**IN THE SEYCHELLES COURT OF APPEAL**

**Before: Justice A. Fernando**

**Civil Appeal SCA MA05/2017**

**(Arising in SCA14/2017)**

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| Hedgeintro International LTD  c/o International Law & Corporate Services (Pty) Ltd  Allied Building, Mahe |  | Applicant |
|  | Versus |  |
| Hedge Funds Investment Management LTD of 30 Crown Place, London EC2A 4ES, United Kingdom |  | Respondent |

Heard: 14 August 2017

Counsel: Mr. J. Renaud and Mr. A. Derjacques for the Applicant

Mr. S. Rouillon for the Respondent

Delivered: 28 August 2017

**RULING ON MOTION**

**A.Fernando (J.A)**

1. This is an application, by the Applicant above-named, dated 7th March 2017, for an order to stay execution of the judgment of the Supreme Court dated 6th February 2017 pending the determination of the appeal before the Court of Appeal, against the said judgment.
2. An appeal dated 7th of March 2017 has been filed before the Court of Appeal against the judgment of the Supreme Court dated 6th February 2017, by the Applicant and the grounds of appeal have been stated therein.
3. This application for Stay has been made after the Applicant’s application for a stay of execution of the judgment of the Supreme Court dated 6th February 2017 had been refused by the Supreme Court, by the Order of the learned Chief Justice dated 8th May 2017, although neither the application nor the supporting affidavit before this Court does state it.
4. **Section 230 0f the Seychelles Code of Civil Procedure** states:

“Appeal not to operate as stay of execution

230. An appeal shall not operate as a stay of execution or of proceedings under the decision appealed from unless the court or the appellate court so orders and subject to such terms as it may impose. No intermediate act or proceeding shall be invalidated except so far as the appellate court may direct.”

**Rule 20 of the Seychelles Court of Appeal Rules** states:

“20(1) An appeal shall not operate as a stay of execution or of proceedings under the decision appealed from:

Provided that the Supreme Court or the Court may on application supported by affidavits, and served on the respondent, stay execution on any judgment, order,…pending appeal on such terms, including such security for the payment of any money…ordered by or in such judgment, order…, as the Supreme Court or the Court may deem reasonable…”(emphasis added)

1. The above provisions make it clear that granting a stay is at the discretion of the Court and thus would be dependant on the facts and circumstances of each case. A court should not without good reason delay a successful party in obtaining the fruits of his judgment. In the case of **Macdonald Pool VS Despilly William Civil Side No 224 of 1993**, the Supreme Court identified grounds which may be considered in granting a stay of execution of judgment pending appeal –

“(a) There is proof that appellant would suffer substantial loss which could not be compensated in damages,

(b) Where special circumstances of the case so require,

(c) There is a substantial question of law to be adjudicated upon the hearing of the appeal,

(d) Where the stay is not granted the appeal if successful, would be rendered nugatory.

In **Linotype-Hell Finance Ltd VS Baker [1992] 4 AER 887, Staughton LJ** stated: “Where an unsuccessful defendant seeks a stay of execution, pending appeal, it is a legitimate ground for granting the application that the defendant is able to satisfy Court that without a stay of execution he will be ruined and that he has an appeal which has some prospect of success.” (emphasis added)

As against these grounds the Court has also to consider the loss the respondent would suffer by the grant of a stay.

1. The affidavit in support of the application before this Court had been deponed to and signed by Mr. Anthony Derjacques and Mr. John Renaud acting on behalf of the Applicant. They are the Attorneys appearing for the Applicant before this Court in this case. At the very outset I wish to state that the affidavit is not in compliance with rule 20(1) of the Seychelles Court of Appeal Rules, referred to at paragraph 4 above and section 171 of the Seychelles Code of Civil Procedure and therefore defective. **Section 171 of the Seychelles Code of Civil Procedure** states:

Before whom affidavits may be sworn

171.  Affidavits may be sworn in Seychelles –

(a) before a Judge, a Magistrate, a Justice of the Peace, a Notary or the Registrar; and

(b) in any cause or matter, in addition to those mentioned in paragraph (a) before any person specially appointed for the purpose by the court.

