



O.A.No.837 of 2025
and Arbitration Application Nos.1171 & 1172 of 2025

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 28.10.2025

CORAM

THE HONOURABLE MR.JUSTICE N.ANAND VENKATESH

O.A.No.837 of 2025
and Arbitration Application Nos.1171 & 1172 of 2025

Hardy Exploration and Production (India) INC.
(Earlier Known as VAALCO Energy, Inc.)
Represented by its Authorised Signatory,
Ms.Janani Rajagopalan,
Third Floor, No.6A, Raja Krishna Rao Road,
Off.Eldams Road, Teynampet,
Chennai-600 018.
Registered Office at
651, North Broad Street, Suite 308,
Middletown, Delaware 19709,
United States of America.

Applicant

Vs.

1.Hindustan Oil Exploration Company Limited,
Registered Office at
“HOEC House”, Tandalija Road,
Off.Old Padra Road,
Vadodara,
Gujarat-390 020.
Corporate Office at
“Lakshmi Chambers”,
No.192, St.Mary's Road,
Alwarpet, Chennai-600 018.



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- 2.Axis Bank,
Represented by its Manager,
R.K.Salai Branch,
No.82, Dr.Radha Krishnan Salai,
Sullivan Garden, Mylapore,
Chennai-600 004.
- 3.HDFC Bank,
Represented by its Manager,
Anna Salai Branch,
No.759, ITC Centre,
Anna Salai, Chennai-600 002.
- 4.State Bank of India,
Represented by its Manager,
Rajaji Salai Branch,
No.86, Rajaji Salai,
Chennai-600 001.
- 5.Axis Bank,
Represented by its Manager,
Mylapore Branch,
Old Door No.41/1, New Door No.16, 1st Street,
CT Colony, Mylapore, Chennai-600 004.
- 6.HDFC Bank,
Represented by its Manager,
Mylapore Branch,
No.2, PS Sivasamy Salai, Kapali Thottam,
Mylapore, Chennai-600 004.
- 7.Deutsche Bank,
Represented by its Manager,
Nungambakkam Branch,
Western Tower, Sunny Side,
No.4-4A, Chennai-600 006.

Respondents



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PRAYER: Original Application filed under Order XIV Rule 8 of Original Side Rules, r/w. Order XXXIX Rule 1 of Code of Civil Procedure and Section 9(1)(ii)(b) of the Arbitration and Conciliation Act, to pass an ad-interim injunction restraining the first respondent, its men, agents and persons acting through or on behalf of the first respondent from making any transfers from its Bank Accounts as mentioned in the Schedule to the Judge's Summons without keeping apart amounts payable under the Foreign Award to the applicant/award holder.

For Applicant : Mr.Srinath Sridevan
Senior Counsel for
M/s.Anirudh Krishnan

For Respondent : Mr.R.Parthasarathy
Senior Counsel for
Mr.K.P.Promodh Krishnan
for R1
Mr.C.Mohan
Ms.A.Rexy Josephine Mary
for M/s.King and Patridge
for R3 and R6
Mr.R.Palanikumar Ramesh
for R2 and R5

ORDER

This application was filed seeking for interim protection under Section 9 of the Arbitration and Conciliation Act, 1996 (for the sake of brevity, hereinafter referred to as ' the Act') based on a Foreign Award



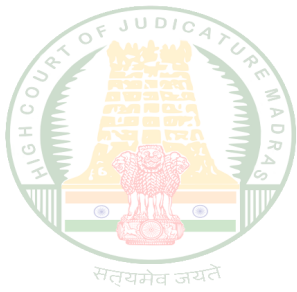
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dated 28.02.2020, to restrain the 1st respondent from operating the bank accounts specified in the Schedule to the Judge's Summons without keeping apart amounts payable under the Foreign Award to the applicant.

