



IN THE SMALL CLAIMS COURT

OF THE ASTANA INTERNATIONAL FINANCIAL CENTRE

10 August 2026

CASE No: AIFC-C/SCC/2025/0063

SAMRUK SERVICE GROUP LLP

Claimant

v

TETHYS AKTAU II LLP

Defendant

JUDGMENT

Justice of the Court:
Justice Josephine Higgs KC

JUDGMENT

1. INTRODUCTION

- 1.1. The Claimant, Samruk Service Group LLP (the “**Claimant**”), claims from Tethys Aktau II LLP (the “**Defendant**”) the sum of KZT 8,000,000, being the final tranche of the purchase price alleged to be due under Construction Contract No. TA-0237 (the “**Agreement**”) for construction and installation works for the “Beach Bar and Houses” project at the Tetysblu Theme Park. The Defendant denies that the Claimant is entitled to the sum claimed, alleges that it refused to accept the works because they were defective and incomplete, and counterclaims for a proportionate reduction of the price, advanced as a reduction of, and set-off against, the sum claimed.

2. PROCEDURAL HISTORY

- 2.1. The Claimant’s claim was commenced by Claim Form which was issued by the AIFC Court on 7 November 2025. The Claim Form appended the Agreement, other contemporaneous documents and extensive photographic and video evidence of the construction and installation works in support of the Claimant’s claim that the works had been properly completed, the works had been accepted by the Defendant and the final tranche of KZT 8,000,000 was due.
- 2.2. The Defendant served a Defence on 21 November 2025. In summary, the Defence alleged that the Defendant had refused to accept the works, because there were various defects and deficiencies in the works, and sought rectification of the defects. The Defence indicated an intention to file a Counterclaim. The Defence attached various witness statements, namely a witness statement of Firat Kocadag, Accountant-Auditor of the Defendant, dated 21 November 2025 and a witness statement of Serik Issagaliyev, Managing Director of the Defendant, dated 21 November 2025. The Defence also attached a Memorandum dated 21 November 2025, with attached inspection act dated 13 June 2025 and a defects table dated 21 November 2025 based on this act, and an inspection act dated 21 November 2025.
- 2.3. The Defendant subsequently, on 24 November 2025, submitted further documents in support of its defence to the claim, including translations of documents previously provided with its Defence.
- 2.4. In response, the Claimant submitted further materials to the Court in November and December 2025, including WhatsApp videos of the Claimant’s visits to the site and attempts to resolve the dispute, and transcripts and translations.
- 2.5. By an Order dated 3 February 2026, I directed that all material submitted to Court to date by the Claimant and Defendant would be admitted into evidence, that the Defendant should submit any Counterclaim and further documents on which it wished to rely by 27 February 2026, and that no party would be entitled to rely on further documents without the Court’s permission.
- 2.6. The Defendant filed a Counterclaim on 27 February 2026. In its Counterclaim, the Defendant stated that it elected to exercise its rights under Article 635(1) of the Civil Code of the Republic of Kazakhstan to seek a proportionate reduction of the contract price in lieu of rectification of the alleged defects (rather than rectification of the defects as originally sought in the Defence).

The Defendant’s application for the appointment of a construction-technical expert

- 2.7. The Defendant made an application for the appointment of a construction-technical expert dated 12 January 2026.
- 2.8. That application was opposed by the Claimant on the basis (in summary), that: an expert examination was impossible in the absence of project and cost documentation; the works had been performed under the Agreement with direct approval by the Defendant; there had already been a joint inspection of the works on 15 July 2025; and the expert examination would therefore repeat already known circumstances. The Claimant's objections included a request to include Mr Kairat Yerzhanov as a witness, as he had participated in the joint inspection on 15 July 2025. The Claimant requested that the Court dismiss the Defendant's application and include Mr Kairat Yerzhanov in the list of witnesses in the case.
- 2.9. The Defendant submitted a reply to the Claimant's opposition on 27 February 2026 in which (in summary), the Defendant contended that Appendices 1 and 2 of the Agreement constituted the contractual design documentation; expert examination was both necessary and objectively possible, and that the joint inspection on 15 July 2025 did not replace expert examination, as the joint inspection established only the fact of disagreement between the parties as to the quality of the works and the purpose of the inspection was to provide the Court with an independent and objective and technically competent assessment of the matters in dispute.
- 2.10. I determined the Defendant's application for an expert application on the papers. By my ruling dated 29 May 2026, I refused the application, for the reasons given in that ruling: in summary, whilst the central issue in dispute was whether the works conformed with the contractual requirements and I understood why the Defendant contended that expert evidence would assist the court, I concluded that, given that the construction works were not of a highly specialised or technical nature, and given the very extensive material already available to the Court, expert evidence was not necessary to resolve the dispute and it would be disproportionate, given the limited amount claimed, for expert evidence to be adduced.

