

## **EMPLOYMENT TRIBUNALS**

Claimant: Shabaz Shamim

**Respondent:** Tech Mahindra

**HELD AT:** Liverpool (remote, by CVP) **ON:** 6 March 2025

**BEFORE:** Employment Judge Johnson

#### **REPRESENTATION:**

Claimant: Unrepresented Respondent: Did not attend

### JUDGMENT

The judgment of the Tribunal is that:

- (1) The complaint of unlawful deduction from wages contrary to section 13 Employment Rights Act 1996, is well founded which means that the claim is successful.
- (2) The respondent during a period from July 2022 until December 2022 made unlawful deductions from the claimant's monthly pay totalling £800.
- (3) The respondent has since reimbursed the claimant these monies in or around April 2023, but the delay contributed to the claimant having to take out an unsecured loan in December 2022 with interest accruing at an APR of 16.9%.
- (4) The respondent's delay therefore caused the claimant additional financial losses arising from interest payable on the part of the loan attributable to the period while the £800 was unpaid.
- (5) Consequently, it is my judgment that in accordance with section 24(2) Employment Rights Act 1996, the respondent must pay the claimant the sum

of £101.40 (One Hundred and One Pounds 40 Pence) in respect of financial losses sustained by him which is attributable to the matter complained of.

(6) However, the part of the claimant's claim relating to a £600 'commission' payment arising from his recommending a new employee is dismissed. This is because the claimant was unable to provide evidence in support of this loss which demonstrated that it arose from a contractual entitlement.

### **REASONS**

- The claimant presented a claim to the Tribunal on the 2 February 2023
  following a period of early conciliation from 30 January to 20 January 2023.
  He brought a complaint of lawful deduction from wages. The total figure was
  described as £1400, consisting of £800 of deductions from monthly wages
  and £600 in respect of a refused commission payment.
- 2. The claimant tells me that he worked as a customer advisor with the respondent at their Salford Media City location from 13 June 2022 until 26 April 2023.
- 3. Unfortunately, for reasons unknown to me, the Tribunal failed to process this claim until February 2024, and this resulted in a long delay before the case could be heard.
- 4. The respondent company was served at its UK establishment address in Manchester (and where the claimant worked), with a Notice of Claim and Notice of Hearing by letter dated 28 February 2024. This address was confirmed by Companies House and its status on that site remains 'open'. The claimant confirmed that his former colleagues still work at this location and are employed by the respondent. Despite this, the respondent has failed to provide a response. Even though the Tribunal has continued to include the respondent in this correspondence, they have failed to make any effort to involve themselves with this case. Nonetheless, I remain satisfied that they are aware of the proceedings, and they have chosen not to become involved in this case, even though they are the respondent.
- 5. The original final hearing listed for 6 August 2024 was postponed and relisted for today. The claimant emailed the Tribunal on 13 August 2024 confirming that he had since been reimbursed much of the deducted pay by the respondent and this took place in or around April 2024.
- 6. However, he said that some monies were outstanding, and he also had consequential losses arising from the deductions because he had to take out a loan and this has caused him to pay interest payments and affected his credit rating.
- 7. Based upon the documentation available, (which were payslips and confirmation of an unsecured loan with Admiral at an APR of 16.9%), I accepted that the claimant had been subject to unlawful deductions for a period from July to December 2022 and which totaled £800. From the

payslips that I had received for this period (the claimant could not obtain all of them because they were only accessible on the respondent's 'portal'), a series of deductions had been made under the heading 'loss of pay'. No explanation was provided which demonstrated that these deductions were made lawfully by the respondent.

- 8. While the respondent eventually reimbursed the claimant for these losses following the issue of proceedings in or around April 2023, this delay in payment contributed to the claimant taking out a loan and having to pay interest.
- 9. Section 13 Employment Rights Act 1996 (ERA) provides that an employer must not make a deduction from a worker's wages employed by him unless the deduction is required by statute, under a relevant provision in a worker's contract, or the worker has previously signed their written agreement or consent to the making of the deduction in question.
- 10. Section 24(2) of the ERA provides that where a Tribunal makes a declaration under section 24(1) that there has been an unlawful deduction under section 13, it may order such amount as it considers appropriate in all the circumstances to compensate the worker for financial losses which are attributable to the unlawful deductions.
- 11. I accepted that some of the interest payable on the claimant's loan was sustained and was attributable to the respondent's delay in reimbursing the unlawful deduction. I have therefore calculated that an appropriate amount is £101.40.
- 12. However, while the claimant explained that he had been refused a commission payment of £600 for what could be described as a 'finders fee', there was insufficient evidence to persuade me that this non payment was a breach of a contractual agreement between the claimant and the respondent. There did appear to be a practice for a period where the respondent would pay employees a sum of £600 if they could recommend prospective employees who were subsequently recruited. But without the claimant having provided documentary evidence, this seemed to amount to no more than the refusal of discretionary commission payment and not something arising from the claimant's contract of employment.

**Employment Judge Johnson** 

Date: 6 March 2025

JUDGMENT SENT TO THE PARTIES ON

25 March 2025

FOR THE TRIBUNAL OFFICE

#### **Notes**

#### Public access to employment tribunal decisions

Judgments and reasons for the judgments are published, in full, online at <a href="https://www.gov.uk/employment-tribunal-decisions">www.gov.uk/employment-tribunal-decisions</a> shortly after a copy has been sent to the claimant(s) and respondent(s) in a case.

#### **Recording and Transcription**

Please note that if a Tribunal hearing has been recorded you may request a transcript of the recording, for which a charge may be payable. If a transcript is produced it will not include any oral judgment or reasons given at the hearing. The transcript will not be checked, approved or verified by a judge. There is more information in the joint Presidential Practice Direction on the Recording and Transcription of Hearings, and accompanying Guidance, which can be found here:

https://www.judiciary.uk/guidance-and-resources/employment-rules-and-legislation-practice-directions/



#### NOTICE

# THE EMPLOYMENT TRIBUNALS (INTEREST) ORDER 1990 ARTICLE 12

Case number: **2402262/2023** 

Name of case: Shabaz Shamim v Tech Mahindra

Interest is payable when an Employment Tribunal makes an award or determination requiring one party to proceedings to pay a sum of money to another party, apart from sums representing costs or expenses.

No interest is payable if the sum is paid in full within 14 days after the date the Tribunal sent the written record of the decision to the parties. The date the Tribunal sent the written record of the decision to the parties is called **the relevant decision day**.

Interest starts to accrue from the day immediately after the relevant decision day. That is called **the calculation day**.

The rate of interest payable is the rate specified in section 17 of the Judgments Act 1838 on the relevant decision day. This is known as **the stipulated rate of interest**.

The Secretary of the Tribunal is required to give you notice of the relevant decision day, the calculation day, and the stipulated rate of interest in your case. They are as follows:

the relevant decision day in this case is: 25 March 2025

the calculation day in this case is: 26 March 2025

the stipulated rate of interest is: 8% per annum.

For the Employment Tribunal Office