



**BOSE  
&  
MITRA  
&  
CO.**

*Lawyers  
for  
Shipping &  
Trade*

## **BMC UPDATE ON DG SHIPPING ORDER FOR NON-LEVYING OF VARIOUS CHARGES**

**The Directorate General of Shipping (“DG Shipping”) had previously on 29th March 2020 issued an Order dated 29th March 2020 advising Shipping lines to refrain from charging container detention charges. In furtherance of the same, the DG Shipping has issued an Order dated 31st March 2020 (DGS Order 8 of 2020) wherein the DG Shipping has advised the various Indian Seaports, Shipping companies and carriers (and their agents) to not charge, levy or recover any demurrage, ground rent beyond allowed free period, storage charges in the port, additional anchorage charge, berth hire charges or vessel demurrage or any performance related penalties on cargo owners/consignees of non-containerized cargo (i.e. bulk, break-bulk and liquid cargo) whether LCL or not, for the period from 22nd March, 2020 to 14th April, 2020 (both days inclusive), due to delay in evacuation of cargo caused by reasons attributable to the lockdown measures since 22nd March 2020.**

**A copy of the said Order dated 31st March 2020 is attached for ease of reference.**

12th Floor,  
Sakhar Bhavan,  
230, Nariman  
Point, Mumbai

**This note is meant for information purposes only & is not to be construed or used as a legal advice or a legal opinion under any circumstances. Bose & Mitra & Co. is not responsible for any error or omission in this update or for any action taken based on its contents. All rights reserved.**



भारत सरकार/ GOVERNMENT OF INDIA  
पोत परिवहन मंत्रालय / MINISTRY OF SHIPPING  
नौवहन महानिदेशालय, मुंबई  
DIRECTORATE GENERAL OF SHIPPING, MUMBAI

F.No. MTO/Review Schedule-II (1)/ 2019

Dated 31.03.2020

**DGS Order No. 08 of 2020**

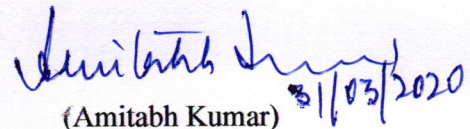
**Sub.: Advisory on non-charging of any demurrage, ground rent beyond the allowed free period or any performance related penalty on non-containerized cargo during the period of effect of Covid-19 pandemic.**

1. Whereas, the Ministry of Home Affairs, Government of India has issued order No 40-3/2020-DM-I (A) dated 24.03.2020 to impose a complete lockdown in India for a period of 21 days in view of the threat posed by the spread of COVID-19 pandemic.
2. Whereas, the Ministry of Home Affairs has vide its order No 40-3/2020-DM-I (A) dated 25.03.2020 issued an addendum to the Guidelines annexed to the said order, exempting seaports and its operational organisations from this lockdown to ensure regular supply of goods in the country.
3. Whereas, the Government is working towards smooth functioning of the Ports and its operational organisations, given the nation-wide lockdown some delays in evacuation of goods from the ports have become inevitable due to the affect on the downstream services.
4. Whereas, as a result of these developments some cargo owners have either suspended their operations or are finding it difficult to transport goods/cargo and complete the paper work, resulting in imposition of demurrage, ground rent beyond the allowed free period, penal anchorage/berth hire charges and other performance related penalties, due to reasons beyond their control.
5. Whereas, the Ministry of Shipping, Government of India has directed all the major ports vide F. No. PD -14300/4/2020 – PD VII dated 31.03.2020 to consider exemption or remission of demurrage, ground rent beyond allowed free period, penal anchorage/berth hire charges and any other performance related penalties that may be



levied on port related activities for the reasons attributable to lock down measures i.e. from 22<sup>nd</sup> March to 14<sup>th</sup> April, 2020.

6. Whereas, a DGS Order No. 07 of 2020 dated 29.03.2020 has been issued advising on non-charging of container detention charges on import and exports. Since it has been decided to grant exemption or remission on the charges indicated at para 5 above by the major ports, there is a need to ensure that the benefits extended by the ports are passed on to the end customer, for the period mentioned above, in the EXIM trade in non-containerized cargo also (i.e. bulk, break-bulk and liquids cargo) for smooth functioning of the trade and maintenance of supply chain in the country.
7. Now therefore, in order to maintain proper supply chain at the Indian seaports, shipping companies or Carriers (and their agents by whatever name called) are advised not to charge, levy or recover any demurrage, ground rent beyond allowed free period, storage charges in the port, additional anchorage charge, berth hire charges or vessel demurrage or any performance related penalties on cargo owners/consignees of non-containerized cargo (i.e. bulk, brake bulk and liquids cargo) whether LCL or not, for the period from 22<sup>nd</sup> March, 2020 to 14<sup>th</sup> April, 2020 (both days inclusive), due to delay in evacuation of cargo caused by reasons attributable to lockdown measures since 22<sup>nd</sup> March, 2020. The above exemption/remission shall be over and above free time arrangement that is currently agreed and availed as part of any negotiated contractual terms. During this period the shipping companies (and their agents) are also advised not impose any new or additional charge. This decision is a onetime measure to factor-in the present situation arising out of the COVID-19 pandemic.

  
(Amitabh Kumar) 31/03/2020

Director General of Shipping

To

1. All stakeholders concerned, through DGS Website.
2. Shipping Corporation of India, Mumbai.
3. Indian Ports Association, New Delhi.
4. Indian Private Ports & Terminal Association, Mumbai.
5. *Container Freight Station Association of India*
6. Container Shipping Lines Association, Mumbai.
7. INSA, Mumbai
8. ICCSA, Mumbai.
9. Inland Importers and Consumer Association, Delhi.
10. Timber Importer Association, Maharashtra.
11. Association of Multimodal Transport Operators Association of India, Mumbai.



Copy to:

Secretary to the Government of India, Ministry of Shipping, Transport Bhawan, 1, Parliament Street, New Delhi-110001 (Attn.: Shri P. Chhabra, Deputy Chief Controller of Chartering).