

Dear Valued Customer,

We hope you; your families and your colleagues are in good health.

The second wave of coronavirus has challenged the healthcare infrastructure in India with a continued increase in cases across the country. India is now the global coronavirus hotspot, setting records for the world's highest number of daily cases. The hospitals are overflowing and there is a scarcity of infrastructure to support the surge in cases. All major states are impacted, and India closed 3.5 lakh cases in a single day which is the highest ever spike by any country across the globe.

Lockdown/curfew had been imposed in many states since last two weeks. Strict COVID-19 control measures such as sanitization/PPE, social distancing etc. are in effect as we continue with our day-to-day activities in a controlled environment. The latest is that in Bengaluru, a full lockdown has been implemented until 9th May 2021.

DB Schenker in India is also challenged with many of our colleagues, family members and partners being impacted by this surge in the number of cases. We have adequate reinforcement and support to manage our customer needs however if there are any inevitable delays kindly write to us via relevant escalation matrix for immediate support and assistance.

India lockdown status with business impact:

	Impact on Business							
	Full	Weekend	Curfew	Air Freight	Ocean Freight	Contract Logistics	Land Transportation	Custom Clearance
Chhattisgarh		✓		●	●	●	●	●
Delhi	✓			●	●	●	●	●
Haryana			✓	●	●	●	●	●
Jharkhand	✓			●	●	●	●	●
Karnataka	✓			●	●	●	●	●
Maharashtra		✓	✓	●	●	●	●	●
Punjab		✓	✓	●	●	●	●	●
Rajasthan			✓	●	●	●	●	●
Tamil Nadu		✓	✓	●	●	●	●	●
Telangana			✓	●	●	●	●	●
Uttar Pradesh			✓	●	●	●	●	●

West Bengal				●	●	●	●	●
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● – Shipment Delay are expected ● – Resource crunch along with Shipment Delays

○ – Business operations are severely impacted

State Level Status:

- **Chhattisgarh**
 - Lockdown in 14 districts of Chhattisgarh has been extended till 5th May 2021 amid spike in COVID – 19 cases.
- **Delhi**
 - Lockdown has been extended till 3rd May 2021 (0500 hours)
 - Essential Services would continue like medical, public transport, media, transportation, banks, groceries, cold storage, warehousing, manufacturing units, marriage, police, military, fire department, delivery of essential goods, funerals etc are exempted from the lockdown
- **Haryana**
 - Night Curfew has been announced from 2200 hours to 0500 hours till 30th April 2021
 - Lockdown-like restrictions in six districts have been implemented and all corporate and IT offices have been told to work from home.
 - Essential Services would continue like medical, public transport, media, transportation, banks, groceries, cold storage, warehousing, manufacturing units, police, military, fire department, delivery of essential goods, funerals etc are exempted from the curfew
- **Jharkhand**
 - Lockdown has been announced from 22nd April till 29th April 2021.
 - Central and State government offices, and the private sector, would be operating have been exempted from the lockdown, while other organisations and offices will remain shut, he added.
- **Karnataka**
 - Lockdown has been announced from 2100 hours of 27th April 2021 till May 9th, 2021.
 - During this lockdown, only essential shops will remain open from 0600 to 1000 hours and no public transport available. Detailed order on this is awaited from the state government while creating the advisory.
- **Maharashtra**
 - Imposition of section 144 and Night Curfew where no one can move in public places without valid reasons till May 1st, 2021.
 - All the establishments, public places, activities, services shall remain closed unless exempted or in essential services.
 - Essential services include medical services including manufacturing and distribution units along with dealers, transport and supply chain, cold storage and warehousing services, public transport, transportation of goods, water and agricultural related activities, offices to function with 15% capacity, export and import of all commodities, e-commerce, all-cargo service, port and related activities, CHA/licensed multimodal transport operators associated with movement of vaccine/lifesaving drugs.

