

IN THE SUPREME COURT OF BANGLADESH
HIGH COURT DIVISION

(ADMIRALTY JURISDICTION)

ADMIRALTY SUIT NO. 59 of 2025

IN THE MATTER OF:

Sea Lead Shipping Pte. Ltd.

... Plaintiff-Petitioner.

VERSUS

Everbest Logistics Limited and others.

... Defendants.

Mr. Abu Bakar Siddique, Adv.

...For the defendant No. 1-applicant.

Mr. Mohiuddin Abdul Kadir, Adv.

Ms. Zinia Amin, Adv. with

Mr. Noor Mohammed Mojumder, Adv.

...For the plaintiffs.

The 13th May, 2026

Present:

Justice Sikder Mahmudur Razi

1. Today is fixed for passing an order on an application filed by Defendant No. 1 under Order VII Rule 10 of the Code of Civil Procedure for return of the plaint in Admiralty Suit No. 59 of 2025.

2. The instant suit has been filed by Sea Lead Shipping Pte Ltd which is a privately owned international shipping company. The plaintiff is engaged in container shipping and liner services, operates vessels calling at ports in Bangladesh. For the purpose of facilitating its maritime operations, the plaintiff appointed defendant No. 1 as its local agent under an Agency Agreement dated 23.05.2021. Under the said agreement, the agent was entrusted with functions integrally connected with maritime carriage, including arranging berthing of vessels, filing import & export manifests of

the plaintiff which are attached to the main line operator's manifests, coordinating loading and discharge of cargo from the plaintiff's vessels, and handling containers deployed in such carriage.

2.1 It is the case of the plaintiff that, in accordance with Clause 9 of the agreement, it terminated the agency by notice dated 31.07.2024, effective from 30.08.2024. However, despite repeated requests and communications, the defendant failed to acknowledge the termination, did not render accounts for the relevant period, and refused to execute a "Joint Declaration" necessary for the transfer of agency to a newly appointed agent.

2.2 The plaintiff further contends that a substantial number of its containers, being instrumentalities used in maritime carriage, remained under the control of the defendants and were not released. According to the plaintiff, about 90 containers are unlawfully detained at various depots by Defendant Nos. 1 to 4, thereby preventing their use in ongoing contracts of carriage and causing significant business loss.

2.3 In an attempt to resolve the dispute, the parties entered into a Memorandum of Understanding dated 02.05.2025, whereby the plaintiff agreed to pay certain depot charges and the defendant undertook to disburse such payments and facilitate the release of containers. The plaintiff alleges that although it remitted USD 55,872.72 on 12th May, 2025 under the said MOU, the defendant failed to perform its obligations, resulting in continued detention of containers and accumulation of further losses.

2.4 It has been stated that principal defendant no. 1 has defaulted in returning certain container units, whereupon principal defendant nos. 2-4 are unlawfully detaining the said unit as a means of exerting leverage against the principal defendant no. 1 on the pretext of unrelated outstanding dues allegedly owned to them.

2.5 On these premises, the plaintiff although in paragraph no. 16 of the plaint stated that they seek recovery of the detained containers but has instituted the present suit only claiming a sum of USD 1,402,511.71 on account of outstanding dues, storage charges, loss of use of containers, and related damages. The plaintiff asserts that the cause of action arises out of agreements relating to the carriage of goods by sea and, as such, invokes the admiralty jurisdiction of this Court under Section 3(2)(h) of the Admiralty Court Act, 2000.

3. Defendant No. 1 entered appearance and filed an application under Order VII Rule 10 of the Code of Civil Procedure seeking return of the plaint on the ground of lack of jurisdiction.

3.1 The principal contention of the defendant is that the present dispute does not fall within the scope of admiralty jurisdiction as contemplated under Section 3(2) of the Admiralty Court Act, 2000. The defendant next contended that the entire cause of action arises from an agency agreement, failure to submit statements of accounts and remit revenues, and breach of Memorandum of Understanding, all of which are commercial, administrative and facilitative in nature governing agency services, accounting, payment handling and container logistics after termination and do not constitute

maritime contracts giving rise to admiralty jurisdiction. The defendant further contended that the plaint does not disclose any maritime claim inasmuch as there is no claim against any vessel, no prayer for arrest, detention or sale of a vessel, and no assertion of maritime lien, charge, mortgage or damage to cargo. According to the defendant, the alleged detention relates only to empty containers lying at inland depots, which do not constitute maritime res and cannot attract admiralty jurisdiction.