2.The application came up for hearing on 28.10.2025 and this Court passed the following order:

This application has been filed for interim protection under Section 9 of the Arbitration and Conciliation Act, based on the Foreign Award dated 28.02.2020. As per this award, the first respondent has to pay a sum of USD 825,750.14 towards the claimant's liability under Samson Award. That apart, the first respondent has to pay USD 1,70,385.48 towards costs of arbitration and the further amount of USD 244,152.22 towards legal costs and expenses and in all, a sum of Rs.37.54 Crores in Indian Rupees.

2. The applicant was impelled to file the present application after perusal of the financials of the first respondent, wherein the first respondent has established a web of subsidiaries and related parties to which the first respondent has advanced monies of over Rs.125 Crores. These subsidiaries and related parties of the first respondent are primarily based outside the country. Therefore, the applicant apprehends that the first respondent may remove or dispose of their properties and deprive of the applicant of recovering the amount under the award.



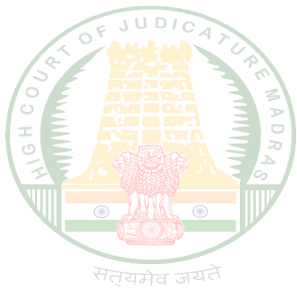
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3. The learned Senior Counsel appearing on behalf of the applicant pointed out to the 40th Annual report for the financial year 2023-2024, wherein, the first respondent having admitted about the arbitration award dated 28.02.2020 which was confirmed in appeal, has only acknowledged the first respondent's exposure in part and has not acknowledged the debt of the first respondent to the tune of Rs.1488 Lakhs. The learned Senior Counsel submitted that the award has become final and therefore, whether the first respondent acknowledges the debt or not, the applicant is entitled to recover the entire amount under the Award.

4. The learned counsel appearing for the first respondent seeks for some time to take instructions in this case. The learned counsel submitted that the first respondent being a listed Company may face consequences if any adverse orders are passed by this Court.

5. In the considered view of this Court, there is no dispute with regard to the fact that a Foreign Award has already been passed in this case. There is also no dispute regarding the fact that the award has been further confirmed by Malaysian High Court and subsequently, by Malaysian Court of Appeal. Earlier, the applicant moved a similar application before the Gujarat High Court in R/Petition No.34 of 2020 and a preliminary objection was raised on the side of the first respondent to the effect that the earlier petition under Section 9 of the Act was moved before this Court and therefore, in view of Section 42 of the Act, the subsequent petition under Section 9 of the Act cannot be maintained at Gujarat High Court. Considering this objection, the said petition was



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withdrawn and liberty was granted to the petitioner to move this Court.
Pursuant to the same, the present application has been filed.

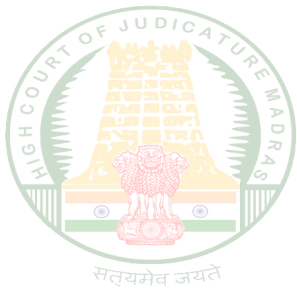
6. As rightly pointed out by the learned Senior Counsel appearing for the applicant, some interim protection has to be given to the applicant, pending filing of the counter on the part of the first respondent. Hence, there shall be an order of interim injunction restraining the first respondent, its men, agents and persons acting through or on behalf of the first respondent from making any transfers from their bank accounts as mentioned in the Schedule to the Judges' summons without keeping apart the amounts payable under the Foreign Award to the applicant/award holder. Subject to this condition, it is left open to the first respondent to operate the bank account.

7. This interim order is granted till 07.10.2025. In the meantime, the first respondent shall file a counter and thereafter, the matter will be decided on merits.

8. Post this application along with Arbitration Application Nos.1171 and 1172 of 2025 on **07.10.2025**.

3.Pursuant to the above order, applications were listed for hearing on 08.10.2025 and the following order came to be passed by this Court:

The counter affidavit has been filed by the first respondent and a copy of the same has also been served on the learned counsel for the applicant.