The affidavit filed in support of the application has not been sworn before anyone of the persons mentioned in that section. For that matter it has not been sworn before anyone. Although I find the typed words “Sworn at the Registry, Supreme Court, Victoria, Dated this 7th day of March 2017, **REGISTRAR**” at the bottom of the affidavit, I do not find any name or signature of the Registrar or his/her seal or that of the Supreme Court fixed therein. This alone suffices to dismiss the application.

1. A Stay of Execution is being sought on the following grounds:
2. That the Applicant has an overwhelming chance in succeeding in the appeal,
3. That unless the judgment of the Supreme Court dated 6th February 2017 is stayed pending the decision of the appeal, the applicant stands to suffer from great injustice, inconvenience and financial prejudice,
4. That it would be in the interest of justice for the said judgment to be stayed.
5. A perusal of the Order of the learned Chief Justice dated 8th May 2017 refusing a stay of the judgment of the Supreme Court dated 6th February 2017, shows that the application before the Supreme Court for stay had been sought on the very grounds, that the stay is sought from this Court.
6. The Applicant in pursuing its grounds (i) and (iii) for Stay, both in the Written Submissions filed and in making submissions before this Court on the 7th of July 2017 and 14th August 2017; restricted itself to argue that the learned Chief Justice erred, in delivering judgment in this case which she did not hear at all and was heard before another Judge of the Supreme Court who had been suspended. Ground (i) was based partly on ground 2.1 of the Notice of Appeal filed by the Applicant-Appellant, wherein it was stated: “The trial was completely derailed by the suspension of the trial judge, who had heard evidence over a period of five years.” It was the Applicant’s contention that even if Counsel on both sides had consented to the learned Chief Justice delivering judgment, the judgment was defective and thus had to be quashed. Other than merely arguing on the legal principle the Applicant did not specify, why it was incorrect for the learned Chief Justice to deliver judgment in view of the facts and circumstances of this case.
7. Before I deal with the legal issue raised in ground (i) and referred to at paragraph 7 above, I decided to peruse the record of the Supreme Court to ascertain as to what had transpired before the Supreme Court on the 26th of October 2016 and the 16th of November 2016, before a decision was made by the learned Chief Justice to deliver judgment in this case. On the 26th of October the record bears out that the learned Chief Justice had asked counsel on both sides whether they want the court to adopt the evidence so far produced and to write a judgment or to start the case afresh. On the 26th Mr. S. Rouillon had appeared for the Plaintiff, who is the Respondent herein and Mr. J. Renaud and Mr. A. Derjacques had appeared for the Defendant, the Applicant in this case. Mr. Rouillon had opted for the learned Chief Justice adopting the evidence so far produced and to write a judgment, while Mr. Renaud and Mr. Derjacques had moved for two weeks’ time to discuss the matter with their client and inform court. The learned Chief Justice had also informed counsel on both sides to submit to the Court the index of what they had filed by way of pleadings and submissions, so that the Court record would be complete and would make it easy for her to deliver judgment, if the parties decided that the Chief Justice write the judgment.
8. When the case had been called on the 16th of November 2016 Mr. Renaud appearing for the Defendant, the Applicant herein, in answer to Court as to the defence position in adopting the proceedings and delivering judgment had said: “My instructions are **clear** the Court may proceed with the judgment.”(verbatim) On the 16th of November Mr. Ferley had been standing in for Mr. Dejacques, who was appearing for the Defendant with Mr. Renaud. Mr. Ferley had informed Court that he had no instructions on the matter from Mr. Derjacques. The learned Chief Justice had then reminded Mr. Ferley that the case had been continuing from 2012 and said: “This is not good enough. I am going to fix a date for the judgment, in the meantime if Mr. Dejacques comes back and has instructions from his client that he wants the case reheard I will have to exceed unfortunately because I need a unanimous agreement before this Court can accept to proceed with the judgment based on the proceedings okay.” (verbatim) The proceedings of the 14th of November also bears out that Mr. S. Rouillon appearing for the Plaintiff and Mr. J. Renaud appearing for the Defendant had filed the index as requested by the Chief Justice on the 26th of October.
9. The learned Chief Justice in her Order dated 8th May 2017 refusing a stay of the judgment of the Supreme Court dated 6th February 2017, dealing with ground (i) for Stay which was based on ground 2.1 of in the Notice of Appeal had stated: “Mr. Renaud for the Applicant admitted that the grounds of appeal were drafted by Mr. Panesar, a director of the Applicant company and that the grounds filed in the appeal would have to be reassessed since all the parties in the case had unanimously agreed to my taking over the case in the absence of the original trial judge. This allegation in the ground of appeal is therefore questionable.” The learned Chief Justice had reiterated her position at paragraph 11 of her judgment dated 6th February 2017, in stating: “In October 2016, I took over carriage of the case. Parties unanimously agreed that I adopt the evidence adduced and deliver judgment…”
10. Mr. Renaud did not dispute the statement of the Chief Justice in her Order referred to in the paragraph 12 above, in his Application for the Stay or in the Supporting Affidavit filed before this Court or when making submissions before the Court. Further Mr. A. Derjacques had not in the Affidavit filed before the court taken up the position that he had informed the learned Chief Justice that he had wanted the case to be reheard nor did he make a submission to that effect when the case was argued before this Court.
11. The Applicant in his Written Submissions dated 8th August 2017, filed before this Court had placed reliance on sections 132 and 135 of the Seychelles Code of Civil Procedure (**CCP**) and several cases, which I shall deal with separately, in support of his argument that it is only the Judge who heard the case who can deliver judgment. Counsel for the Applicant had not raised this issue before the learned Chief Justice when she had asked counsel on both sides on the 26th of October 2016, whether they want the court to adopt the evidence so far produced and to write a judgment or to start the case afresh nor argued this point when they made an application for a Stay before the learned Chief Justice. Both Mr. J. Renaud, as Counsel for the appellant and Mr. A. Derjacques, as Chairman of the Rent Board, had been involved in the local case of Philoe VS Biscornet, 1990 SLR 182, referred to later in this Ruling, where it was held that it is only the Judge who heard the case who can deliver judgment; and thus cannot be said to have been ignorant of the position which they are now arguing about. When I questioned Counsel, at the hearing of the 14th of August 2017, as to whether they would have made an application for Stay, had they won the case before the Supreme Court, all that Mr. Renaud could say was that “the other party would have used the same avenue. It is the law, it applies for both.” I believe that Counsel should be more responsible and refrain from conduct referred to herein.
12. I refer below to **sections 132 and 135 of the Seychelles Code of Civil Procedure** relied on by Counsel for the Applicant:

“Absence of Judge

**132.** When by reason of the illness or unavoidable absence of the Judge, the court cannot be held, the Registrar shall call into court all the parties to the cases fixed for the day and all witnesses summoned for such day, and shall adjourn the court to such other day as he may deem expedient.

Delivery of Judgment

**135** (1) At the conclusion of the hearing of the suit, the court shall deliver judgment at once or on some future day of which notice shall be given at the conclusion of the hearing to the parties or their attorneys or agents(if any).

(2) Where on the day fixed for delivery of judgment, the court is not prepared to deliver judgment, a yet future day may be appointed and announced for the delivery of judgment.

(3) The judgment shall be dated and signed by the judge in open court at the time of delivering judgment.”

It is clear from a reading of the said sections that there is nothing specific therein which supports the argument of the Applicant. The reference in both these sections is to ‘the court’ and not to the judge who heard the case. According **to section 147 of the CCP** clerical mistakes in judgments and orders, or errors arising therein may at any time be corrected by the court. The court may also at any time amend any defect or error in proceedings under **section 148 of the CCP**. It cannot be said that this can be done only by the Judge who heard the case.

1. A reading of the provisions contained in the Seychelles Code of Civil Procedure Code show that parties before the court by agreement can come to a settlement of the various issues that may arise in the course of a proceeding. According **to section 126 of the CCP**, if a defendant admits the plaintiff’s claim judgment shall be given for the plaintiff. Under **section 130 of the CCP**, parties to a suit are free to appear in court any time before judgment and state that the suit has been settled and the suit shall then be struck out and no suit shall thereafter be brought between the same parties in respect of the same cause of action. Under **section 131 of the CCP**, “the parties may at any stage of the suit before judgment, appear in court and file a judgment by consent by both parties, stating the terms and conditions agreed upon between them in settlement of the suit…and the court, unless it see cause not to do so, shall give judgment in accordance with such settlement.”
2. The sections of the Civil Procedure Code referred to at paragraph 16 above show that in civil cases the parties to the dispute can decide on how their cases are to proceed before the courts and the outcome of their cases; just as much as they may decide not to go into litigation even though there are disputes between them. The court is there only to ensure that parties are afforded a ‘fair hearing within a reasonable time’.
3. The Applicant has relied on the Seychelles Court of Appeal cases of Petrousse VS Gregoretti SCA 29 of 2007**;** Berard Vidot and Anr VS Andre Esparon and Seychelles Public Transport Corporation, Civil Appeal 19 of 1996**;** the Privy Council case Sip Heng Wong Ng and NG Bing Man VS R 52 of 1985**;** the Indian cases of Mt LilawatiKuar VS Chottey Singh and Others AIR 1920 All 322 and Basant Bihari Ghosahal VS The Secretary of the State for India in Council 1913 ILR 368.
4. In the case of **Petrousse VS Gregoretti SCA 29 of 2007** the Supreme Court Judge, N. Juddoo, assigned to hear the case had left the country for good after partly hearing it and without completing it. He had only heard the evidence of the Surveyor commissioned by the plaintiff. The plaint involved determination of issues of prescription in a claim of restitution of rights in property. The respondent had raised a plea in limine and Judoo J after consideration of the pleadings had decided that the issues raised could only be resolved after the evidence had been heard on the merits. Thereafter after some 20 mention dates, out of exasperation another Judge stepped into the matter and disposed of the matter without going through the hearing and on the pleadings per se. The Court of Appeal after examining the record had been of the view that the case had to do with factual issues which were not apparent from the pleadings and could only be proved by evidence from witnesses. Thus the Court was of the view that disposing of the case without that evidence amounted to a serious irregularity.