The defendant also contended that the suit is essentially an action *in personam* for recovery of money and damages arising out of contractual breaches, which is triable by ordinary civil courts. The defendant further submitted that as per the jurisdiction clause in the Memorandum of Understanding any dispute between the parties shall be referred for adjudication before competent courts at Dhaka, demonstrating that the parties themselves contemplated adjudication by ordinary civil courts.

3.2 On these grounds, it is submitted by the defendant no. 1 that the plaint does not disclose a cause of action within the admiralty jurisdiction of this Court and is liable to be returned for presentation before the appropriate forum.

4. The plaintiff filed written objection against the application, contending that the application is misconceived both in law and on facts. The plaintiff contends that the Agency Agreement cannot be viewed in isolation as a mere administrative arrangement. Rather, the duties performed by the agent such as arranging berthing, filing manifests, coordinating loading and discharge, and handling containers are integral and inseparable

parts of the execution of contracts of carriage of goods by sea. As such, the dispute arises directly out of and is essentially connected with maritime operations.

4.1 The plaintiff further contends that the containers in question are essential instrumentalities used in maritime transport, and their detention directly affects the performance of contracts of carriage evidenced by Bills of Lading. Therefore, claims relating to their non-return and resulting loss fall squarely within the ambit of Section 3(2)(h) of the Admiralty Court Act, 2000.

4.2 The plaintiff further contends that the Memorandum of Understanding does not alter the nature of the dispute but merely constitutes a continuation and acknowledgment of liabilities arising from maritime transactions. The subsequent failure of the defendant to comply with the MOU further strengthens the plaintiff's cause of action.

4.3 The plaintiff further contends that, at the stage of considering an application under Order VII Rule 10 of the Code, the Court is required to confine itself to the averments made in the plaint, and cannot enter into disputed questions of fact or adjudicate upon the merits of the claim. According to the plaintiff, the issues raised by the defendant involve mixed questions of law and fact which require trial and evidence.

On these grounds, the plaintiff contends that the plaint clearly discloses a cause of action within the admiralty jurisdiction of this Court and that the application for return of plaint is liable to be rejected.

5. Mr. Abu Bakar Siddique, learned Advocate appearing for defendant No. 1–applicant, makes his submissions in line with the averments made in the application. In addition thereto, he has placed reliance upon a number of judicial decisions in support of his contentions, namely *Falvey Insurance Group Vs. BM container Depot Ltd. and others* passed in Admiralty Suit No. 26 of 2025, *National Steel Industries Limited-Vs-M.V. Ritz and others*, reported in 4 BLC (HCD) 31; *Sadharan Bima corporation-Vs-M.V. Birba and others*, reported in 44 DLR (HCD) 171; *Sadharan Bima Corporation-Vs-Bangladesh Shipping Corporation and others*, reported in 43 DLR (HCD) 322; *Sadharan Bima Corporation-Vs-Bangladesh Shipping Corporation and others*, reported in 43 DLR (HCD) 548; *Trading Corporation of Bangladesh-Vs-M.V. Corina & others*, reported in 41 DLR (HCD) 127.

6. Per contra, Mr. Mohiuddin Abul Kadir, learned Advocate appearing for plaintiff, makes his submissions in line with the averments made in his written objection.

7. I have heard the learned advocates for the respective parties and perused the plaint, application for return of the plaint, the written objection and materials on record. I have also considered the decisions so cited by the learned advocate of the defendant No. 1-applicant. On going through those judgments, it appears to me that the facts of the cited decisions are quite distinguishable from the fact of the instant case and therefore, cannot be relied upon.

7.1 On going through the materials on record it appears to me that disposal of the instant application requires determination of the following two issues:

(a) Whether detention of containers and the resulting loss falls within the ambit of section 3(2)(h) of the Admiralty Court Act, 2000?

