
(2004) 04 BOM CK 0030

In the Bombay High Court

Case No : Admiralty Suit No's. 7, 8, 9 and 10 of 1987

Union of India (UOI) and Another

APPELLANT

Vs

M.V. Damodar Dr. Albert and Another

RESPONDENT

Date of Decision : 20-04-2004

Acts Referred:

Civil Procedure Code, 1908 (CPC) — Section 13
Limitation Act, 1963 — Article 112, 19

Citation : (2005) 2 ALLMR 787 : (2005) 1 BC 384

Hon'ble Judges : D.K. Deshmukh, J

Bench : Single Bench

Advocate : Venkateshwaran and P.N. Mody, instructed by Mulla and Mulla, for the Appellant; A.M. Vernekar, Ashutosh G., M.R. Khatri for the Defendant Nos. 1 and 2, Abhay Patil, instructed by Advani and Co. for the Defendant No. 3, for the Respondent

Judgement

D.K. Deshmukh, J.—All these suits have been filed by the Union of India and ICICI Bank Ltd. for recovery of different amounts advanced to the defendant Nos. 1 and 2 and for securing these amounts five vessels owned by the defendant No. 2 were mortgaged. The learned Counsel appearing for both sides state that facts and law involved in these suits are identical and therefore all these suits can be disposed of by a common judgment.

2. All these suits were originally filed by the Government of India's Shipping Development Fund Committee, a body constituted under the Unamended Merchant Shipping Act, against the shipping company "Damodar Bulk Carriers Limited and each one of the above suits is directed against the vessels Damodar Krishna, Damodar Tanabe, Damodar Kaveri, Damodar Tasaka and Damodar Ganga. It may be mentioned here that the Merchant Shipping Act was amended and Part IV which dealt with the Shipping Development Fund was omitted and under the amending Act, Shipping Credit and Investment Company of India Limited was appointed as the designated person in lieu of the Shipping Development Fund Committee. This was done by virtue of the Shipping

Development Fund Committee (Abolition) Act, 1986. The Shipping Credit and Investment Company Limited changed its name to ICICI Limited and thereafter merged with Industrial Credit and Investment Corporation of India Limited, which changed its name to ICICI Limited and thereafter merged with ICICI Bank Limited. The record shows that at all stages appropriate Chamber Summons were taken out for amendment of the Plaint and as of now the plaintiffs are the Union of India and ICICI Bank Limited. There is no dispute raised by any one with regard to this and all orders on the Chamber Summons make it clear that ICICI Bank has been substituted as plaintiffs in all the above suits.

3. It is necessary to be stated that large amounts of funds were disbursed from time-to-time by the Government of India through the original SDFC aggregating to approximately Rs. 36 crores at concessional rates of interest to the 2nd defendant (Damodar Bulk Carriers) for the purpose of purchase of 5 vessels named above. The said 5 vessels are mortgaged to the plaintiffs as security for the due repayment of the said loans. Needless to stress that in substance all the 5 vessels covered in the 4 suits are subject to a First Registered Mortgage in favour of the plaintiffs and this is not disputed at all. All the vessels are subject to a First Mortgage for its own acquisition. The vessels were also subject to Second Mortgage, Third Mortgage or Cross Mortgage for different loans.

4. Written statements have been filed on behalf of the defendant Nos. 1 and 2 as also by the defendant No. 3.

5. By order dated 3.2.1995 the Court framed issues. However, subsequently 3rd defendant was added and therefore by order dated 12.1.2000 issues were recast and certain additional issues were framed. Thus by order dated 12.1.2000 following issues have been framed.

Issues

(1) Whether the suit as framed is not maintainable in the Admiralty jurisdiction of this Honourable Court as alleged in para 1 of the written statement of defendant Nos. 1 and 2?

(2) Whether the suit claim or any part thereof is barred by the law of limitation?

(3) Whether the supplementary agreement dated 23rd January, 1985 is invalid as alleged in para 13 of the written statement of defendant Nos. 1 and 2?

(4) Whether the 2nd defendants committed various defaults in respect of their obligation to pay the amount due and payable under Loan Agreement dated 10th November, 1975, Statutory Mortgage dated 9th April, 1976, Deed of Covenant dated 9th April, 1976 and Supplementary Agreement dated 23rd January, 1985 as alleged in paras 8 and 9 of the Plaint?

(5) Whether the action of the plaintiff so as to recall the payment of the entire amount is null and void as alleged in para 3 of the written statement of defendant Nos. 1 and 2?

