

Arbitration Application Nos.260, 261 & 821 of 2025 & Application No.3148 of 2025 in
O.A.No.634 of 2025 & Application No.3149 of 2025 in Arbitration Application No.821/2025
& Original Application No.634 of 2025

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 25.09.2025

CORAM

THE HONOURABLE MR.JUSTICE N.ANAND VENKATESH

Arbitration Application Nos.260, 261 & 821 of 2025

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Application No.3148 of 2025 in O.A.No.634 of 2025

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Application No.3149 of 2025 in Arbitration Application No.821/2025

&

Original Application No.634 of 2025

Arb.Appln.Nos.260 & 261 of 2025

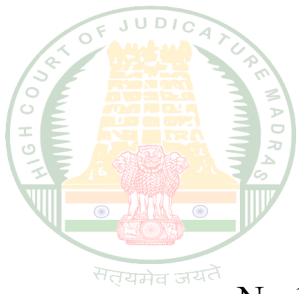
White Cloud Shipping Pte. Ltd.,
represented by its Director,
Mr.Husain Kitabi,
17, Phillips Street, #05-01,
Grand Building,
Singapore – 048 695.

.... Applicant in both applications

Vs.

1.Garuda Mineralia Private Limited,
(formerly known as Garuda Mud
Drilling Chemicals Private Limited),
Plot No.33B, Gajulamandyam Industrial
Estate, Renigunta Mandal,
Tirupathi Rural,
Andhra Pradesh – 517 520.
represented by its Director

2.ICICI Bank Limited,



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No.18 1 47 B, Balaiah Complex,
KT Road, Tirupati,
Andhra Pradesh – 517 507.
represented by its
Branch Manager

.... Respondents in both applications

Arb.Appln.No.821 of 2025

White Cloud Shipping Pte. Ltd.,
17, Phillips Street, #05-01,
Grand Building,
Singapore – 048 695.
represented by its Director,
Mr.Hussain Kitabi

.... Applicant

Vs.

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(formerly known as Garuda Mud
Drilling Chemicals Private Limited),
Plot No.33B, Gajulamandyam Industrial
Estate, Renigunta Mandal,
Tirupathi Rural,
Andhra Pradesh – 517 520.
represented by its Director

2.Chennai Port Authority,
No.1, Rajaji Salai,
Chennai – 600 001.
represented by its Chairperson

3.Keyara Impex Private Limited,
Plot No.33B, Gajulamadyam, Industrial Estate,
Gajulamadyam, Chittoor,
Andhra Pradesh – 517 520.
represented by its Director

Mrs.Navya Teja Kari

.... Respondents

[R3 impleaded as per order dated 03.07.2025 in A.No.3022 of 2025]

Application No.3148 of 2025 in O.A.No.634 of 2025
& Application No.3149 of 2025 in Arb.Appln.No.821 of 2025



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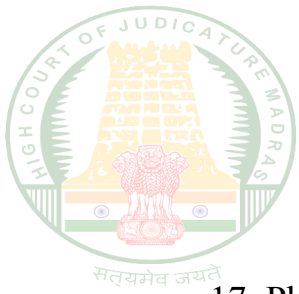
Keyara Impex Private Limited,
Plot No.33B, Gajulamadyam, Industrial Estate,
Gajulamadyam, Chittoor,
Andhra Pradesh – 517 520.
represented by its Director
Mrs.Navya Teja Kari
[3rd Respondent impleaded as per order dated
03.07.2025 in A.No.3022/2025] ... Applicant in both applications

vs.

- 1.White Cloud Shipping Pte. Ltd.,
17, Phillips Street, #05-01,
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Renigunta Mandal, Tirupathi Rural,
Andhra Pradesh – 517 520.
represented by its Director
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No.1, Rajaji Salai,
Chennai – 600 001.
represented by its Chairperson ... Respondents in both
applications

O.A.No.634 of 2025

White Cloud Shipping Pte. Ltd.,



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represented by its Director,
Mr.Hussain Kitabi

.... Applicant

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Andhra Pradesh – 517 520.
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Chennai – 600 001.
represented by its Chairperson