5. The case of **Berard Vidot and Anr VS Andre Esparon and Seychelles Public Transport Corporation, Civil Appeal 19 of 1996**, was a case where the appellants to the Court of Appeal, who were the plaintiffs before the Supreme Court, had sued the respondents in the appeal, the defendants before the Supreme Court, for damages caused to them as a result of collision between two vehicles, alleging that the collision was a result of the fault of the 1st respondent for whom the 2nd respondent was vicariously liable. The respondents had denied liability and counter-claimed. This was a case which had been tried in the Supreme Court on a previous occasion but had been remitted to that Court for a new trial by order of the Court of Appeal. At the new trial, counsel for the parties had told the Court that they adopted the evidence given at the previous trial. In addition the appellants had called two police officers to give evidence and to produce a sketch of the scene of the incident. The trial Judge in the new trial had dismissed the appellant’s case and found the appellants jointly and severally liable to the 2nd respondent and entered judgment in favour of the 2nd respondent for damages to the 2nd respondent’s vehicle.
6. At the new trial the learned trial Judge had purported to evaluate the evidence of the witnesses who had given oral evidence at the first trial and whom he had neither seen nor heard. He had even commented on the credibility of those witnesses. The Court of Appeal held: “It is a rule of fair trial that a Judge who did not hear the whole of the evidence is not competent to determine the case and pronounce judgment, particularly when the issue of fact turns on the credibility of witnesses. It was a breach of the rule of fair hearing when the Judge allowed himself to be persuaded by counsels consent to rely in part on oral evidence which he had not taken part in hearing. Evidently the proper procedure to follow when an appellate court has ordered a new trial is for the court to which the case had been remitted to proceed in all respects as if the new trial had been a first trial. That was so provided in section 204 of the Seychelles Code of Civil Procedure, The rules do not provide of the grafting of evidence taken at the abortive trial into the proceedings of the new trial. When an appellate court orders a new trial and states reasons for so ordering, it does so to enable the trial court to know why a new trial had been ordered so that it would not make the same mistakes that occasioned the new trial. Such reasons are however not intended to be studied and analysed as if the intention of stating them was to enable the trial court to rectify errors in the old proceedings. A new trial is entirely new proceedings and not an occasion for improving on an abortive trial or rectifying defects in the old proceedings. The proper approach to a new trial is to regard it as if it had been a first trial. When a trial court relies in the new trial on the entire evidence in the old trial to which some addition had been made, it cannot be said that a proper approach has been made to the new trial.” (emphasis added)
7. In Berard Vidot the Court of Appeal cited with approval the case of Phillip Philoe VS Francis Biscornet, 1990 SLR 182; where it was stated: “The evaluation of the oral evidence depends not only upon what is said but how it is said. Evidence which may appear to be unconvincing when it is being given may be ultimately read well in a transcript…Thus there cannot be a fair hearing unless those called upon to deliver judgment had taken part in hearing all the evidence in the case. In my view, this is a fundamental requirement of justice.” (emphasis added)
8. In **Phillip Philoe VS Francis Biscornet, 1990 SLR 182**, counsel for the appellants while challenging the judgment of the Rent Board, argued that one of the two members, namely Mrs. Julie, of the Rent Board who gave judgment had heard only part of the evidence. The other member was the Chairman of the Rent Board, Mr. Derjacques. Mrs. Julie had neither heard nor saw the respondent giving evidence and also the appellant in his evidence-in-chief. Therefore she could not have viewed the demeanour of the respondent as the judgment purported to imply. She could not have “viewed the demeanour of respondent to note the severe mental distress already suffered” by not having the house back for his own use. Therefore it was a judgment only of one member and not of the Rent Board. Section 17(5) of the Control of Rent and Tenancy Agreement Ordinance (Cap 166) provides that “Two members of the Board shall constitute a quorum.” The Court held “It is imperative that the two who started hearing evidence must necessarily continue to hear the case to conclusion and give judgment.
9. **Section 204 of the Seychelles Code of Civil Procedure** reads as follows:

“New trial ordered by Appellate Court-Procedure

204. If, on appeal, a new trial be ordered by the appellate court, either party may file in the registry of the Supreme Court the original judgment or order of the appellate court, or a copy of the formal judgment or order certified to be correct and sealed by the Registrar of the appellate court, and within one month after filing such judgment or order such party shall apply to the Registrar to fix a date for the hearing of such new trial and shall summon the adverse party to appear on the date fixed for the new trial and the trial shall then proceed in all respects as if it had been a first trial, subject however to any order made by the appellate court.” (emphasis added)

1. In the Mauritian case of **Sip Heng Ng and Ng Bing Man** the issue was whether the appellants who were convicted of property offences had received a fair trial as provided for by section 10(1) of the Constitution in view of the fact that one of the Magistrates who convicted the appellants had heard neither the evidence nor any of the appellants’ submissions. It was held by the Privy Council that in a criminal trial, it is a basic requirement of justice that those delivering the verdict must have heard all the evidence. This is because they have a duty to assess and determine the reliability and veracity of the witnesses who give oral evidence, and it is upon this assessment that their verdict will ultimately depend. Quoting Sir John Coleridge in the case of R VS Bertrand 91867) LR 1 PC 520 the Privy Council had said: “A note of this evidence is, or may be, “the dead body of the evidence, without its spirit; which is supplied when given openly or orally, by the ear and eye of those who receive it”.
2. The Indian cases of **LilawatiKuar VS Chottey Singh and Others** and **Basant Bihari Ghosahal VS The Secretary of the State for Indian Council**, are not relevant as they both have dealt with situations where a Judge pronounced a judgment written but not pronounced by his predecessor in office, and this notwithstanding that at the time the judgment was written the Judge who wrote it had ceased to be the Judge of the court in which the case was tried.
3. Counsel for the Applicant has failed to show in their papers filed for application for Stay, the Written Submissions, or oral submissions before the Court; the relevancy of the cases of Petrousse VS Gregoretti**;** BerardVidot and Anr VS Andre Esparon and Seychelles Public Transport Corporation**;** Phillip Philoe VS Francis Biscornet**;** Sip Heng Ng and Ng Bing Man**;** Mt LilawatiKuar VS Chottey Singh and Others and Basant Bihari Ghosahal VS The Secretary of the State for India**;** to this case, which appears to have been determined on the basis of the documents before the Court and not on the basis of oral evidence. All that they have tried to argue is on the legal principle, namely, that it is only the Judge who heard the case who can deliver judgment. This certainly is not sufficient to impress me that that there is a substantial question of law to be adjudicated upon the hearing of the appeal. May be this is a matter that could be looked into in depth, at the hearing of this appeal, if Counsel for the Applicants so chose to argue. The Applicant has failed to show that the issues of facts in this case were dependant on the credibility of the witnesses and thus the demeanour of the witnesses was important to decide on their credibility and to evaluate their evidence.
4. The learned Chief Justice apparently was faced with a choice of two evils, namely to adopt the evidence so far produced and to write a judgment or to start the case afresh. She no doubt had been influenced by the hardship which would be caused to the parties if she had decided to start the case afresh. The learned Chief Justice had stated in her judgment dated 6th February 2017: “I note that it is a commercial matter that has taken nearly five years to complete in breach of protocols in place that clearly commercial actions should be completed within six months.” She had therefore decided on the wishes of the parties to adopt the evidence so far produced and to write a judgment. The course adopted by the learned Chief