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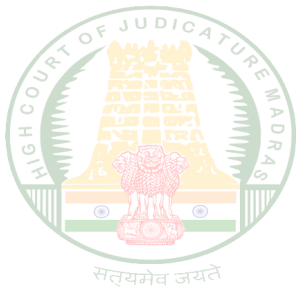
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2. Learned Senior Counsel appearing on behalf of the first respondent seeks for modification of the interim order passed by this Court on 28.10.2025 on the ground that the said interim order will virtually close down the operations of the first respondent company. Learned Senior Counsel also submitted that the first respondent is willing to furnish security insofar the determinable portions of the award.

3. Learned Senior Counsel appearing on behalf of the applicant submitted that if the first respondent is willing to furnish security, such security has to be given for the entire claim amount. That apart, the first respondent must indicate as to what security is going to be given to ensure that the claim amount is ultimately recovered from the first respondent. Learned Senior Counsel further sought for some time to file re-joinder and to make his submissions.

4. Learned counsel appearing on behalf of the HDFC Bank submitted that four account numbers have been mentioned in the Judge's summons and out of the same, in three account numbers, there is Nil balance and in the other account number, there is a sum of Rs.1,501/-. Learned counsel submitted that nothing more is available in the account maintained with the HDFC Bank.

5. Considering the above submissions, it will be more appropriate to deal with the main application since a counter has already been filed.



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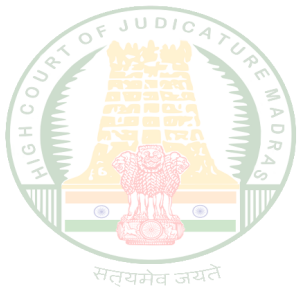
Post these applications for final hearing on 17.10.2025 at 02.15 p.m. The interim order already granted by this Court shall stand extended.

4.The applications were again listed for hearing on 17.10.2025 and the following order came to be passed by this Court:

This Court had directed the present application to be listed for hearing today at 2.15. p.m., However, considering the volume of cases that were listed today, a direction was issued by me to the Registry to list the above application for hearing on 22.10.2025 at 2.15 p.m.,

2. A mention was made at 10.30 a.m. today by the learned Senior Counsel appearing on behalf of the 1st respondent that, urgent orders are required for the purpose of withdrawing some amount from their bank account, in order to pay the salary and bonus to nearly 350 employees working under the first respondent. In the light of this urgency expressed by the learned Senior Counsel, the same was intimated to the counsel appearing on behalf of the applicant and the matter was directed to be listed for hearing at 2.15 p.m.,

3. When the matter was taken up for hearing today, this Court made it clear that the application cannot be dealt with on merits today, since the application is taken out of turn, considering the urgency that was expressed on the side of the respondent. Hence, this Court directed the learned Senior Counsel appearing on behalf of the respondent to take



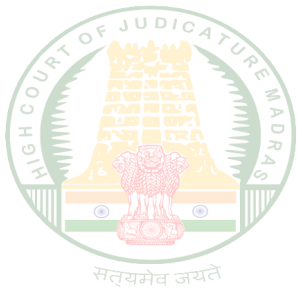
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instructions and inform to the Court regarding the amount that is required immediately.

4. On instructions, the learned Senior Counsel appearing for the first respondent submitted that out of the 10 bank accounts that have been shown in the Judges Summon, a sum of Rs.6,90,00,000 crores is available in the bank account of M/s.Axis Bank, R.K.Salai Branch; Rs.5,50,000/- is available in the bank account of M/s.Axis Bank, Mylapore Branch, and in the other bank account maintained in the same Branch, a sum of Rs.12,60,00,000/- crores is available. That apart, a sum of Rs.20,50,000/- is available in the another account maintained in the same branch. The learned Senior Counsel submitted that there are nearly 350 employees and consultants employed in the first respondent company, to whom their salaries and bonus have to be paid. Apart from that, Government royalty must also be paid, failing which, the respondent will be black-listed. Accordingly, the learned Senior Counsel sought permission to withdraw Rs.8,00,00,000/- from the bank accounts.