- (6) Whether the suit transaction was varied by letter dated 22nd February, 1990, as alleged in para 4 of the written statement of defendant Nos. 1 and 2?
- (7) Whether the plaintiffs gave up the suit claim at any point of time and whether the plaintiffs are estopped from making the suit claim other than on the basis indicated in letter dated 22nd February, 1990 as alleged in para 4 of the written statement of defendant Nos. 1 and 2?
- (8) Whether the plaintiffs committed economic duress the 2nd defendants as alleged in para 1 of the written statement of defendant Nos. 1 and 2?
- (9) Whether the provisions for payment of interest on interest constitutes stipulation in the nature of penalty as alleged in para 11 of the written statement of defendant Nos. 1 and 2?
- (10) Whether the plaintiffs have wrongfully appropriated part-payments towards interest and are made an inflated claim as alleged in para 5 of the written statement of defendant Nos. 1 and 2?
- (11) Whether the plaintiffs have wrongfully appropriated after the date of the suit until 31st March, 1990 an amount of Rs. 99,24,357.51, contrary to law as alleged in para 5 of the written statement of defendant Nos. 1 and 2?
- (12) Whether a sum of Rs. 9,67,22,923.96 was due and payable by the 2nd defendants to the plaintiffs as on 31st July, 1986 as alleged by the plaintiff in the Plaint read with particulars of claim Exhibit "C" to the Plaint along with further interest thereon?
- (13) Whether the suit claim is duly and validly charged for redemption thereof on the 1st defendant ship under the Statutory Agreement dated 9th April, 1976 and the Deeds of Covenant dated 9th April, 1976 read with Supplementary Agreement dated 23rd January, 1985?
- (14) Whether the plaintiffs are entitled to obtain any relief against the defendant Nos. 1 and 2, if so, what?
- (15) If this Honourable Court finds in favour of the plaintiffs and holds that the plaintiffs are entitled to the sale proceeds of defendant No. 1 now lying deposited in this Court, or any part thereof?
- (16) Whether the plaintiffs prove that in view of the judgment dated 28th February, 1997 of the Daegu District Court and Judgment dated 28th February, 1997 in the 3rd defendants' Appeal therefrom, the 3rd defendants are precluded by res judicata or other wise from raising any claim to priority as alleged in the Plaint?
- (17) Whether the 3rd defendant proves that they are entitled to make a claim for priority?
- (18) Whether the plaintiffs prove that the 3rd defendants are estopped from claiming priority on account of extending the insurance cover to the 3rd

defendants fraudulently or by connivance between defendant Nos. 2 and 3?

(19) Whether the plaintiffs prove that the 3rd defendant are precluded in making this claim for priority in this Honourable Court and whether the 3rd defendant ought to have revoked the insurance policy upon default by defendant No. 2 in payment of the premium?

(20) Whether the 3rd defendants above that they have right, title or interest in the res?

(21) Whether the defendant No. 3 prove that the insurance premium is a "necessary" supplied to the ship?

(22) Whether the 3rd defendant prove that necessities supplied to ship gives rise to "maritime lien"?

(23) Whether the 3rd defendant prove the alleged claim or 3rd defendant is at all for insurance premium?

(24) Whether the defendant No. 3 prove that the judgment dated 19th November 1993 is passed by the High Court Justice of England and Wales, Queens Bench Division, Commercial Court in Suit No. 1973 Folio No. 1442 in favour of the defendant No. 3 and against the defendant No. 2 in the sum of US \$ 842,320.22 with interest in the sum of US \$ 16,327.41 and cost which taxed at Pound 26,852.78?

(25) Whether the defendant No. 3 are entitled to withdraw the amount lying with the Prothonotary and Senior Master, High Court Bombay towards the sale proceeds of defendant No. 2's vessel namely M.V. Damodar Tanabe and M.V. Damodar Krishna along with accrued interest thereon towards the satisfaction of decretal amount?

6. The matter was argued on behalf of the plaintiffs by learned Counsel Mr. Venkateshwaran and on behalf of defendant Nos. 1 and 2 the matter was argued by learned Counsel Mr. A.M. Vernekar. Written arguments have also been filed on behalf of the plaintiffs as also on behalf of the defendant Nos. 1 and 2. Initially none appeared for the defendant No. 3. However at the end of the hearing an Advocate appeared for the 3rd defendant and sought an adjournment. Adjournment was declined, therefore, the learned Counsel stated that as the defendant Nos. 1 and 2 and the plaintiffs are going to file a written argument, the defendant No. 3 may also be permitted to file written argument. Accordingly permission was granted. However, no written argument has been filed on behalf of the defendant No. 3.

