the suit. As a result, the matter proceeded as an undefended cause.
7. On the trial date, the Claimant adopted his written witness statement as his evidence in chief and reiterated the averments in the Statement of Claim. Further, he produced the documents in the list and bundle of documents dated 16th September 2024 as his exhibits.

Analysis and Determination

8. The Claimant produced a letter of offer dated 9th January 2023 by which the Respondent offered him employment as a Warehouse Manager. The letter shows that subject to the Claimant accepting the offer, the contract of service between the parties was to commence on 9th January 2023. The letter bears the Claimant's signature signifying his acceptance of the offer. Consequently, it is apparent that the parties entered into a valid employment relationship.
9. The Claimant asserts that Respondent terminated the aforesaid relationship without reason and without due process. He avers that the Respondent's officer called him to a meeting on 9th May 2024 and informed him that the contract between them had been terminated. He contends that he was not given the reason for the decision. He further contends that he was not afforded an opportunity to be heard before the decision was made.
10. Sections 41, 43 and 45 of the *Employment Act* obligate an employer to notify an employee of the reason for termination of a contract of service. Further, the law requires the employer to hear the employee before he can discharge him from service.
11. The evidence on record does not suggest that the Respondent adhered to these requirements of law. There is no evidence that the Claimant was informed of the reason why his services were terminated. Neither is there evidence to demonstrate that he was heard on the matter. As such, the court finds that the contract of service between the parties was illegitimately closed.
12. The Claimant's services having been unlawfully terminated, he is entitled to compensation for the unfair termination of his contract. The court notes that at the time the contract between the parties was terminated, they had been in the employment relationship for just over one year. Taking this into account, the court grants the Claimant compensation for unfair termination of his contract which is equivalent to his salary for five months.
13. According to the evidence on record, the Claimant's salary was Ksh. 100,000.00 per month. However, there is no indication that the amount included house allowance which ought to have been computed at the rate of 15% of his basic pay, that is to say, Ksh. 15,000.00 per month. As such, his gross pay inclusive of house allowance ought to have been Ksh. 115,000.00 per month. Taking this into account, the court awards the Claimant Ksh. 575,000.00 as compensation for unfair termination of his contract.
14. The Claimant has also prayed for unpaid house allowance. As stated earlier, he was entitled to this allowance at the rate of 15% of his basic monthly salary.
15. There is no evidence that the Respondent paid him the allowance. As such, the court awards him unpaid house allowance of Ksh. 15,000.00 x 15 = Ksh. 225,000.00.
16. The Claimant has claimed for overtime pay and for pay for work done during public holidays. However, he did not provide cogent particulars and evidence to support the claim. That being the case, this claim is declined.



17. The Claimant is also awarded salary for the month of April 2024 in the sum of Ksh. 115,000.00.
18. The amount awarded to the Claimant is subject to the statutory deductions which were applicable at the time the contract between the parties was terminated.
19. The Claimant is awarded interest on the amount awarded at court rates from the date of this judgment.
20. The Respondent is ordered to issue the Claimant with a Certificate of Service.
21. The Claimant is awarded costs of the case.

Summary of the Findings and Orders

22. After evaluating the evidence on record against the applicable law, the court makes the following findings and consequential orders:-
 - a. The court finds that the parties had an employment relationship.
 - b. The court finds that the Respondent unlawfully terminated the contract of service between the parties.
 - c. The court awards the Claimant compensation for unfair termination of his contract in the sum of Ksh. 575,000.00.
 - d. The court awards the Claimant unpaid house allowance of Ksh. 225,000.00.
 - e. The court declines the claim for pay for work done during public holidays and overtime work.
 - f. The Claimant is awarded salary for April 2024 in the sum of Ksh. 115,000.00.
 - g. The amount awarded to the Claimant is subject to the statutory deductions that were applicable at the time the contract between the parties was terminated.
 - h. The Claimant is awarded interest on the amount awarded at court rates from the date of this judgment.
 - i. The Respondent is ordered to issue the Claimant with a Certificate of Service.
 - j. The Claimant is awarded costs of the case.

DATED, SIGNED AND DELIVERED ON THE 10TH DAY OF MARCH, 2026

B. O. M. MANANI

JUDGE

In the presence of:

.....for the Claimant

.....for the Respondent

Order

In light of the directions issued on 12th July 2022 by her Ladyship, the Chief Justice with respect to online court proceedings, this decision has been delivered to the parties online with their consent, the parties having waived compliance with Rule 28 (3) of the ELRC Procedure Rules which requires that all judgments and rulings shall be dated, signed and delivered in the open court.

