



Evaluation Of Clearance And Forwarding Process With Reference To Ryan Logitech Private Limited – A Study

Dr. K Soundarapandiyan Professor – Department of Management Studies, Sri Sairam Engineering College, Chennai

Dr. Mahdi Salehi Professor - Management Studies, Zanzan University, Iran.

Vedvyas Scholar – Department of Management Studies, Sri Sairam Engineering College, Chennai

ABSTRACT

This study evaluates the process of Freight forwarding and custom clearance in the organization, which widely focuses on identifying the factors affecting freight forwarding and custom clearance process so that the solution for the problem can encounter the remedies and hence helps the company to improve the process of freight forwarding and custom clearance. In introduction a overview is given about the terms freight forwarding, freight forwarders, custom clearance and custom clearance agents. Then the overall objectives is followed and the factors are identified and also the solution are given in the findings and suggestions. The research methodology follows the stratified sampling method under probability sampling technique. The sample size of the study was 90 respondents, primary data was collected through questionnaire. The Analysis involves percentage analysis under the descriptive and the inferential analysis involves the statistical tools such as chi-square, ANOVA-one way. The findings for the study are given separately for each of the statistical tools such as first one for the percentage analysis followed by the chi-square method, ANOVA-one way and the findings are based on the interpretation inferred using the SPSS software. The suggestions are provided by enclosing the overall improvement for the company and hence the study is concluded that if the company tries to follow the given recommendations and suggestions the company can improve the process of freight forwarding and custom clearance in the future.

Keywords: Freight forwarding, Custom clearance, Factors affecting

I.INTRODUCTION

To move large quantities of goods across the country and around the world every Nations depend upon freight transportation system where a vast network of roads, bridges, rail tracks, airports, seaports, navigable waterways, pipelines and equipment is needed. Freighforwarders is an individual person or company who will organize and

dispatches shipments for an individual or for corporations to get the goods from manufacturers to final customers using rail, road and sea. Custom clearance is the process of preparation and submission of necessary documents needed to facilitate import and export into the country representing client during customs duty and co taking delivery of cargo from customers after clearance process. Custom clearance agent is a person who facilitate smooth import and export of goods from one location to another location within the same country, the transportation of goods is not possible without the services and aids of custom clearance.

II. LITERATURE REVIEW

Matiya, Florentina J (2013), assessed the challenges faced by clearing and forwarding agents in clearing consignment at Dar Es Salaam port. They used descriptive survey and collected data by interviews, questionnaires, observation and documentary review. The finding of the study revealed that some process are done manually and some are computerized. The time taken to clear the goods take much time and due to this delay the government loose revenues and customers are dissatisfied. A proper planning makes improvement in the yield of import/export and increase the efficiency.

S. Ramachandran, Mayur S Nakhava (2015), highlighted about the perspective of the issues, challenges faced by the logistics industry. They logistics industry have the interplay of infrastructure technology and services which make customer reduce their transportation cost and time. They analysed the challenges in the area of transport, port sector, infrastructure for storage, technology and also the scope of it. S. Ramachandran, Mayur S Nakhava (2015)

Noorul Shaiful Fitri Abdulrahman (2019),mainly focused on evaluating the significant delay factors of dry bulk cargo which leads to high transportation cost and extra money to handle cargo. By using AHP method they founded that miscellaneous factors lead to significant delay factor and foul weather and tide prediction is the sub significant delay. The valuable finding help the port and stakeholders to measure the factors affecting operational business and performance.

Girma, Essete (2019), highlighted that they main focus is to identify challenges and factors affecting performance of Custom Clearance Agent from delivery time interval. Quantitative data source were used and primary data is collected using questionnaire, interviews and data analysis through regression and descriptive statistics. They analysed that the challenges on CC is due to improper delivery of shipment which reduces performance and recommended that improvement towards CC process which minimizes delay and increases performance.