7. It is clear from the submission made by the learned Counsel appearing for defendant Nos. 1 and 2 as also written arguments filed on behalf of the defendant Nos. 1 and 2 that they are not disputing that loan was advanced by the plaintiffs for purchase of the vessels, defendant Nos. 1 and 2 are also not disputing that an agreement to mortgage the vessels was entered into and that

the deed of mortgage was also registered as required by the provisions of the Merchant Shipping Act, 1958. The principal defence raised on behalf of the defendant Nos. 1 and 2 are in relation to issue No. 1 i.e. about maintainability of the suit in the Admiralty Jurisdiction of this Court, and issue No. 2 regarding limitation. Third aspect on which the submissions were made is that rescheduling of the repayment that was offered to the defendant Nos. 1 and 2 by the plaintiffs was discriminatory, and therefore in that regard a writ petition has been filed in this Court which has been admitted for final hearing and is presently pending. One more aspect on which submissions were made on behalf of the defendant Nos. 1 and 2 are about charging interest over interest.

8. Of the five vessels which are mortgaged, it is common ground that the vessel M.V. Damodar Tasaka was sold by private negotiation on 30th August, 1989 and sale proceeds were paid to the plaintiffs. So far as vessels M.V. Damodar Tanabe and Damodar Krishna are concerned, pursuant to the order passed in Adm. Suit No. 7 of 1987 these two vessels were sold by the plaintiffs and the sale proceeds are lying in this Court. So far as 4th vessel M.V. Damodar Ganga is concerned, that vessel was sold pursuant to the order passed by the Court in Adm. Suit No. 8 of 1987 and the sale proceeds are lying in the Court. So far as 5th vessel Damodar Kaveri is concerned, it was arrested in Pohang, South Korea and it was sold by the Korean Court and the sale proceeds have been received by the plaintiffs as per the order passed by the Korean Court.

9. Issue No. 1: (Whether the suit as framed is maintainable in the Admiralty Jurisdiction of this Hon'ble Court as alleged in paragraph 1 of the written statement of defendant Nos. 1 and 2.)

The learned Counsel for the plaintiffs states that in every one of the 4 suits the plaintiffs have averred that the 2nd defendants viz., Damodar Bulk Carriers Ltd. executed deeds of statutory mortgage in the form prescribed under the Merchant Shipping Act, 1958 on different dates in favour of the plaintiffs to secure the loans and to secure the counter-guarantee agreement to be given by the plaintiffs. The plaints also contain averments that deeds of mortgage are duly registered under the said Act. Each one of the first mortgages, the subsequent mortgages and cross-mortgages are duly executed and registered under the Merchant Shipping Act. The mortgage documents and the extract from the Register of Ships maintained by the Mercantile Marine Department in regard to all the mortgages have been produced in the compilations tendered and accepted and marked as exhibits by this Court.

The Plaintiff further alleges that there was due and payable by the 2nd defendants to the original plaintiffs a certain amount of money in each one of the suits with interest and with further interest. It is further alleged that the repayment of the loans, interest, further interest and costs, charges and expenses are validly charged on the 5 vessels respectively.

In addition to that a personal decree is also sought against the 2nd defendants.

It is in pursuance of these pleadings that the plaintiffs have sought to arrest all the defendants vessels in addition to a declaration of the amount due in each suit. The plaintiffs have sought appropriation of the amounts for the suit claim as also an independent decree against the 2nd defendant.

The suit is for enforcement of a mortgage and is certainly therefore triable by the High Court in its Admiralty and Vice-Admiralty Jurisdiction. Mortgage has always been an undisputed item which falls within the Admiralty Jurisdiction of the Court. The actions were commenced in Bombay because the mortgages were executed in Bombay and the suits are for enforcement of the ship mortgages and the 2nd defendants also carry on business in Bombay. The reference to "this Hon"ble Court" refers to High Court if one see the title: "In the High Court of Bombay, in its Admiralty and Vice-Admiralty Jurisdiction." In the circumstances the suit is certainly maintainable in the Admiralty Jurisdiction of this Hon"ble Court.