Further materials for hearing on 10 June 2026

- 2.11. On 13 May 2026, the Registry sent directions to the parties in advance of the hearing scheduled for 10 June 2026, providing that the parties should provide any witness statements on which they wished to rely by 17:00 on 27 May 2026, and that the parties should serve skeleton arguments by 17:00 on 3 June 2026.
- 2.12. On 29 May 2026, the Registry sent further directions to the parties that, by 17:00 on 5 June 2026, the parties should serve an agreed joint paginated hearing bundle containing all the material on which they intended to rely, or if a joint bundle could not be agreed, separate paginated bundles containing all the materials on which they intended to rely at the hearing.
- 2.13. The Claimant sent a hearing bundle to the Court on 2 June 2026. That bundle included witness statements from Zhubanysh Uzakbayev (Director of the Claimant), Kairat Irzhanov (Former Head of Procurement at Rixos), and Kuanysh Abdullayev (Project Engineer), each dated 30 May 2026. These witness statements had not been served previously, despite the deadline for service of witness statements of 27 May 2026. The Claimant subsequently sent further versions of the hearing bundle to the Court on 5 and 7 June 2026.
- 2.14. The Defendant sent a hearing bundle to the Court on 5 June 2026 containing the documents on which it intended to rely, including the witness statements of Firat Kocadag and Serik Issagaliyev (which had

been served previously with the Defence), and various contemporaneous documents together with translations.

Hearing on 10 June 2026

- 2.15. The hearing took place on 10 June 2026 via video-conference.
- 2.16. At the hearing, the Court heard oral evidence from the following witnesses on behalf of the Claimant: Zhubanysh Uzakbayev, Kairat Irzhanov and Kuanysh Abdullayev. The Defendant noted that the witness statements of these witnesses had not been served by 27 May 2026 in accordance with the procedural deadline but rather had been included in the Claimant's hearing bundle served on 2 June 2026. The Defendant did not make an application to exclude this evidence and accepted that it was in a position to cross-examine those witnesses. However, the Defendant did submit that the Court should afford the evidence less weight in view of the lateness of the submission of these witness statements. In particular, the Defendant noted that had the statement of Kairat Irzhanov been served earlier, the Defendant would have sought evidence from other witnesses, particularly from Mr Rinat Abdrakhmanov, the Chief Engineer.
- 2.17. When giving oral evidence, Mr Uzakbayev referred to particular audio recordings in June 2025, apparently in support of an argument that Mr Rinat Abdrakhmanov had agreed that all the works had been completed and had accepted the works on behalf of the Defendant. Whilst the audio recordings had been included in the materials submitted to the Court, no transcripts or translations had been provided to the Court. Paragraph 9 of my Directions dated 3 February 2026 had provided that all documents for use in the Court should be in English or translated into English.
- 2.18. I gave permission for the Claimant to provide, within 7 days, a transcription and translation of the audio recording/s on which it relied, and for the Defendant to submit any objections to the Claimant's reliance on, and submissions regarding the content of, that audio recording/s within 7 days thereafter. The parties duly complied with these directions.
- 2.19. The Court also heard oral evidence from Firat Kocadag and Serik Issagaliyev on behalf of the Defendant at the hearing on 10 June 2026.

