



IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated:18.11.2025

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CORAM

THE HONOURABLE Dr.JUSTICE G.JAYACHANDRAN
and
THE HONOURABLE MR.JUSTICE MUMMINENI SUDHEER KUMAR

O.S.A.(CAD)No.109 of 2025

and

C.M.P.No.26046 of 2025

M/s Green Warrior,
A partnership firm rep.by
its Vice President cum Authorised Signatory
No.14, 4th Street, K.K.Nagar,
Manavala Nagar,
Thiruvallur-602 002.

..Appellant/Third party/Third party/Third party

/versus/

1.M/s Ourland Engineering Works Pvt.Ltd.,
Rep.by its Director Mr.P.S.Sivaguru,
rd
3 Floor, Atlanda Towers,
25, Thirumalai Pillai Road,
T.Nagar, Chennai 600 017.

st
..1 Respondent/Applicant/Applicant/Petitioner

2.The Commissioner,
Thiruverkadu Municipality
Sivan Koil Road, Thambusamy Nagar,
Thiruverkadu, Tamil Nadu 600 077.

3.The Director of Municipal Administration,
Directorate of Municipal Administration,



75, Urban Administrative Building,
Santhome High Road, MRC Nagar,
Raja Annamalaipuram,
Chennai 600 028.

..2nd and 3rd respondents/1st and 2nd respondents/
1st and 2nd respondents/1st and 2nd respondents

Original Side Appeal has been filed under Section 13 of Commercial Courts Act read with Order XXXVI, Rule 9 of OS Rules to set aside the order dated 12.09.2025 passed in A.No.2128 of 2025 in O.A.No.11 of 2025 in Arb.O.P.(Commercial Division) No.21 of 2025 on the file of the Original Side of this Hon'ble court.

For Appellant :Mr.E.Omprakash, Senior Counsel for
Mr.K.Selvamani

For Respondents :Mr.V.P.Senguttuvel, Senior Counsel for
Mr.Karthikeyan for R1
Mr.P.Srinivas for R2
M/s Aswini Devi.K., AGP for R3

J U D G M E N T

(Judgment of the Court was made by Dr.G.Jayachandran,J.)

M/s.Ourland Engineering Works Private Limited, the successful bidder, in the tender floated by Thiruverkadu Municipality, has executed the work of solid waste management from June 2023 to June 2024. Thereafter, the contract was extended for a further period of one year. As per the terms of the contract, it is renewable for up to three years.



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2. While so, the Municipality issued a notice to the Contractor alleging improper execution of the work. Consequently, the Contractor had issued notice under Section 21 of the Arbitration and Conciliation Act, 1996 (in short “the Act”) for amicable resolution and the Contractor filed an application in Arb.O.P.No.21 of 2025 for appointment of an Arbitrator as per the tender conditions. On 19.02.2025, an Arbitrator was appointed and requested the Municipality to commence the arbitration proceedings. However, the Municipality issued a termination notice on 17.12.2024, despite the fact the Contractor initiated arbitration proceedings. On the next day, a fresh tender was floated for choosing a new contractor for the work of solid waste management.

3. The Contractor invoking Section 9 of the Arbitration and Conciliation Act, 1996 has filed O.A.No.11 of 2025 seeking an interim injunction restraining the Municipality from calling for any new tender and permitting the contractor to continue the work, as per the work order issued in his favour on 14.06.2023.

4. The Learned Single Judge of this Court on 22.01.2025, in O.A.No.11 of 2025 passed the following order:-

“The learned counsel for the respondent/Commissioner of Municipality undertakes to file



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counter affidavit. He further undertakes that no coercive steps shall be initiated against the applicant, till the hearing of the application.

2.Post the matter after two weeks for filing counter affidavit.”

5. This order was passed, based on the undertaking given by the Municipality that they will not take coercive steps against the Contractor till the hearing of the application and the same was extended for further period of three weeks from 05.03.2025 permitting the Contractor to seek interim relief to protect their interest under Section 17 of the Arbitration and Conciliation Act, 1996 before the Arbitrator appointed by the Court, vide order dated 19.02.2025 in Arb.O.P.(Com.Div.)No.21 of 2025. Alleging that the Commissioner of Thiruverkadu Municipality had committed breach of the order passed by the learned Single Judge in O.A.No.11 of 2025, dated 05.03.2025, the Contractor has filed an application in A.No.2128 of 2025 under Order 39, Rule 2A of C.P.C., to punish the respondents for wilful disobedience of the final order passed by this Court in O.A.No.11 of 2025, dated 05.03.2025.

