

Branches :

Dubai :

7th Floor, Office #713
Business Avenue Building
Port Saeed Area, P.O. Box # 90992
Dubai, UAE, Tel : +97142956664
Fax: +97142956099

Delhi :

D 1st 145 Basement (Rear)
Lajpat Nagar R 1
New Delhi – 110 024
Ph - +91 11 4132 1037

Mumbai

Office #220, DBS House
Prescott Road, Fort Mumbai
Pin – 400 001, India,
Ph: +91 22 4077 9144

Chennai

#305, dbs house 31A
Cathedral garden road
Nungambakkam
Chennai – 600 034
Ph - +91 98 40 844463

Cochin

Chittoor Road, Cochin - 12, India
Ph: +91 484 4052033(0)
Fax: +91 484 2391895
office@callidusindia.com



**THOUGHT
FOR THE MONTH**

**“Failure
is the
opportunity
to begin
again more
intelligently.”**

Henry Ford

The Law on the Arrest of Vessels in the UAE : An Overview



UAE is not a party to International Conventions.

In UAE, the Federal Law No. 26 of 1981 (as amended in 1988) also known as the “U.A.E Maritime Code”, deals with the provisions of the Arrest of a Vessel. Even though U.A.E. has not officially signed any International Convention, certain provisions from the International Conventions regarding the Arrest of Vessel has been incorporated in the UAE Maritime Law in Part III, from Article 115 to Article 134. The Article 115 of the UAE Maritime Code sets out the claims (also referred to as the “Maritime Debts”), that are similar to the provisions of 1952 Arrest Convention.

Procedure for Arrest of Vessel

The ground for Arrest of a vessel in U.A.E can only be raised if the cause of action falls under the category of Maritime Debts, as categorised under the Article 115 of maritime code. There are almost

15 circumstances mentioned in this Article, wherein the aggrieved party can file an application for Arrest of the vessel. Out of these 15 categories, it is to be noted that the disputes concerning the ownership of the vessel, joint ownership, mortgages can only be brought against the vessel to which the debt refers and not against a sister vessel. In case if the claim of an aggrieved party falls under the classification of a maritime debt, then the aggrieved party can invoke the law and file an application to arrest the vessel. Though a lot of paper works and effort is involved in the Procedure, once an application is submitted to the Court, that has Jurisdiction over the concerned port in the concerned Emirate, the burden of the Proof is on the Plaintiff to show that there was a maritime debt and that the Vessel is likely to leave the country entirely or

act in a way that is prejudicial to the right of the plaintiff.

Further, the plaintiff has to bear all the cost involved in arresting the Vessel. After all these procedures, if the Owner of the Vessel is found innocent and the Judgment is pronounced against the Plaintiff, then the Plaintiff also has to compensate the Vessel Owner, for any damages that may occur due to the arrest of the Vessel.

The changing legal approach by the UAE Courts

Now-a-days, the Dubai Courts have started to review, if the right procedure has been followed as per the Applicable law, from the start till the end of the procedure, to arrest a vessel. The plaintiff / aggrieved party, when

To be Cnt. to Page 2

10 Ways to Improve Your Time Management Skills

6. Set up Deadlines:

When you have a task at hand, set a realistic deadline and stick to it. Try to set a deadline few days before the task so that you can complete all those tasks that may get in the way. Challenge yourself and meet the deadline. Reward yourself for meeting a difficult challenge.

7. Avoid Multitasking:

Most of us feel that multitasking is an efficient way of getting things done but the truth is that we do better when we focus and concentrate on one thing. Multitasking hampers productivity and should be avoided to improve time management skills.

8. Start Early:

Most of the successful men and women have one thing in common. They start their day early as it gives them time to sit, think, and plan their day. When you get up early, you are more calm, creative, and clear-headed. As the day progresses, your energy levels starts going down which affects your productivity and you don't perform as well.