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Plot No.33B, Gajulamadyam, Industrial Estate,
Gajulamadyam, Chittoor,
Andhra Pradesh – 517 520.
represented by its Director
Mrs.Navya Teja Kari

.... Respondents

[3rd Respondent impleaded as per order dated
03.07.2025 in A.No.3023/2025]

PRAYER

Arb Appln No. 260 of 2025



Arbitration Application Nos.260, 261 & 821 of 2025 & Application No.3148 of 2025 in O.A.No.634 of 2025 & Application No.3149 of 2025 in Arbitration Application No.821/2025 & Original Application No.634 of 2025

To direct the 2nd Respondent/Garnishee to deposit into court an amount to the extent of INR 4,21,62,222.87 (Indian Rupees four Crore Twenty One Lakh Sixty Two Thousand Two Hundred and Twenty Two and Paise Eighty seven only) together with interest at 18 % per annum for a period of at least 1 year to the credit of the above Application to secure the claim of the Applicant in respect of the Fixture Note/Charterparty dated 21/02/2024 and Addendum dated 27/03/2024 pending Arbitration.

Arb Appln No. 261 of 2025

To pass a Prohibitory order prohibiting the Garnishee from paying any amount to the extent of INR 4,21,62,222.87 with interest at 18 % p.a. for a period of at least one year from the Bank Account of the first respondent to the first respondent or any third party.

Arb Appln No. 821 of 2025

To pass an order of Attachment against the cargo of the 1st Respondent lying in the hands of the 2nd Respondent/Garnishee Port as set out in the Schedule to the Judges Summons, pending disposal of the Arbitral proceedings.

A No. 3148 of 2025

To vacate the interim order dated 27/06/2025 in O.A.No.634 of 2025 granted by this Court.

A No. 3149 of 2025

To vacate the interim order dated 27/06/2025 in Arb.A.No.821 of 2025 granted by this Court.

OA No. 634 of 2025

To pass an order of interim injunction restraining the first respondent from removing its cargo from the premises of the second respondent/Garnishee Port as set out in the Schedule to the Judges Summons pending the application seeking an order of attachment.



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Arbitration Application Nos.260, 261 & 821 of 2025

For Applicant : Mr.S.Vasudevan
For Respondents : Mr.Gautham S. Raman [R1]
Mr.Krishna Ravindran [R2]

Application Nos.3148 & 3149 of 2025

For Applicant : Mr.P.Giridharan

Original Application No.634 of 2025

For Applicant : Mr.S.Vasudevan
For Respondents : Mr.Gautham S. Raman [R1]
Mr.Krishna Ravindran [R2]
Mr.P.Giridharan [R3]

COMMON ORDER

Heard learned counsel on either side.

2. When Arbitration Application No.261 of 2025 came up for
hearing on 29.01.2025, this Court passed the following order:

"Arb.Appln. No.261 of 2025, to pass a prohibitory
Order prohibiting the Garnishee from paying any amount to the
extent of INR.4,21,62,222.87 with interest at 18% per annum for
a period of at least one year from the Bank Account of the 1st
respondent of the 1st respondent or any third party pending
Arbitration.

2. I have heard Mr.S.Vasudevan, learned counsel for
the Applicant.



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3. The Applicant is a shipping Company which charters ships from various parties and thereafter, sub-charters the same to intending third parties for carriage of cargo globally. In the course of business, the Applicant has signed a contract viz., Charterparty Agreement with the first respondent for chartering the Vessel “MV Progress or Substitute”. The parties have agreed on specific payment terms, including demurrage charges payable in the event of the first respondent not honoring its commitment to pay its dues, within a period of eight Banking days, from the date of completion of loading of the cargo.

