

A STUDY ON PROBLEMS FACED BY THE CUSTOMS HOUSE AGENTS IN THOOTHUKUDI DISTRICT

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ABSTRACT

A country's ability to trade globally depends on its traders' access to global freight and logistics networks and efficiency of a country's supply chain (in cost, time and reliability) depends on specific features of its domestic economy (logistics performance). Today's international trade is not only highly competitive but also dynamic, a necessary responsive framework to make exports compete globally is essential. Countries cannot live in isolation. They have to mutually share their prosperity, technical know-how and undertake trade in order to sell their surplus products. The world economy is the interdependent economic progress of a nation would depend upon its ties with other countries maintain trade relations with each other. Hence in this paper an attempt has been made to analyze what are the problems faced by the customs house agents in Thoothukudi District.

KEYWORDS: *Global Freight, Logistics Networks, Efficiency*

INTRODUCTION

The growth of an export and import are invariably linked with the problems faced by the customs house agents. The problems differ from place to place and between one business group and another. The problems may relate to stuffing the goods in the container, customs clearance, and dealing with ICD/CONCOR. All these problems ultimately affect the overall performance of a businessman or a group of men. The better performance of the export and import leads to higher growth in terms of investment and employment. Hence, an attempt is made in this article to analyze the problems faced by customs house agents in Thoothukudi District.

OBJECTIVES OF THE STUDY

- To examine the problems faced by the customs house agents in Thoothukudi District.
- To find out the solution for the problems faced by the customs house agents in Thoothukudi District and
- To offer suggestions and conclusion for the present study.

METHODOLOGY

In order to study the problems faced by the customs house agents for the respondents were chosen by proportionate random sampling method is used.

Tools of Analysis

Percentage analysis and Garrets Ranking Technique have been used to analyze the factors influencing the problems faced by the respondents' when dealing with ICD/CONCOR. Under Garrett's Ranking Technique the percentage position is calculated by using the following formula

$$\text{Percentage position} = 100 (R_{ij} - 0.5 / N_j)$$

Where

R_j = Ranging given for i th variable by the j th respondent

N_j = Number of variables ranked by the respondent.

Problems Faced while Stuffing the Goods in the Container

It is seen from the table that among the respondents 92.00 percent faced the problem 'uneven size of packages' followed by 89.33 percent of the respondents faced the problems 'Gargo damage' 80.67 percent of the respondents faced 'poor quality of carton used', 28 percent faced 'pilferage' and finally 25.33 percent of the respondents face 'shutout of the cargo', Thus the study showed that majority of the respondents faced the problem of an even size of packages.

Table 1: Problems Faced While Stuffing the Goods in the Container

S. No	Problems	No. Of Respondents	Percentage to Total
1.	Cargo damage	134	89.33
2.	Pilferage	42	28.00
3.	Poor quality of carton used	121	80.67
4.	Uneven seize of packages	138	92.00
5.	Shut out of the Cargo	38	25.33

Source: Primary Data

Note: Multi response 150

Lack of adequate resources and equipment to handle volumes, lack of physical infrastructure at interchange points, inconsistent service level are the major problems while stuffing the goods in the container.

Not all merchandise can be conveniently containerized and the shipper has to provide capital outlay to adopt his production process/ premises/ packaging etc. To suit the restrictive dimensions/ weights imposed by the container.

Problems Faced During Custom Clearance

It is noticed that among the respondents, 92.67 percent faced the problem of overvaluation of goods, 77.33 percent of the respondents undervaluation of goods, 80.67 percent of the respondent's difference in the marks and numbers and 87.33 percent changes in the description of goods.

Table 2: Problems Faced during Custom Clearance

S. No	Problems Faced	No. of Respondents	Percentage to Total
1.	Over valuation of goods	139	92.67
2.	Under valuation of goods	116	77.33
3.	Difference in the marks and numbers	121	80.67
4.	Changes in the description of goods	131	87.33

Source: Primary Data

Note: Multiple responses 150

It also indicates that improvement in quality standards of logistics services and competence of the country's logistics sector participants is lagging when compared with global standards. India needs an accelerated development of logistics infrastructure; focused measures to push up EXIM volumes by the Government and serious initiatives to improved competencies and quality of services by logistics sector participants are the need of the hour to avert this decline on global logistics performance.

Problems Faced when Dealing with ICD/CONCOR

The following table explains the problems faced when dealing with ICD and CONCOR for the Garrett Ranking used for the present paper.

Table 3

S. No	Kinds of Problem	Rank										Total No. of Respondents	Total Score	Mean Sore	Rank
		1	2	3	4	5	6	7	8	9	10				
1.	High cost	35	31	23	18	10	5	7	6	11	4	150	15438	61.75	II
2.	Customs problems	35	20	13	15	11	13	17	7	13	6	150	14498	57.99	V
3.	Labour problems	37	26	17	11	10	8	13	11	12	5	150	14929	59.71	III
4.	Limited space in warehouse	26	23	24	17	7	11	25	11	4	2	150	14754	59.01	IV
5.	Truck availability	23	28	14	11	7	4	20	12	14	17	150	13346	53.38	IX
6.	No heavy handling equipments	28	20	11	7	17	11	23	16	11	6	150	13794	55.17	VII
7.	EDI failure	33	31	26	16	14	11	9	4	2	4	150	16586	66.34	I
8.	Cargo safety & security problem	24	22	23	16	13	15	10	7	9	11	150	14341	57.36	VI
9.	Service failure	19	17	25	13	29	6	4	11	8	18	150	13537	54.14	VIII
10.	Shipment Assessment delay	20	14	14	12	8	16	17	12	22	15	150	12684	50.73	X

Source: Primary Data

SUMMARY OF FINDINGS

Regarding the problems faced by the customs house agents indicates that out of 150 respondents majority of 92 percent of them are faced the problem of the uneven size of packages of the products. In the case of problems faced by the respondents during customs clearance shows that maximum 92.67 percent of the respondents are faced the problem of overvaluation of goods. Regarding the problems faced by the respondents when dealing with ICD/CONCOR observed that EDI failure is a major problem faced by the respondent followed by the high cost and labor problem respectively in Thoothukudi District.

SUGGESTIONS

In order to overcome the problems faced by the customs house agents, the following measures are recommended

It is understood from the analysis that the uneven size of the package is the major problem confronted by the respondents. Problem faced during custom clearance by the respondents overvaluation of goods is the next major problem followed by EDI failure and high cost dealing with ICD/CONCOR. In order to solve these problems, it is suggested that the existing price preference provided by the Government should be implemented.

CONCLUSIONS

Thus, it may be concluded from the findings that the number of registered customs house agent's employment generation, total investment made and export and import have been increased tremendously in Thoothukudi District. The main problems faced by the custom house agents was in the uneven size of the package of goods in the container, overvaluation of goods and EDI failure are found in the study.

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