- **Punjab**
 - Night Curfew has been announced from 2000 hours to 0500 hours on all days with weekend lockdown from 2000 hours of 23rd April 2021 till 0500 hours of 30th April 2021.
 - Essential Services would continue like medical, public transport, media, marriage/funerals with restrictions etc.
- **Rajasthan**
 - Section 144 CrPC has been implemented till 21st May 2021 which avoid gathering of 4 or more people in a specified area. The state government also announced that essential services will open from 0600 to 1100 hours every day till 3rd May 2021.
 - Essential Services would continue like medical, public transport, media, marriage/funerals with restrictions, groceries, industry workers, transportation for essential services, frontline workers etc are exempted as per above timings.
- **Tamil Nadu**
 - Night Curfew from 2200 hours to 0400 hours along with Sunday lockdown till 2400 hours of 30th April 2021.
 - Essential Services would continue like medical, good manufacturers and continuous process industries, private security, e-commerce with exception of Sunday and IT&ITES companies are mandated to allow 50% of employees to work from home.
- **Telangana**
 - Night Curfew from 2100 hours to 0500 hours till 30th April 2021.
 - Essential Services would continue like medical, Telecommunications, internet services, broadcasting and cable services, IT and IT-enabled services, Delivery of all goods through e-commerce, Cold storage and warehousing services, Production units or services which require continuous process, inter and intrastate transportation of essential goods and non-essential goods are allowed.
- **Uttar Pradesh**
 - Weekend curfew from Friday 2000 hours till Monday 0700 hours along with night curfew in cities with more than 2000 cases from 2000 hours to 0600 hours.
 - Essential Services would continue like medical, public transport with 50 % capacity, funeral, media, transportation, delivery of essential goods etc. are exempted from this.
- **West Bengal**
 - The government of West Bengal has reinforced the effective enforcement of mask, social distancing, COVID – 19 protocols, sanitization of workplaces once a week, staggering of work/shifts in sops, markets, industrial and commercial establishments, work from home for private establishments etc. to restrict the COVID – 19 cases surge.

Product Level Status

- **Air Freight**
 - ✓ Market demand continues to surge which is mainly driven for work from home equipment, eCommerce, machinery, allied COVID equipment/testing kits, PPE kits and general inventory stockpiling.

- ✓ Airfreight capacity is impacted both from the Far East due to CX cancellation and backlog for exports from JFK, FRA & other major EU Airports as the Government of India has extended the restrictions on International flights till 30th April 2021 causing a 60% capacity deficit in India Air cargo trade.
- ✓ UAE banned passenger travel from India to UAE – Dubai and Abu-Dhabi from 25th April till 4th May 2021. This is expected to extend further with flagship carriers like Emirates and Etihad Airways have stopped accepting passenger traffic from India. There is no impact on cargo operations so far as announced by both carriers.
- ✓ Air India cancels flight to/from the UK for a week from 24th till 30th April'21 due to rising COVID-19 cases. This is expected to create a sudden capacity crisis from UK-IN and market rates are expected to climb up 1-2 weeks and further in case the restrictions are extended.
- ✓ Cathay Pacific Airways announced to resume major scheduled operations to India till 30th April 2021, while advising that few freighters to IN may still be cancelled in week 17 of 2021. The situation remains volatile as airline and Government of India continue to be engaged in deliberations on airline landing rights and related full license resumptions.
- ✓ Swiss Air continues not to fly to Delhi due to low passenger demand and higher operational costs. It is unclear when will they restart operations which have affected the overall capacity from Switzerland and neighboring EU countries to North India using Swiss direct flight to DEL.
- ✓ With the spurt in COVID-19 cases in India, localized restrictions are being put in place This has started to impact cargo handling at airports with low workforce deployment due to COVID restrictions and is expected to result in slower cargo recovery for import and processing export consignments.
- ✓ Air Canada has suspended its operations from DEL to YYZ for the next 30 days after the last flight departed on Friday 24th April 2021.
- ✓ EK, EY – will not carry PAX but no impact on cargo operations, P2C and freighters will continue to operate
- ✓ UK (Air Vistara) – BOM-HKG route banned by HKG government till 2nd May 2021 after 47 passengers tested positive on arrival in HKG

- **CFS Operations – (No Change)**

We would like to draw your attention to the general resource shortage expected in all CFS's around Mumbai as the labour is not available after 2000 hours. We are expected to see delays due to the increasing number of cases from 2nd wave of the pandemic. We are monitoring the situation closely and we will keep you posted if there is any further business disruption. We have restrictions in operating hours in Mumbai CFS which will increase halting charges if trucks do not arrive well in advance during the day.

- **Contract Logistics – (No Change)**

All sites remain active and at this moment with no major impact other than a reduced workforce capacity. We have implemented staggered/shift operations to ensure smooth running of our warehouses in states where restrictions/curfew is being imposed. Strict restrictions are getting imposed during weekends across multiple states which may result in operations working at a limited capacity.