3. THE FACTUAL BACKGROUND TO THE DISPUTE

- 3.1. On 2 May 2025, the Claimant and the Defendant entered into Contract No. TA-2037 for the construction and installation works of a "Beach Bar and Houses" project (referred to in this Judgement as the "**Agreement**"), for a total price of KZT 18,000,000 payable in two tranches. A copy of the Agreement is appended as Document 1 to the Claim Form. The scope of the works was defined by Appendix 1 (Construction and Installation works for the "Beach Bar and Cabins" Project) and Appendix 2 (Specification Table). Appendix 1 provides written details of the elements to be constructed and installed, namely: Beach bar with metal frame and wooden cladding; a Beach kiosk with metal frame and wooden cladding; a campfire set, comprising a steel fire pit and wooden chairs; string lights and electrical work. Appendix 1 provides "Detailed instructions regarding the technical task are provided by the Engineer from the Customer's side". Appendix 2 lists the structures / furniture / items to be constructed or installed, and provides quantities, images and dimensions.
- 3.2. Clause 5 of the Agreement provides for dispute resolution. By Clause 5.2, the Agreement is governed by the law of the Republic of Kazakhstan and disputes are subject to the jurisdiction of the AIFC Court. The Defendant contends, and it appears to be common ground, that the provisions applicable to contracting relationships set forth in paragraph 1 (Articles 616-639), and paragraph 3 (Articles 651 to



666) of Chapter 32 of the Civil Code of the Republic of Kazakhstan (the “Code”) apply to the Agreement.

- 3.3. The Defendant paid the original KZT 10,000,000 due under the Agreement on 6 May 2025, in accordance with the terms of the Agreement. The “installation period” specified in Appendix 1 was 40 days from the date of start of work, which was to commence within 3 days of the date of receipt of the original tranche.
- 3.4. The Claimant contends that the construction and installation works were completed in accordance with the Agreement and the requirements set out in the Appendices. The Claimant contends that, although the Defendant refused to sign the Certificate of Completion of Works, the works were in substance accepted by the Defendant. The Claimant contends (in summary) that: the Defendant’s representatives, specifically, Mr Rinat Abdrakhmanov, the Chief Engineer, Mr Firat Kocadag, the Accountant-Auditor, Mr Serkan, the Bar Manager, were on site during, and supervised, the ongoing construction process, were kept updated by the Claimant by videos and photographs about the progress of construction, and were involved in all decisions about how construction should proceed; it further contends that the Chief Engineer, Mr Rinat Abdrakhmanov, reviewed and inspected the completed structural, electrical and decorative works. The Claimant also contends that the Defendant failed to appoint an expert examination as required by Clause 6 of Article 630 of the Code, and the fact that an expert examination was not appointed and that the Defendant de facto accepted the works indicates that the Claimant completed the works in full. Finally, the Claimant contends that the Defendant has subsequently made commercial use of the Beach Bar, by holding events and festivals at the Beach Bar, and in those circumstances has accepted the works by use. The Claimant therefore asserts that the final payment of KZT 8,000,000 became due and owing under the Agreement, but the Defendant has failed to make the payment due. The Claimant also asserts that the construction and installation works had been interrupted four times due to events organised by the Defendant, and that this led to the works being damaged and delays to the completion of the works.
- 3.5. The Defendant contends that the works were not completed in time, and that there were defects and deficiencies in the works. On 13 June 2025, Firat Kocadag conducted an inspection of the works, and took numerous photographs, and concluded that there were numerous respects in which the works did not comply with the contractual requirements and/or were of inadequate quality. On 23 June 2025, the Defendant sent “Claim No. 1” to the Claimant, identifying alleged defects and noting delay in the completion of the works.
- 3.6. On 24 June 2025, the Claimant sent a formal pre-trial claim, appended as Document 4 to the Claim Form, to the Defendant, demanding that the Defendant sign the Certificate of Completed Works and pay the sum of KZT 8,000,000. The pre-trial claim is undated, but it appears from courier records that it was sent to the Defendant on 24 June 2025.
- 3.7. On 15 July 2025, a joint inspection of the works was performed with representatives of both parties attending (Zhubanysh Uzakbayev on behalf of the Claimant, and Serik Issagaliyev, Firat Kocadag and Kairat Irzhanov on behalf of the Defendant).
- 3.8. The Defendant subsequently sent “Claim No.2” to the Claimant dated 15 July 2025. This asserted that the obligations under the Agreement had not been fulfilled, and that the works performed by the Claimant did not comply with the requirements set out in Appendix 1 and 2 to the Agreement. The Defendant demanded that the works be put in order, identified various specific items which required correction, and refused to accept the works.

