

Dear Valued Customer,

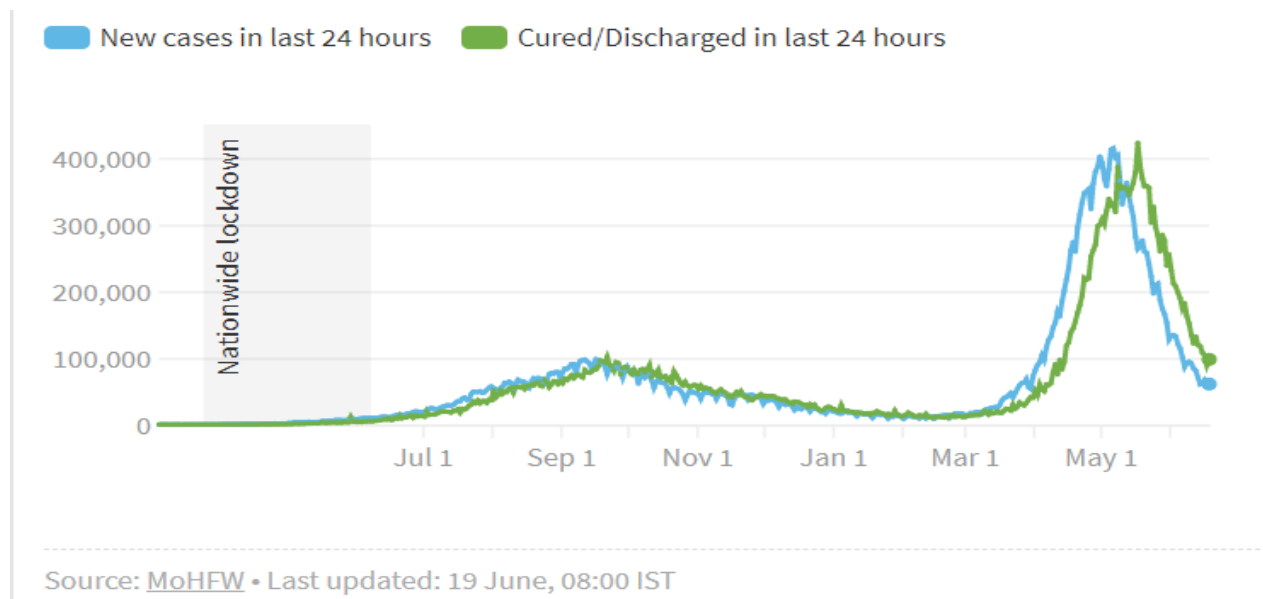
We hope you; your families and your colleagues are in good health.

Thanks to growing vaccination coverage and decreasing pandemic impact, parts of India are heading towards more regular conditions of business. However, with the spread of new mutations, we do also see countries hit by new waves of outbreaks causing a continuous impact on lives and business.

For the time being, the conditions under which we all operate will continue to be disruptive and far from normal. We look forward to continuing our update services as long as the global pandemic influences the economy, hence our common business.

There is a lot of hope now at the country level as the number of new cases is going down (46,148 +) with a total number of cases reported as 30.27 million of which the active being 5.72 lakhs and discharged cases are 29.30 million.

In Bangladesh, the government has enforced a “strict lockdown” on a limited scale from today as the Delta variant of the COVID-19 is spreading fast in the country. The full lockdown will be effective for 7 days from 1st July 2021.



India Moving in Right Direction

	Active Cases	New Cases	Air Freight	Ocean Freight	Contract Logistics	Land Transportation	Custom Clearance
India	↔	↓	●	●	●	●	●
North	↔	↓	●	●	●	●	●
East	↔	↓	●	●	●	●	●
West	↔	↓	●	●	●	●	●

South	↔	↓	●	●	●	●	●
Bengaluru	↔	↓	●	●	●	●	●
Hyderabad	↔	↓	●	●	●	●	●

● Business Normal ● Moderate Impact due to CFS/Port Handling & Customs ● Operations Halted

↓ Trending down ↔ Status Quo ↑ Trending Upwards

Product Level Status

- **Air Freight – (No Change)**

- ✓ **Market Dynamics-**

- Market demand in 2021 is expected to further increase based on recent market developments.
- Due to the unprecedented increase in COVID-19 cases in India, huge movements of incoming humanitarian aid from across the globe of oxygen cylinders, oxygen concentrators, life support equipment and other patient care machinery are witnessed. The consignments are moved through Air due to time constraints.
- Our Global and Indian teams are relentlessly supporting the transportation of relief/aid material from foreign countries to India.
- We have been glad to be associated with India's large MNC with moving of Oxygen Plants and other Health care infrastructure much needed during these challenging times.
- We continue to face restriction in Pax flight due to the current situation in India
- Overall backlogs situation has not improved across all major gateways in the US, FRA, DXB, DOH to India
- The amount of export cargo that is moving through the Chicago/Franklin Park warehouse has created massive congestion. Our customers are shipping unprecedented volumes as a result of ocean to air conversions. Hence please expect some delays in movement while we are working on usage of alternate gateways/airports to avoid delays.
- Air France/KLM has announced to start once a week passenger flight from 26th June and will increase to 2x weekly by 8th July.

