



**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

125

CR-502-2025

Date of decision: 02.04.2025

M/S EURO SECURITY AND PLACEMENT PVT LTD

...Petitioner

VERSUS

M/S DE DIAMOND ELECTRIC INDIA PVT LTD

...Respondent

CORAM : HON'BLE MR. JUSTICE SUVIR SEHGAL

Present: Mr. Bhwnesh Lakhera, Advocate
for the petitioner.

Mr. Ashish Chaudhary, Advocate
for the respondent.

SUVIR SEHGAL, J.

1. Petitioner/plaintiff has approached this Court by way of instant revision petition assailing order dated 15.01.2025 (Annexure P-8) whereby an application filed under Order 39 Rule 1 & 2 CPC has been dismissed.

2. Counsel for the petitioner contends that the Appellate Court has erred in reversing order dated 13.12.2024 (Annexure P-6) passed by the trial Court whereby respondent/defendant was restrained from terminating the agreement dated 03.04.2024 (Annexure P-1). He further submits that the petitioner had been providing manpower service to the respondent under agreement (Annexure P-1) entered into between them, but without adhering



to its terms, by email dated 01.10.2024 (Annexure P-3), respondent illegally terminated the agreement. It is his case that the respondent could not terminate the agreement without giving a 30 days notice as stipulated in the agreement. Placing reliance upon “*Mukta Sharma Vs. U.P. Industrial Corporation Association Ltd.*” : 2002 (1) PLR 804, counsel has urged that the Appellate Court has erred in holding that the dispute should have been referred to an arbitrator under Section 8 of the Arbitration and Conciliation Act, 1996 as an application for reference of dispute to Arbitrator cannot be entertained after the filing of the written statement by the respondent.

3. Per contra, while supporting the judgment passed by the Appellate Court, counsel for the respondent submits that the agreement (Annexure P-1) was for a period of one year and has expired on 31.03.2025. It is his categorical stand that at this stage, no injunction can be granted to the petitioner.

4. I have heard counsel for the parties and considered their respective submissions besides analyzing the documents placed on the record.

5. An agreement dated 03.04.2024 (Annexure P-1) was entered into between the parties whereby petitioner undertook to carry out all jobs pertaining to the specialized activity at the Bawal Factory of the respondent. This contract agreement was valid for a period of 12 months from 1st April, 2024 to 31st March, 2025. Either of the parties could terminate the contract by serving one month’s notice in writing. Clause 4 of the agreement further provides that in case of non-compliance or breach of any of the terms of the contract, unsatisfactory performance or insufficient working, etc. respondent



was at liberty to outrightly revoke the contract without giving any notice and in such an event, the petitioner would have no claim for compensation whatsoever. By an email dated 01.10.2024 (Annexure P-3), respondent terminated the contract and discontinued the services of the petitioner, who filed a suit (Annexure P-2) for permanent injunction and sought a decree for declaration to the effect that the e-mail being null and void is not binding upon the petitioner, who can enforce the contract till its expiry. An application for grant of temporary injunction was accepted by the trial Court vide order - Annexure P-6 but it has been reversed in appeal by the Appellate Court.

6. Clause 2 of the agreement (Annexure P-1) provides the period of the contract and reads as under:

*"2. **Period of Contract-** This contract will be valid for a period of 12 months i.e., from 1st April 2024 to 31st March, 2025. It shall stand automatically terminated after the expiry of the period, if not extended by us."*

7. Concededly, the contract period is already over. Petitioner, therefore, is not entitled to the relief of temporary injunction. However, the legality and validity of the termination is subject-matter of the suit which will be decided by the trial Court in due course. The judgment of a Coordinate Bench of this Court in *Mukta Sharma's* case (supra) relied upon by the counsel for the petitioner has no relevance for adjudicating an application under the Order 39 Rule 1 & 2 CPC. Balance of convenience is not in favour of the petitioner nor has he likely to suffer any irreparable loss.



There is no irregularity or illegality in the order passed by the learned Additional District Judge, Rewari.

8. Petition being devoid of merits is dismissed with no order as to costs.

02.04.2025

Nisha Yadav

**(SUVIR SEHGAL)
JUDGE**

Whether reasoned/speaking?

Yes/No

Whether reportable?

Yes/No