- 3.9. The parties subsequently liaised with each other in an attempt to resolve their dispute, and various further site visits took place, but the parties were unable to reach agreement.
- 3.10. There is no dispute that the Defendant has subsequently used the Beach Bar to hold events and festivals. The Claimant contends that the Defendant has thereby accepted the works by use; the Defendant contends that such use does not constitute acceptance, but rather reasonable mitigation of its loss.

4. DETERMINATION OF THE MATTERS IN DISPUTE

- 4.1. The Claimant and the Defendant have both submitted a large amount of material in support of their respective positions. The Claimant, in particular, has provided very extensive video, audio and photographic evidence regarding the construction and installation works, which evidence the course of construction, the presence of the Defendant's representatives on site, and interaction with the Defendant's representatives during the construction process. The Defendant has also submitted detailed evidence in support of its case that there were defects and deficiencies in the works, in particular in the defects table dated 21 November 2025, based on the photographic documentation dated 13 June 2025.
- 4.2. I also heard lengthy oral evidence from 6 witnesses at the hearing on 10 June 2026, namely, on behalf of the Claimant: Zhubanysh Uzakbayev (Director of the Claimant), Kairat Irzhanov (Former Head of Procurement at Aktau Tourism City Ltd), Kunyash Abdullayev (Project Engineer); and on behalf of the Defendant: Firat Kocadag (Accountant-Auditor of the Defendant) and Serik Issagaliyev (Managing Director of the Defendant). All of these witnesses were cross-examined, and I had the opportunity to put questions to them. I have had the additional benefit of a video-recording of that hearing which I have reviewed for the purpose of preparing this Judgment.
- 4.3. I have not set out in this Judgment all the material which I have taken into account in reaching the conclusions set out below: as noted above, very extensive material has been provided, and this Judgment would be inappropriately and disproportionately long if I were to identify it all. However, I make clear that I have carefully considered all the material which I was invited to take into account, and considered all the arguments put forward by the parties (in writing and orally) in reaching these conclusions.
- 4.4. The Claimant was required, by the terms of the Agreement, and by Article 654 of the Code, to construct the Beach Bar in accordance with the design documentation, i.e. Appendices 1 and 2 of the Agreement. The first question which I consider is whether the Claimant completed the works in accordance with the contractual requirements of Appendices 1 and 2 and if not, in what respects the works did not comply with the contractual requirements. I note in that regard that, although Appendix 1 and Appendix 2 did set out contractual specifications, these Appendices do not provide very precise details of the structures/furniture/other elements to be constructed, the precise nature and quality of the materials to be used in the construction, and the standard of finish to be achieved. Whilst Appendix 2 contains images, there are no detailed drawings or designs for the structures / furniture / other elements of the work. In my view, the disagreement between the parties about the adequacy of the work done arises, at least to some extent, from the lack of detail and specificity in Appendices 1 and 2.
- 4.5. I accept, on the basis of evidence provided by the Claimant, that the Claimant substantially completed the works in accordance with the contractual requirements set out in Appendices 1 and 2. However, as explained further in paragraphs 4.12 to 4.17 below, I consider there were some respects in which the works did not meet the contractual requirements or were not of satisfactory quality. I also accept