(b) Whether the jurisdiction clause in the MOU excludes the jurisdiction of Admiralty Court?

Whether detention of containers and the resulting loss falls within the ambit of section 3(2)(h) of the Admiralty Court Act, 2000?

8. The center point of the present litigation is Section 3(2)(h) of the Admiralty Court Act 2000, which grants jurisdiction over "any claim arising out of any agreement relating to the carriage of goods in a ship or to the use or hire of a ship". The interpretation of this clause determines whether the dispute between a shipping line and its agent is a specialized maritime matter or a generic commercial breach.

The choice of language in Section 3(2)(h) is deliberate. By using the phrase "relating to" rather than the narrower "for" the carriage of goods, the legislature invited a broad construction. This distinction was famously analyzed by the House of Lords in *The Antonis P. Lemos*, [1985 A.C. 711] where the court held that the phrase "arising out of" or "relating to" should be given its wider meaning of "connected with". Under this broad interpretation, a claim does not need to be a direct action on a Bill of Lading to fall within admiralty jurisdiction; it is sufficient if the claim is

significantly connected to the maritime adventure or the operational agreements that make carriage possible.

In the context of the plaintiff's present case, the Agency Agreement dated 23.05.2021 is the very instrument that facilitates the "carriage of goods in a ship". The agent's duties of arranging the berth, filing manifests, coordinating the loading and discharge of cargo and all operation matters as well as arranging to investigate all damages related to containers etc. are not auxiliary commercial services but are the physical and legal prerequisites for the execution of the contract of carriage. Consequently, any breach of these duties "relates to" the carriage of goods as fundamental as the Bill of Lading itself.

8.1 The functions performed by defendant No. 1 specifically the handling of cargoes, containers and the filing of manifests are uniquely maritime. Manifest filing is a statutory requirement for a ship's entry and cargo discharge in any port. Coordination of berthing and loading is the essence of ship management and hire. Therefore, a dispute involving the failure to render accounts for these activities or the refusal to execute a joint declaration necessary for agency transfer is not a separate commercial matter but is "integrally connected" to the maritime use of the ship and the carriage of its cargo. Where the agent had no role in essential maritime operations like arranging berth, filing manifests, or handling loading and unloading, and where the agency arrangement is otherwise not directly connected with the carriage of goods by sea or the operation of a vessel, the dispute between the

principal and the agent may fall outside the scope of maritime or admiralty jurisdiction.

8.2 A major contention of the defendant is that a shipping agency agreement is a "commercial and administrative" contract rather than a maritime one. This argument seeks to draw a sharp line between the "preliminary" stages of commerce and the "actual" maritime operation.

Historically, some jurisdictions viewed agency agreements as "preliminary" contracts that merely prepared for maritime activity but were not maritime themselves. This view has been superseded by cases like *The Hinkins Steamship Agency v. Freighters, Inc. (Appellant)*, reported in MANU/FENT/0293/1974 where the court recognized that a "husbanding agreement" to provide essential services to a vessel is a maritime contract because its purpose is to effectuate the physical, economic operation and employment of a vessel. In the said case the services provided by Hinkins included arranging for and supervising dockage, pilotage, tug assisting, line handling, cargo discharge, discharging of deep tanks, sounding of fuel tanks, cleaning of holds, providing supplies and handling operating details pertaining to the vessel's call in different ports. It was held that, "*That their performance was its direct responsibility, that the services were clearly maritime and necessary for the continuing voyage, and that Hinkins was directly engaged in supervision, makes them maritime and the contract sued upon a maritime contract.*"

Under the Admiralty Court Act 2000, section 3(2)(o) explicitly provides jurisdiction over any claim for disbursements made on account of

or for the purpose of a ship by the... agent of the ship. If the Act recognizes the agent's right to sue for disbursements, it logically follows that the ship-owner, charterer must have a reciprocal right to sue the agent for failing to perform the very duties for which those disbursements were made. The duties listed in the Agency Agreement berthing, manifest filing, cargo & container handling are the operational facets of a shipping line's business. When these functions are disrupted, the "carriage of goods" is directly and adversely affected.