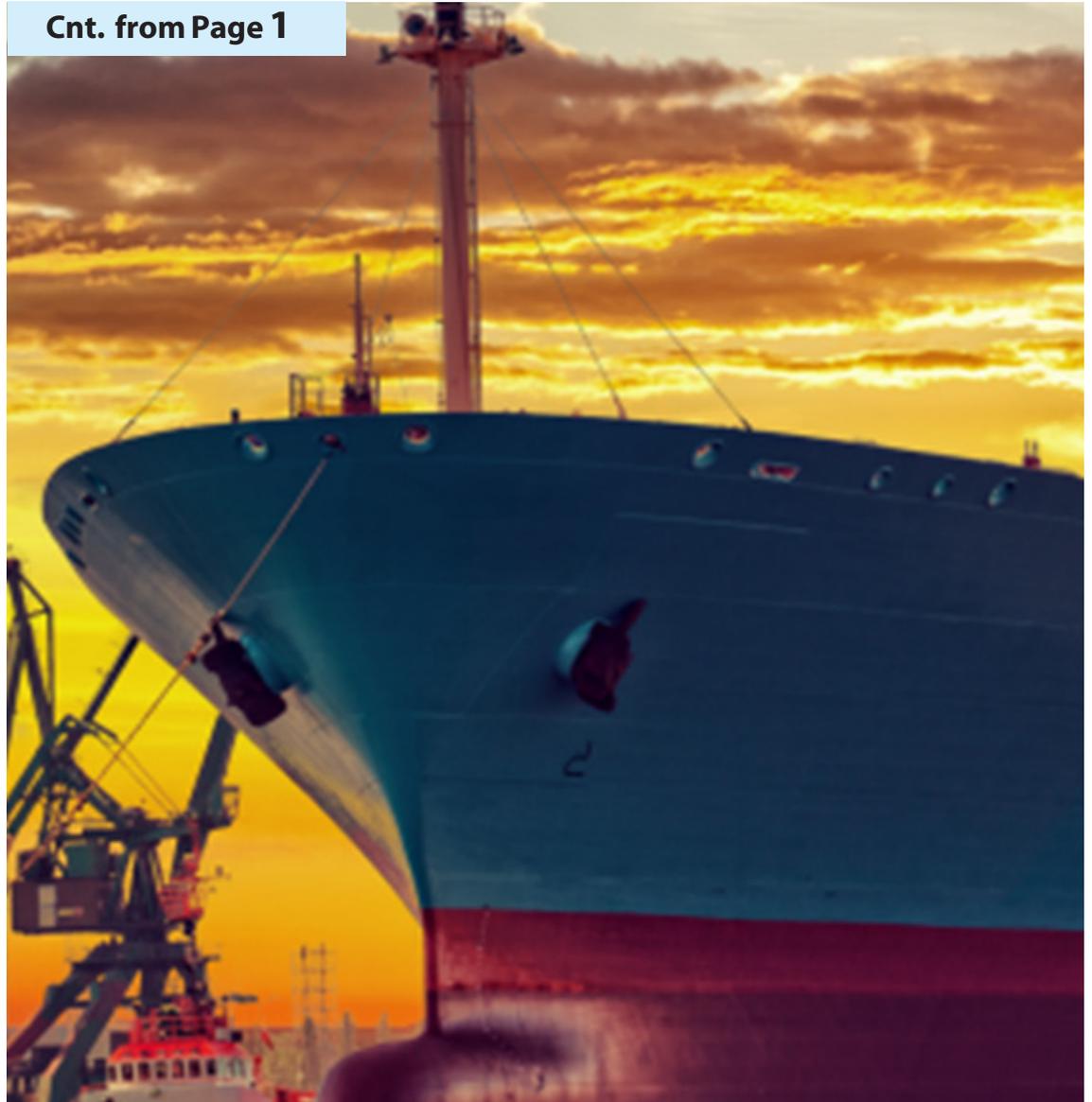
9. Take Some Breaks:

Whenever you find yourself for 10-15 minutes, take a break. Too much stress can take toll on your body and affect your productivity. Take a walk, listen to some music or do some quick stretches. The best idea is to take off from work and spend time with your friends and family.

10. Learn to say No:

Politely refuse to accept additional tasks if you think that you're already overloaded with work. Take a look at your 'To Do' list before agreeing to take on extra work.

Cnt. from Page 1



approaching the Court has to make sure and confirm that the Order for arrest of vessel is served by the Court bailiff and the police officers, with the assistance of the Port Authorities and served on the master of the vessel, or his deputy and on the Port Authority at the place where the vessel is arrested. In a recent case, while hearing the Appeal, the Dubai Court of Cassation has dismissed the judgment pronounced by the Appellate Court for not following the procedures as per the applicable UAE Maritime law. As per Article 119 of the UAE Maritime Code, "(1). the copies of the notice of arrest shall be delivered to the master of the vessel or to his deputy thereon, a second copy to the relevant maritime authority in the

port in which the arrest is effected to prevent the vessel from sailing, and a third copy to the registration bureau in the concerned port; (2) if the vessel is registered in the State, the registration bureau of the port in which the arrest is effected, whether within the state or abroad, shall notify the vessels registration bureau of the arrest for endorsement thereof on the register".

Further Article 120 of the maritime Code, requires the notice of Arrest to contain a summons to attend before the relevant civil court in the area of which the arrest is effected for adjudication on the validity of the debt, of whatever amount". Since there is no system of binding precedents in the U.A.E, it is pertinent to note that the Plaintiff, while

approaching the court with an application to arrest a vessel, has to comply with the applicable laws, under the U.A.E Maritime Code. Further he should also confirm if the Court bailiff also follows the right procedure in serving the order and has complied with the provisions of Article 119 and 120 of Maritime Code as mentioned above.