The defendants refer to a fresh and independent cause of action arising out of agreements of 1985 as averred in paragraph 13 of the Plaint and that these agreements are admittedly not registered. It is unnecessary to register these two agreements for the simple reason that these agreements were only to reschedule the defaulted repayment installments and do not in any manner affect the mortgages or the rights of the plaintiffs on the respective ships or against the 2nd defendants. In fact these agreements reiterate the mortgages.

Clause (e) of the said agreements provided that the rights of the Shipping Development Fund Committee under the principal loan agreements, statutory mortgages of the loaned ships and deeds of covenants and other documents and the security created thereby on the loaned ship in favour of the Committee shall under no circumstances be or shall be deemed to have been abridged, abrogated or annulled in any manner whatsoever and the terms and conditions of the particular loan agreements, statutory mortgages and the deeds of covenant and other documents shall always remain fully effective and operative. These are the words of each one of these agreements which are contained in the respective compilations. The entire suit is based on the original loan agreement and the registered mortgages. It is, therefore, submitted that the Supplementary Indenture and Supplementary Agreement are not documents creating the mortgage and what is required to be registered under the Merchant Shipping Act is only the document creating the mortgage. There is no dispute that the document by which the mortgage was created is registered as required by law and therefore according to the plaintiffs these suits for recovery of loans advanced against the mortgaged vessels is maintainable in the Admiralty Jurisdiction of this Court.

10. On behalf of the defendant Nos. 1 and 2 it is submitted that from the averments it is clear that according to the plaintiff the supplementary agreements give a fresh and an independent cause of action and these suits have been instituted on the basis of these supplementary agreements which are

admittedly not registered under the provisions of the Merchant Shipping Act and, therefore, this Court will not have the jurisdiction to entertain the suit. It is claimed that the cause of action in the plaint as per the averments in the plaint is based on the supplementary agreements and indenture which are admittedly not registered under the Merchant Shipping Act and, therefore, the suits are not maintainable in the Admiralty Jurisdiction of this Court. It is submitted that the requirement of the registration of the mortgage is a mandatory requirement and without registration of the supplementary agreement these suits cannot be entertained by this Court in the Admiralty Jurisdiction.

11. Now, from these rival submissions it is clear that according to the defendant Nos. 1 and 2, suits are not maintainable in the Admiralty Jurisdiction of this Court because according to defendant Nos. 1 and 2 the suits are entirely based on the supplementary indenture and supplementary agreement. But perusal of the averments in the plaint shows that the suits are not entirely based on the supplementary agreement only for the purpose of limitation in filing the suits reference has been made to the supplementary agreements. The suits are basically filed on the basis of mortgage of the vessels which was created by the deeds of mortgage of the year 1976 and therefore as admittedly those deeds of mortgage are registered under the Merchant Shipping Act this Court will have the jurisdiction to entertain the suits in its Admiralty Jurisdiction. Even assuming that the plaintiffs are not justified in relying on supplementary agreement and supplementary indentures then also so far as the aspect of maintainability of the suits in the Admiralty Jurisdiction of the Court is concerned, they will be entitled to rely on the original agreements which were admittedly registered. But merely because the plaintiffs rely on the supplementary agreements, it cannot be said that they are not entitled to rely on the original deeds of mortgage for the purpose of maintaining these suits in the Admiralty Jurisdiction of this Court. It may be pointed out here that for the purpose of deciding the issue about maintainability of the suits in the Admiralty jurisdiction the aspect of whether the suits are filed within the period of limitation or not is not to be considered as that issue has to be considered independently. Admittedly there is a deed of mortgage in favour of the plaintiff and that deed of mortgage is registered under the Merchant Shipping Act and the plaintiffs in terms in the plaint relies on those deeds of mortgage and therefore the suits of the plaintiffs on the basis of the deed of mortgage which is registered under the Merchant Shipping Act would be maintainable in the Admiralty Jurisdiction of this Court.

12. Issue No. 2 : So far as issue No. 2 i.e. as to whether the suit is barred by the law of limitation is concerned, this suit has been filed for recovery of loan advanced by the plaintiffs to the defendant Nos. 1 and 2 under the deed of mortgage executed in the year 1976. These suits have been filed in the year 1986, therefore, according to defendant Nos. 1 and 2 the suits are barred by the law of limitation. At the hearing arguments in detail were advanced and in the written arguments also submissions in detail have been made as to how because of the supplementary agreements the period of limitation gets extended.

