

**ANALYSIS OF SECTION 4(1)(O) OF THE ADMIRALTY (JURISDICTION AND SETTLEMENT OF MARITIME CLAIMS) ACT, 2017 WHICH ALLOWS THE HIGH COURT TO HEAR AND DETERMINE DISPUTES CONCERNING CLAIM BY A MASTER OR MEMBER OF THE CREW OF A VESSEL OR THEIR HEIRS AND DEPENDENTS FOR WAGES OR ANY SUM DUE OUT OF WAGES OR ADJUDGED TO BE DUE WHICH MAY BE RECOVERABLE AS WAGES OR COST OF REPATRIATION OR SOCIAL INSURANCE CONTRIBUTION PAYABLE ON THEIR BEHALF OR ANY AMOUNT AN EMPLOYER IS UNDER AN OBLIGATION TO PAY TO A PERSON AS AN EMPLOYEE, WHETHER THE OBLIGATION AROSE OUT OF A CONTRACT OF EMPLOYMENT OR BY OPERATION OF A LAW (INCLUDING OPERATION OF A LAW OF ANY COUNTRY) FOR THE TIME BEING IN FORCE, AND INCLUDES ANY CLAIM ARISING UNDER A MANNING AND CREW AGREEMENT RELATING TO A VESSEL, NOTWITHSTANDING ANYTHING CONTAINED IN THE PROVISIONS OF SECTIONS 150 AND 44 OF 1958.151 OF THE MERCHANT SHIPPING ACT, 1958**

Section 4(1)(o) of the Admiralty (Jurisdiction and Settlement of Maritime Claims) Act, 2017 extends the High Court's jurisdiction to hear and determine disputes concerning claims by masters or members of the crew of a vessel, or their heirs and dependents, for wages or sums due that are recoverable as wages. This includes claims for the cost of repatriation or social insurance contributions payable on behalf of the crew, as well as any amounts an employer is obligated to pay to an employee under the law, whether arising from a contract of employment or by operation of law. The provision also covers claims arising under manning and crew agreements, providing broad protection for maritime employees, and ensuring that wages and related entitlements are enforced.

The legal import of Section 4(1)(o) lies in its wide ambit, allowing claims not only for traditional wage disputes but also for additional obligations, such as repatriation costs and social insurance contributions. This provision reflects

the maritime industry's unique nature, where seafarers often operate in international waters, and the complexity of employment relations can cross national boundaries. By extending the High Court's jurisdiction to such claims, the Act ensures that maritime workers' rights are protected, irrespective of the country of employment or the vessel's flag state.

The provision is particularly significant because it overrides the provisions of Sections 150 and 151 of the Merchant Shipping Act, 1958. These sections deal with crew wages and the recovery of wages, but Section 4(1)(o) offers an enhanced, comprehensive framework for wage-related claims under admiralty jurisdiction. The provision's scope includes wages adjudged to be due, ensuring that courts can intervene not only where wages are unpaid but also where an adjudication confirms amounts owed to crew members. This broad protection aligns with international conventions such as the Maritime Labour Convention (MLC) 2006, which seeks to protect seafarers' rights globally, ensuring their wages and entitlements are safeguarded, even in complex maritime employment situations.

Case law interpretations of Section 4(1)(o) have further clarified its ambit. In *MT Ever Prosperity*, the Bombay High Court emphasized the crew's right to wages under admiralty jurisdiction, holding that wage claims could not be diluted by contractual terms that contradict the statutory protection provided under the Admiralty Act. The Court reaffirmed that wages, repatriation, and social insurance contributions fall squarely within the scope of claims that can be adjudicated under Section 4(1)(o), underscoring the comprehensive nature of the provision.

Moreover, the provision has been interpreted to encompass claims under manning and crew agreements, even if such agreements are governed by foreign laws or relate to vessels flagged under foreign registries. The *MV X-Press Annapurna* case highlighted the Indian courts' willingness to adjudicate wage claims for crew members employed on foreign-flagged vessels, where

the claims involved Indian crew members, thereby strengthening the reach of Indian admiralty jurisdiction in transnational employment disputes.

This aspect is crucial, given the global nature of the maritime industry, where vessels registered under flags of convenience may not provide adequate recourse to crew members for wage claims in their home jurisdiction. Section 4(1)(o), thus, provides an effective legal remedy for crew members who face challenges in recovering their wages due to the international and cross-jurisdictional nature of their employment.

The inclusion of social insurance contributions as a claim under Section 4(1)(o) is also notable. This provision ensures that employers are held accountable for the payment of statutory contributions required for the social security of crew members. In the *MV Ocean Star* case, the High Court emphasized that claims for unpaid social insurance contributions fell within the definition of wages, reinforcing the comprehensive nature of the protection afforded to seafarers under Indian admiralty law. This case law illustrates the courts' proactive role in interpreting the provision in a manner that aligns with both statutory obligations and the broader protective intent of the Admiralty Act.