6. For the sake of convenience, the said order dated 05.03.2025 in O.A.No.11 of 2025 which alleged to have been breached is extracted as below:-

“Since the Court has already appointed an Arbitrator in Arb.O.P.(Com.Div.)No.21 of 2025 by this



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Court's order dated 19.02.2025, the undertaking given by the respondents that they shall not take coercive steps against the applicant, which was recorded in O.A.No.11 of 2025, shall stand extended for a further period of three weeks from today to enable the applicant to seek interim reliefs to protect their interest under Section 17 of the Arbitration and Conciliation Act before the Arbitrator appointed by this Court.

2.In terms of the above directions, O.A.No.11 of 2025 is disposed of.”

7. In this application, the Commissioner of Thiruverkadu Municipality and the Director of Municipal Administration, are the respondents against whom the wilful disobedience of the final order passed by the Court.

8. The learned Single Judge, who heard the present application under Order XXXIX, Rule 2A of the C.P.C., was neither the Judge, who passed the first order dated 22.01.2025, nor the learned Single Judge, who passed the final order on 05.03.2025, heard the matter, only because he was the roaster Judge at that point of time.

9. Taking note of the fact that the Corporation has floated the tender soon after terminating the contract with M/s.Ourland Engineering Works Pvt.Ltd.,



and thereafter had awarded the contract to M/s Green Warrior of Thiruvallur, the appellant herein, the learned Single Judge held that the award of the contract in favour of a new contractor is non est in the eye of law, since it was done in the teeth of the interim order, that was passed by this Court. The learned Single Judge had gone further and held that no work order was issued in favour of the new contractor. The present appeal is filed by the new contractor namely, M/s.Green Warrior for consideration.

10. The learned Senior Counsel appearing for the appellant contended that in a proceeding initiated under Order XXXIX, Rule 2A of C.P.C. alleging breach of the order passed by this Court, the learned Single Judge, who passed interim order, had interpreted the expression 'not to take coercive steps' and gone further to annul the contract given to the appellant, namely, M/s Green Warrior. This order of annulling the work contract is against all principles of law, since the appellant M/s Green Warrior was not heard before annulling the contract.

11. He further submitted that the learned Single Judge has misunderstood the dictum laid down by the Hon'ble Supreme Court in ***CELIR LLP v. Sumati Prasad Baffna and others, reported in [2025 1 MLA 193]***, which had made an



observation that the Court has the power of restitution, apart from annulling the transaction between the parties and that the parties can be put back to the original position to annul the contract with the appellant, who is not a party to any of the proceedings pending. Hence, he submitted that the order of the learned Single Judge dated 19.02.2025 is vitiated as it is in violation of law and natural justice principle. The Commissioner and the Director of Municipal Administration represented through their counsel and submitted that Thiruverkadu Municipality engaged M/s.Ourland Engineering Works Private Limited for executing the work of Solid Waste Management. Their contract was terminated by issuing notice and thereafter, a fresh tender process commenced. Meanwhile, the said M/s.Ourland Engineering Works Private Limited invoking Section 9 of Arbitration and Conciliation Act, 1996 came before this Court and sought for interim injunction in this application. This Court on 22.01.2025 recording the undertaking given by the Municipality that no coercive steps will be initiated against the appellant, adjourned the matter. The contractor after this order from 31.01.2025 voluntarily abandoned from carrying on the work of solid waste management.

12. Considering the nature of the work and the public interest involved, the Corporation had taken up the work of solid waste management. By that



time, the tender process was floated, scrutinised and the appellant herein namely, M/s.Green Warrior was awarded the contract. In the said tender process, M/s Ourland Engineering Works Private Limited had also participated but its bid was rejected and the same was uploaded in the website of the Corporation. After having voluntarily stopped the work from 31.01.2025 and having failed the tender, an application in A.No.2128 of 2025 filed alleging breach of order dated 05.03.2025. The learned Single Judge has not considered the subsequent development and voluntarily abandoned the work by the Contractor, M/s Ourland Engineering Works Private Limited and had erroneously nullified the work order awarded to the appellant.

13. The Learned Counsel appearing for first respondent-M/s Ourland Engineering Works Private Limited submitted that the conduct of the Municipality is in gross violation of the order passed by this Court and it warranted to nullify the award of work to the appellant-M/s.Green Warrior. The Learned Single Judge has rightly observed that the expression “no coercive action will be taken” to be read with the prayer sought in the application. The conduct of the Municipality, in spite of giving an undertaking, proceeded with the tender process and allotted the tender in favour of the appellant herein, amounts to a clear breach. Any violation of the undertaking is tantamount to a



violation of the order passed by this Court and such breach squarely attracts Order XXXIX, Rule 2A of C.P.C.