that some details about which the Defendant now complains were approved by a representative of the Defendant, specifically the Chief Engineer, Mr Rinat Abdrakhmanov whilst the works were being undertaken. I do not consider that the Defendant can legitimately complain about those details. It was put to the Claimant's witnesses during cross-examination that Clause 8.1 of the Agreement provided that all changes and amendments will be considered valid only in the event that they are in writing and signed by authorised representatives and no amendments to the Agreement had been agreed and signed by authorised representatives of the Defendant. I accept that there were no such written signed addenda to the Agreement. However, the approvals to which I refer did not constitute changes to the Agreement, so much as detailed instructions in respect of matters not fully or precisely specified in the contractual requirements. I note that Appendix 1 states that "*Detailed instructions regarding the technical task are provided by the Engineer form the Customer's side*", i.e. Mr Rinat Abdrakhmanov. The Defendant accepts that Mr Rinat Abdrakhmanov had authority to give instructions regarding technical tasks, but not to amend the contractual requirements.

- 4.6. The next question which I consider is whether the Defendant accepted the works such that the full contract price became payable pursuant to Clause 3.2 of the Agreement. I do not consider that the Defendant did accept the works in accordance with Clause 3.2 of the Agreement. It is not in dispute that the Defendant did not sign the Certificate of Work Completion signed by the Claimant. In my judgment, the Defendant was justified in refusing to sign the Certificate of Work Completion on the basis that the works did not fully comply with the contractual requirements. I do not agree with the Claimant's submission that the recordings (referred to in paragraph 1.16 above) demonstrate that Mr Rinat Abdrakhmanov inspected and accepted the works on behalf of the Claimant: I agree with the Defendant's submission that what was said by Mr Abdrakhmanov in these recordings (the precise date of which is not clear) does not amount to acceptance of the works on behalf of the Defendant. I also do not agree with the submission that the fact that the Defendant did not appoint an expert examination in June 2025 amounts to acceptance or otherwise confirms that the Claimant fully completed the works. The Defendant sent reasoned refusals to accept the works by Claim 1 on 23 June 2025 and by Claim 2 on 15 July 2025. I also do not consider that the Defendant accepted the works by subsequently using the Beach Bar for commercial purposes, as alleged by the Claimant. I accept the Defendant's contention that such use constituted reasonable mitigation of its losses, and the Defendant cannot be treated as having accepted the works as a result of such use.
- 4.7. In my view, in light of the fact that there are certain defects / deficiencies in the works, the Defendant is entitled to a proportionate reduction in the contract price. Article 635(1) of the Code provides that where a contractor has performed the work with deviations from the contract or other defects which reduce its value, the customer may demand a proportionate reduction of the price established for the work. The Defendant made clear in its Counterclaim that it has elected to seek such a remedy rather than rectification of the defects (as originally sought in its Defence).
- 4.8. However, I do not consider that the Defendant is entitled to the full reduction sought by the Defendant in the Counterclaim, because I do not agree with all the Defendant's complaints regarding the defects in the works, as I explain further below.
- 4.9. For completeness, I note that the Claimant asserted that the construction and installation works was interrupted four times due to events organised by the Defendant, and that this had led to the works being damaged. However, the Claimant did not provide specific evidence of damage and did not submit any claim in respect of the alleged damage.

Alleged defects

4.10. In this Section, I explain my views as to the Defendant's complaints regarding the defects / deviations from the contractual specification. I note that the Defendant has described the defects slightly differently in different documents at different times. In the summary below, I use the Defendant's complaints as set out in Defence, paragraph 25, but I have had regard to all the evidence regarding those defects (in particular in Claim No. 1, Claim No. 2 and the 21 November 2025 inspection act and memorandum).

4.11. Chairs

4.11.1. The Defendant's complaint is that *"the chairs do not comply with the project and are made of low-quality materials. Metal elements are visible, and the wood should be of a higher quality"*.