However, in my opinion, considering the provisions of the Limitation Act it is not necessary to go into that aspect of the matter. This is a suit filed by the plaintiffs for recovery of loan that was advanced by the plaintiffs to the defendants Nos. 1 and 2 for purchase of the vessels. Therefore, in terms of the provisions of Article 19 of the Schedule of the Limitation Act 1963, the suit can be filed within a period of three years from the date when the loan is made. One of the plaintiff in this suit is Union of India. Originally the Shipping Development Fund Committee was joined as co-plaintiff and subsequently its successors have been joined as co-plaintiff. But the amount that was advanced was advanced by the Central Government and the suits have been filed by the Central Government and the authorities designated by it for the purpose of recovery of money for and on behalf of the Central Government. Article 112 of the Limitation Act lays down that the period of limitations shall be thirty years for any suit by or on behalf of the Central Government and the period of limitation starts when the period of limitation would begin to run under the Act against a like suit by a private person. In the present case as one of the plaintiffs is Central Government, the period of limitation is 30 years from the execution of the deed of mortgage in favour of the plaintiffs by defendant Nos. 1 and 2, which admittedly was in the year 1976 and these suits have been filed in the year 1986 and therefore the suits are perfectly within the period of limitation. In view of this clear provisions of law, in my opinion, it is not necessary for me to consider whether the period of limitation gets extended because of the supplementary agreements and supplementary Indenture.

13. Issue No. 3 : As I have founds that the suit is really based on the deed of mortgage which is admittedly registered it is not necessary to consider this issue because even if the supplementary agreements are assumed to be invalid, it will not help the defendant Nos. 1 and 2 because the whole purpose of supplementary agreement was rescheduling the repayment of loan and therefore so far as the liability of the defendant Nos. 1 and 2 to repay the outstanding loan amount is concerned, it does not change in any way even if the supplementary agreements are excluded from consideration.

14. Issue Nos. 4 to 7 : So far as issue Nos. 4 to 7 are concerned, there is no dispute between the parties about the amount of principal which is outstanding and therefore it is not necessary to consider these issues.

15. Issue No. 8 : According to defendant Nos. 1 and 2, defendant Nos. 1 and 2 were forced to enter into the contract with the plaintiffs because of economic duress. According to defendant Nos. 1 and 2 at the relevant time the Shipping Development Fund Committee constituted under the Merchant Shipping Act enjoyed a monopolistic character and acquisition of the ships by the Indian shipping Companies was required to be made only through Shipping Development Fund Committee. Assuming this is to be true it is not even the case of the defendant Nos. 1 and 2 that it was obligatory on defendant Nos. 1 and 2 to take loan from the Committee for the purchase of the vessels. It is obvious

that the defendant No. 2 entered into the agreement willingly with the Shipping Development Fund Committee. Perusal of the terms on which the loan was advanced shows that the loan was advanced at a subsidised rate of interest which was below the rate of interest then prevailing in the market and, therefore, in my opinion, there is no substance whatsoever in the contentions of the defendant Nos. 1 and 2 that there was any aspect of any economic duress in the present case.

16. Issue No. 9 : So far as Issue No. 9 is concerned i.e. regarding charging of interest on interest. It is not the case of the defendant Nos. 1 and 2 that charging of interest by the plaintiffs is contrary to the terms which the defendant No. 2 entered into with the plaintiffs. Thus, the interest has been charged by the plaintiffs as per the terms of the agreement entered into between the parties and therefore it cannot be said that charging of interest by plaintiffs is contrary to the terms of the agreements between the parties. I also do not find substance in the submission that charging of interest at the rate of 8% in case default is made in payment of installment amounts to imposing the penalty. It is pertinent to note here that the loan was advanced at concessional rate of interest at the rate of 3% p.a. As per the agreement between the parties it was to be increased at 8% p.a. in case of default. By no stretch of imagination this can be said to be in the nature of penalty.

17. Issue Nos. 10 to 14 : So far as these issues are concerned, in view of the submissions made on behalf of the plaintiffs and the defendant Nos. 1 and 2 it is not necessary to consider these issues because there is no dispute between the parties about these issues.

