



Arb.O.P.(Com.Div.)No.105 of 2025 and
O.A.No.113 of 2025

WEB COPY IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 01-04-2025

CORAM

THE HONOURABLE MR JUSTICE ABDUL QUDDHOSE

Arb.O.P.(Com.Div.)No.105 of 2025

and

OA No. 113 of 2025

United Plantation Limited
rep. by Mr.K.Anand
Deputy General Manager-Operations,
78, Cheran Towers,
Government Arts College Road,
Coimbatore-641018.

.. Petitioner

Vs

1. Vista Equipments and Machines Pvt Ltd
Rep.by its Managing Director,
No.17, Thillai Nagar, Extension,
Pollachi Main Road,
Echanari, Coimbatore 641021.

2. Mr.R.Velmurugan,
No.17, Thillai Nagar, Extension,
Pollachi Main Road,
Echanari, Coimbatore 641 021.

..Respondents



Arb.O.P.(Com.Div.)No.105 of 2025 and
O.A.No.113 of 2025

WEB COPY

For Applicant: Mr.Thiageswaran
for M/s.Vadiraj Anirudh S G

For Respondent(s): R1 & R2 - set exparte

COMMON ORDER

O.A.No.113 of 2025 has been filed under Section 9 of the Arbitration and Conciliation Act seeking for a direction to the respondents to furnish security for a sum of Rs.3,82,97,038/- within a time to be fixed by this Court, failing which, attach the property morefully described in the schedule to the judges summons.

2. Arb.O.P.(Com.Div.)No.105 of 2025 has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 (in short “the Act”) seeking for appointment of an Arbitrator by this Court.

3. In the forthcoming paragraphs, the parties will be referred to as arrayed in Arb.O.P.(Com.Div.) No.105 of 2025.



Arb.O.P.(Com.Div.)No.105 of 2025 and
O.A.No.113 of 2025

WEB COPY

4. There seems to be a dispute between the petitioner and the respondents arising out of the consent agreement dated 19.04.2022. The said consent agreement contains an arbitration clause. The petitioner has invoked arbitration in accordance with the arbitration clause by issuing notice to the respondents on 18.08.2022 in compliance with Section 21 of the Act. Thereafter, the petitioner and the respondents have entered into a compromise dated 08.03.2024, which has been recorded through the minutes dated 08.03.2024. In the said meeting, the petitioner and the first respondent were present, and the first respondent has acknowledged that the petitioner has suffered damages to the tune of Rs.1,27,14,627/- on account of defective supply of machineries to the petitioner by the 1st respondent. The cheques issued as per the minutes of the meeting dated 08.03.2024 by the 1st respondent to the petitioner have also been returned dishonoured as seen from the documents filed along with this petition. Once again, on 06.07.2024, after the cheques got dishonoured, the petitioner has invoked arbitration on 06.07.2024 by issuing notice to the respondents in compliance of Section 21 of the Act. However, no reply has been received from the respondents for the same.



Arb.O.P.(Com.Div.)No.105 of 2025 and
O.A.No.113 of 2025

WEB COPY

5. Notice in O.A.No.113 of 2025 has been duly served on the respondents, but, till date, no one has entered appearance on their behalf. Hence, the respondents in O.A.No.113 of 2025 are set exparte. Similarly, in Arb.O.P.(Com.Div.)No.105 of 2025, as directed by this Court, the petitioner has effected substituted service on the respondents by effecting paper publication. However, despite the same, no one has entered appearance on behalf of the respondents in Arb.O.P.(Com.Div.)No.105 of 2025 as well. The names of the respondents are also printed in the cause list today. Therefore, the respondents in Arb.O.P.(Com.Div.)No.105 of 2025 are also set exparte by this Court.

6. In O.A.No.113 of 2025, the petitioner seeks for a direction to the respondents to furnish security for a sum of Rs.3,82,97,038/- within a time frame to be fixed by this Court, failing which, to attach the property morefully described in the schedule to the judges summons.