5. The above request by the respondent was vehemently opposed by the learned Senior Counsel appearing on behalf of the applicant. The learned counsel submitted that the first respondent in their counter affidavit have claimed that their financial position has consistently improved from the financial year 2019-2020 to 2024-2025, and what is shown to be profits after tax in the stand-alone financial statement is Rs.14,747 lakhs and in the consolidated financial statement, it is shown as Rs.14,721 lakhs. If that is the claim made by the first respondent, the present request made by the respondent for withdrawal of



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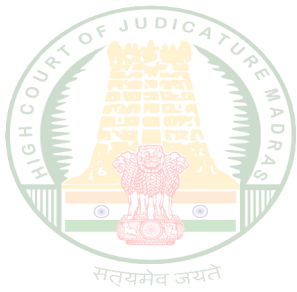
Rs.8,00,00,000/- is not genuine and it is being done only to get over the interim order passed by this Court on 28.10.2025.

6. It is not necessary for this Court to go into the merits of the case at the present. This Court is inclined to partially consider the request made by the first respondent for the withdrawal of amount for the purpose of paying the salaries and bonus to the employees and consultants. The payment of Government royalty can wait for the final decision in the application.

7. In view of the same, the respondent is permitted to withdraw a sum of Rs.4,00,00,000/- (Rupees Four Crores only) from the bank account No.6010200038261, maintained at Axis Bank, R.K.Salai Branch. This permission is granted to ensure that the employees and the consultants are not put to hardship due to non-receipt of salaries and bonus during Diwali. In other words, this interim arrangement is made, purely on humanitarian considerations.

8. In the light of the above discussion, the interim order passed by this Court on 28.10.2025 is modified to the extent that the first respondent will be permitted to withdraw the sum of Rs.4,00,00,000/- (Rupees Four Crores only) from the Bank Account No.6010200038261, maintained at Axis Bank, R.K.Salai Branch. In all other respects, the interim order of this Court dated 28.10.2025, shall continue.

9. The pleadings are completed. Hence, post this application for final hearing on 23.10.2025 at 2.15 p.m.,



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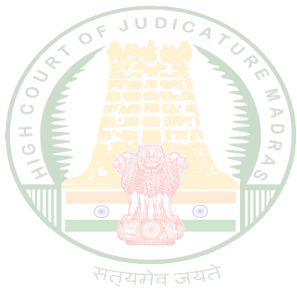
5.The applications came up for final hearing on 23.10.2025 and this Court heard the learned Senior Counsel appearing on either side in extenso.

6.This Court took into consideration the fact that the main petition filed under Section 47 and 49 of the Act is pending before the Gujarat High Court and hence, this Court thought it fit not to render any finding on some of the issues that were raised during the course of hearing.

7.This Court expressed its mind to the learned Senior Counsels appearing on either side and passed the following order on 23.10.2025:

This Court heard Mr. Srinath Sridevan, learned Senior Counsel for the applicant and Mr.R.Parthasarathy, learned Senior Counsel appearing on behalf of the 1st respondent.

2.Even though various points were urged by the learned counsel appearing on either side, ultimately the foreign award that was passed can be crystallized to an extent of rupees 16.25 Crores [approximately]. In view of the same, this Court directed the learned Senior Counsel appearing on behalf of the 1st respondent as to whether the 1st respondent can give security for this amount considering the fact that the



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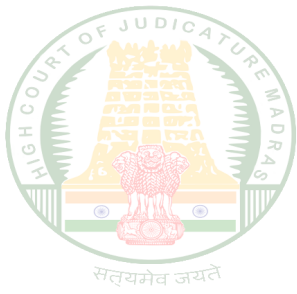
balance sheet of the 1st respondent is healthy. If that is done, all the other issues can be left open to be agitated in the petition that is pending before the Gujarat High Court.

3.Post this case under the caption 'for passing further orders' on 24.10.2025 at 2.15 p.m.

8.Pursuant to the above order, the matter was listed on 24.10.2025 and the 1st respondent filed an affidavit and the relevant portions are extracted hereunder:

3. On a proper reckoning, as per the Answering Respondent's calculation, the amounts due under the various heads are as below.