- ✓ **COVID impact on Air Operations -**

- Localized restrictions introduced by state governments and local bodies have restricted the workforce at airports. The cargo operations have not been majorly impacted while customs officials, airport handlers and forwards working with coordinated efforts, however complete lockdown has impacted the movement of individuals and there is restricted movement of staff.
- Given the fact that many of our staff or their families are impacted, we have sent a detailed escalation matrix by region and product. Please reach out to us for any delays on documentation, pre-alerts, quotations, system updates or customer follow-ups.

- **CFS Operations (No Change)**

- Resource shortage is observed in Bengaluru due to labour shortage. This will increase halting charges if trucks do not arrive well in advance.
- We are expected to see delays in the carting and stuffing process due to the pandemic.
- The situation in North Region is improving in operations and trucking

- **Contract Logistics**

- North and West region are gradually opening.
- Parts of East India are opening slowly. West Bengal continues to extend lockdown with few relaxations in the operating timings.
- In all southern states, markets opening gradually with reduced restrictions.
- **Custom Clearance (No Change)-**
 - In Tamil Nadu, only essential goods are being cleared by FTWZ while the movement of their staff is restricted.
 - We anticipate delay's in customs clearance activities across all gateways due to an increase in COVID – 19 cases and reduced staff at customs.
 - All import and export-related activities are affected due to travel and social distancing restrictions at work.
 - We will have delays in clearance activities due to curfew/lockdown, restrictions on the movement of people, public transport, imposition of essential services pass, restrictions on the workforce at the office etc.
 - The customs have implemented the submission of documents through e-mail for specified items to minimize human contact and staff to work during office hours.
 - The priority for clearance shall be given to COVID-19 related products or equipments and vaccines etc.
- **Land Transportation (No Change)**
 - In Hyderabad, the lockdown restrictions shall not apply from 9.00 PM to 6.00 AM.
 - Apart from that only oxygen and domestic gas cylinders carrying vehicles, oxygen tankers, medical equipment and water tankers, dairy, fish, and meat-related transportation to cold storage points will be allowed
 - Some receivers continue to have limited operations. All shippers may check the delivery possibility with the consignee to avoid cost for storage or return shipments.
- **Ocean Freight**
 - Space & Equipment challenges with the carriers are expected to continue for 2-3 months more due to the unpredicted demand and limited capacity inducement.
 - Required 2-3 weeks advance forecasting to avoid booking delays.
 - There are changes in the port rotation and blank sailings for the Exports, expected delays in the sailings.
 - Starting 23rd June, Yantian Port has resumed full operation, but the port of Nansha has ceased all the Export operation and there will be restricted loading/arrivals.
 - Severe Space issues with Oceania, LATAM, US, Europe Trades.
 - Shortage of 20ft Equipment in most of the ports in India.
 - Carriers have levied OWS on 20ft to the USA for gross weight more than 21 mtns for the port to port cargo also.
 - Given the fact that many of our staff or their families are impacted, we have sent a detailed escalation matrix by region and product. Please reach out to us for any delays on documentation, pre-alerts, quotations, system updates or customer follow-ups.
 - Volume pressure ex APAC to all destinations remains strong; to last at least until the end of Q3 / 2021.

Bangladesh Overview

Bangladesh has registered 5,268 fresh COVID - 19 cases and 119 death in the last 24 hours until Sunday, taking the tally total to 888,406 cases and the number of deaths to 14,172.

The government has enforced a “strict lockdown” on a limited scale from today as the Delta variant of the COVID-19 is spreading fast in the country. The full lockdown will be effective for 7 days from 1st July 2021. All public transport (road, river & rail), shopping malls, markets, recreation centres, resorts, educational institutes, community centers and tourist spots remained shut during this along with restaurants allowed only for takeaways. During the complete lockdown, there will be police, Border Guards Bangladesh and army members on the streets along with vehicles carrying essential goods and export-oriented material.

Air Freight (Bangladesh): -

- Overall cargo movement at DAC airport is increasing due to higher demand in Europe and the US.
- There is space scarcity is at Dhaka airport which seems to be increasing.
- Onward connection from HUB to US, Canada and Europe destinations are challenging now due to the high demand for cargo.
- Expected transit time to US destination 8-9 days, it may need additional 2/3 days depending on the situation.
- Airfreight rates have already increased to major lanes. Most of the major carriers are operating flights ex DAC.

Ocean Freight (Bangladesh): -

- Chittagong port observing scarcity of open space for devanning container at LCL shed.
- LCL limited space are frequently occupying FCL containers since FCL yards are badly congested and causing longer time for devanning of LCL cargo.
- Present berthing delay/waiting time for GCB, CCT 1 to 3 & NCT/5 – 4 – 5 days and NCT/2, 3 & 4 (Gearless vessel) – 4 to 5 days in the prevailing pandemic situation.

Land Transportation (Bangladesh): -

- The availability of vehicles and drivers on the Indian side of the border is hugely affected due to the ongoing lockdown across the country.
- Indian government does not allow truck movement from one state to another states if the commodity is not essential goods.
- The vehicle rate is increased estimated to be +/-35% amount compared to the normal flows.
- It takes +/- 14 days to importing goods from India to Bangladesh.
- More than 4000 vehicles are in the Petrapole queue. The daily average movement of vehicles from India to Bangladesh is +/- 250 while earlier it was 400 per day.



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