- **Customs Clearance –**

We anticipate delay's in customs clearance activities across all gateways due to an increase in the number of cases and reduced staff at customs due to travel and social distancing restrictions at work in many affected states across India for all import and export-related activities. We will have delays in clearance activities due to stricter restrictions including curfew / lockdown, restrictions on movement of people, public transport, imposition of essential services pass, restrictions on work force at office. The

customs have implemented submission of documents through e-mail for specified items to minimize human contact etc.

- **Land Transportation (Minor Change)-**

We will be witnessing delays ranging from 24 – 48 hours due to more stringent inter-state border checks including some specific states imposing an RTPCR certificate mandatory for drivers to enable entry of trucks into their respective states. Restrictions to contain the COVID-19 pandemic are established in several states in India, directly or indirectly affecting transportation but in most states, transportation is exempted for essential goods for which colour coding stickers are implemented in Maharashtra now along with few states reintroduced e-pass system for emergency travels.

In case of disruptions, we follow our pre-defined contingency plans to ensure the flow of cargo. We are adapting our transport service offerings daily to the needs of our customers. Some consignees continue to have limited operations. We encourage shippers to check the delivery possibility with the consignee to avoid cost for storage, return shipments & transit delays.

- **Ocean Freight – (No Change)**

We continue to have volatility in Ocean Business, after the “Suez Canal Block” situation there is expected to be more disruption for ocean freight such as blank sailing, equipment shortage, port omission & rate increases. Currently forecasting in advance of 2-3 weeks would be needed for import and export to ensure we get timely bookings.

- ✓ Carriers continue to restrict loadings as per the allocation agreed with them and focusing on the loading with higher freight.
- ✓ 40ftc Equipment shortage with many carriers in the North West India Ports for Exports.
- ✓ Import trade impacted with severe space and equipment challenge Ex Europe & APAC with a min waiting period of 3-4 weeks Ex EU and 2 weeks Ex APAC



India Country Overview:

The number of cases in the last 24 hours has crossed 3,52,991+, pushing the total number of cases to over 17.31 million and the total death count to 195,123. Maharashtra, Kerala, Karnataka, Tamil Nadu, Andhra Pradesh, Uttar Pradesh, and Delhi etc. are already the worst affected states in India due to the spike of COVID – 19 cases.

Major countries like Hong Kong, Pakistan, Dubai, Canada, United Kingdom, New Zealand, Iran etc have put India under the international travel ban due to the rising number of COVID – 19 cases. Apart from that, there are some countries like Unites States, Israel, Singapore, and Germany have issued various level advisories for travelling to and from India.

Bangladesh Overview (Minor Change)

Bangladesh government has extended the current lockdown till 28th April 2021. All public and private offices remained shuttered. However, this rule does not apply to air, sea, river, land ports and their concerned offices and export-oriented company. All public transport services (roads, river, railway) is suspended and only emergency services remain operational. Since yesterday domestics airlines are operating along with shopping malls. Besides, India-Bangladesh Land border has been closed for 14 days due high infection rise in India.

On Air Freight side, all international passenger flights are canceled till 28th April 2021. Examples, EK, QR, TK, EY, GF, UL, WY, BG, G9, AI, KU, SV, and MH but around 12 carriers are operating Freighter and Charter flight ex DAC at this moment. Thus, overall cargo movement at Dhaka airport is very less. However, there is available space but low demand for air freight and the carriers are operating freighter and charter ex DAC to Europe and other destinations due to main EU countries including DE extended the lockdown. Carriers slightly reduced the rates due to less demand.

In Ocean Freight current average berthing delay of 3-4 days are observed. Prime Mover movements from depot to port CY and vice versa are also getting impacted because of manpower/driver shortage during lockdown.

At land transport, the availability of vehicles on the Bangladesh side of the border is affected due to lockdown across the country. Vehicle cost increased to +/-20%. On the other hand, 100% of customs officials are not attending office regularly. Also, Importers are not taking delivery immediately after Import clearance is done.

Bangladesh has registered 2,933 fresh COVID - 19 cases and 101 death in the last 24 hours until Sunday.



Global update:

Please refer to the [global COVID updates on the corporate website.](#)

Feel free to contact us at marketing.india@dbschenker.com for any kind of support. Let us maintain social distancing but we can continue to remain digitally close. Wishing you a safe & healthy period.

Relevant Contact for the news:

Suresh Kumar Kannappan

Chief Commercial Officer

Email: suresh-kumar.kannappan@dbschenker.com