8.3 Further, the alleged refusal of the defendant to execute a "joint declaration" is a specific operational breach that in my view connects the dispute in admiralty jurisdiction. In maritime practice, a joint declaration is the mechanism by which port authorities and customs officials are notified of a change in agency, allowing a new agent to take over the legal responsibilities for a vessel's cargo and containers. By the alleged withholding of this declaration, the defendant has effectively blocked the plaintiff's ability to "use" its containers in question in Bangladesh. This is a matter of maritime administrative procedure that goes to the heart of Section 3(2)(h)'s "use or hire of a ship". The dispute is not about an abstract agency relationship but about the physical and legal control over the instrumentalities of maritime trade.

8.4 The defendant's further argument is that empty containers lying at inland depots do not constitute "maritime res" capable of attracting admiralty jurisdiction and detention of containers, even if assuming to be

unlawful, gives rise at best to civil dispute in contract, bailment or tort triable by ordinary civil courts.

The judgment passed by this court in the case of *GE Sea Co. Services Ltd -vs- Continental Traders BD Ltd.*, reported in 7LG (2010) HCD-56 is of seminal importance in this regard. Detention of 311 containers was at issue in that suit as well. In the said judgment it has been held as follows:

10. The containers, which are subject matter of recovery in this suit are essentially and admittedly used in carriage of good by Sea. Shippers used to load the containers with their goods for the purpose of carrying them by Container Ships through Sea. The word as mentioned in Section 3(2)(J) of the Admiralty Courts Act, 2000 meaning goods, not only includes the goods which are loaded in the belly of those containers, but also the Containers itself, so far the phrase is concerned. Unless the goods are loaded in a Container the same can not be carried by Sea and as such dispute arising out of claim for possession of the Containers is also a dispute arising out of পণ্য পরিবহন i.e. claim arising out of any agreement relating to carriage of goods by Sea. Therefore, this Court is inclined to hold that the dispute that has arisen in between the parties regarding possession of container is a dispute which falls within the jurisdiction of this Admiralty Court covered by the provision of Section 3(2)(J) of the Admiralty Courts Act, 2000. Therefore, this suit is very much maintainable in this Admiralty Court.

8.5 Therefore, it appears that in our jurisdiction ‘container’ has been treated and viewed as ‘goods’. In the authoritative work *Admiralty Jurisdiction and Practice* (4th edition, Informa) by Nigel Meeson and John A Kimbell we have found a more comprehensive, though not exhaustive, exposition of types of claims ‘which’ “arises out of any agreement relating

to the carriage of goods in a ship or to the use or hire of a ship” and “which are not”. From Chapter 2, paragraph no.2.76 of the said book it is evident that claims for damages for breach of charterparty, freight and demurrage and damages for breach of a bill of lading contract attracts “any claim arising out of any agreement relating to the carriage of goods in a ship or to the use or hire of a ship”. Moreover, a claim for the wrongful detention of goods has been listed in serial no. viii of the said paragraph as one attracting the jurisdiction of the admiralty court.

It further appears from the list of documents filed by the plaintiff that the containers alleged to have been detained were carried to ports in Bangladesh on specified vessels at different times. In view of the admitted position that defendant No. 1 was under an obligation, pursuant to the agency agreement, to handle the cargo and containers upon their arrival, it is evident that the parties operated within a clearly defined contractual framework. Such framework is directly and intrinsically connected with the carriage of goods by sea and the post-discharge handling of maritime cargo, thereby bringing the dispute within the ambit of obligations arising out of maritime commerce. Furthermore, Chapter-IX of the Regulations for Working of Chittagong Port (Cargo and Container), 2001 provides details provision relating to containers and containerised cargo making the activities of the shipping agent an integral part of maritime operations relating to the carriage of goods by sea.

8.6 It is also to be observed that the role of the container in modern liner shipping is viewed from a broader perspective. In modern shipping, a

container is not merely "goods" but is considered as an extension of the ship's equipment as well as part of its "apparel and equipment". Containers are treated as the standardized units that make the global liner system possible. They are defined and enumerated in Bills of Lading as the units of carriage.