Particulars	HOEC'S Share (In USD)	HOEC's Share (In INR @ current rate of Rs.87.9474)
Samson award	825,750.14	7,26,22,578
Arbitration costs	170,385.48	
Less: Arbitration cost directly paid by HOEC	(82,949.66)	
	87,435.82	76,89,753
Claimant's legal expenses	244,152.22	2,14,72,553
Award quantified	1,157,338.18	10,17,84,884
Samson award interest @ 5% from 19.03.2012 to 23.10.2025	561849.44	4,94,13,198
Total Award with Samson Interest	1,719,187.62	15,11,98,082



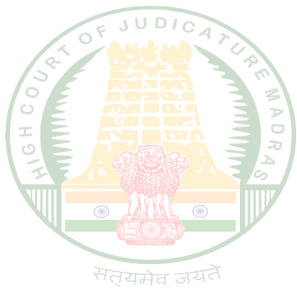
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4. It is submitted that the above amount is still disputed by the Answering Respondent since no reconciliation procedure has been undertaken by the Parties as directed in the Foreign Award, dated 08.02.2020, the Respondent No.1 Company. Furthermore, there is still an amount of Rs. 5,54,06,862/-(Rupees Five Crore, Fifty-Four Lakhs, Six Thousand and Eight Hundred and Sixty-Two Only), that is payable to this Answering Respondent alone, arising out of the excess service tax paid by the Applicant herein. In addition, thereto, there is also an excess cash call paid by the Answering Respondent to the tune of Rs. 1,26,67,943/- (Rupees One Crore, Twenty-Six Lakh, Sixty-Seven Thousand, Nine Hundred and Forty-Three Only).

5. Without prejudice to its contentions, remedies and defense available to it, agrees to furnish a conditional bank guarantee for Rs.15,12,00,000/- (Rupees Fifteen Crore and Twelve Lakhs only), on the express condition that the bank guarantee may be encashed, subject to the outcome of proceedings pending before the Hon'ble High Court of Gujarat in Arb. Petition (IAAP) No. 52 of 2020 and not prior thereto.

6. It is reiterated that the Respondent No.1 does not admit that that the figure of Rs.15.12 crore is either a crystallised or an admitted liability. This number may not be cited or relied upon before any statutory authority (including SEBI) or before any court/tribunal (including the Hon'ble High Court of Gujarat) as an admission, concession, or acceptance of liability; all rights and contentions of this Answering Respondent are expressly reserved.



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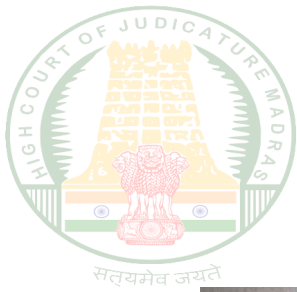
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9.The learned Senior Counsel who appeared on behalf of the applicant raised serious objections on the stand taken by the 1st respondent as if the amount that can be crystallised under the Award is only Rs.15,11,98,082/- and whereas, this Court had specifically indicated in the earlier order that the total amount that could be crystallised is Rs.16.25 Crores under the Award.

10.The counsel for the applicant also wanted to verify the terms of the Bank Guarantee that is proposed to be given by the 1st respondent. Accordingly, this Court directed the learned Senior Counsel appearing on behalf of the 1st respondent to circulate a draft Bank Guarantee and adjourned the matter to 28.10.2025.

11.When the matter was taken up for hearing today, two sets of draft Bank Guarantees were filed before this Court.