7. Admittedly, the claim of the petitioner is a damage claim. The petitioner claims that defective equipments were supplied by the respondents.



Arb.O.P.(Com.Div.)No.105 of 2025 and
O.A.No.113 of 2025

WEB COPY Being a damage claim, a direction can be issued to the respondents only to the extent of the admitted liability made by the first respondent, which is confirmed through the minutes of the meeting dated 08.03.2024. In the said meeting held on 08.03.2024, both the petitioner and the respondents were present, whereby it was recorded that the first respondent had supplied defective machineries to the petitioner, and in view of the same, the first respondent had acknowledged and agreed to pay a sum of Rs.1,27,14,627/- to the petitioner on account of financial and production loss caused to the petitioner. Therefore, this Court can only direct the respondents to furnish security to the extent of Rs.1,27,14,627/- and not anything more at this stage.

8. Admittedly, there exists an arbitration clause in the consent agreement dated 19.04.2022, which is the subject matter of dispute between the parties. The same is extracted hereunder.

In case of any dispute or difference or mutual claims accruing or arising from this Agreement and on all matters incidental or related thereto, shall be resolved initially by means of mutual discussion, deliberation, etc., and on its failure, the same shall



Arb.O.P.(Com.Div.)No.105 of 2025 and
O.A.No.113 of 2025

WEB COPY

be resolved by means of the arbitration, to be regulated in accordance with the provisions of the Indian Arbitration and conciliation Act, 1996, the seat of Arbitration is in Chennai.

9. The petitioner has also invoked arbitration in accordance with the aforementioned arbitration clause by issuing notice to the respondents on 06.07.2024 in compliance with section 21 of the Act. Despite the same, the respondents have not sent any reply or agreed for arbitration. Since there is no consensus between the parties with regard to the name of the Arbitrator and since there exists an arbitration clause in the subject matter of the contract and since the petitioner has complied with the requirement of Section 21 of the Act, this Court will have to necessarily appoint an Arbitrator as prayed for in Arb.O.P.(Com.Div.)No.105 of 2025. Accordingly, the following directions are issued by this Court.

(a) The respondents are directed to furnish security to the extent of Rs.1,27,14,627/- within a period of three weeks from the date of receipt of a copy of this order, failing which,



Arb.O.P.(Com.Div.)No.105 of 2025 and
O.A.No.113 of 2025

WEB COPY

this Court shall consider ordering attachment of the property morefully described in the schedule to the judges summons as sought for in O.A.No.113 of 2025.

(b) Arbitration O.P.No.105 of 2025 is allowed as prayed for by appointing the Hon'ble Mr.Justice N.Kirubakaran, former Judge of this Court, residing at No.36, 2nd cross street, Rayala Nagar, Ramapuram, Chennai-89 (Mobile No.9445025454) as the sole Arbitrator to adjudicate the dispute between the parties arising out of the aforesaid Consent Agreement dated 19.04.2022.

(c) The Arbitrator shall be paid his remuneration/fees in accordance with the 4th schedule of the Arbitration and Conciliation Act, 1996.

(d) Both the parties shall equally share the arbitrator's fees.

(e) The Arbitrator shall conduct the arbitration in accordance with the provisions of the Arbitration and



Arb.O.P.(Com.Div.)No.105 of 2025 and
O.A.No.113 of 2025

WEB COPY

Conciliation Act, 1996 and shall complete the
arbitration within the specified time as prescribed under
the said Act.

Post the matter for reporting compliance in O.A.No.113 of 2025 on
24.04.2025.

01.04.2025

Index:yes/no
Neutral citation:yes/no
vsi

To

1. Vista Equipments and Machines Pvt Ltd
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Arb.O.P.(Com.Div.)No.105 of 2025 and
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ABDUL QUDDHOSE,J.

Vsi

Arb.O.P.(Com.Div.)No.105 of 2025
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