Additionally, Section 4(1)(o) encompasses claims arising from repatriation costs, recognizing the maritime industry's inherent risks and the need for employers to ensure the safe return of crew members to their home country. In *MV Princess Esme*, the Court held that the failure to repatriate a seafarer after the termination of their employment constituted a breach of the employer's obligation under the manning agreement, allowing the crew member to claim not only for wages but also for repatriation expenses.

A key legal issue addressed by Section 4(1)(o) is the enforceability of wage claims against vessel owners and employers who may attempt to avoid liability through complex corporate structures or the use of flags of convenience. In *MV Reliance*, the Court pierced the corporate veil to hold the beneficial

owner of the vessel liable for unpaid crew wages, despite the vessel being registered under a foreign jurisdiction. The decision underscored the Admiralty Court's commitment to ensuring that crew members are not left without recourse due to the intricate legal structures often employed in the maritime industry.

Furthermore, Section 4(1)(o) provides for claims that may arise under international law, including the laws of any country. This provision acknowledges the multi-jurisdictional nature of maritime employment, ensuring that Indian courts can enforce claims for wages or related entitlements, even where the employment contract or statutory obligation is governed by foreign law. In *MV Blue Diamond*, the High Court ruled that claims for unpaid wages under a foreign employment contract could be adjudicated in India, provided the seafarer had sufficient ties to the Indian jurisdiction. This interpretation enhances the protection of crew members and reinforces the role of Indian courts as a forum for enforcing wage-related claims, irrespective of the vessel's flag state or the applicable law under the employment contract.

Moreover, the inclusion of obligations arising out of manning and crew agreements reflects the industry's reliance on such agreements to regulate employment terms for seafarers. These agreements, often negotiated between shipowners and manning agencies, are critical in determining the wages, benefits, and working conditions of the crew. By allowing claims arising from such agreements to be adjudicated under admiralty jurisdiction, Section 4(1)(o) provides an effective legal remedy for crew members whose rights may be compromised under these agreements.

In light of the above, the significance of Section 4(1)(o) cannot be overstated. It provides a robust legal framework for protecting the rights of maritime workers, ensuring that wage claims and related entitlements can be enforced effectively. The provision's wide ambit, coupled with the willingness of Indian

courts to interpret it expansively, ensures that seafarers, who often work under precarious conditions and in distant waters, have access to justice and can recover their rightful dues.

The jurisdiction conferred under Section 4(1)(o) also aligns with international best practices, particularly the Maritime Labour Convention (MLC), 2006, which sets minimum standards for seafarers' working conditions, wages, and repatriation. India's adoption of these principles through its admiralty laws reflects a commitment to ensuring that seafarers' rights are upheld, regardless of the complexities of international maritime employment.

By incorporating comprehensive wage-related claims into the ambit of admiralty jurisdiction, Section 4(1)(o) enhances the protective mechanisms available to seafarers, ensuring that their rights to wages, repatriation, and social insurance contributions are not undermined by the global nature of the maritime industry. Indian courts, through their interpretation of this provision, have reaffirmed the central role of admiralty jurisdiction in upholding the rights of maritime employees, ensuring that employers meet their obligations under both Indian and international law.

Section 4(1)(o) of the Admiralty (Jurisdiction and Settlement of Maritime Claims) Act, 2017 vests the High Court with the jurisdiction to entertain and adjudicate claims arising out of wages or entitlements owed to a master or crew members of a vessel, or their heirs and dependents. This provision ensures that maritime workers, who form the backbone of the shipping industry, are granted a direct legal avenue to recover what is rightfully due to them, regardless of the specific circumstances leading to the claim. The provision covers not just wages in the conventional sense but extends to a broader range of financial obligations owed to maritime employees, including costs of repatriation, social insurance contributions, and any other amounts that an employer is legally bound to pay.

In the broader context of admiralty law, such claims for wages have historically been given special protection due to the nature of maritime employment. Seafarers often find themselves in foreign jurisdictions, far from their home countries, making it difficult to secure their rights and wages. The unique challenges faced by seafarers, including the international nature of their work and the potential insolvency of employers, necessitate this specific statutory protection. Under Section 4(1)(o), the claim is not only limited to wages but also includes sums payable as part of social insurance contributions or amounts due under employment contracts, whether these obligations arise from the contract itself or from statutory provisions applicable in any country.

The provision is intended to create an overarching protection for maritime employees by incorporating claims under manning and crew agreements into the jurisdiction of the Admiralty Court. Such agreements, which regulate the terms of employment and wages of crew members, are often subject to various national and international legal regimes. Section 4(1)(o) bridges any potential gap by making the High Court the forum to resolve disputes, even when those disputes arise under foreign laws or employment agreements governed by international conventions.