12.Both the sides, after some discussion, agreed to the terms of one of the draft Bank Guarantee, which is scanned and extracted hereunder:



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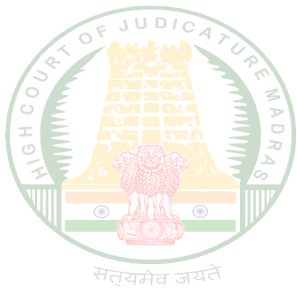
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This Bank Guarantee No. _____ dated _____

KNOW ALL MEN by these presents that **Axis Bank Limited**, a banking company incorporated under the Companies Act 1956 and carrying on Banking Business under the Banking Regulation Act 1949 and having its registered office at Trishul 3rd Floor, Opposite Samartheshwar Temple, Law Garden Ellis Bridge, Ahmedabad 380006, Gujarat and its corporate office at Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai 400025 and one of its Branch Office at Corporate Banking Branch New No 3/Old No 2 Club House Road, Near Taj Club House, Anna Salai, Chennai 600002 Tamil Nadu, hereinafter called the GUARANTOR is bound unto **Hardy Exploration & Production (India) Inc.** for payment of a sum of Rs. _____ (Rupees _____ only) of good and lawful money to be paid unto the said **Applicant**, for which payment, to be well and truly made.

The **Axis Bank Limited**, CBB Branch, Chennai, the said Guarantor do hereby bind itself for the whole and each and every one of executors, administrators, and legal representatives, successors in office or assigns firmly, by these presents.

Dated at Chennai on this, _____



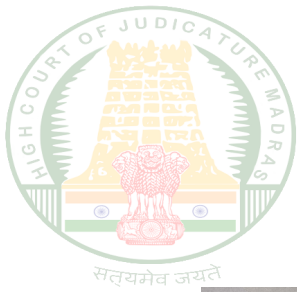
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WHEREAS by an order of the Hon'ble High Court of Madras dated _____ passed in O.A. NO. 837 of 2025 & Arb. A. No. 1171 of 2025 & Arb. A. No. 1172 of 2025, the Respondent has been directed to furnish Bank Guarantee of sum of Rs. _____ (Rupees _____ only), in favour of the Applicant subject to the condition imposed by the Hon'ble High Court of Madras in the aforesaid order dated _____, provided that our total liability shall not exceed Rs. (Rupees).

WHEREAS the Respondent as ordered by the Hon'ble Court, without prejudice and requested its banker **Axis Bank Limited** carrying on banking business at its CBB Branch, Chennai to furnish the Guarantee for the amount of Rs. _____ (Rupees _____ only) to the Applicant.

WHEREAS the Guarantor herein Guarantees a sum of Rs. _____ (Rupees _____ only) by way of Bank Guarantee as directed by this Hon'ble Court for a period of one year from _____ and shall be renewed for further periods of 6 months each subject to the condition imposed by the Hon'ble High Court of Madras dated _____ passed in O.A. NO. 837 of 2025 & Arb. A. No. 1171 of 2025 & Arb. A. No. 1172 of 2025.



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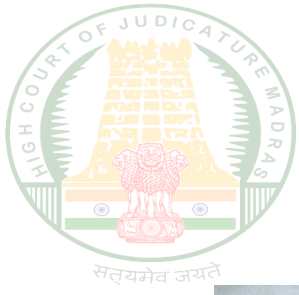
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NOW THIS GUARANTEE WITNESSETH

1. That the condition of the above written Guarantee is such that the ability to invoke or otherwise this Bank Guarantee is subject to the condition imposed by the Hon'ble High Court of Madras dated _____ passed in O.A. NO. 837 of 2025 & Arb. A. No. 1171 of 2025 & Arb. A. No. 1172 of 2025 provided that our total liability shall not exceed Rs. (Rupees _____) and on such invocation, we, the **Axis Bank Limited** Bank, having its branch at _____, the Guarantor herein do hereby undertake to deposit the sum of Rs. _____ (Rupees _____ only) by way of Demand Draft in favour of the Applicant.
2. **NOTWITHSTANDING** anything contained hereinabove including what is stated in paragraphs above, our liability under this Guarantee is restricted Rs. _____ (Rupees _____ only) to the Applicant and our Guarantee shall remain in full force for a period of one year, from _____ and shall be renewed for further periods of 6 months each subject to the condition imposed by the Hon'ble High Court of Madras dated _____ passed in O.A. NO. 837 of 2025 & Arb. A. No. 1171 of 2025 & Arb. A. No. 1172 of 2025, unless a claim or demand in writing is received by us on or before _____ and unless renewed as above, all our rights under the said Guarantee shall be forfeited and the Guarantor shall be deemed relieved and discharged from all liability thereunder.