14. To buttress his argument, the learned counsel appearing for the first respondent-M/s.Ourland Engineering Works Private Limited rely upon the following judgments:

(i)Century Flour Mills Ltd and another v. S.Suppiah and another reported in (1975) 45 Comp Cas 444(FB);

(ii)Noorali Babul Thanewala v. K.M.M.Shetty and others reported in [(1990)1 SCC 259];

(iii)Kalyan Singh, London Trained Cutter, Johri Bazar, Jaipur v. Smt.Chhoti and others reported in [(1990)1 SCC 266];

(iv)State Bank of India and others v. Dr.Vijay Mallya reported in [(2024) 12 SCC 85];

(v)Balwantbhai Somabhai Bhandari v. Hiralal Somabhai Contractor (deceased) represented by LTS and others reported in [(2023) 17 SCC 545];

(vi)Celir LLP v. Sumati Prasad Bafna and others reported in [2024 SCC Online Sc 3727]



15. Out of which, the most appropriate judgment, in our opinion, is

Balwantbhai Somabhai Bhandari v. Hiralal Somabhai Contractor (deceased)

represented by LTS and others reported in [(2023) 17 SCC 545], wherein the

Hon'ble Supreme Court has observed as below:

“74.An undertaking or an assurance given by a lawyer based upon which the court decides upon a particular course of action would definitely fall within the confines of “undertaking” as stipulated under Section 2(b) of the 1971 Act and the breach of which would constitute “Civil contempt”. As held in M.V.Home Office [(1992)2 WLR 73 (CA)], relied upon by this Court in Rama narang [Rama Narang v. Ramesh Narang[(2006) 11 SCC 114], that if a party or solicitor or counsel on his behalf, so as to convey to the Court a firm conviction that an undertaking is being given, that party will be bound and it will be no answer that he did not think that he was giving it or that he was misunderstood. The breach of an undertaking given to a Court by a person in a pending proceeding on the faith of which the Court sanctions a particular course of action is misconduct amounting to contempt.

75.In our view, the high Court was justified in saying while holding the appellants guilty of civil cotnempt that but for the undertaking, the respondents in Special Civil Application No.16266 of 2013 who were the appellants in the LPA (Stamp) No.1196 of 2015(respondents before this Court) would not have withdrawn the appeal as not pressed.

76. The High Court is right in saying that it is this undertaking given to the Court on 14.10.2015 that



persuaded the respondents herein to withdraw the said appeal and it is such solemn assurance given to the Court which per forced them to withdraw the appeal by recording the statement made by the learned Senior Counsel appearing on behalf of the contemnors.

77. Thus, the wilful breach of an assurance in the form of an undertaking given by a counsel/advocate on behalf of his client to the Court would amount to “civil contempt” as defined under Section 2(b) of the 1971 Act.”

16. Heard the learned Senior Counsels on either side and examined their submissions, in the light of the impugned order and the judgments cited.

17. It is the case, where the Contractor, being aggrieved by the termination, had come to the Court invoking Section 9 of the Arbitration and Conciliation Act, 1996 seeking interim protection. This Court, on considering the prayer and the facts as found in the affidavit of the Contractor and on recording the undertaking given by the Municipality that they will not take any coercive steps against the Contractor, had adjourned the matter for further adjudication. Between the interim order dated 21.01.2025 and the final order dated 05.03.2025 in O.A.No.11 of 2025, several events took place. A few of them which are very relevant for this case are as below:-

After the order dated 21.01.2025, the Contractor himself stopped working from 31.01.2025 and they participated in the tender floated by the Municipality.



The result of the technical round for the tender was uploaded on the website on 07.03.2025. Thereafter, the first respondent M/s Our land Engineering Works Private Limited issued a contempt notice.

18. In view of the appointment of the Arbitrator, the application in O.A.No.11 of 2025 was disposed of on 05.03.2025 with the following observations:-

“Since the Court has already appointed an Arbitrator in Arb.O.P.(Com.Div.)No.21 of 2025 by this Court's order dated 19.02.2025, the undertaking given by the respondents that they shall not take coercive steps against the applicant, which was recorded in O.A.No.11 of 2025, shall stand extended for a further period of three weeks from today to enable the applicant to seek interim reliefs to protect their interest under Section 17 of the Arbitration and Conciliation Act before the Arbitrator appointed by this Court.

2.In terms of the above directions, O.A.No.11 of 2025 is disposed of.”