18. Issue Nos. 15 to 25 : So far as these issues are concerned, these issues relate to the entitlement of the third defendant to claim priority over the claim of the plaintiffs in relation to the sale proceeds of the mortgage vessels which are subject matter of these suits. As observed above the third defendant has not led any evidence and has not argued the matter orally and there are also no written arguments submitted. The third defendant is making a claim for unpaid insurance premium in relation to insurance of the vessels which are subject matter of the suits. According to them they have also secured a decree in their favour from the High Court of Justice of England. From the record it is clear that the same claim was made by the defendant No. 3 in the Korean Court where one of the vessels was arrested by the Korean Court. That claim was contested by the plaintiffs and the District Court held in favour of the plaintiffs. The District Court in Korea held that the third defendant is not entitled to claim priority over the claim of the plaintiffs. That judgment of the District Court was challenged in the Court of Appeal in Korea and in the Appeal that judgment has been confirmed. The judgment delivered by the Korean Court has been filed on record. According to the plaintiffs, the finding recorded by the Korean Court operates as *res judicata* in view of (the provisions of Section 13 of the Code of Civil Procedure. Perusal of the provisions of Section 13 of the CPC shows that a

foreign judgment is conclusive as to any matter thereby directly adjudicated upon between the same parties. Perusal of the judgment of the Korean Court shows that the parties to those proceedings were the plaintiffs and the third defendant and the issue that was decided by the Korean Court was regarding the claim of the third defendant claiming priority over the claim of the plaintiffs in relation to the sale proceeds of the vessels mortgaged to the plaintiffs. The Korean Court after considering the relevant law has ruled in favour of the plaintiffs and therefore it is clear that the finding recorded by the Korean Court will be binding on the third defendant and therefore the third defendant would not be entitled to claim any priority over the claim of the plaintiffs. Above issues are, therefore, answered accordingly.

19. In the result, therefore, the suits filed by the plaintiffs against defendant Nos. 1 and 2 have to be decreed in favour of the plaintiffs. All the vessels which are subject matter of these suits have already been sold. Certain amounts have been received by the plaintiffs during the pendency of these suits. In paragraph 14 of the written argument the plaintiffs have stated thus:

"As pointed out by Counsel on behalf of the plaintiffs in Court, the amounts due and payable by the 2nd defendant to the plaintiffs as on 31st March, 2004, amounts to about Rs. 60 crores. It is pertinent to note that after the filing of the Suits, by a letter dated 12th September 1989, the 2nd defendants have admitted their liability as on 31st March 1989 for an aggregate sum of Rs. 42.93 crores. The said letter dated 12th September 1989 is at pages 32 to 34 in the Compilation "B" of documents in Admiralty Suit No. 7 of 1987. Subsequent to 31st March, 1989 interest has accrued on the said balance sum of Rs. 42.93 crores. After 31st March, 1989 there have also been certain moneys received by the plaintiffs from the sale proceeds of the Vessels, "Damodar Tasaka" (approximately 5.49 crores on 30th August, 1989) and "Damodar Kaveri" (approximately 2.86 crores on 8th November, 1995 and approximately 2.84 crores on 10th January, 2000) and from the insurance of Vessel, "Damodar Ganga" (approximately 4.37 crores on 3rd January, 1992). As opposed to this, the plaintiffs have incurred costs of insurance and maintenance on Vessels after the filing of the Suit for preservation of the mortgage security/ships and plaintiffs' rights in respect thereof. Hereto annexed and marked Schedule "C" is a statement of the outstanding/over dues from the 2nd defendant to the plaintiffs as on 31st December, 2003 after taking into account all the aforesaid receipts and payments. Such outstanding is recoverable by the plaintiffs from the 2nd defendants under and in terms of said loan Agreements, Deeds of Covenant, etc. As per the said statement, Schedule "C", the outstanding as on 31st December 2003 is for the sum of Rs. 59,71,45,245.53. As against this, the funds available in this Hon'ble Court from the sale of the said ships is less than Rs. 15.5 crores."

20. In the result, therefore, all these suits are decreed in favour of the plaintiffs. Second defendant is directed to pay the amount to the plaintiffs as per Schedule

(C) to the written argument filed on behalf of the plaintiffs. The amount of sale proceeds of the vessels lying in this Court shall be paid over to the plaintiffs towards satisfaction in part of the decree in their favour. Plaintiffs shall also be entitled to costs of the suits from defendant No. 2 as incurred by the plaintiffs.

At the request of the learned Counsel appearing for defendant Nos. 1 and 2, the Prothonotary and ST. Master is directed to permit the withdrawal to the plaintiffs from the amount of sale-proceeds only after a period of six weeks from today.

Prothonotary and Sr. Master and parties to act on ordinary copy of the order duly authenticated by the Associate/Personal Secretary of the Court as a true copy.