4.11.2. On the basis of the extensive photographic evidence provided, I consider that the chairs do not comply with the contractual specification. Appendix 2 states "Chair (metal frame; wooden cladding)" and contains an image of a chair which has a fully wooden exterior / appearance. By contrast, in the chairs constructed by the Claimant, the metal frame is visible. Further, the chair appears significantly less solid than the image in Appendix 2, and the wood used does appear to be of poor quality. Whilst Appendix 2 does not expressly stipulate a grade of wood to be used, I do not consider that the wood in fact used was satisfactory. I have seen WhatsApp exchanges between Mr Zhubanysh and Defendant's representative, Mr Abdrakhmanov about the chairs prior to their construction, in which Mr Abdrakhmanov said that the chairs should be constructed in accordance with the contractual specifications. I have seen no evidence that the chairs were inspected and approved by the Defendant's representative.

4.12. Bar structure

4.12.1. The Defendant makes numerous complaints about the bar structure as follows: *"The bar design completely differs from the approved project solution and contains numerous deficiencies. The bar roof is poorly closed, there are cracks and gaps. Wooden elements under the bar counter are made without symmetry, with large gaps. Interior furniture in the bar is in extremely unsatisfactory condition – it's not furniture but simple metal structures. Floor covering is done carelessly with numerous defects, including design errors, incorrect cutting and lack of finishing. Moreover, as seen in the project, the bar structure should not have exposed metal elements, however in all completed works metal parts are clearly visible. Chandeliers and lighting system used in the bar were installed without approval and do not correspond to the project – they represent a cheap and low-quality lighting system."*

4.12.2. I accept some, but not all, of these criticisms of the bar structure:

4.12.2.1. Based on the extensive photographic evidence I have reviewed, there does appear to be poor finishing in the roof, flooring and areas of the bar, and lack of symmetry.

4.12.2.2. The metal frame is exposed in the bar structure, whereas the image in Appendix 2 shows a fully wooden appearance. As I understand it, the Claimant originally constructed the bar structure in wood but was asked by the Defendant's representatives to rebuild with a metal frame but is not clear to me that the Defendant's representatives indicated that the metal frame could or should be visible in the completed structure.

- 4.12.2.3. The precise shape of the chandeliers is somewhat different from that in the images in Appendix 2, but the Defendant's representatives who were on site at the time do not appear to have raised concerns about the shape. Further, the Claimant's (unchallenged) evidence is that 15 chandeliers were installed, rather than the contractually agreed 12 chandeliers and also that this was directly supervised by the Defendant's representatives. I also note that the Claimant's (unchallenged) evidence is also that the Claimant installed significantly more electrical outlets and switches and other electrical features than contractually required.

4.13. Electric garland bulbs

- 4.13.1. The Defendant complains that *"In the outdoor lighting system, not vintage lamps provided in for in the project were used, but simple lamps that do not correspond to project documentation"*.
- 4.13.2. I do not accept this complaint. First, because neither Appendix 1 nor 2 expressly stipulates vintage style bulbs. Appendix 1 states "one ten-meter string of electric bulbs". Appendix 2 states "electric string light bulbs", and gives the quantity as "10 meters, 1 pc (9 pcs)"; whilst the image in Appendix 2 is of a particular light bulb, there is no express requirement that it should be "vintage style". Second, because it appears from the WhatsApp messages that the Claimant introduced into evidence that the Defendant's representative was sent a picture of the light bulb which the Claimant intended to use, and approved that light bulb. Third, because the Claimant's evidence (which was not challenged) is that the Claimant installed at least 30 metres of lighting with 70 LED lights, rather than the one ten-metre string of electric lights with 9 bulbs, required by Appendix 1.

4.14. Bar and kiosk roofs

- 4.14.1. The Defendant complains that *"there are deficiencies in decorative elements of the bar and other kiosks' roofs. Moreover, nails are still openly visible on the bar roof"*.
- 4.14.2. Based on the photographic evidence I have reviewed, I agree there are some deficiencies in the decorative elements of the roofs, although these are relatively minor.

4.15. Bar – chipboard cladding

- 4.15.1. The Defendant's complaint is that *"behind the bar counter, simple chipboard cladding is installed, which looks unaesthetic. ... this part should be decorated with decorative wooden finishing like the kiosks. ... there are serious gaps between kiosk cladding elements, and the finishing is incomplete"*.
- 4.15.2. I accept the complaint that the chipboard cladding behind the bar counter is a deviation from the contractual specification. Item 3 of the Appendix 1 provides that the walls for the bar should be "1st grade pine". Based on the photographic evidence I have reviewed, chipboard cladding has been installed behind the bar counter, not 1st grade pine.
- 4.15.3. As regards the gaps in the kiosk cladding, I agree that some gaps can be seen. However, I do not consider that these are serious or constitute a deviation from the contractual specification.