19. Thereafter, the old Contractor namely, M/s Ourland Engineering Works Private Limited had filed an application in O.A.No.3 of 2025 before the Arbitrator seeking permission to continue their work and that application was dismissed on 11.08.2025. Thereafter, Application No.2128 of 2025 filed under



Order XXXIX, Rule 2A of the C.P.C., for wilful disobedience of the final order passed by this Court in O.A.No.11 of 2025 was disposed of on 05.03.2025.

From the dates and events, it would be easily seen that M/s.Ourland Engineering Works Private Limited, without any pale of doubt was given protection by this Court dated 22.01.2025 from any coercive action.

20. The learned counsel appearing for M/s.Ourland Engineering Works Private Limited submitted that from 31.01.2025 they were not allowed to work, however their men and material were used by the Corporation. If that is so, M/s.Ourland Engineering Works Private Limited ought to have initiated proceedings against the Municipality soon thereafter. It is candidly admitted by them that from 31.01.2025 they are not involved in the work of solid waste management of Thiruverkadu Municipality.

21. In such circumstances, the alleged use of their work and waiver of the protection given by this Court by way of interim order dated 22.01.2025 coupled with the belated application alleging breach of the order, after being an unsuccessful bidder in the tender, would clearly show that this application is *per se* intended to harass the municipality, which has no other alternative remedy, except to engage an agency to continue the work of solid waste management.



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22. We find that the learned Single Judge, in the impugned order was totally incorrect in taking note of the fact that the expression of 'no coercive steps' does not mean that the Municipality cannot engage any agency even if M/s Ourland Engineering Works Private limited failed to carry on the work. He has also exceeded his jurisdiction by annulling the contract given to the appellant herein who was not a party in the proceedings.

23. Order XXXIX, Rule 2A of C.P.C reads as below:-

2A. Consequence of disobedience or breach of injunction.—

(1) In the case of disobedience of any injunction granted or other order made under rule 1 or rule 2 or breach of any of the terms on which the injunction was granted or the order made, the Court granting the injunction or making the order, or any Court to which the suit or proceeding is transferred, may order the property of the person guilty of such disobedience or breach to be attached, and may also order such person to be detained in the civil prison for a term not exceeding three months, unless in the meantime the Court directs his release.

(2) No attachment made under this rule shall remain in force for more than one year, at the end of which time, if the disobedience or breach continues, the property attached may be sold and out of the proceeds, the Court may award such compensation as it thinks fit to the injured party and shall pay the balance, if any, to the party entitled thereto.



24. In paragraph No.25 of the impugned order, the Learned Single Judge had referred about two options available under order XXXIX Rule 2A of the Code. The second option, which he has mentioned is something not available in the Court but only in his own interpretation. For the sake of convenience, the said observation of the learned Single Judge is extracted as blow:-

“25. Considering the submissions made by the learned counsel for applicant and also taking note of the above judgment, this Court is broadly left with two options. The first option is to proceed further to impose the punishment under Order XXXIX, Rule 2-A of the Code, which provides for attachment of the property and also for the detention of the concerned person in civil prison for a term not exceeding three months unless in the meantime the Court directs his release. The second option is to set at naught the fresh tender that was called for by the respondents and cancel the work order that was issued in favour of the new contractor.”

25. Neither the statute nor the decision of the Hon'ble Supreme Court cited by the learned Single Judge, contemplates a prejudicial order against a third party who is not a litigant before it. For the said reason, this Court is inclined to allow the appeal by setting aside the order passed by the learned Single Judge in A.No.2128 of 2025. We hold that Tiruverkadu Municipality, by their action in discharge of public duty, had not committed any breach of the order passed by this Court in A.No.2128 of 2025.



26. The Learned Counsel appearing for the first respondent submitted that a fresh application under Section 17 of the Arbitration and Conciliation Act, 1996, has been preferred before the Arbitrator and any observation made by this Court in this order shall not prejudice the Arbitrator.

27. In the result, this Original Side Appeal is allowed. The order passed by this Court in A.No.2128 of 2025 dated 12.09.2025 is hereby set aside. We make it clear that we have examined only the legality of the order passed by the learned Single Judge in O.S.A.No.2128 of 2025 and any observation made herein is confined to this application and shall have no bearing in deciding the pending application before the Arbitrator. Consequently, connected Miscellaneous Petition is closed. No costs.

(Dr.G.J.J.) & (M.S.K.J.)
18.11.2025

Index:yes/no

Internet:yes/no

Speaking order/non speaking order

Neutral citation:yes/no

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To:

1. The Commissioner,
Thiruverkadu Municipality,
Sivan Koil Road, Thambusamy Nagar,
Thiruverkadu, Tamil Nadu 600 077.

2. The Director of Municipal Administration,
Directorate of Municipal Administration,
75, Urban Administrative Building,
Santhome High Road, MRC Nagar,
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