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WEB C **KRISHNAN RAMASAMY, J.,**

In the present case, this Court issued notice to the respondents and also granted an order of interim injunction against the respondent vide order dated 17.04.2024, which reads as follows:

“The applicant, M/s.Mycon Construction Ltd., has filed this Application seeking for an interim injunction restraining the second respondent, Bank, its men, agents and all persons claiming through or under them, from releasing the funds to the tune of Rs.1,17,23,400/- mentioned in the security deposit cum performance bank guarantee bearing No.017521GL0006223 dated 13.11.2023, in favour of the first respondent, pending adjudication of disputes between the parties.

2. The case of the applicant is that, Southern Railway awarded a Principal Contract work to the first respondent, Engineering Projects (India) Ltd., who in turn, awarded sub-contract work in favour of the applicant, and contract agreement was entered into between the applicant and the first respondent on 25.01.2024, and the completion date envisaged under the subject contract was 28.02.2025. As per the terms of the subject contract, the work has taken effect from



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28.09.2023, i.e. 15th day from the date of issue of Letter of Intent (LOI) dated 13.09.2023. However, all of a sudden, the first respondent sent a notice dated 06.03.2024, thereby, terminating the contract and in pursuance thereof, the second respondent issued a letter to the applicant dated 16.04.2024, regarding the invocation of the bank guarantee by the first respondent.

3. Mr.Anirudh Krishnan, the learned counsel appearing for the applicant would submit that soon after issue of LOI, dated 13.09.2023, the applicant had immediately mobilized its resources and commenced the execution of work, however, the applicant could not deploy required manpower and materials/machinery, since the first respondent failed to handover hindrance free site to the applicant and there was also delay in issue of drawings, which hampered the performance of work by the applicant.

3.1 Therefore, the learned counsel contended that owing to the delay attributable on the part of the first respondent in not handing over the site with right of way and delay in issue of drawings, the applicant was not in a position to begin the work and owing to the massive delay and unsatisfactory progress by the first respondent in execution of its Principal



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Contract, the Southern Railway had terminated the Principal Contract vide Termination notice dated 05.03.2024, and immediately after such termination, the first respondent had issued termination notice to the applicant dated 06.03.2024 and proceeded to invoke the bank guarantee issued in their favour. Hence, the learned counsel prayed for interim injunction.

4. Considering the submission made by the learned counsel for the applicant, this Court is of the view that the applicant has made out a prima facie case and balance of convenience is in their favour, and therefore, the applicant is entitled to an order of interim injunction.

5. Accordingly, there will be an order of interim injunction. Notice to the respondents returnable by 03.06.2024 Private notice is also permitted.

Post the matter on 03.06.2024.”

2. The notice, ordered by this Court, was served to the respondents and the names of the respondents were also printed in the cause list. However, today there is no representation on behalf of the respondents, which shows that they are not interested in contesting this matter.



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3. Therefore, considering the submissions made by the learned counsel for the applicant and in view of the interim order passed by this Court, this Court is satisfied and is inclined to make the said interim order as absolute. Accordingly, the interim order already granted by this Court vide order dated 17.04.2024 is made absolute.

4. With the above directions, this original application is disposed of.

26.06.2024

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