Thus, the plaintiff correctly identifies the containers as "instrumentalities used in maritime carriage".

Furthermore, In the case of *Monk Corp. Vs. Island Fertilizers Ltd*, reported in *MANU/SCCN/0104/1991*, Iacobucci J of the Canadian Supreme Court endorsed McIntyre J.'s urging that the terms "maritime" and "admiralty" should be interpreted within the modern context of commerce and shipping and should not be static or frozen. Such terms should rather be capable of adjusting to evolving circumstances unencumbered by rigid doctrinal categorization and historical straitjackets.

In *Leather's Best, Inc. v. S.S. Mormaclynx ET AL.*, reported in *MANU/FESC/0023/1971*, Chief Judge Friendly described the containers as a large metal object, functionally a part of the ship. This ruling reflects the adoption by the American Courts "the concept of container as part of the ship". This approach was accepted by the Australian Courts as well and a relevant citation in this regard is *PS Chellaram & Co Vs China Ocean Shipping Co (The Zhi Jiang Kou)* [1989] 1 Lloyd's Rep 413, [1991] 1 Lloyd's Rep. 492.

8.7 The detention of 90 containers by the defendant directly impacts the plaintiff's "ongoing contracts of carriage". In the maritime context, when a container is delayed, "detention" or "demurrage" charges accrue. These charges are quintessentially maritime.

In *Telengtan Brothers & Sons, Inc. (La Suerte Cigar & Cigarette Factory), Vs. The Court of Appeals, Kawasaki Kishen Kaisha, Ltd. and Smith, Bell & Co., Inc. [G.R. No. 110581. September 21, 1994]* disputes over container demurrage and the breakdown of equipment at container yards were treated as maritime/admiralty matters arising from the contract of carriage.

In our case in hand the fact that the containers are "empty" or at "inland depots" does not remove from them of their maritime character. The storage charges and the loss of use claimed by the plaintiff are direct consequences of a "maritime agency" failure.

8.8 The defendant argues that the MOU dated 02.05.2025 constitutes a new commercial agreement. This argument misconstrues the nature of maritime novation. A Memorandum of Understanding signed to resolve an existing maritime dispute, in my view, does not necessarily transform that dispute into a general civil matter. The MOU in this case was specifically intended to facilitate the "release of containers" and the "payment of certain depot charges". As the underlying subject matter is maritime in nature, therefore, MOU is merely an extension of the original maritime cause of action. The defendant's failure to comply with the MOU is not a separate breach but a continuation of the initial failure to perform agency duties.

8.9 Accordingly, in all respects, the instant suit, in my view, falls within the ambit of the admiralty jurisdiction of this Court.

Whether the jurisdiction clause in the MOU excludes the jurisdiction of Admiralty Court?

9. The defendant argues that the MOU dated 02.05.2025 ousts the admiralty jurisdiction, particularly in view of its jurisdiction clause which provided that any disputes arising there from shall be subject to the jurisdiction of the competent courts of Dhaka, demonstrating that the parties themselves contemplated adjudication by ordinary civil courts.

The High Court Division, exercising its admiralty jurisdiction, is a "superior court of record" with plenary and inherent jurisdiction. While parties may agree on a forum for ordinary civil disputes, they cannot by private contract divest the Admiralty Court of its statutory mandate to hear matters that fall under Section 3(2) of the Act. Since, the claim involves the detention of maritime containers and the obstruction of a shipping line's operations, the Admiralty Court is the competent and specialized forum regardless of a subsequent MOU.

Additionally, the language that was used is ".....shall be referred to the exclusive jurisdiction of the competent courts of Dhaka, Bangladesh" reflects the conundrum whirling around the mind of the contracting parties as to the applicable forum and that is why they deliberately avoid using the word, 'civil' before the word 'courts'. Therefore, in the absence of any express words excluding or curtailing the jurisdiction of the Admiralty Court

whose seat is also at Dhaka the said clause cannot be construed as ousting the admiralty jurisdiction of this Court.

10. Accordingly, the application for return of plaint failed and hereby rejected.

(Sikder Mahmudur Razi, J.)