



MSM, Ranhill Legal Dispute Enters Case Management

By **Editor** - April 10, 2025



MSM Malaysia Holdings Berhad has offered details on the legal dispute between its wholly-owned subsidiary, MSM Sugar Refinery (Johor) Sdn Bhd (MSM Johor), is involved in a legal suit with Ranhill Water Technologies Sdn Bhd.

The legal dispute began on July 26, 2024, when RWT initiated the suit. MSM Johor responded by filing its Defence and Counterclaim on September 3, 2024. RWT then filed its Reply to the Defence and Defence to MSM Johor's Counterclaim on October 4, 2024, and MSM Johor filed a Rejoinder on November 15, 2024.

The suit concerns a project where RWT was contracted by MSM Johor to upgrade an Industrial Effluent Treatment Plant. MSM Johor terminated the contract on July 2, 2024, alleging that the project failed due to RWT's refusal to rectify or replace faulty equipment.

RWT's claims include:

- Payment of RM2,792,819.00 for completed works.
- Payment of RM669,362.00 for additional/variation works.
- General damages.
- Declarations regarding the completion date of works.
- A declaration that MSM Johor cannot impose liquidated ascertained damages.
- A declaration that the termination notice was invalid.
- Interest and legal costs.

MSM Johor's Counterclaim includes:

- RM4,401,003.09 for replacement costs, remedial works, and liquidated ascertained damages.
- RM27,625,797.39 per month for costs incurred from the termination date until rectification is completed.
- Alternative claims for various costs, including replacement and rectification, diminution in value, liquidated damages, and other related expenses.
- Interest and legal costs.

MSM Holdings Berhad stated that the legal suit will not have a material operational or immediate financial impact on the company. The company has appointed Messrs. Belden to represent MSM Johor.

Both parties are reportedly working towards an amicable resolution, with a case management scheduled for April 11, 2025.

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