4.16. Bar - absence of work surface made of artificial stone

4.16.1. The Defendant complains that *“inside the bar there should be a work surface made of artificial stone, however, no work area was created”*.

4.16.2. I accept this complaint. Clause 11 of Appendix 2 to the Agreement provides for the making of a countertop from artificial stone / HPL panel. Based on the evidence I have seen, this has not been constructed.

Proportionate price reduction

4.17. As set out above, I consider that some, but not all, of the complaints which the Defendant makes are justified, and that some rectification work would be required to bring the works into full conformity with the contractual specification.

4.18. The Defendant has submitted two estimates for rectification of the works: one which quotes KZT 7,200,000 for rectification works; the other quotes KZT 6,500,000. By comparison with the contract price for the total construction works of KZT 18,000,000, these quotes seem to me excessive to remedy the relatively limited defects set out above. I also note that the quotes have been prepared in November 2025, after the Beach bar had been used by the Defendant to hold many events / festivals, and that such use will (as the Defendant’s representative, Mr Kirill Sharapov fairly and appropriately acknowledged) have caused some deterioration. I did not permit expert evidence regarding the costs of remedying the defects to be adduced, on the basis that to do so would be disproportionate given the limited amount in dispute. Without such evidence, I must do the best I can to assess an appropriate price reduction. Based on my views regarding the extent of the defects / deficiencies in the works, and based on the fact that the total contract price was KZT 18,000,000, I consider that a reasonable reduction on the contract price to reflect the defects / deficiencies is KZT 3,500,000. Accordingly, I hold that the price should be reduced by KZT 3,500,000 and the Defendant is required to pay the Claimant the remaining KZT 4,500,000.

5. CLAIMS FOR LEGAL EXPENSES

5.1. In its Claim Form, the Claimant includes a claim for legal expenses totalling KZT 800,000.

5.2. The Defendant made an application dated 9 June 2026 for payment of its costs, totalling KZT 1,680,000. The Claimant submitted objections to this application on 9 June 2026.

5.3. By Rule 26.9 of the AIFC Court Rules, the Small Claims Court does not have power to order a party to pay a sum to another party in respect of costs, except (1) for such part of any Court fees as the Small Claims Court considers appropriate, or (2) such further costs as the Small Claims Court may assess by the summary procedure and order to be paid by a party who has behaved unreasonably.

5.4. I consider that it is appropriate that the Claimant recovers the Small Claims Fee of KZT 132,000 from the Defendant, but I do not consider that the Defendant has behaved unreasonably and I therefore conclude that the Defendant is not required to pay any further legal expenses.

5.5. I have carefully considered the Defendant’s application for costs. I accept that the Claimant did not comply with some procedural requirements and deadlines, as detailed in the Defendant’s application for costs. However, I do not consider that the Claimant has behaved unreasonably so as to attract an adverse costs order. I therefore dismiss the Defendant’s application for costs.

6. CONCLUSION

6.1. For the reasons set out above, the Claimant is entitled to judgment in the following sums:

6.1.1. Payment of the sum of KZT 4,500,000;

6.1.2. Payment of the Court Fee of KZT 132,000.

6.2. For the reasons set out above, THE COURT ORDERS THE DEFENDANT TO PAY THE SUM OF KZT 4,632,000 TO THE CLAIMANT WITHIN 28 DAYS FROM TODAY'S DATE.

By Order of the Court,

Josephine Higgs KC,
Justice, AIFC Small Claims Court

Representation:

The Claimant was represented by Mr Zhubanysh Uzakbayev, Director, Samruk Service Group LLP.

The Defendant was represented by Mr Kirill Sharapov, Partner, law firm ALC Attorneys LLP.