Conclusion: Though it is the right of the aggrieved person to get his claim, in order to invoke the UAE Maritime Code to arrest a vessel, the aggrieved party has to cross check, if the correct procedure has been followed, from the start till the end, including, the serving of court order by the bailiff. Else, even when he has a genuine case in hand, he may not be able to obtain an order to arrest the vessel, merely because the Court bailiff did not comply with the actual procedure under the applicable law.

Shock as India scraps 500 and 1,000 rupee bank notes

The surprise announcement by Indian Prime Minister Narendra Modi that all 500- and 1,000-rupee notes will be scrapped has been met with shock. Indian media described the move variously as a "surgical strike" on tax evaders in the country's overwhelmingly cash economy and a "big bang note".

On Tuesday there were serpentine queues at ATMs as people tried to withdraw 100 rupee notes, which are still legal. Banks and ATM machines were shut on Wednesday. The surprise move, announced on Tuesday evening, is part of a crackdown on corruption and illegal cash holdings. New 500 and 2,000 rupee denomination notes will be issued to replace those removed from circulation.

The most affected are likely to be small traders, vendors and labourers but newspapers were quick to point out that India's wedding season, due to start in a few days, will also be hit hard. "Black money and corruption are the biggest obstacles in eradicating poverty," Mr Modi said in his address. He said that the move would "cause some hardship" but asked people to "ignore" it, calling the step a "celebration of honesty". People will be able to exchange their old notes for new ones at banks over the next 50 days but they will no longer be legal tender. There are also going to be limits on cash withdrawals from ATMs starting on Thursday.

The move is designed to lock out money that is unaccounted for - known as "black money" - which may have been acquired corruptly, or be being withheld from the tax authorities.

Finance Secretary Shaktikant Das warned people with large stashes of hidden cash that banks would closely monitor the exchange of old notes for new ones.

The 500 and 1,000 rupee notes are the highest denomination notes in the country and are extremely common in India. Airports, railway stations and hospitals will only accept them until 11 November. People will be able to exchange their money at banks between 10 November and 30 December.

-BBC News

THE BATTLE BETWEEN CYRUS MISTRY AND TATA & SONS



On October 24, Cyrus Mistry was removed as Chairman of Tata & Sons Group, while Ratan Tata has been appointed as the interim Chairman of the said Group. The tenure of the said Chairman will be for the next 4 months until they find a suitable person to head the Tata & Sons Group. The Irish businessman was removed from the post of Chairman after the group believed because of his poor performance in his post.

Immediately after the removal of Mr. Mistry from the post of Chairman, the Tata's have filed a caveat before the Bombay High court, Delhi High Court, National Company Law Tribunal and Supreme Court of India.

What's next for the Tata Group?

Though Cyrus Mistry has been removed as the chairman of the group, he is one of the directors of the Group of Companies. The next step by the Tata Group will be to eliminate him as director from all the group of companies. The new board will remove him from various boards of the same group of companies. Tata & Sons have

been planning to give him the opportunity to step down from the Group of Companies. If he fails to step down, the group would have no other choice than to from an Extra Ordinary General Body meeting to resolve the issue by issuing a special notice to its share holders.

Though Mistry has been removed from Tata & Sons, he still remains as Chairman and Non - Executive Director in key listed groups such as TCS, Tata Motors etc.,

Reasons which might be behind the removal of Cyrus Mistry:

● Cyrus Mistry's method of conducting business was not as successful as Ratan Tata's. In fact, Ratan Tata during his tenure as Chairman had raised the company's net worth from a billion dollars to 100 billion dollars within a span of 20 years, which is deemed as a great success in the field of business.

● During the tenure of Cyrus Mistry, it is a possibility that the debt of the company would have increased since there was no proper performance by the Chairman.

● Cyrus Mistry was keen on changing the management of the company by bringing on new faces at the senior level.

● Cyrus Mistry's settlement with a Japanese company and the sale of Tata Steel UK, which has been put on hold for now.

● As per the company board, they believed that Mr. Mistry had a lack of vision in bringing up the company. The 100 billion dollar company was facing heaving losses after he was appointed as the Chairman of the board.

Though this is not a corporate battle, but it is battle between Cyrus Mistry and the TATA & Sons management, it will have a serious impact on business. Tata which is known to be one of the top Indian business companies is now under heavy loss of reputation after its decision to sell some of its overseas business operations. The battle between Cyrus Mistry and the Management will have some impact on business, though not in the long term, but will definitely affect the business of the company in the short term.

Disclaimer : The materials contained in our News Letter and our accompanying e-mail have been prepared solely for information purpose. Neither Callidus nor any of its affiliates make any warranties in relation to the use or reproduction of its contents. The information contained in the news letter is solely for academic and discourse purposes, meant for private circulation; this e-mail message and its attachments may be confidential, subject to legal privilege, or otherwise protected from disclosure, and is intended solely for the use of the intended recipient(s). If you have received this communication in error, please notify the sender immediately and delete all copies in your possession.