Justice considered in vacuum may look undesirable. But the circumstances were very unusual. A re-hearing would have entailed further delay and expense. Some of the witnesses appear to be several hundreds of miles away. In a case which appears to have been determined by placing reliance on documents, the learned Chief Justice had before her a full note of the sworn evidence. Certainly it was not the best foundation for a determination to be made. Nevertheless it was the material on which the parties, in the unhappy state of affairs, asked to have their case decided, and its inadequacy affected each part alike. The Applicant sought the hazard and, having lost, complains of it. I am not persuaded to regard as a denial of justice the procedure which the Applicant itself, together with the respondent requested, and of which no complaint had been made until this application was argued, before me.
5. A court confronted with a situation like the one in this case has to bear in mind its constitutional obligation under article 19(7) to ensure that parties to the litigation are afforded a “fair hearing within a reasonable time.”
6. **Chua Chee Chor VS Chua Kim Yong and Others [1963] 1 AER 102** was an appeal from the Supreme Court of the Federation of Malaya heard before the Privy Council. It was a case that was heard before the High Court at Kuala Trengganu by Hamid J, where seventeen witnesses had testified and counsel had made submissions on nine days spread over a period of nearly 14 months. Hamid J had thereafter retired without delivering judgment. Thereafter the case came up before Neal J. Both parties had had made application that he should decide the case on the evidence as recorded by Hamid J, the documents produced and the previous submissions made by counsel. The Privy Council held that the judgment of Neal J would not be set aside because, although the course that he adopted, if considered by itself, was undesirable, yet the circumstances were unusual and thus there was no denial of justice in adopting a procedure which the appellant himself requested.
7. I wish to emphasise that the observations I have made in this Ruling as regards the learned Chief Justice delivering judgment in this case which she did not hear and was heard before another Judge of the Supreme Court who had been suspended, is based on the unsworn affidavit filed in support of the application for Stay. I am of the view on the basis of the affidavit, the Applicant has failed to show that there is a substantial question of law to be adjudicated upon the hearing of the appeal.
8. As regards ground (ii), the deponents to the affidavit have not explained as to how “the applicant stands to suffer from great injustice, inconvenience and financial prejudice” or how such matters are personally known to them. A mere statement of this nature, from the deponents, especially when they are acting on behalf of the Applicant, certainly does not suffice. The Applicant has failed to satisfy this Court that without a stay of execution the Applicant would suffer substantial loss which could not be compensated in damages and that the Applicant will be ruined. Further the deponents have not stated the Applicant’s directors’ inability or non-availability to swear the affidavit themselves.
9. I am of the view that the Applicant has failed to establish any of the grounds urged in its application for Stay, referred to at paragraph 7 above and thus does not meet, any of the grounds which may be considered in granting a stay of execution of judgment pending appeal as identified by the Supreme Court in **Macdonald Pool VS Despilly William Civil Side No 224 of 1993** and **Linotype-Hell Finance Ltd VS Baker [1992] 4 AER 887** referred to at paragraph 5 above. Further, for the reasons set out in paragraph 6 above there is no way that this application could have succeeded.
10. I therefore refuse the application for Stay of execution of the judgment of the Supreme Court dated 6th February 2017 pending the determination of the appeal before the Court of Appeal against the said judgment. No order is made as regards costs.

**A.Fernando (J.A)**

Signed, dated and delivered at Palais de Justice, Ile du Port on28 August 2017