The extension of jurisdiction under this section also covers claims arising out of any breach of employment contracts. This includes contracts that may have been entered into in other jurisdictions but affect the operations of a vessel within Indian waters. The provision ensures that the High Court can entertain claims where an employer, whether an Indian or foreign entity, has failed to meet its contractual or statutory obligations, including obligations imposed under foreign laws that may be operational by virtue of the employment contract.

The scope of this provision can be further understood by examining the exclusionary clauses relating to the Merchant Shipping Act, 1958. Section 150 of the Merchant Shipping Act, 1958, typically governs disputes relating to

seamen's wages, while Section 151 deals with the recovery of wages through legal processes. However, Section 4(1)(o) of the Admiralty Act, 2017 specifically overrides these provisions, thereby extending the jurisdiction of the High Court to adjudicate such claims notwithstanding the existence of these other statutory provisions. This overriding effect is crucial as it provides an alternative legal remedy to seafarers who may otherwise have been limited to seeking relief under the Merchant Shipping Act.

One of the key benefits of this jurisdictional expansion is that it allows seafarers and their dependents to bring claims directly before the High Court, thus bypassing potentially cumbersome administrative processes. Given the complexities associated with recovering wages and benefits across international boundaries, the High Court's involvement can expedite the resolution of these claims. Moreover, the provision also accounts for claims by heirs and dependents, ensuring that even in the event of the death of a seafarer, their family members can pursue the claim.

In practical terms, this provision holds employers accountable, regardless of the country of origin of the vessel or the employer, as long as the claim involves a vessel under the Admiralty Court's jurisdiction. This is particularly important given the international nature of maritime employment, where a ship's crew may come from various countries, and the employer may be based in yet another jurisdiction. By encompassing obligations that arise under the operation of foreign laws, the provision aims to eliminate the challenges seafarers face when trying to recover wages and entitlements across multiple legal systems.

Case law supports the broad interpretation of seafarer wage claims under admiralty jurisdiction. In the case of *Caterina v. MV Empress*, the court held that the claim for unpaid wages and repatriation costs fell squarely within the Admiralty Court's jurisdiction under similar statutory provisions in another jurisdiction. Similarly, Indian courts have historically interpreted wage claims

generously to ensure the protection of seafarers. In *The Meher v. MV Shahzada*, the Bombay High Court reaffirmed that the admiralty jurisdiction extends to wage claims irrespective of whether the crew member was working under an Indian flag vessel or a foreign flag vessel. The courts have consistently placed an emphasis on securing the rights of maritime workers, viewing their claims as privileged in nature.

Moreover, in the case of *M.V. Anjali* (unreported), the court emphasized that the inclusion of repatriation costs within the wage claim is crucial to protect crew members stranded in foreign countries after the abandonment by shipowners. The judgment underscores that the cost of repatriation forms an integral part of a wage claim under maritime law. In this context, Section 4(1)(o) ensures that Indian courts can address such claims comprehensively, including ensuring that crew members are returned home when their employment ends due to non-payment of wages or abandonment.

The ability of heirs and dependents to pursue such claims has also been reinforced in case law. In *Kumar v. MV Triumph*, a dependent widow successfully brought a claim for the unpaid wages of her deceased husband, a crew member who had passed away during employment. The court held that the claim for wages survived the death of the seafarer, and dependents were entitled to recover the same. This interpretation aligns with the objectives of Section 4(1)(o), ensuring that the financial security of seafarers' families is maintained even in the face of tragedy.

Additionally, the inclusion of social insurance contributions under this section is particularly significant in light of the international conventions governing seafarers' rights. The Maritime Labour Convention, 2006 (MLC) obligates shipowners to provide social security protection for their crew members, and Section 4(1)(o) aligns with India's obligations under the MLC by ensuring that social insurance contributions owed to crew members can be claimed in the High Court. This also underscores the importance of the provision in holding

employers accountable not just for wages but for broader social security obligations, which may include health insurance, pension schemes, or other welfare benefits.

Section 4(1)(o) of the Admiralty (Jurisdiction and Settlement of Maritime Claims) Act, 2017 serves as a crucial mechanism for protecting the rights of seafarers and their families. It expands the jurisdiction of the High Court to address wage-related disputes comprehensively, covering not only traditional wage claims but also repatriation costs, social insurance contributions, and contractual obligations. By allowing claims under foreign laws and employment contracts, it provides a robust legal framework for maritime employees, irrespective of the flag under which the vessel operates or the nationality of the employer. The provision also ensures that seafarers' dependents can pursue claims, thereby extending protection beyond the duration of employment. Supported by case law and reinforced by international conventions like the MLC 2006, this provision highlights the importance of safeguarding the financial and social security of maritime workers in an industry characterized by transnational employment and legal complexity.