

HIGH COURT OF ANDHRA PRADESH AT AMARAVATI

MAIN CASE No.: COMS.No.14 of 2026

PROCEEDING SHEET

Sl.No	DATE	ORDER	OFFICE NOTE
01.	31.08.2026	<u>BM, J</u> <u>I.A.No.1 of 2026</u> Heard learned counsel for the plaintiff/petitioner. The grievance of the petitioner/plaintiff is that, as evidenced by the purchase order, Bills of Lading marked as Exs.P4 and P5 respectively, the plaintiff is the consignee of the goods, while Defendant No.1 is the vessel through which the goods were carried. Ex.P4 evidences the purchase of the goods by the plaintiff from Power International LLC, and Ex.P5 is the corresponding Bill of Lading under which the goods were to be shipped to the plaintiff through Defendant No.1 vessel. As per the terms of the contract, the goods were required to be delivered to the plaintiff on or before 30.06.2026. Despite repeated requests, the owner of the vessel failed to deliver the goods within the stipulated time. Instead, the owner, through e-mail dated 01.07.2026 had raised a dispute, which is material to the present dispute, reads as follows: <i>“....Well received below message, owners understand your urgent situation, but chrts did not arrange the full hire payment to owners until now, therefore owners will not instruct master issue the relevant cargo docu and cooperate berth until the full hire payment in owners account.</i> Though plaintiff issued a legal notice calling upon the 1st defendant to deliver the goods on or before 21.07.2026, 1st defendant failed to respond to the same.	

		Plaintiff contends that the claim constitutes a maritime claim falling within the scope of Sections 4(1)(g) and 4(1)(h) of the Admiralty Act, as the goods were not delivered in accordance with the agreed terms. Learned counsel for the plaintiff further placed reliance on Section 2 of the Bills of Lading Act, 2025, which reads as follows: <i>“2. Every consignee of goods named in a bill of lading and every endorsee of a bill of lading, to whom the property in the goods therein mentioned shall pass, upon or by reason of such consignment or endorsement, shall have transferred to and vested in him all rights of suit, and be subject to the same liabilities in respect of such goods as if the contract contained in the bill of lading had been made with such consignee or endorsee.”</i> From the above, it is clear that, under the Bills of Lading, all rights in respect of the goods are transferred to and vested in the consignee, who is entitled to delivery of the consignment. The owner of the vessel is bound by the contractual obligation to carry and deliver the consignment to the consignee. As the 1st defendant failed to adhere to the bill of lading which itself is a contract, plaintiff is entitled for a recovery of maritime claim along with other expenditure. Based on the value of the goods and other components of the claim, including legal costs, the plaintiff has quantified its claim at USD 1,398,474 (United States Dollars), which, according to the plaintiff, constitutes a maritime claim. Learned counsel for the plaintiff further submitted that the vessel is presently berthed at Kakinada Sea Port Limited, which is well within the admiralty jurisdiction of this Court. It was contended that, unless the vessel is arrested, there is a likelihood of its leaving the jurisdiction of this Court at any time, thereby prejudicing the plaintiff's ability	
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		to secure and enforce its claim. Accordingly, the plaintiff sought immediate arrest of the vessel. Learned counsel for the plaintiff placed reliance on the judgment of the Hon'ble Apex Court in <i>British India Steam Navigation Co. Ltd., V. Shamnughavilas Cashew Industries and others</i>¹, wherein it was held that the bill of lading is intended to provide for the rights and liabilities of the parties arising out of the contract of affreightment. If the consignee claims the goods under a bill of lading, he is bound by its terms. The property in the cargo passes to the consignee or the endorsee of the bill of lading but the contract whereunder the consignment or endorsement is made has always to be taken into consideration. Thus, the consignee or an endorsee gets only such rights as its consignor or endorser had in respect of the goods mentioned in the bill of lading. Therefore, plaintiff is the owner of the goods to be delivered, as such, it has a maritime claim over the same. Learned counsel also placed reliance on the judgment of the High Court of Bombay in <i>Raj Shipping Agencies V. Barge Madhwa and another</i>², wherein it was observed that, the only test to be satisfied for the arrest of a ship is to show, prima facie, the existence of a maritime claim and the identity of the ship. The correspondence along with bill of lading and purchase order would prima facie establish the maritime claim. Considering the submissions made by the learned counsel for the plaintiff and the urgency expressed under Exs.P4 and P5, as well as the e-mail correspondence	
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¹ (1990) 3 SCC 481

² 2020 SCC OnLine Bom 651

between the parties as annexed under Ex.P6, which clearly indicates that the goods were required to be delivered to the plaintiff on or before 30.06.2026, this Court is of the view that the plaintiff has prima facie established a maritime claim and that failure to arrest the vessel is likely to cause irreparable loss and injury to the plaintiff.

In view of the above, the warrant of arrest is issued against 1st Defendant vessel, to arrest the Defendant vessel together with her hull, engines, gears, tackle, bunkers, machinery, apparel, plant, furniture, fixtures and paraphernalia, and all other appurtenances, at present lying at the 2nd Defendant port, until security is provided for USD 1,398,474 before the Registrar (Judicial) of the High Court of Andhra Pradesh within forty eight (48) hours from the date of service of notice.

2nd Defendant is directed to effect the arrest of 1st Defendant vessel as directed above.

Learned counsel for the petitioner/plaintiff is permitted to take out personal notice to the defendants through speed post and also through e-mail and file proof of service in the Registry.

C.O.M.S.No.14 of 2026

List on 02.11.2026.

BM, J

Note:

*Issue CC by today
B/o SAK*