Edward, Alice (2013), focused on investigating the operating environment as it relates

to timely removal of cargo from port , identification of legal and regulatory changes needed and the reasons for delay in the port. That can be determined and used to evaluate how the transaction cost can be reduced using e-commerce to increase the efficiency awareness for smooth run of business at port and quick clearing of cargoes.

S. Swathy (2016), said about the exporter's satisfaction towards the service rendered by the freight forwarder and major problems faced by the exporter's from their service providers.. This study was descriptive in nature and it includes surveys, facts and findings. Data was collected using a developed and validated questionnaire. The collected data was analysed using simple percentage analysis, weighted average and Garrett ranking method and the results are presented in the tabular form and they are interpreted.

Kumar, S. D., & Kumar, V. H. (2018) highlighted the mediation of Attitude toward Advertisements in The Relationship between Advertisements and Purchase Intention. This study was carried out in Chennai City

Kumar, S. D., & Kumar, V. H. (2017) narrated the Impingement of Celebrity towards Product Promotion amongst movie goers in Tamil cinema industry.

III. NEED FOR THE RESEARCH

Now a days, forwarding companies faces many problems while moving the product from one place to another and also in the forwarding and custom process. The purpose of the research is to expand the business globally among the competitive world by moving the import/export goods without any problem and also aiming to improve the freight forwarding and custom clearance process. This study helps to analyse the factors that affect the process involved in freight forwarding and clearance for better movement of goods .

IV. RESEARCH OBJECTIVE

PRIMARY OBJECTIVES:

- ❖ To evaluate and improve the process of Freight forwarding and custom clearance.

SECONDARY OBJECTIVES:

- ❖ To identify the factors affecting custom clearance and freight forwarding process
- ❖ To study the export-import documentation process.
- ❖ To know about the advance filing system and its functions in export-import process.

V. SCOPE

The main purpose of the study is to analyse the factors affecting freight forwarding and clearance process in Ryan Logitech. The study intends that the adequate steps are taken to improve the process of freight forwarding and custom clearance. An attempt can be done through this study to expand the business globally in the competitive world. The study will lead to move the import export goods in a better way and without any problem.

VI. LIMITATIONS :

There were certain limitations in understanding this research work. Some of the limitations are:

- Objectives and purpose of the study and questions has to be explained to the respondents and their response may be biased.
- The results and findings are based on the opinion of the employees who work in the organisation.
- Only limited sample size had been considered for the study and therefore conclusion may not be the reflections of entire population.

VII. RESEARCH METHODOLOGY

The main aim of the study is to identify the factors affecting forwarding and custom process. Hence the research design is descriptive in nature, wherein both Primary and secondary data have been used for the study. Primary data has been collected through a structured questionnaire. The sample size used for the study is 90. The statistical tool used for the study is Percentage analysis, chi-square and One-way ANOVA.

DATA ANALYSIS AND INTERPRETATION

Hypothesis 1:

H0 :There is no significance difference between time and cost for export

H1: There is a significance difference between time and cost for export

Table showing Chi Square test between time and cost for export

	Value	DF	P value
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Pearson Chi square	32.469	12	0.001
Likelihood ratio	20.087	12	0.065
Linear by linear association	1.044	1	0.307
No of valid cases	90		

INFERENCE

The calculated P value 0.001 is lesser than 0.05. Hence, H1 is accepted and H0 is rejected. Therefore, there is a significance difference between time and cost for export.

Hypothesis 2:

H0 :There is no significance difference between time and cost for import

H1: There is a significance difference between time and cost for import

Table showing Chi square test between time and cost for import

	Value	DF	P value
Pearson Chi square	46.827	16	0.000
Likelihood ratio	28.198	16	0.030
Linear by linear association	9.827	1	0.002
No of valid cases	90		

INFERENCE

The calculated P value 0.000 is lesser than 0.05. Hence, H1 is accepted and H0 is rejected. Therefore, there is a significance difference between time and cost for

import.

