

CONDITION OF SALE

The terms and conditions for auction sale of the ship are finalised by the marshal/sheriff and are made available to intended bidders. Advertisements/Notice for auction sale of the ship are published globally, normally in two international shipping newspaper and two newspaper in India.

Under the terms and conditions of the sale, the successful bidder is required to pay a percentage, usually 15 per cent, of the purchase price forthwith and the balance of the price within a period fixed in the conditions of sale, usually 15 days from the date of the sale. The payment is to be made by means of bankers' draft or a certified cheque. Under the Rules, the sale is subject to sanction of the court. The sale is free and clear of all maritime or other liens and encumbrances.

Section 8 of the Admiralty Act (2017) deals with vesting of rights on sale of vessels.—On the sale of a vessel under this Act by the High Court in exercise of its admiralty jurisdiction, the vessel shall vest in the purchaser free from all encumbrances, liens, attachments, registered mortgages and charges of the same nature on the vessel.