Signed, sealed and delivered by _____
in the presence of the _____ on this _____
day of _____

GUARANTOR

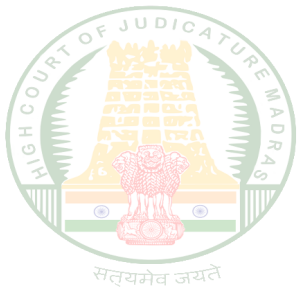


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IDENTIFIED BY : _____, Advocates,
_____(Address)
COUNSEL FOR RESPONDENT

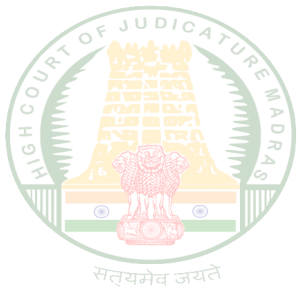
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13. When the Court heard the applications on 23.10.2025, *prima facie*, it was found that four items in the Award were crystallised and therefore, to that extent, the 1st respondent can be directed to furnish security. Insofar as the other claims awarded, it is a subject matter before the Gujarat High Court. The items in the Award which are crystallised has been indicated in Paragraph No.3 of the affidavit filed by the 1st respondent on 24.10.2025. The same has been converted to Indian Rupees by taking into consideration the current rate of the Indian Rupee against a Dollar. It is made clear that this Court is only attempting to make an interim arrangement and therefore, whatever amount has been mentioned in Paragraph No.3 of the affidavit is not the final amount and both sides will have an opportunity to agitate before the Gujarat High Court on all the issues arising out of the Foreign Award. Therefore, the amount that has been crystallized must not be interpreted as the actual liability arising out of the Foreign Award. This order will not stand in the way of both sides raising all the issues before the Gujarat High Court where the main petition is pending.

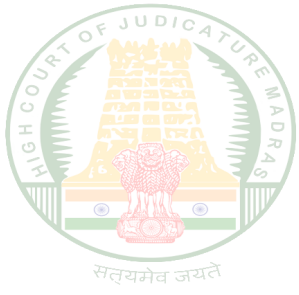


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14.In the light of the above discussion, there shall be a direction to the 1st respondent to furnish the Bank Guarantee for a sum of Rs.15,12,00,000/- in terms of the draft Bank Guarantee scanned and extracted *supra*. This Bank Guarantee will remain in force till final orders are passed in the pending proceedings before the Gujarat High Court in IAAP No.52 of 2020 and the Bank Guarantee shall be renewed from time to time till the disposal of the case pending before the Gujarat High Court. The interim order passed by this Court on 28.10.2025, which was modified by an order dated 17.10.2025, shall stand finally modified in the above terms. Accordingly, the 1st respondent will be permitted to operate the bank accounts which is the subject matter in these applications. It is made clear that such permission is granted by this Court on the specific undertaking given by the 1st respondent that they will furnish the Bank Guarantee on or before 25.11.2025.

15.All these applications are disposed of in the above terms. No Costs.



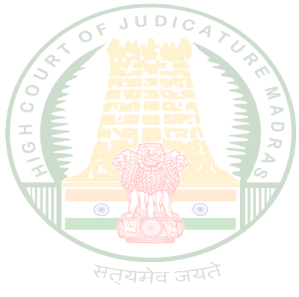
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16.Post these applications under the caption 'For Reporting
Compliance' on 26.11.2025.

28.10.2025

Index:Yes/No
Speaking/Non-speaking order
Internet:Yes
Neutral Citation:Yes/No
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N.ANAND VENKATESH, J

SSR

O.A.No.837 of 2025
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28.10.2025