

To, Our Valuable Customers

Dear Sir,

Subject: Novel Coronavirus Disease (COVID-19) - Declaration of Force Majeure

- 1. As you are aware, the outbreak of COVID-19 has affected over 194 countries, including India. Given the magnitude and the extent of its spread, the World Health Organisation has declared it a pandemic as on 11 March 2020.
- 2. It is ex facie clear that the outbreak is having a disastrous impact on the global economy including all aspects of shipping, transport, and logistics. As is being reported in the media, with international transport being at the forefront of trade and dependent on travel and human interaction, the shipping industry has been impacted materially from the outbreak of COVID-19.
- 3. Further, as a precautionary measure to curtail the effect of the said epidemic, the Central Government and the State Government have been issuing various advisories and directions ordering closure of public places, restriction in public gatherings, closing down of offices, malls, theatres, schools, colleges, etc.
- 4. The advisories and directions of Central and State government that are applicable to present situation are published on the websites of Department of Health and Family Welfare (www.mohfw.gov.in) and Indian Council of Medical Research (www.icmr.nic.in) and are readily available for reference. We as a responsible corporate whole heartedly support these measures.
- 5. Few of the recent circulars issued by various Ministry, Notices issued by /Action taken State Govt and local Administration are as follows:
 - a. The Ministry of Finance, Government of India vide its Office Memorandum bearing number No. F 18/4/2020-PPD dated 19 February 2020, has clarified that the global outbreak of Covid-19 will qualify as grounds for force majeure
 - b. The Ministry of Shipping has vide its letter dated 20 March 2020 issued to the chairpersons of all Major Port Trusts has taken cognizance of the disruption of supplies as well as services and its impact on Concessionaires implementing PPP projects and in this regard has instructed Major Port Trusts to consider the outbreak of COVID-19 as ground for Force Majeure clause.
 - c. The Ministry of Shipping has further, in continuation to its letter dated 20 March 2020 has, vide its letter dated 24 March 2020, recognised the difficulties being faced by all stakeholders and has reiterated that the Major Ports consider the pandemic of COVID-19 as a valid ground for invoking force majeure on all port activities and operations.
- 6. Additionally, Section 144 under the Code of Criminal Procedure, 1973 has been imposed in approximately 75 districts across the country. Further, a country wide 21 day lockdown was announced by the Prime Minister on 24 March 2020 commencing from 25 March 2020.

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- 7. At this juncture, we would also like to inform you that our services are categorized as essential services and therefore, in the interest to protect and secure the supply chain of the industries, trade partners ,valued customers and more importantly the movement of essential commodities, we and all our employees, our contractors and suppliers are putting best efforts to serve you in the best possible manner while taking care of all aspects of safety of the human being working within our premises.
- 8. In view of the said COVID-19 pandemic , we hereby notifies the "Force Majeure Event" wherein we will not be responsible for any claims, damages, charges etc. whatsoever arising out of and/or connected to the above Force Majeure event ,either directly or Indirectly ,which without any limitation would include vessel demurrages , inter alia due to lower load/discharge rate , Gate movement , Rail load/discharge and/or allied services agreed under the Agreement or achieved in the past or as per the Industry norms.
- 9. Please consider this communication followed by our earlier verbal communication as our notice of "Force Majeure Event" effective from 0700 hours on 22nd March 2020.
- 10. Since the impact is going on we shall notify the "Cessation of Force Majeure" based on further notifications/ directives from Central Government and State Government as the case may be.
- 11. These are extraordinary times and all of us need to work together in order to ensure that our respective business and arrangement continue as they always have prior to this event which none of us anticipated and can recommence on a sound footing once these unfortunate circumstances have passed.
- 12. This letter is issued without prejudice to our rights at law, equity and contract all of which are expressly reserved and nothing in this letter should be considered as a waiver of any such rights.

For, Kandla International Container Terminal Private Limited,

Authorised Signatory