4. Subsequent to the said loading, the Applicant has raised two invoices dated 31.03.2024 viz., (i) *Invoice No.950 for USD 3,89,272.50; and (ii) Invoice No.950A for USD 4,93,799.50.* The specific allegation of the Applicant is that the said amount was not paid within 8 days from the date of completion of loading. However, the Vessel set sail from the Chennai Port on 31.03.2024, and sailed towards South America. The Applicant has spent close to USD 2,50,000.00, towards meeting the port charges, charter hire charges to the Applicant's head owners, bunkers for 155 Mts and other miscellaneous expenses. The learned counsel has also pointed out to admissions made by the first respondent wherein categorical and unconditional undertakings to pay the amount due to the Applicant have been given by the 1st respondent. However, despite such undertaking, the first respondent has admittedly not settled the entire dues of the Applicant, excepting for making part payment of USD 180,000.00 and 209,500.00 and 9,300.00, such payments being towards freight alone. The amounts due towards other charges, especially demurrage charges, vessel waiting charges, bunker costs etc, have not been paid and as on date, a sum of USD 4,88,158.19 (INR 4,21,62,222.87) is due and payable to the Applicant.

5. The apprehension of the Applicant is that the first respondent is already in huge debt and is likely to withdraw the available funds with the Garnishee Bank to defeat the legitimate claims of the creditors, including the Applicant. The Applicant has also undertaken to initiate Arbitration Proceedings by nominating an Arbitrator as contemplated under the Addendum



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to the Fixture Note and Charterparty Agreement dated 27.03.2024. However in view of the urgency, the present Section 9 Application has been filed to secure the interest of the Applicant, pending said Arbitration Proceedings which are to be initiated shortly.

6. On considering the argument of the learned counsel for the Applicant, Mr.S.Vasudevan and also going through the Charterparty Agreement as well as the other supporting documents filed along with the above Application under Section 9 by way of typedset of papers, I am satisfied that the first respondent is due a sum of USD 4,88,158.19 (INR 4,21,62,222.87), prima facie, the dues and liability not being denied by the first respondent vide communications, apart from a categorical admission of the first respondent, undertaking to settle the dues to Applicant.

7. As pointed out by the learned counsel for the Applicant, if the prohibitory order is not granted, then, the first respondent may withdraw the monies and it would result in the Applicant being left high and dry in the event of succeeding in the Arbitration Proceeding. The Applicant is certainly entitled to secure the claim as an interim measure under Section 9 of the Arbitration and Conciliation Act, 1996 especially being International Commercial Arbitration Proceedings. It is also brought to my notice that the Applicant has already paid substantial amounts to the head owners besides also incurring bunker charges and therefore, the Applicant is entitled to protect and secure the claim pending Arbitration Proceedings.

8. In view of the above, there shall be a prohibitory order prohibiting the Second respondent Bank from paying out an amount to the extent of USD 4,88,158.19 (INR 4,21,62,222.87), to the 1st respondent or to any person claiming under or through the 1st respondent, until further orders.

9. Notice to the respondents returnable by 17.02.2025. Private Notice is also permitted.

10. Post the matter on 17.02.2025."



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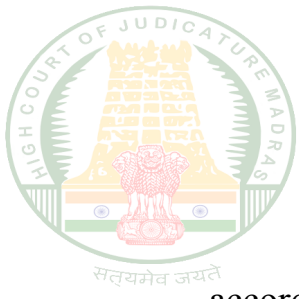
3. Subsequently, this Court had adjourned this case from time to time by passing several orders from 27.06.2025 onwards. When the order was passed on 29.01.2025, this Court took into consideration the undertaking given by the applicant to initiate arbitration proceedings by nominating an Arbitrator as contemplated under the Agreement dated 27.03.2024.

4. Learned counsel for the applicant submitted that some steps were initiated by the applicant and in that process, the applicant had to shell out a substantial amount and thereafter, the applicant was not able to take any effective steps for appointment of an Arbitrator, considering the humongous expenses involved in this case.

N.ANAND VENKATESH, J.

gm

5. In the light of the above submission, it is quite apparent that there is no manifest intention to arbitrate this case. Hence, no useful purpose will be served in keeping these applications pending and



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accordingly, all these applications are closed.

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During the pendency of these applications, an interim order was passed on 09.07.2025, pursuant to which, the first respondent has deposited a sum of Rs.3,00,00,000/- [Rupees Three Crores only] in Fixed Deposit. In view of the fact that all these applications are closed, it is left open to the first respondent to seek for payment out of the amount deposited pursuant to the order dated 09.07.2025 and the same shall be permitted to be withdrawn.

25.09.2025

NCC:Yes/No

Index:Yes/No

Speaking Order/Non-speaking Order

gm

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