Hypothesis 3:

H0 :There is no significance difference between time and cost for export

H1: There is a significance difference between time and cost for export

Table showing ANOVA test between time and cost for export

	Sum of squares	DF	Mean squares	F	P value
Between groups	3.777	4	.944	2.979	0.024
Within groups	26.945	85	.317		
Total	30.722	89			

INFERENCE

The calculated P value 0.024 is lesser than 0.05. Hence, H1 is accepted and H0 is rejected. Therefore, there is a significance difference between time and cost for export.

Hypothesis 4:

H0 :There is no significance difference between time and cost for import

H1: There is a significance difference between time and cost for import

Table showing ANOVA test between time and cost for import

	Sum of squares	DF	Mean squares	F	P value
Between groups	6.775	4	1.694	3.613	0.009
Within groups	39.847	85	.469		

Total	46.622	89			
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INFERENCE

The calculated P value 0.009 is lesser than 0.05. Hence, H1 is accepted and H0 is rejected. Therefore, there is a significance difference between time and cost for import.

VIII.

FINDINGS

- Majority of the employees are men 69% working in the organisation.
- Majority of the employees 42% aged 25-35 are working in Ryan Logitech Pvt.Ltd.
- Majority of the employees education qualification is 67% of under graduate.
- Majority of the employees 51% are experienced with above 3 years as it is a forwarding company.
- Majority of the employees 82% agree that documentation process for export is simple.
- Majority of the employees 79% agree that documentation process for import is simple.
- Majority of the employees 72.3% agree that the time taken for export consignment is quick and speedy.
- Majority of the employees 64% agree that the time taken for import consignment is quick and speedy.
- Majority of the employees 67% agree that the export shipment schedules are done at the stipulated time.
- Majority of the employees 61% agree that the import shipment schedules are done at the stipulated time.
- Majority of the employees 42% agree that the cost for export consignment is standard.
- Majority of the employees 49% agree that the cost for import consignment is standard.
- Majority of the employees 47% neither agree nor disagree that the export-import shipment process is simple and easy to understand.
- Majority of the employees 57.7% agree that the containers are available at the right time at right quantity for export .

- Majority of the employees 45% agree that the communication flow is satisfactory after the shipment process.
- Majority of the employees 62.2% file 5-10 bills in a day.
- Majority of the employees 89% say that they file bills in the advance of the arrival of vessel.
- Majority of the employees 76% agree that the advance filing of bills helps to reduce the time consumption in the process.
- Majority of the employees 39% agree that they feel difficulty while filing the bills electronically.
- Majority of the employees 58% agree that the delayed payment made by the client affect the CHA process.
- Majority of the employees 76% agree that the customer receive the goods within the specified time period.
- Majority of the employees 64% agree that the overall export consignment is high.
- Majority of the employees 66% agree that the overall import consignment is high.

IX. SUGGESTIONS

- The analysis of factors like time, cost and communication that affecting the process of clearance and forwarding leads to improve the performance of the organization
- Improvement in the documentation process of export will lead to better movement of goods.
- The export-import shipment process should be made easy for understanding and practical purposes to reduce the time.
- Import documentation process should be improved for the better movement of goods
- Filing of bills in advance should be reduced which will lead to cost issues.
- Communication flow (tracking) after the shipment process should be improved to evaluate the time delay and cost.
- Export -import shipment schedule should be done at a specified time to reduce time delay that will lead to high cost.

X. CONCLUSION

This present study revealed the factors affecting the forwarding and custom process. Freight forwarding is the business that specialize in lowering costs and facilitating the

logistics of transportation whereas custom clearance facilitates the export or import into the country, representing the clients during examination, assessment, payment of duty and delivery of cargo from customs after clearance. The variable of evaluation of forwarding and custom process such as time, cost and communication. The factors such as time, cost and communication, plays a major role in evaluating the forwarding and custom process. Hence, if the company will try to follow the given suggestions and recommendations then they can resolve the factors affecting the process and improve their process more in future.

XI.

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